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**SITTING DAYS—2015**

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FORTY-FOURTH PARLIAMENT
FIRST SESSION—FIFTH PERIOD

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

Senate Office holders
President—Senator Hon. Stephen Parry
Deputy President and Chair of Committees—Senator Gavin Mark Marshall
Leader of the Government in the Senate—Senator Hon. Eric Abetz
Deputy Leader of the Government in the Senate—Senator Hon. George Henry Brandis QC
Leader of the Opposition in the Senate—Senator the Hon Stephen Conroy
Manager of Government Business in the Senate—Senator Hon. Mitchell Peter Fifield
Manager of Opposition Business in the Senate—Senator Claire Moore

Senate Party Leaders and Whips
Leader of the Liberal Party in the Senate—Senator Hon. Eric Abetz
Deputy Leader of the Liberal Party in the Senate—Senator Hon. George Henry Brandis QC
Leader of The Nationals in the Senate—Senator Hon. Nigel Scullion
Deputy Leader of The Nationals in the Senate—Senator 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
Chief Government Whip—Senator David Christopher Bushby
Deputy Government Whips—Senators David Julian Fawcett and Anne Sowerby Ruston
The Nationals Whip—Senator Barry James O’Sullivan
Chief Opposition Whip—Senator Anne McEwen
Deputy Opposition Whips—Senators Catryna Louise Bilyk and Anne Elizabeth Urquhart
Australian Greens Whip—Senator Rachel Siewert
Palmer United Party Whip—Senator Zhenya Wang

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

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

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

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

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

**PARTY ABBREVIATIONS**

AG—Australian Greens; ALP—Australian Labor Party;
AMEP—Australian Motoring Enthusiast Party; CLP—Country Liberal Party;
FFP—Family First Party; IND—Independent, LDP—Liberal Democratic Party;
LNP—Liberal National Party; LP—Liberal Party of Australia;
NATS—The Nationals; PUP—Palmer United Party
Heads of Parliamentary Departments
Clerk of the Senate—R Laing
Clerk of the House of Representatives—D Elder
Secretary, Department of Parliamentary Services—C Mills
Parliamentary Budget Officer—P Bowen
<table>
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<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>Minister Assisting the Prime Minister for the Public Service</td>
<td>Senator the Hon. Michaelia Cash</td>
</tr>
<tr>
<td>Minister Assisting the Prime Minister for Women</td>
<td>The Hon. Charles Porter MP</td>
</tr>
<tr>
<td>Parliamentary Secretary to the Prime Minister</td>
<td>The Hon. Alan Tudge MP</td>
</tr>
<tr>
<td><strong>Minister for Infrastructure and Regional Development</strong></td>
<td>The Hon. Warren Truss MP</td>
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<tr>
<td>(Deputy Prime Minister)</td>
<td>The Hon. Jamie Briggs MP</td>
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<tr>
<td>Assistant Minister for Infrastructure and Regional Development</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>
</tr>
<tr>
<td>Parliamentary Secretary to the Minister for Foreign Affairs</td>
<td>The Hon. Steven Ciobo MP</td>
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<tr>
<td>Parliamentary Secretary to the Minister for Trade and Investment</td>
<td>The Hon. Steven Ciobo MP</td>
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<tr>
<td><strong>Minister for Employment</strong></td>
<td>Senator the Hon. Eric Abetz</td>
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<tr>
<td>(Leader of the Government in the Senate)</td>
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<tr>
<td>Assistant Minister for Employment</td>
<td>The Hon. Luke Hartsuyker MP</td>
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<tr>
<td>(Deputy Leader of the House)</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</strong></td>
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<tr>
<td>(Vice-President of the Executive Council)</td>
<td>Senator the Hon. George Brandis QC</td>
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<tr>
<td>Minister for Justice</td>
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<tr>
<td><strong>Treasurer</strong></td>
<td>The Hon. Joe Hockey MP</td>
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<tr>
<td><strong>Minister for Small Business</strong></td>
<td>The Hon. Bruce Billson MP</td>
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<tr>
<td>Assistant Treasurer</td>
<td>The Hon. Joshua Frydenberg MP</td>
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<tr>
<td>Parliamentary Secretary to the Treasurer</td>
<td>The Hon. Kelly O'Dwyer</td>
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<tr>
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<td>Senator the Hon. Richard Colbeck</td>
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<td><strong>Minister for Social Services</strong></td>
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<tr>
<td>(Manager of Government Business in the Senate)</td>
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<td>Parliamentary Secretary to the Minister for Industry and Science</td>
<td>The Hon. Karen Andrews MP</td>
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<tr>
<td><strong>Minister for Defence</strong></td>
<td>The Hon. Kevin Andrews MP</td>
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<tr>
<td><strong>Minister for Veterans' Affairs</strong></td>
<td>Senator the Hon. Michael Ronaldson</td>
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<tr>
<td>Minister Assisting the Prime Minister for the Centenary of ANZAC</td>
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<td>The Hon. Malcolm Turnbull MP</td>
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<tr>
<td>Minister for Immigration and Border Protection</td>
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<tr>
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<tr>
<td>Minister for the Environment</td>
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<tr>
<td>Parliamentary Secretary to the Minister for the Environment</td>
<td>The Hon. Robert Baldwin MP</td>
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<tr>
<td>Minister for Finance</td>
<td>Senator the Hon. Mathias Cormann</td>
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<tr>
<td>Special Minister of State</td>
<td>Senator the Hon. Michael Ronaldson</td>
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<tr>
<td>Parliamentary Secretary to the Minister for Finance</td>
<td>The Hon. Michael McCormack MP</td>
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Tuesday, 10 February 2015

The PRESIDENT (Senator the Hon. Stephen Parry) took the chair at 12:30, read prayers and made an acknowledgement of country.

DOCUMENTS

Tabling

The Clerk: Documents are tabled pursuant to statute and returns to order. 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

Economics References Committee

Legal and Constitutional Affairs References Committee

Meeting

The Clerk: Committees have lodged proposals to meet as follows: the Economics References Committee for a public meeting tomorrow at 9.30 am and the Legal and Constitutional Affairs References Committee for a private meeting tomorrow at 1.50 pm.

The PRESIDENT (12:31): I remind senators that the question may be put on any proposal at the request of any senator.

BILLS

Tax Laws Amendment (Research and Development) Bill 2013

In Committee

Debate resumed.

The CHAIRMAN (12:32): The Senate is considering the Tax Laws Amendment (Research and Development) Bill 2014 and amendments (1) and (2) on sheet 7618 moved by Senator Wang and amendment (1) on sheet 7650 moved by Senator Carr.

Senator KIM CARR (Victoria) (12:32): Yesterday the government was trying to assert that the opposition's concerns on this matter, my personal concerns on this matter, were about fighting old battles. I think it is important to state for the record that the minister of course has completely misread this situation. This is not about fighting old battles. It is an argument about what sort of country we want this to be. Unlike my colleagues on the other side of the chamber, Labor recognises that investments in innovation are critical to the future prosperity of this nation. In advanced industrial economies, innovation is the chief driver of increases in productivity. It makes firms more competitive and it sustains high-skilled, high-wage jobs.

According to the Australian innovation system report, innovation almost doubles the likelihood of productivity growth in Australian businesses. Firms that innovate are 78 per cent more likely to report increases in productivity over the previous year, and firms that collaborate with research organisations are almost 2½ times more likely to report increases in productivity. Without a strong innovation system, Australia will not be able to build a diverse economy.
The perfidy of this government absolutely astounds me. As the minister is well aware, the amendments before the chamber in the name of the Palmer United Party were actually drafted by the government. They have been undertaken without consultation. According to Treasury officials who appeared before the Economics Legislation Committee, there has been no modelling undertaken to support them. There has been no consideration of the impact on future R&D investment and no concern for R&D intensive firms that have hired R&D workers and sought approval for R&D activities in future years on the basis of the current legislation. So this is not about fighting old battles; it is about fighting for what sort of country we want this to be.

What we do know is that it is the largest firms that undertake the most extensive R&D in this country and that the government's assault upon those firms will do untold damage to our R&D effort. We saw this pattern in previous times. We saw it in 1996, when the incoming Liberal government accepted carte blanche the advice of Treasury and cut the R&D incentives. The consequences were felt for years.

We know particularly that manufacturing businesses will be affected, at a time when they need all the help they can get. I find it extraordinary that the minister yesterday, at the last minute, suggested to us that there was modelling undertaken, despite what we were told at the Economics Legislation Committee. I would suggest that 30 years of data demonstrates that the incentive for R&D supports growth and jobs. R&D cuts in 1996 impaired R&D spending for at least five years. The statistics show that R&D spending dropped by nine per cent from 1996 through to 2000. Jobs associated with R&D fell throughout this period, particularly in manufacturing and mining. That is what the official reports told us.

So, Minister, now that you say there has actually been modelling undertaken, contrary to what Senator Carr is trying to suggest, he is fighting old battles. He continues to run his vendetta against former Prime Minister Julia Gillard and former Treasurer Wayne Swan. Former Prime Minister Julia Gillard and former Treasurer Wayne Swan decided that it was not appropriate for businesses making more than $20 billion in profits a year to get a 133 per cent tax deduction. They thought it would be appropriate for companies in those circumstances to only get a 100 per cent tax deduction for their research and development expenditure.

We have had a lot of rhetoric from Labor in recent times on how we ought to ensure that larger businesses, multinational businesses, pay their fair share of tax, and here we have Senator Carr fighting for a 133 per cent tax deduction for businesses earning more than $20 billion a year, instead of a 100 per cent tax deduction. We do not think that is fair. We do not think that is appropriate. We understand that former Prime Minister Gillard and former Treasurer Wayne Swan shared that view. They actually reflected that view in their last budget. In the 2013-14 budget, that was what they initiated and what they banked by way of savings in the budget.
We have not been able to get the support of Labor for their own savings measure. Senator Carr personally rolled Mr Shorten, who was too weak to stand up to Senator Carr and who was too weak to do the right thing in the national interest—which was what former Prime Minister Gillard and former Treasurer Wayne Swan were prepared to do in relation to this matter. That is why the Labor Party are taking the reckless and irresponsible position they are taking here in this chamber today.

That is also why we have engaged constructively, positively and in good faith with crossbench senators who, like us, want to ensure that tax incentives for research and development are better targeted. That is why we have worked with the Palmer United Party and other crossbench senators to come up with a structure that ensures that the adjustment is fair between those businesses that predominantly generate their profits in Australia and those businesses that perhaps predominantly generate their profits in other parts of the world.

Senator Carr has asked how many businesses will be impacted. The answer is less than 25—less than 25 of the largest businesses operating here in Australia.

What we are actually dealing with—I know the shadow minister went back to some issues that we traversed at length yesterday—are the amendment before the chair, which is Senator Carr's amendment, where he seeks to substitute 1 July 2014 in the Palmer United Party amendment with 1 July 2016. We have to remember that, when Labor initiated and banked this savings measure in the budget, the starting date was 1 July 2013. By the time we went to the election in September 2013, Labor had failed to legislate their own savings which they initiated and banked in their budget. We are now here doing Labor's work for them, with Labor opposing us all the way and playing politics. This amendment is an implicit recognition that what we are trying to do is right, because clearly Senator Carr is working on the basis that this legislation will go through. He just wants to delay the start date by another two years. We have said in good faith, given the delays, that 1 July 2013 is no longer appropriate but 1 July 2014 is because, of course, we are in the 2014-15 financial year.

So the government will oppose the amendment circulated by Senator Carr. We will support the two amendments circulated by Senator Wang on behalf of the Palmer United Party, and we would urge all senators to do the same.

Senator KIM CARR (Victoria) (12:42): Minister, you say there are 25 businesses affected by this measure. How many consolidated groups are affected?

Senator CORMANN (Western Australia—Minister for Finance) (12:42): Senator Carr, it is a matter for individual businesses how they organise their corporate structures. You know the sorts of businesses that we are talking about here: the BHPs, the banks and the Rio Tintos. And here we have the Greens and Senator Milne fighting for bigger tax breaks for the big resources companies, the big banks and big oil and gas. That is what the Greens are doing. We have Senator Milne out there fighting for a tax refund for big oil. That is the Greens in 2014—quite extraordinary, really, and quite unbelievable. The hypocrisy is breathtaking. But the point here is that it is a matter for individual businesses how they structure their corporate affairs. That is not a matter for the government.

Senator KIM CARR (Victoria) (12:43): Minister, the whole point of this exercise is to establish just how much you understand your amendment. It is no good blaming the PUP; they are not even here. The PUP have not even spoken in favour of this amendment. They
have not said one word in support of this amendment. This is the government's amendment, drafted by the government for the benefit of the government. You have an obligation to explain to this chamber the consequence of this measure. You say there are 25 businesses affected—25.

Senator CORMANN (Western Australia—Minister for Finance) (12:43): Less than 25.

Senator KIM CARR (Victoria) (12:43): Less than 25? Okay. Then, of course, you say that you cannot tell how many consolidated groups would be affected. I put it to you, for instance, that Wesfarmers would be one business; it is made up of a number of firms. There are many manufacturing businesses associated with the consolidated group around Wesfarmers. Is that part of the 25? There are a number of others. Rio Tinto has a whole series of firms associated with it. Is that part of the 25 or is that one firm?

You see, that is the point here. We would like to know precisely how your amendment will work. We want to know the number of firms and, of course, from that we will be able to tell how many employees this involves and the firms' investment in R&D, to make some judgement as to whether or not the Treasury advice that you are relying upon is a reasonable basis on which we should make a judgement.

I say to you, Minister: while you are on the topic, you can perhaps tell me: in the last 20 years, pick one year in which the Treasury advice on expenditure on R&D has actually been correct and accurate. Just pick one year and tell me which year that is—because this is the basis on which you are now asking us to make a judgement. You say it is fewer than 25 firms, yet you cannot tell us who they are. Naturally enough, you will tell me, 'Oh, it's confidential.' I put to you that the sorts of companies we are talking about—BHP Billiton, Wesfarmers, Woolworths, Rio Tinto, National Australia Bank, Commonwealth Bank, ANZ, Westpac, Telstra, AustralianSuper, Caltex, BP, Shell, Xstrata and QBE—are firms that undertake major investments in R&D in this country. There are considerably more than 25 firms tied up in that list that I have read to you.

So, Minister, how many firms is it really? Are we talking about firms or consolidated groups? What is the level of investment that those firms would claim for collectively?

Senator CORMANN (Western Australia—Minister for Finance) (12:46): Senator Carr is just throwing around red herrings. Senator Carr knows very well that it is absolutely a standard procedure, that it is absolutely the consistent application of relevant methodology, for consolidated groups to be the basis on which to claim the refundable tax offset.

Senator Kim Carr: Oh, so we are talking about consolidated groups?

Senator CORMANN: Of course we are. That is actually not a big revelation; that is actually what matters. It is absolutely consistent—it is absolutely standard procedure to assess these things at the level of consolidated groups. Otherwise, if you do not, you actually facilitate and encourage all sorts of manoeuvring to avoid relevant tax and other obligations, which I am sure Senator Carr would not want to be party to encouraging.

If Senator Carr does not like the methodology put forward by the Palmer United Party, which the government has agreed with, it is free to him to say that he would prefer to go down the path of the original Gillard-Swan Labor government measure. If Senator Carr is saying, 'Actually, I'm really worried about this alternative way of doing it,' the objective of which is to ensure that, whether you are a business operating out of Australia that generates most of its
profits in Australia or whether you are a business operating in Australia which generates large parts of its profits in other parts of the world, you are going to be treated the same, that is the effect of using a cap instead of the assessable income methodology. If you say you prefer to go back to the assessable income methodology, tell us now and we will pass the legislation based on the way that Labor initiated it and banked it in their last budget.

But I suspect that that is actually just another red herring, because you have rolled your leader, Mr Shorten. You have rolled him, where Julia Gillard and Wayne Swan were strong enough to stand up to you in the national interest. You are just here, joined with Senator Milne, trying to keep up a special interest for rent seekers that are particularly profitable.

Senator Kim Carr: BHP are rent seekers, are they? BHP are now rent seekers?

The CHAIRMAN: Order!

Senator CORMANN: You are here protecting a special interest for companies generating more than $20 billion in assessable income. That is what you are doing, and you are doing it as part of your ongoing political battle inside the Labor Party against Julia Gillard and Wayne Swan—and everybody knows it.

Senator MILNE (Tasmania—Leader of the Australian Greens) (12:49): I think we have just seen from the minister the kind of performance that is the reason that the Australian community is so fed up with the Abbott government. Minister, you can stand in here and go on with your ill-considered ideological rhetoric and what you think are effective pre-formulated attacks on Labor and the Greens, but you are not answering the questions and this Senate is absolutely being treated with contempt. To stand there and say that these are the PUP amendments is a joke. The senator who moved this amendment is not even in the chamber, because he cannot explain it; he has no idea whatsoever what he is putting to the Senate. Why? Because you wrote it for him—Treasury wrote it for him; you gave it to him; you gave it to the Palmer United Party. They stood up and moved it; they could not answer a single question on it. If you stood Senator Wang in here, he would not be able to answer a single question about which companies he is excluding or why he is taking $1 billion out. If he can, he should be in here.

Senator O'Sullivan: On a point of order, Mr Chairman, the rules are clear in terms of casting aspersions upon other members in this place. I do not think you could make a graver allegation against another member in this place than the one that has been presented by the senator.

The CHAIRMAN: I do not think there is a point of order, Senator O'Sullivan.

Senator MILNE: I would challenge Senator Wang to come in here and explain his amendment and defend it, instead of leaving it to the minister, who wrote it and who gave it to him, to now be explaining it.

I want to come back to the essential thing here, and that is that the Greens never supported the change. One of the reasons they did not legislate it is that we would not have supported it—and we do not. I do not want to see $1.1 billion taken out of supporting research and development in this country. Let me put that firmly on the record. We want to see more targeted research and development, but we do not want to see you ripping $1 billion out of research and development in this country, and that is precisely what Senator Cormann, the minister, stands for. Ripping up money going into the CSIRO, taking money out of our
universities, taking money out of research and development and handing it back as fossil fuel
subsidies—that is what we have from the government.

Everybody knows, if you are going to get away from being an economy which is 'dig it up,
cut it down and ship it away', you have to invest in education and research and development.
You have to make sure that that happens. That is what the Greens want to see, and that is why
I moved last night to make sure that small businesses, those drivers of real innovation, of
cutting edge innovation, can benefit in the way that they sought to—and the government just
showed absolute contempt for that. And what we are seeing from you, Minister, is very much
the vandals coming over the wall—but this time they are coming over the wall with cigars in
their mouths and in sedan chairs. And that is what the community does not like. They are sick
of it, and they want to see some equity.

I would like to get back to a serious question—Senator Carr asked it, and I am asking it
now: who are these 25 companies that are going to be affected? Is Telstra one of them? I want
to read you what Telstra had to say. They said:

As a proud Australian company and one with an increasing global footprint, the R&D tax incentive has
been one of the reasons behind Telstra's commitment to undertake the majority of our R&D work
onshore.

R&D investment, according to the submissions to the committee—not Telstra submissions
but general submissions to the committee—highlighted that not only will R&D investment go
offshore, hurting our economy; it will mean that estimated savings will not actually
materialise because of the impact on longer term growth to the economy. The focus on
removing incentives for larger companies makes this very likely because they are most able to
offshore research. That is the first thing. So if you take this money out of here, you will see
the research, the innovation, the intellectual property develop offshore. That is the last thing
you want if you are transitioning your economy. Secondly, smaller and medium enterprises
and public institutions such as CSIRO and universities will be hurt by the changes because of
the flow-on impact—as I said in my second reading speech. The University of New South
Wales, for example, gave evidence at the inquiry that 30 per cent of its research effort is
backed by companies directly affected by this bill.

So let's hear from the minister what the difference is between what the government put up
and what, supposedly, Senator Wang put up. He said last night that there were marginal
differences in the number of companies and only marginal differences in the amount they are
expected to receive. Well, let's hear it. I want to know exactly the differences. Which
companies will now be captured that were not captured before and vice versa? I want to know
exactly about the money. You have supposedly done the modelling, so let's hear it. Give us
some specifics instead of just standing there pontificating and protecting people who cannot
even be interested enough to turn up to the debate in the Senate.

Senator CORMANN (Western Australia—Minister for Finance) (12:55): I confirm again
that Australia's largest and most profitable businesses are large and profitable and do large
research and development. Our advice and the advice that was available to the previous
government is that they are not as sensitive to tax incentives, tax subsidies, as small and
medium sized firms. That is why the previous Gillard Labor government made a judgement to
better target the tax incentives for research and development. And that is because small and
medium sized firms are more responsive to incentives— that is what the OECD has found. Again, that is the policy intent and rationale for this Labor Party savings measure.

With this legislation, which was 100 per cent consistent with Labor's original measure, the methodology used was to essentially make the adjustment where the special tax incentive was no longer available for businesses that generated more than $20 billion in assessable income a year. The issue raised with us by the Palmer United Party is this: an Australian company that generates more than $20 billion of its assessable income in Australia will lose this additional incentive whereas a company that generates $5 billion or $10 billion in assessable income in Australia but $20 billion, $30 billion or $40 billion in income which is not part of the Australian tax jurisdiction is not impacted in the same way. That is why they have said to us it would be fairer, from their point of view, if we used a different methodology to achieve essentially the same outcome, and that is to use a cap up until which the higher tax incentive is available and above which the higher tax incentive is no longer available. So, up to $100 million in benefit from the taxpayer to a particular business, the tax deduction available is 133 per cent. Above $100 million in benefit from the taxpayer, the tax deduction falls back to 100 per cent—not nothing, not zero, just 100 per cent instead of 133 per cent. That was not our initial approach, but that is the approach which we believe has the support of the Senate. It achieves a similar outcome.

And now Senator Milne and Senator Carr have invited me to give them an exhaustive list of the companies that are likely to be impacted by this. Of course, they know that there are confidentiality provisions that prevent me from doing so and it depends on the tax affairs of particular companies in a particular year. It is obviously very hard to make a conclusive judgement in relation to this because it does depend on what happens on a whole range of fronts. Having said that, Treasury has costed this measure, it has costed this amendment, it has modelled the impact of this amendment; and the advice that we have got is that fewer than 25 businesses in Australia are likely to be affected, that this will broadly achieve the same saving and that, broadly speaking, the businesses impacted are likely to be in the same category. So that is the advice, that is what I put openly and transparently to the Senate, and it is up to the Senate to make its judgement.

Senator MILNE (Tasmania—Leader of the Australian Greens) (12:59): So we are told that it broadly achieves the same, that broadly the companies are in the same category. But essentially we get the same outcome. So, broadly, you would say that Malcolm Turnbull and Tony Abbott are in the same category. Broadly, you would say we will get essentially the same outcomes. The community have a view that 'broadly' and 'essentially' are not the same thing. So I would like to know: what is the difference? That is what we are asking here.

One piece of legislation went to a committee. It was a farce, but it went to the committee at least. Now we have amendments which have not gone to committee, which nobody knows, and the person who is putting forward the amendments has not turned up in the chamber, has not made a speech on them and does not know anything about them. We are asked to be assessing because the minister says they are broadly the same, with essentially the same outcome and approximately the same set of companies. We have not had the opportunity to test what the real difference is between what the government has proposed and what Senator Wong, who has not even turned up here, is proposing.
I do not think the community is going to buy it. In the parliament you need more than 'broadly', and 'Essentially, it is the same,' and, 'It is similar,' and, 'Just take it from me; take my word for it.' It has not gone to the committee. If you are not prepared to tell us what 'essentially the same', 'broadly speaking', 'broadly achieves the same', and 'broadly the same categories' mean, then you are asking people to buy a pig in a poke. And we are not going to do that.

**The CHAIRMAN:** The question is—Senator Carr?

**Senator KIM CARR** (Victoria) (13:00): I thought the minister might be responding, but, clearly—

**Senator Cormann:** We could go round and round in circles all day.

**Senator KIM CARR:** We will not be going around in circles. I think we are entitled to have specific answers to specific questions. You have indicated that these measures have now been modelled. What is the nature of that modelling? You indicated that it is 25 firms, and then you tell us that maybe it is 25 consolidated groups.

**Senator Cormann:** I didn't say 'firms'; I've never said 'firms'.

**Senator KIM CARR:** You have said 'firms'. I asked specifically, 'How many firms?' You told me 25. I then went on to say, 'Do you mean consolidated groups?' You are confusing the two. It is quite clearly not 25 firms. How many firms is it, then?

**The CHAIRMAN:** The question is—Senator Carr?

**Senator KIM CARR:** I have asked a question. Are we not answering it at all? Is this the minister's new technique—that he just refuses to answer? How many firms are affected by this measure, and what is the nature of the modelling that you claim has now been undertaken?

**Senator MILNE** (Tasmania—Leader of the Australian Greens) (13:02): This is a pattern of behaviour that the government has adopted—as I said, very much the cigar smoking in the sedan chair with complete contempt for the Senate. The fact is that government has done this on a number of occasions, and I am just going to point it out for all and sundry, and that is: to just sit there and refuse to answer the questions, to leave the people answering the questions to ask in consecutive order because nobody else is here to support them, and then to use the chair—not in your case, Mr Deputy President, but in other cases—to call the order in terms of how many questions are asked without an intervention and get a vote on the issue. This is contempt of the Senate. We want answers to the questions. It is surely not too hard for the minister to actually answer the questions. I have asked him: what is the difference between what he is proposing and what Senator Wong is proposing, because what Senator Wong is proposing, via the minister, has not been to a Senate committee. There has been no opportunity, other than this stage in the committee, to have that, and so I am going to ask specifically: is Telstra one of the companies that would have been captured by both, and, having assumed that it is, will the minister say why a company like Telstra would now not take their R&D offshore and therefore undermine the research capacity of places like the University of New South Wales and other universities around the country? Why won't that occur? Secondly, did the minister consult with AusBiotech or any other of the umbrella groups for small research and development companies about quarterly payments, or did he just arrogantly decide to dismiss it on the basis of intuition?
Senator CORMANN (Western Australia—Minister for Finance) (13:04): What is going on now, I will just place on record, is a desperate attempt at a joint filibuster by the Labor-Greens coalition. And Senator Milne just misled the Senate. She just indicated to the Senate that the Palmer United Party amendment never went to the Senate committee. Well, it actually did go to the Senate committee. When we circulated the amendments towards the end of last year, Senator Xenophon asked me to facilitate a briefing by Treasury and relevant others to all interested members of the Senate economics committee. It was a very productive and constructive meeting. The government absolutely acted in good faith. Our preferred approach was to go down the path that Labor initiated and banked in their last budget. But because Labor under Bill Shorten’s leadership is too weak to stand up for the national interest and too weak to do what needs to be done to repair the budget and strengthen the economy, we are in the situation where we have no choice but to negotiate with the crossbench.

I have answered these questions many times before, and if you go over Hansard you will see that I have. You asked me again: what is difference between what the government is proposing and what the Palmer United party amendment is proposing to achieve? The policy intent behind both approaches is to ensure that special tax incentives for research and development are properly targeted—that they do not go to the biggest, most profitable businesses but are appropriately targeted to small and medium-sized businesses where the research, including through the OECD, consistently shows that those incentives actually make a difference. The approach that we put forward in our legislation was for any business with an assessable income—relevant profits above $20 billion—to be excluded from the 133 per cent tax deduction and to only be eligible for 100 per cent tax deduction for their expenditure on research and development.

As to the issue that was raised—and, again, we have gone round and round in circles in relation to this, and I have been very clear in relation to this—the Palmer United Party said to us: ‘What we worry about is that that means that, if you generate most of your profits in Australia, you are slightly disadvantaged compared to a business that generates some profits in Australia but most of their profits in other parts of the world.’ They asked us to consider whether we could achieve the same policy intent using a different methodology, and that is by putting a cap on the special benefit that is available to larger businesses for their research and development expenditure. The cap that is on the table is a $100 million cap, and the advice from Treasury is that that means that we will generate broadly the same savings, and that broadly the same businesses, the same companies, will be impacted.

Senator Carr is trying to confuse people and run red herrings about firms and consolidated groups. The truth is that these things are always, consistently, as a matter of standard operating procedure, assessed at the level of consolidated groups. That is the way this works. No amount of red herrings is going to distract from the fact that this is a very personal agenda that Senator Carr continues to run against the former Prime Minister and the former Treasurer. I am not interested in getting in the middle of Labor Party factional infighting. I am totally not interested in that. I am interested in doing the right thing in the national interest. All I am interested in is progressing a budget measure that was initiated and banked by Labor in their last budget. We are doing Labor’s hard yards for them, even though Labor has turned against themselves on this.
Senator KIM CARR (Victoria) (13:08): The statements that the Minister for Finance has made are quite erroneous in a number of ways. The specific inquiry that Senator Milne and I are seeking to prosecute with you is the detail of the modelling that you claim has been undertaken. It is true that I do have some interest in this topic. I have been pursuing these questions for the better part of 20 years while a member of this parliament. That is why I can say with certainty that Treasury has never ever, not once, got it right when it comes to their projections on R&D expenditure—not once in 20 years.

Senator Cormann: Projections are projections.

Senator KIM CARR: Projections are certainly projections, and now the minister is saying to us that he has relied upon these experts, who have never once got it right in 20 years, to now tell us that you have done this modelling which will produce a particular result. He cannot even tell us the number of firms that are directly affected, and he says, in the broadest of terms, it might have the same impact as our original intention. He further goes on to say that it is exactly the same as what the Labor Party wanted to do. Of course that is not true and the minister knows that is not true. The Labor Party was developing a jobs package—over $1 billion worth of expenditure, investing in jobs in this country, which those opposite have scrapped. That is a point that the minister chooses to ignore.

I come back to the central proposition: Minister, will you table the modelling. While you are there, there is this other subsidiary argument that Treasury have been running for some years. As the minister says, I have some interest in this matter. When I was minister they did run this same modelling. It is not the argument you will find, of course, in other parts of the government—when you talk to the Department of Industry you will get an entirely different perspective. People who actually have to deal with enterprises and understand the importance of incentives in developing our industrial capabilities in Australia will take an entirely different view. The government maintains that large firms will invest in R&D regardless of whether or not they can access R&D incentives, but this is a well-furrowed field. The argument is flawed. There is evidence that smaller firms are more responsive to R&D tax incentives, but that does not equate with the alternative proposition that large firms are unresponsive. There is also evidence to suggest that large firms are able to make more effective use of incentives. This is historic evidence that, Minister, if you had more understanding of this issue you might appreciate. The evidence demonstrates that large firms are influenced by R&D incentives and the removal of those incentives risks having them offshore their R&D activities. That is what this government is really good at. One of their great achievements is exporting jobs, and this is another example of it. This is about how you export jobs. This is a government that takes the view that it does not matter what investment attractions you offer because the firms by divine right will come here. We know that is not the case.

International studies have demonstrated that firm size and R&D incentives are directly linked. R&D credits are effective in increasing R&D investments especially in large firms. Kroger in 2003, for instance, says that R&D tax credits are a great stimulus for R&D investment in large firms as compared to medium-sized firms. That is the point that has been made throughout the OECD literature. The Australian ABS highlights this—it demonstrates a clear link between changes in R&D incentives and regimes and large business investment in R&D. The historic evidence here is very clear, because the same sort of Treasury dogma was
accepted in 1996 when there was a previous Liberal government. The concession was reduced from 150 per cent to 125 per cent. As a consequence, R&D investment fell by 9.6 per cent—for large firms much more dramatically than for small firms. It was particularly important in the finance and insurance sectors. In 2001 the premium tax concession was introduced, encouraging increases in R&D investment. That was under a conservative government. Inevitably what will happen is that there will be a swing within the coalition at some point towards understanding that you have to correct the error of your ways on this issue.

That is the historic pattern. Between 2000 and 2002, large firms increased R&D investment by 43 per cent—much more dramatically than small firms increased their investment. R&D investment by large firms is particularly important in the finance services sector. Studies undertaken in other countries argue the same point. The Australian Innovation System Reports have highlighted this. They say that this is an initiative we took to ensure that this sort of data was collected. That is not something you will see from the Treasury, but it was material that we did see through the department of innovation. That showed that:

SMEs are lean innovators, accounting for a very small share of total investment in innovation, and are much less likely to generate new-to-the-world innovations. By contrast, large Australian businesses make up the majority of total investment in innovation, are much more likely to collaborate with the research sector and generate new-to-the-world innovations.

That is in the Department of Industry's *Australian innovation system report 2013* that I have here.

A survey conducted by the Australian government in 2005 found that large firms have the strongest focus on radical R&D, which involves costs with an order of magnitude higher than adapted off-the-shelf technologies when carrying out incremental R&D as typically undertaken by smaller enterprises. That information was found under your government, Minister. That was in *The R&D Tax Concession—impact on the firm: report on a survey of 116 firms* done in Canberra in October 2005.

The OECD 2011 *International experience with tax incentives* report looked at the effect of R&D incentives on the choice of location for R&D by multinational firms. Analysis of the data and R&D activities of multinational enterprises suggests that the growth rate of R&D by affiliates of multinational enterprises is higher in countries providing an R&D tax incentive than in those countries that do not offer such schemes. That again suggests that the decisions of multinational enterprises in conducting R&D in a particular country are correlated with the availability of tax incentives in that country and other potential destination countries. It is clear that when having two or more similar location alternatives, especially when such competition occurs within the region, government incentives tilt the investment decisions. The OECD 2011 report says that a study on US investments by US firms outside the US demonstrated that the R&D incentives were a driver to encourage investment outside the US.

Another report asks:

Are US tax incentives for corporate R&D likely to motivate American firms to perform research abroad?

The report results provided evidence that countries with tax based incentives for R&D and higher annual increases in R&D investments had more foreign affiliates of US firms than countries without such an investment.
When the changes to the R&D tax proposals were announced by this government, the French minister for innovation stated they had a competitive advantage and encouraged companies to invest in her country instead of Australia. She was directly pinching French firms and encouraging them to get their investment out of Australia and move it into France.

I am making the point to you, Minister, that you have misjudged this completely. This ideological obsession you have with reducing expenditure actually costs this country jobs. It costs opportunities. It undermines capabilities. You are expert at exporting jobs. You are exporting Australian jobs because of your obsessions and your dilettante behaviour in adopting the Treasury advice when all the evidence points to how wrong this approach is internationally and how the approach taken in this country where you are now seeking to repeat these mistakes will have to be changed again. I come back to the question: where is this modelling? When are you going to produce it?

**Senator MILNE** (Tasmania—Leader of the Australian Greens) (13:19): It is clear that the minister has no intention of answering any questions, so I shall try again. I asked who the minister had consulted with before making a decision not to allow the quarterly payments that would so help small businesses. I would like to know who you consulted with apart from Treasury, who apparently on this occasion have opposed it.

Secondly, I would like to know what modelling or research you have done on the impact of taking $1.1 billion out of research and development in Australia on small and medium enterprises and public institutions that depend on the flow-on impacts from investment in research and development. As I indicated before, quite often these corporations put money in but do it in conjunction with research institutions and universities as well as other small businesses. It is a collaborative approach. What modelling have you down on the impact of taking $1.1 billion out of research and development? I want to know about the flow-on effects to universities in particular, to the CSIRO and to other smaller and medium enterprises. I would like to know if Telstra is one of those corporations that are involved.

**Senator CORMANN** (Western Australia—Minister for Finance) (13:21): It is interesting that Senator Milne is now interested in modelling the economic impact from changes in policy because there is a significant and demonstrable growth impact on the economy which is very good for all of the firms that the Senator Milne is concerned about from scrapping the carbon tax. Scrapping the carbon tax will help all of these firms be more profitable, create more jobs, employ more Australians and invest more in research and development.

You are trying to make it harder for businesses to be successful and then want to give them a subsidy from the taxpayer. You want to make it harder for businesses to be successful, grow their businesses, employ more people and help us grow the economy more strongly and then, after you have done that, after you have hindered businesses from growing more strongly, you want taxpayers, the mums and dads of Australia, the working families of Australia, to help fund a special 133 per cent tax deduction for businesses generating more than $20 billion in assessable income. That is what you are doing.

Senator Carr, in his lengthy contribution as part of the Labor-Green filibuster, tried to suggest that the reason they were opposing this is that it was all supposed to be about the jobs package; this was not supposed to help repair the budget. He has misled the Senate again. I am quoting here directly former Treasurer Mr Wayne Swan from a speech he gave to the Australian Business Economists Breakfast on 22 February 2013. The title of the speech, if
you want to google it, Senator Carr, is 'Challenges and choices in a post-GFC world'. This is what he said, and I quote former Treasurer Mr Swan directly from when he was defending this measure which you are now opposing. Mr Shorten was too weak to force you to support it in the same way as Ms Gillard and Mr Rudd had forced you to support it. This is what Mr Swan said:

We said we would remove the R&D tax concession for large companies with a $20 billion Australian turnover or more, to ensure innovation spending is directed to where it will have the biggest benefit. This saving will also deliver benefits to the bottom line over and above funding the package – so it's a down payment on the repair that the budget needs.

So do not come in here with your confected outrage, attacking the coalition because we are doing the hard yards in progressing a budget measure which the Gillard Labor government, with Mr Swan as Treasurer, initiated, banked in their budget and failed to legislate. We understand what this is all about. You are running a factional war inside the Labor Party. You have told Mr Shorten that, unless he backs you on this, your personal vendetta, you would not be supporting him, and Mr Shorten rolled over. That is exactly what happened. In the past when I have said this, you had a big Cheshire-cat smile on your face because you felt quite proud of having been able to do that. Do you know what? That is the problem with the modern-day Labor Party under Mr Shorten. Mr Shorten does not have what it takes to put the national interest ahead of his political self-interests, trying to stay on top of the factional dynamics inside the Labor Party.

We cannot let the national interest get caught up in that. All we are doing is progressing a Labor Party budget measure, with a slight amendment in order to take into account some legitimate concerns that were raised, and facing up to the reality that Labor and the Greens are blocking everything and anything in the context of political self-interest.

Senator MILNE (Tasmania—Leader of the Australian Greens) (13:24): I will try again. I asked a specific question: who did you consult with when you decided to oppose quarterly payments? Can I please have an answer to that question? If there was any consultation, with whom did you consult? That is a more than reasonable question, because you have just really destroyed the hopes and aspirations of a lot of small to medium sized businesses who have argued very strongly that they needed this in order to make the kind of investment in research and development that they want. I think that it is more than reasonable that you answer the question. The second question I asked relates to the modelling on what it will do to universities and to research institutions.

As to your ludicrous proposition that abandoning carbon pricing helps these businesses, it is actually the exact opposite. Every innovative business in the country is looking towards the capacity building and new research that it needs to transition to a low-carbon economy. That is what they are doing. They are out there in the renewable energy field, in the energy efficiency field, in the alternative building materials field, in public transport, in systems thinking for changing design—all manner of things, including in agriculture and in cool storage. In all manner of things, people are looking at the innovation that you need to build resilience in the system in a world that is warming. And you, by tearing down carbon pricing, by throwing back to the fossil fuel age, have destroyed and sent offshore a huge number of our researchers already.
At a solar forum in Sydney, a fifth-year solar engineer got up and said that there is no future for her this country under the Abbott government and that she will have to go overseas because of the attack on renewable energy. Go to any of those forums and you will find small businesspeople standing there saying that their growth sector is in medium-scale solar rollout and that is being undermined by the Abbott government. If you are serious about jobs, then you would be moving full-on to build resilience to global warming and bring down emissions, because that will unleash a whole wave of innovation and research across the country. What you are doing is forcing them offshore. Part of your forcing them offshore is now not only taking $1.1 billion out of research and development but also not allowing small and medium cutting-edge businesses the ability to manage their cash flow in a way that enables them to further invest in research and development.

I again put to you, Minister: firstly, who did you consult on not pursuing the quarterly payments and taking it seriously? And, secondly, what is your modelling or what assessment have you got to indicate what is going to be the impact on universities, on public institutions such as the CSIRO and on small and medium enterprises as a result of these changes?

Senator CORMANN (Western Australia—Minister for Finance) (13:28): The first point I would make is that Senator Milne just does not take no from the Senate for an answer. She is still arguing the supposed merits of her amendment, which the Senate passed judgement on yesterday and rejected. We have in front of us an amendment put forward by Senator Carr that, instead of deferring the implementation starting date to 1 July 2014, in the Labor Party view it should be deferred to 1 July 2016. The whole argument and all of the issues that you have raised relate to an amendment which the Senate considered yesterday and has already rejected.

You ask whom we have consulted. I will tell you whom we have consulted. We consulted the Australian people in the lead-up to the last election. The policy that is in front of us was not only our policy but Labor Party policy in the lead-up to the last election. Do you know what?

That is the way democracy works here in Australia. And I know the Greens have trouble accepting democratic principle. I understand that the Greens would much rather be in charge, with their enlightened views that are so much better than anybody else's, and impose them on everybody else. But the way the system works here in Australia is that every three years we have an election, and every three years the Australian people make a judgement on who they want to be the government. And, as it happens, in the lead-up to the last election the Labor Party and the coalition both went to the election with a policy position, reflected in our costings, which suggested that we wanted tax incentives for research and development to be better targeted and not to go to those businesses generating more than $20 billion a year in assessable income.

Now, we have been going around and around in circles in relation to this. The Labor Party and the Greens, led by Senators Carr and Milne, clearly are desperate to keep the filibuster going. I am not going to continue to support this filibuster. I have been absolutely open and transparent on all of the legitimate issues that have been raised. I have provided an abundance of helpfulness—all the relevant information—and it is time that we bring this now to a close, I would have thought.
Senator KIM CARR (Victoria) (13:30): Minister, is it the government's intention to reduce the company tax rate by 1.5 per cent?

Senator Cormann interjecting—

Senator KIM CARR: It is a very relevant issue, because the original rationale that the government used for the reduction in the R&D tax concession was the proposition that the reduction in the company tax rate would mean that it would legitimise the reduction in the R&D tax concession.

Senator Cormann: That was a different measure.

Senator KIM CARR: No, it is a very similar measure. The government stated that it was its intention to link the two issues. Is it your intention to reduce the company tax rate?

Senator MILNE (Tasmania—Leader of the Australian Greens) (13:32): Well, it is clear that we are not going to get an answer to that. But I just want to go back to the minister's suggesting that it is not a legitimate question to ask, first of all, which businesses he consulted about the refusal to pay quarterly payments and, secondly, what research he has on the impact of taking $1.1 billion out of research and development and of these particular changes on smaller and medium enterprises and public institutions such as CSIRO and universities. I do not see, Minister—why don't you go back to your sedan chair and finish your conversation somewhere else? Can I just ask, Minister: why will you not tell the Senate and the Australian people what the impact is going to be of taking $1.1 billion out of research and development on CSIRO and on universities and small and medium-size enterprises? If you have done the work that you have said you have done, and if Senator Wang's amendment does as you say, you should be able to tell us what the likely impact is going to be on universities, given that you are taking millions out of the universities already and given that you have slashed CSIRO funding by more than $1 million. Now you are reducing research and development capacity that would flow on to them because, as I said, these larger institutions actually contract some of these small and medium-size businesses and involve universities.

Please answer the question. I think Australia's universities, Australia's research community and Australia's small businesses deserve to know what modelling you have on the impact of taking $1.1 billion out and these changes on their capacity for research, innovation, new technology and jobs growth, because this is where the jobs engine is, not in the old fossil fuels sector, not in the old 'dig it up, cut it down, ship it away'. The innovation is in these future businesses that are working with the universities. And I want to know the impact on the universities, especially given, as I indicated before, that the University of New South Wales has said that 20 per cent of its research effort is backed by companies that will be directly affected by the bill. Now, if that is the University of New South Wales, it will be the same for the other big universities around the country, and smaller ones as well. What is the impact on those universities and research institutions?

Senator CORMANN (Western Australia—Minister for Finance) (13:35): At the risk of repeating myself, we are going around and around in circles, where Senator Milne attacks our government for doing certain things and reducing funding available for research and development as a result of this measure. I would just say again: this is a Labor Party budget measure. It is a measure that has been initiated and banked in the 2013-14 budget by the Gillard Labor government, with Mr Swan as Treasurer and Senator Wong as the finance
That is what happened. And I have already read into Hansard the justification by former Treasurer Mr Swan at an Australian Business Economists breakfast—and I will quote it again for your benefit—when he said:

We said we would remove the R&D tax concession for large companies with a $20 billion Australian turnover or more, to ensure innovation spending is directed to where it will have the biggest benefit.

He also said that this was 'a down payment on the repair that the budget needs'.

Now, we can go around and around in circles, and Senator Carr has tried his best to come up with one red herring after the other to keep the filibuster going, including mixing up the various budget measures. He was trying to pin this government for a Labor government budget measure. All we are doing here is seeking to legislate a budget measure initiated and banked in the 2013-14 budget by the previous Labor government. I understand that Senator Carr has stared down his leader, Mr Shorten, in relation to this matter, to get him to change the position compared with the position of the Gillard and Rudd Labor government before the last election, as reflected in their economic statement before the election and the Pre-election Economic and Fiscal Outlook. The fiscal impact is broadly the same. That is the truth of it. Actually, it is going to be less now, because we are starting a year later. The Labor measure was supposed to start on 1 July 2013. If the Senate passes the Palmer United Party amendments, it will now start a year later, so there will be a loss there in terms of the beneficial impact on the budget bottom line because of that delay. I am intrigued as to why Senator Milne did not ask these questions of the previous Gillard Labor government which initiated and banked this particular measure, so I am not going to continue to go round and round in circles with you.

Senator KIM CARR (Victoria) (13:37): I have budget paper No. 2 here. On page 18, under the title 'Research and development tax incentive—reducing the rates of the refundable and non-refundable tax offsets'—

Senator Cormann: It is not this legislation.

Senator KIM CARR: No, but this is what it says:

Consistent with the Government's commitment to cut the company tax rate from 1 July 2015, the Government will preserve the relative value of the Research and Development Tax Incentive by reducing the rates of the refundable and non-refundable offsets by 1.5 percentage points, effective from 1 July 2014.

That is a direct quote from budget paper No. 2—so the government itself sought to base a relationship between the company tax rate and the R&D tax incentive. Is it your intention to reduce the company tax rate by 1.5 per cent, or are the reports that you no longer wish to proceed with that matter true?

Senator CORMANN (Western Australia—Minister for Finance) (13:38): Firstly, Senator Carr again is trying to confuse the chamber. If he knows anything at all about this particular topic, he knows that this legislation has absolutely nothing to do with the budget measure that he has just referred to. This legislation before us seeks to implement a measure in the 2013-14 budget that was initiated and banked by the former Gillard Labor government when Mr Swan was the treasurer and Senator Wong was the finance minister. That is what this government is seeking to do: implement a Labor budget measure. The measure that Senator Carr has just read out is of course included in our budget—it is not reflected in this legislation but is included in our budget. What we have said in relation to the company tax rate is that there
will be a company tax cut, that large companies will not pay any more tax and that small and medium sized companies will pay less tax as a result of the package that is about to be released in the not-too-distant future. The detail of all of that will be released at the appropriate time.

Senator KIM CARR (Victoria) (13:39): Can I put a question to you, Mr Temporary Chairman. My understanding is that the substantive motion to the amendment before the chair is actually Senator Wang's amendment; I had moved an amendment to his amendment. In what order will they be put?

The TEMPORARY CHAIRMAN (Senator Bernardi): Senator Carr, my advice is that we will deal with your amendment first, and then we will go to the Palmer United Party amendment. The variation of that will depend on whether your amendment is successful. The question before the chair is that opposition amendment (1) on sheet 7650 be agreed to.

Senator KIM CARR: I would like to deal specifically with this so-called question of retrospectivity, given that clearly the ground rules are changing. For instance, the company tax issue for large firms—the 1.5 per cent reduction—is not going to occur, despite the assertions that were made in the budget papers. I want to deal with the—

Senator Cormann: That is just not true!

Senator KIM CARR: Well, that is what you said.

Senator Cormann: That is not what I said.

Senator KIM CARR: That is what you said. You said: '…will remain the same—they will pay the same tax. The reductions won't occur.' If I have misunderstood you, I am sure you will be only too happy to correct the record. Perhaps you can do that. Maybe that is one question you can answer, since you are so short on answers for everything else. But that is clearly what I understood you to be saying—that large companies will still be paying the same rate of tax.

Senator Cormann: I said they will not pay any more.

Senator KIM CARR: Oh, they will not pay any more? Does that mean they will pay the same rate of tax or that they will not pay any more? I do not recall ever reading a measure in a government's budget papers where they are going to increase the taxes. Is that a new measure you are proposing?

Senator CORMANN (Western Australia—Minister for Finance) (13:42): In an abundance of helpfulness, Senator Carr obviously knows that the policy we went to the last election with was to have a company tax cut of 1.5 per cent to come into effect from 1 July 2015. This was, in effect, offset for Australia's 3,000 largest companies by the 1.5 per cent paid parental leave levy, which means that, in practice for those largest companies, the effective tax rate remained at 30 per cent. That is a matter of public record. Now, what we have said is that we are not proceeding with the paid parental leave scheme that we took to the last election. We have also said that there will be further announcements in the coming weeks and months about a families package, about a jobs package. Of course, that will include all of the detail in terms of how those changes—in particular, the measures to facilitate access to more affordable child care—will be funded and what we have put around all of that. You have asked what we have put around all of that by way of parameters. As was our policy before the election and as is the policy reflected in the budget papers, large companies are not
going to pay more in tax than they are paying now. There is that 30 per cent cap which is the same as is reflected in the budget papers right now when you take the 28.5 and the 1.5 together. But the fact that small and medium sized businesses will be at least 1.5 per cent better off is the language the Prime Minister used in his Press Club speech, which I am sure you would have studied in great detail. So this is completely irrelevant to the legislation that is in front of us; but, given that you are trying to mislead the Australian people with some of the verbalizing and misleading assertions that you have been making, I thought it was important to make that clarification.

Senator KIM CARR (Victoria) (13:44): It is an assertion that you have made yourselves on page 18 of your budget paper No. 2, and I raised it in the context that the previous Labor government explicitly decoupled the proposition that there would be a link between the taxation rate of companies and the R&D tax credit. That was one of the reforms that we introduced.

Mr Scott Morrison admitted when he made some statements just last week that the Abbott government had left Australian business in limbo. I think that was the word he used: ‘in limbo’. Clearly you are trying to extract yourself from the chaotic arrangements that your leader had placed upon you in regard to his changes to the Paid Parental Leave policy and the backflip that he engaged in with that. There is no doubt that there is a flip-flop arrangement when it comes to the taxation policy of the government, and my concern here is what the government has prosecuted through its budget papers: trying to assert that there is a link between the R&D tax incentive scheme and the rate of company tax.

But let me just go to the issue of the arrangements regarding so-called retrospectivity. In the report of the Senate Economics Legislation Committee examining the original government bill—that is the $20 billion proposal, as distinct from the revised government bill, since it is quite clear that you are the real owners of this revised amendment, which of course was never flagged anywhere and never discussed prior to the consideration of these matters—the Liberal Party’s Senator Bushby argued on page 14 of the report:

Generally, retrospective tax legislation is not desirable and any such legislation should ideally be limited to rare circumstances, such as to correct unintended consequences or to address integrity issues. However, the proposed amendments have been foreshadowed for some time—by, it was claimed, the previous government.

Senator Cormann: That’s right—by Labor.

Senator KIM CARR: I am quoting directly from the report. This is the argument that was put:

… the previous government introduced a bill in June 2013 which, if passed, would have enacted them. That is page 14 of the report. Irrespective of the fact that the parliament had been prorogued and that this was a new bill—and, of course, irrespective of the fact that the previous regime was directly tied to the jobs package—I would ask you: where was the $100 million cap foreshadowed by any public announcement or previous legislation by this government? How would such a statement actually satisfy the test that was established in the economics committee report by Senator Bushby?

Senator MILNE (Tasmania—Leader of the Australian Greens) (13:47): Before we end this debate, I want to have an answer to my question about the impact of taking $1.1 billion
out of research and development on smaller and medium enterprises and public institutions like the CSIRO and universities. So I would ask Senator Cormann: will he give an unequivocal guarantee that, if this legislation passes, there will be no negative impact on the research effort of Australian universities—yes or no?

Senator CORMANN (Western Australia—Minister for Finance) (13:48): The best way to boost the capacity of Australian businesses to invest more in research and development is to grow a stronger economy. Over the last 17 to 18 months, the government has worked very hard to strengthen the economy and create more jobs, and of course the results are starting to show. Last year the economy grew by 2.7 per cent, up from 1.9 per cent the year before. We have scrapped the carbon tax. We have scrapped the mining tax. We have finalised three free trade agreements with key economies in the region: China, South Korea and Japan. We are rolling out a record infrastructure investment program. We are pursuing a whole range of measures to boost economic growth and to help Australian businesses be more successful and generate more profits to give them more capacity to employ more Australians and invest more in research and development to facilitate stronger growth into the future.

What we are saying here is that we agree with the former Labor government that it is appropriate in the current circumstances to better target the tax incentives available for research and development. Instead of providing a 133 per cent tax deduction for Australia’s most profitable businesses, we are proposing for that to be a 100 per cent tax deduction only. The way we have structured it, in consultation with the crossbench, is to put a $100 million cap on the special benefit available from taxpayers for those businesses making research and development investments. We think that is appropriate, we think that is well balanced and we think that the issue is well understood, and I would urge the Senate to support it.

Senator MILNE (Tasmania—Leader of the Australian Greens) (13:50): I did not ask for a party political broadcast on Liberal Party propaganda. What I asked for was an unequivocal guarantee that the research effort of Australian universities will not suffer—will not actually be cut—because the government has decided to move to take $1.1 billion out of research and development as a result of this legislation. It is a straight-up question. The vice-chancellors, the students, the businesses associated with it and the PhD students all deserve an answer. It is a serious business. You get a university like the University of New South Wales, with 30 per cent of their research effort, they estimate, backed by companies that are directly affected by this bill. Given that that is the fact, they deserve an answer: if this passes, is this going to undermine the dollars available for those research efforts, given an environment where you are cutting back funding to universities?

These are the serious questions the community want answered. You have not learnt anything from the feedback from the community on what they think of the Abbott government if you keep on standing here just going into a party political broadcast. Answer the question: will universities suffer in their research effort—yes or no? Will there be any adverse consequence because you are stopping large corporations investing in research and development by taking that $1.1 billion out? It is a straight-up question: yes or no?

Senator KIM CARR (Victoria) (13:51): I take it the minister is choosing not to answer this question.

Senator Cormann: It is your saving—the Labor Party's saving.
Senator KIM CARR: No, you were asked a specific question: what was the effect on universities?
You have not mentioned the word universities. You have not been able to even get near an answer to the question.

Senator Cormann: Ask Wayne Swan!

Senator KIM CARR: You will have your chance. I also asked you a question about the issue of retrospectivity. The government made assertions in the Senate economics report that there had been announcements and that satisfied the government, in their own minds, that they did not have to worry too much about retrospectivity. I have asked you a specific question: when was the announcement made by the government, regarding the $100 million cap foreshadowed in this amendment before the chamber, which would satisfy the retrospectivity test that you as a government brought to this parliament through the economics committee report?

Senator CORMANN (Western Australia—Minister for Finance) (13:53): The first point I would make is that this measure in this legislation was announced as part of the 2013-14 budget back in May 2013 by the then Gillard Labor government. Now the government has agreed with crossbench senators to delay the start date of the research and development targeting measure to income years beginning on or after 1 July 2014, in order to minimise the risk of the law applying to companies retrospectively because of the delays that Labor has driven against its own savings measure.

Under the original date of effect of 1 July 2013 this measure would have affected income years that may have finished and would therefore raise the risk of companies being required to make an amended tax assessment. By delaying the start date of the measure to income years beginning on or after 1 July 2014 the amendments will only apply to companies—and this is the very important point that you need to listen to—lodging their tax returns from 1 July 2015 onwards. This will provide affected companies with additional time and notice to plan for the changes in the law.

The point here—through you, Chair—is: the Gillard Labor government announced this measure in May 2013 to take effect from 1 July 2013, and it would have impacted on companies lodging tax returns from 1 July 2014. In an abundance of transparency, and taking on board the feedback from the crossbench, we have delayed that by one year, so it is now only due to come into effect in relation to companies lodging their tax returns from 1 July 2015 onwards. Now, when I last looked, we are not yet past 1 July 2015; when I last looked 1 July 2015 was still more than four months away. I do not know how Senator Carr, given that this was announced in 2013 and will not come into practical effect until 1 July 2015, could describe it as a retrospective measure in any way, shape or form.

Senator KIM CARR (Victoria) (13:55): On the basis of what you have just said, you should accept the opposition's amendment. Also, the problem with what you have just said is that you propose that the fact you gave notice on a previous measure ignores the fact that the government has accepted a different measure. We are not actually debating that matter any longer because the government has proposed a fundamentally different proposition.

Senator Cormann: That's just not true.
Senator KIM CARR: You have—a $100 million cap instead of the $20 billion arrangement. It is a new measure of which no notice has been given, none whatsoever. Minister, is it not a fact that companies get prior approval before they lodge their claims and often before they actually undertake the investment? Is it not a fact, Minister, that the proposition you have just put to this chamber is completely erroneous because some companies such as CSL—an Australian manufacturer that makes vaccines and biopharmaceutical products—undertake strategic investment decisions on the basis of that advice, and that your proposal will in fact change the ground rules retrospectively on the basis of the investment they make? Whether or not they lodge their claim at any point in the future for activity undertaken in the period covered by this new amendment—this new proposition—the $100 million cap will, in fact, come into play irrespective of any other statements you have made. That is the nature of the retrospectivity. Is that the case?

Senator MILNE (Tasmania—Leader of the Australian Greens) (13:57): It is clear the minister has no intention of standing up and answering the question, so I would like to ask him another one. Which universities did you consult about the impact on their research effort of your taking $1.1 million out of the research and development budget in this country? The University of New South Wales made its submission to the Senate inquiry; which other universities did you consult? Did you consult any? Did you consult the CSIRO? And if you did not consult the CSIRO, why not? They are a central institution in this particular mix. I can see the minister is much more interested in talking to his other colleagues than in answering the question. So, Minister, if you are—

Senator Ronaldson: More important things to do than listen to you!

Senator MILNE: It is interesting—the government has learned absolutely nothing. They have more important things to do than answer questions about which universities they consulted about the impact on their research efforts of a government amendment to take $1.1 billion out of research and development!

This is exactly why the community is fed up with the current government. You just go back to your rhetoric and dismiss people's concerns as if they are of no consequence because somehow you are born to rule. Let me tell you: you are not born to rule. The community is sending that message. So I ask the minister directly: will you tell us which universities you consulted before you made the move on this legislation? Did you consult with any? What is the impact on their research efforts?

Senator CORMANN (Western Australia—Minister for Finance) (13:59): As I have indicated before, the government consulted the most important people of all—that is, the people of Australia—in the lead-up to the last election. The people of Australia supported the policy reflected in our costings which was both the policy of the coalition and the policy of the Labor Party, which was to ensure that the research and development tax incentives could be better targeted. We can go round and round in circles on this Labor/Green filibuster. It will not change the fact that this is a measure that was taken to the last election.

The TEMPORARY CHAIRMAN (Senator Bernardi): Order! It being very nearly 2 pm the committee shall report progress.

Progress reported.
QUESTIONS WITHOUT NOTICE

Ministry

Senator WONG (South Australia—Leader of the Opposition in the Senate) (14:00): My question is to the Minister representing the Prime Minister, Senator Abetz. I refer to comments by the foreign minister and deputy Liberal leader, Ms Bishop, in which she refused to back Joe Hockey as Treasurer and said that his appointment was, and I quote, 'the Prime Minister's call'. I asked the minister: is this another captain's call the Prime Minister is looking to reverse?

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:00): One of the big differences between the Labor Party and the coalition is that the frontbench of the coalition is chosen on the basis of merit, not on the basis of factional servitude. That is why we have this array on Labor's frontbench in this place—and the other place—of incompetence writ large.

There is nothing spectacular about that which Ms Bishop said—namely, the Prime Minister appoints the ministry. There is a history within the Liberal Party that the deputy leader normally and usually chooses his or her own portfolio; other than that, all the other portfolios are allocated by the Prime Minister. So absolutely nothing new in that revelation. And for Senator Wong to think that that is a matter that is worthy of the first question at question time betrays the fact that this is an opposition devoid of policy, devoid of alternatives, to put to the Australian people.

In relation to the Prime Minister and his ministry, the Prime Minister has confidence in each and every one of his ministers and that is why they are in the positions that they hold. For Senator Wong to lead the charge when she used to come into this place with blood all over her hands from Mr Rudd and Ms Gillard, it indicates not only the paucity of the argument but the hypocrisy of her argument.

Senator WONG (South Australia—Leader of the Opposition in the Senate) (14:02): Mr President, I have a supplementary question. I refer to Ms Bishop's refusal this morning to disclose whether or not she had supported the Prime Minister in the spill ballot. I also refer to the fact that six ministers are reported to have supported the spill motion yesterday. Has the Prime Minister sought an assurance from Ms Bishop that she voted against the spill and was that assurance given?

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:03): As I had the great pleasure of informing this chamber yesterday—and I do so again today—we actually have genuine secret ballots in the Liberal Party party room. There is no show-and-tell to the factional war lord to say, 'This is how I voted and because I voted like this will you please guarantee my re-endorsement?' That is the way it works in the Labor Party. It is not the way that it works on this side of the chamber. We are honourable men and women and we trust each other with a secret ballot.

In relation to media reports that, allegedly, six ministers voted one way or another way, can I simply say to Senator Wong: it was a secret ballot. Nobody knows. There is speculation. So what? But can I ask, Mr President, whether the ventilation of this issue creates jobs in
Australia, reduces the cost of living in Australia or helps create wealth for our nation? (Time expired)

Senator WONG (South Australia—Leader of the Opposition in the Senate) (14:04): Mr President, I have a further supplementary question. I refer to the leaking of a private conversation to a journalist prior to the ballot, in which the foreign minister informed the Prime Minister he was, and I quote, 'his own worst enemy'. Does the Prime Minister believe that the foreign minister leaked this private conversation?

The PRESIDENT: Senator Wong, the first two questions have been within the purview of the minister. I am going to leave the minister to decide whether he wishes to answer that question or not. There are elements of that question which I think do not constitute a correct question.

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:04): Whether something is allegedly leaked or not and what was actually—

Senator WONG: It was in the paper! It's a direct quote.

Senator ABETZ: Senator Wong has shown us now the incredible cerebral prowess that she enjoys. She can read a newspaper and then regurgitate it in the Senate without any basis as to whether it may have any factual basis. I simply say to the honourable senator: I do not spend my waking moments reading newspaper gossip columns and then determining whether it may or may not be right. I spend my waking hours seeking to serve this nation—

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

Senator WONG: Mr President, on a point of order: it is all very nice for the minister to give us a homily about his motivation. The actual question was whether or not the Prime Minister believed that his deputy had leaked a private conversation to the media.

The PRESIDENT: I allowed the minister to answer the question in the manner in which he wishes to answer. Minister, you are relevant. You have 14 seconds.

Senator ABETZ: The Prime Minister, like me, does not spend his waking moments worrying about these things. We worry about creating jobs. We worry about getting rid of the carbon tax. We worry about the Labor Party reintroducing the carbon tax. (Time expired)

DISTINGUISHED VISITORS

The PRESIDENT (14:07): Before I call on Senator Canavan to ask his question, I acknowledge the presence in the President's gallery of a former President of the Senate, Paul Calvert. It is good to see you here.

Honourable senators: Hear, hear!

QUESTIONS WITHOUT NOTICE

Cost of Living

Senator CANAVAN (Queensland) (14:07): My question is to the Minister for Finance and the Minister representing the Treasurer, Senator Cormann. Minister, could you please tell us how the cost of living is improving for Australian households?

Senator CORMANN (Western Australia—Minister for Finance) (14:07): I thank Senator Canavan for that question. The Australian government, of course, is working to strengthen the
economy, to create more jobs and to help families. Helping families does involve taking cost-of-living pressures off families moving forward. The most significant thing we did in 2014 was to scrap the Labor-Green carbon tax, which has left your average family with about $550 of additional money in their hip pocket. Of course, Labor and the Greens are desperate that we stop talking about the carbon tax. And do you know? It is a past achievement of this government. The reason we have to keep talking about it is because Labor and the Greens would bring it back. Labor and the Greens would push up the cost of living again and would push up the cost of electricity because Labor and the Greens have not learnt the lessons from the election in 2013. What we also know is that the Reserve Bank for the first time in 18 months has cut interest rates because inflation remains low. We, through our budget repair effort, have given the Reserve Bank room to move. The Reserve Bank for the first time in 18 months has been able to cut interest rates, which will put an extra $750 a year into the pockets of a typical Australian family. Petrol prices are lower now on the back of lower oil prices—petroleum prices—around the world. That, of course, is working its way through the system.

The government is very conscious that there is much more work to do. We are focused on doing more work. We will be releasing soon our families package with an emphasis on access to more affordable child care. There will be more to be said about this but, generally, we are now heading in the right direction: strengthening the economy, creating more jobs and helping families. *(Time expired)*

**Senator CANAVAN** (Queensland) *(14:09)*: Mr President, I ask a supplementary question. Can the minister advise the Senate how repairing the budget keeps the pressure off interest rates?

**Senator CORMANN** (Western Australia—Minister for Finance) *(14:09)*: When the government borrows, it increases the demand for money and therefore increases the price of money. It is pretty simple, really. It is a supply-demand equation. Increasing the demand for money puts upward pressure on interest rates. So, when we reduce the deficit, when we reduce the amount we borrow from our children and grandchildren, what we are doing—contrary to what Labor did—is giving the Reserve Bank room to move. Under Labor, because Labor spent too much and because they spent excessively in the context of the GFC, Australia continued to have one of the highest official cash rates in the Western world. While in the United States it was hovering at zero quantitative easing and going into negative territory now in parts of Europe, here in Australia, even though it was at low levels for Australian standards, the official cash rate was actually still high. *(Time expired)*

**Senator CANAVAN** (Queensland) *(14:10)*: Mr President, I ask a further supplementary question. Can the minister advise the Senate whether the government has encountered any opposition to the reforms which would improve the outlook for the economy.

**Senator CORMANN** (Western Australia—Minister for Finance) *(14:11)*: At every turn when this government has been working hard, mostly with the support of a constructive crossbench, to strengthen the economy and create more jobs, Labor and the Greens have been opposed. When we moved to scrap the carbon tax, to boost economic activity, to help families, Labor was opposed. And of course Labor would bring the carbon tax back. When we worked to get rid of the mining tax, Labor and the Greens were opposed. And of course Labor would bring it back. Labor cannot even support their own savings. Right now we are having a debate in the Senate in relation to a budget savings measure initiated and banked by the Labor
Party in their last budget which is designed to target research and development tax incentives to small- and medium-sized businesses. What is Labor doing under the weak leadership of Bill Shorten? Opposing.

**Defence Procurement**

Senator CONROY (Victoria—Deputy Leader of the Opposition in the Senate) (14:12): My question is to the minister representing the Prime Minister. Did the Prime Minister tell Senator Edwards on Sunday that the Future Submarines project would be subject to a full and open tender? Yes or no?

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:12): The Prime Minister and Senator Edwards—and indeed all South Australian representatives on the coalition side—are absolutely committed to getting the very best defence capability for the best value from the Australian taxpayer. The discussion between the Prime Minister and Senator Edwards I was not privy to. If there are matters that the Prime Minister would seek to add to my answer, I will advise him of the fact that this question has been raised. But, put very simply, as I understand it, there is an agreement or a consensus between them as to what needs to be achieved for Australia.

**Opposition senators interjecting—**

The PRESIDENT: Order on my left! Senator Conroy, you have asked the question.

Senator ABETZ: The government's policy is clear that there will be a competitive evaluation process for the submarine replacement that will take into account capability requirements, cost, schedule, technical risk and value-for-money considerations. Any Australian company that can credibly meet these criteria will of course be considered on merit. I would say to Senator Conroy that given his track record in relation to the NBN and other matters, he would not understand what a rigorous, proper process is for a very important procurement project such as submarines.

Senator CONROY (Victoria—Deputy Leader of the Opposition in the Senate) (14:14): I thank the minister for that answer. Mr President, I ask a supplementary question. I refer the minister to the Adelaide Advertiser, which reported that Senator Edwards's vote for the Prime Minister in yesterday's leadership spill depended on South Australia 'being able to take part in a competitive tender.' Is the Prime Minister now so desperate to secure his failing leadership that he is lying to colleagues and trading our submarines for votes?

The PRESIDENT: Senator Conroy, you will have to withdraw that inference.

Senator CONROY: I withdraw. I will rephrase it. Is he misleading colleagues and trading our submarines for votes?

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): The simple fact that Senator Conroy had to withdraw part of his prepared question is indicative of the hyperventilation that the honourable senator is engaging in in relation to this issue. The fact that the deputy leader would be the defence minister of this nation, he who trashes the reputation of honourable men and uniform at Senate estimates, who pretends to come into this place has some concern about defence procurement when his own record on the NBN—
Senator Conroy: Mr President, a point of order on relevance: I asked a very simple question about Senator Edwards and what he said in his conversations with the Prime Minister. It has nothing to do with Senate estimates and nothing to do with the opposition. It has everything to do with whether the Prime Minister misled Senator Edwards.

The President: The minister has 25 seconds left to answer the question. I remind him of the question.

Senator Abetz: Mr President, as I recall it, in fact, the question was based on some article in the Adelaide Advertiser, so let us get this quite clear: the Prime Minister is an honourable man and the Prime Minister would never prejudice the national security of our country for anything. (Time expired)

Senator Conroy: (Victoria—Deputy Leader of the Opposition in the Senate) (14:16):

Mr President, I ask a further supplementary question. Can the minister confirm that not even the most senior officers in Defence know what is meant by a 'competitive evaluation process' and can the minister point to anywhere in the Defence Procurement Policy Manual where the term is used? Given the chaos, dysfunction and confusion which has surrounded this morning's submarines announcement, can the minister inform the Senate on what day good government will actually start?

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):

When we as a government talk to the Australian people we do not need a 'policy manual' to tell us what words we are or are not allowed to use in discussing matters. In relation to a competitive evaluation process, most people would understand that on the common usage of the Australian language, but, just to make it somewhat easier for Senator Conroy, what that means is that a methodology will be employed whereby an evaluation is undertaken on a competitive basis. Does he have any objection to that? Does he have any objections to a process? Yes, he does have objections to processes, because he did not want it for the NBN nor did he want it for Australian TV overseas. He does not understand what process is. He does not understand what competition is. He does not understand what a proper evaluation is. And that is why he needs a manual. (Time expired)

Health Care

Senator Di Natale: (Victoria) (14:18):

My question is to the minister representing the Minister for Health. The Prime Minister announced yesterday that he would not pursue Medicare changes without the support of doctors. He said:

It is important to maintain the support of the medical profession because, let's face it, they have the best interests of their patients at heart.

In response, AMA president Brian Owler said:

The Prime Minister must ditch the disastrous Medicare co-payment model, the $5 cut to the Medicare patient rebate, and the freeze on Medicare rebate indexation until 2018.

It is not just the AMA's view. It is the view of every doctor I have spoken with, right across the country. Minister, will the government now explicitly rule out the co-payment and the Medicare freeze or was yesterday's statement just another porky pie from the Prime Minister?

The President: Senator Di Natale, you need to withdraw the last inference.

Senator Sterle: You should just say 'lie'!
Senator Cameron: Just say 'lie'!

The PRESIDENT: Senator Sterle, you will have to withdraw that too.

Senator Sterle: Mr President, I withdraw.

A government senator: And Senator Cameron.

The PRESIDENT: I only heard Senator Sterle. Senator Di Natale, you have to withdraw that final inference in your question.

Senator DI NATALE: I will just ask the statement about whether the government would explicitly rule out the co-payment, consistent with yesterday's question, or was the Prime Minister again misleading the parliament.

Senator Bernardi: Mr President, I raise a point of order. You have asked Senator Di Natale to withdraw and he has not withdrawn.

The PRESIDENT: He has rephrased the question. I am satisfied that Senator Di Natale has corrected the error in the first question.

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and Assistant Minister for Health) (14:20): Can I say at the outset that perhaps the Greens have not been listening to what the coalition government has been saying. We have stated very, very clearly that we will be consulting with the sector, including the very doctor that the Greens senator has just referred to. I can tell you, Mr President, that one thing everybody, across the medical sector, across our communities, including our rural communities, and the coalition government, agree on is that the Medicare system and the health system in this country need to be sustainable. This government have been very clear that, unlike the previous Labor government, we actually have a plan to go forward and make sure that we have health services—

Senator Di Natale: Mr President, I raise a point of order on relevance. I asked a very specific question. Yesterday, the Prime Minister announced that he would not pursue Medicare changes without the support of doctors. I have asked whether the minister will explicitly rule out the co-payment and the Medicare freeze, which are not supported by doctors. It is a very straightforward question.

The PRESIDENT: It did have a very long preamble. The minister has one minute and six seconds left to answer the question. I remind the minister of the question.

Senator NASH: I have a very straightforward answer: the Prime Minister said he would be consulting with doctors, and now he is going through the process with his minister to do exactly that. He has been very consistent in what he has said. The previous Labor government left us with a mess in health care. The previous Labor government left us a trajectory to debt of $667 billion that this coalition government has to fix. Included in that was a trajectory of $34 billion in 10 years if we do not fix it. The government recognises that, unlike the previous government, we need to have a responsible approach to health care in this nation. In spite of the fact that the Greens might stand here and ask questions today, the Prime Minister has been very clear in making his comments about consulting with doctors, making sure that the broad backing is there for the medical—(Time expired)
Senator DI NATALE (Victoria) (14:23): Mr President, I ask a supplementary question. Minister, you state that concession card holders are protected under your Medicare co-payment proposal. Given that we are apparently in Day 2 of good government and that yours is a government that now listens, have you listened to the GPs who told a Senate hearing just last week that they plan to stop bulk-billing concession card holders if the indexation freeze and the co-payment are implemented?

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and Assistant Minister for Health) (14:23): This government has been very clear in making sure that our position is known: vulnerable people will be protected. I am sure the Greens senator knows, as a former GP himself, that GPs act at their own discretion as to how they make their charging arrangements. In terms of the arrangements that we have put in place, we have indicated that vulnerable people will be protected. We have listened to the concerns out in the community, and those vulnerable people—concession card holders and those under 16—will be absolutely protected. It is important that we get this right. Unlike the previous Labor government—who made a complete mess of the economy and who did not have any kind of plan for making health care sustainable in this nation—this government does and we will proceed to do that.

Senator DI NATALE (Victoria) (14:24): Mr President, I ask a further supplementary question. Minister, are you aware that some GPs—GPs such as Dr Ian Kamerman who runs a 15-doctor practice in Tamworth—have said that if these changes go ahead, non-concession card holders in his practice will face massive fee increases and will soon be charged $100 for a visit?

Senator NASH (New South Wales—Deputy Leader of The Nationals in the Senate and Assistant Minister for Health) (14:25): I would say that that is a question that the senator should ask Dr Kamerman about the way he runs his practice. This government is absolutely committed to ensuring that we not only protect people who are vulnerable, including concession card holders and those under 16 but that we also make the system sustainable. Perhaps those on the other side have not been listening but, as we have very clearly indicated, we will be working with doctors, with communities, with people from right across the sector—as indeed I have been with the Rural Doctors Association—to make sure we get the right things in place to protect not only those vulnerable people but to ensure that we have a strong and sustainable health care system in this country that the Australian people deserve and that the previous Labor government did not deliver.

Former Member for Dobell

Senator SMITH (Western Australia) (14:26): My question is to the Minister for Employment, Senator Abetz. Will the minister update the Senate on efforts to bring former HSU boss and Labor MP Craig Thomson to justice for misusing union members' funds?

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:26): I can update Senator Smith and the Senate that, since the chamber last sat, the Victorian County Court has ruled on Craig Thomson's criminal conviction for stealing moneys from the Health Services Union. The court upheld the guilty finding against Mr Thomson on 13 counts of theft and fined him $25,000. In his appeal against the year-long jail sentence imposed last year, the appeal judge chastised him for the 'gross abuse of trust involved in his misuse of union funds'
and described his 'very serious offending' as 'appalling'. The judge described Thomson's behaviour as 'self-indulgent', 'arrogant' and undertaken with 'no regard for the responsibility imposed in him'. Despite this, Mr Shorten, the Labor Party and the Australian Greens have consistently refused to condemn the actions of Labor's former member, Craig Thomson.

In 2012 Labor and the Greens voted down motions condemning this affront to honest, hard-working Australians. When asked whether he believed Mr Thomson's absurd and dishonest denials, Mr Shorten infamously replied: 'Yes, I believe him.' That would be the alternate prime minister.

I can also update the Senate and Senator Smith that the Fair Work Commission is conducting a parallel civil investigation into Mr Thomson's dealings. However, this is yet to be heard by a court—now some eight years or more have elapsed since the conduct in question by Mr Thomson. The Fair Work Commission's investigation took over three years just to produce one report and cost taxpayers $4 million. The current system is clearly broken and it is time—(Time expired)

Senator SMITH (Western Australia) (14:28): Mr President, I ask a supplementary question. Will the minister inform the Senate of the steps the government is taking to protect honest union members from corrupt union officials?

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:28): I can inform Senator Smith that the coalition has introduced the Fair Work (Registered Organisations) Amendment Bill. The bill establishes a new penalties regime to ensure that unions are held to the same standards of behaviour as companies and their directors and with the same penalties. Why should a corrupt union official be liable for a fine of only $10,200 when, for the same corrupt conduct, a company director would be liable for five years' imprisonment or a fine of $320,000? The bill also establishes a Registered Organisations Commission to ensure that breaches of standards applying to union officials are investigated quickly and independently to deter potential offenders and to help educate people about improved standards. Clearly, the current system is failing and honest union members need to be protected. (Time expired)

Senator SMITH (Western Australia) (14:29): Mr President, I ask a further supplementary question. Can the minister advise the Senate of any impediments to the government's efforts to reform trade union governance?

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:30): There is one great obstacle to protecting union members from corrupt union bosses and that has been the stance of Labor and Greens senators in this place. If these reforms are good enough for union and labour leaders such as Fair Work Commissioner Ian Cambridge, former National Secretary of the Australian Workers' Union Paul Howes, former Labor Attorney-General Robert McClelland, former ACTU Presidents and Labor ministers Martin Ferguson and Simon Crean, why are they not good enough for Mr Shorten, the Australian Labor Party and the Greens?

Senator Conroy interjecting—

The PRESIDENT: Senator Conroy!
Senator ABETZ: Clearly, they have learnt nothing from the interim report of the Hayden royal commission or from Mr Craig Thomson and Mr Michael Williamson.

Opposition senators interjecting—

Senator ABETZ: The interjections from those opposite tell you everything the Australian people need to know. They will continue the racket. We seek to stop it. (Time expired)

Liberal Party Leadership

Senator CONROY (Victoria—Deputy Leader of the Opposition in the Senate) (14:31): My question is to the minister representing the Prime Minister, Senator Abetz. I have heard claims by Senator Bernardi that Mr Turnbull was up to his ears in yesterday’s spill and has been orchestrating this with his lieutenants. Does the Prime Minister believe that Mr Turnbull orchestrated this spill, and who are his lieutenants?

The PRESIDENT: Senator Conroy, I will again invite the minister to answer the question in the manner in which he wishes to respond.

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:31): The Prime Minister has been very clear: it is the right of any single member of the Liberal Party to move a motion in the Liberal Party party room. Two members availed themselves of that opportunity. In relation to who may or may not have been behind the move, I believe that the Prime Minister has not concerned himself with that. What he has concerned himself with is delivering good government for the people of Australia. The fact is that the Australian Labor Party continues to pursue political agendas rather than the agendas that the Australian people are concerned about: job security, jobs pathways, youth unemployment, cost of living, opportunities for new businesses to grow such as the free trade agreements. After six years of dealing with free trade agreements the Australian Labor Party could not bring anything to fruition. After six months in office we were getting the free trade agreements happening. They are the matters with which the Prime Minister concerns himself. They are the matters on which the Prime Minister spends his time.

Senator Conroy interjecting—

Senator ABETZ: Whereas we now know that Senator Conroy—and Mr Rudd and Miss Gillard know this just as well—always spends his time playing politics instead of policy. That is why the NBN under his stewardship of the communications portfolio was such a disaster.

Senator CONROY (Victoria—Deputy Leader of the Opposition in the Senate) (14:33): Mr President, I ask a supplementary question. I note the minister's failure to answer this question yesterday and again just now, so I ask again: does the Prime Minister endorse the call from Senator Bernardi for Mr Turnbull to resign from cabinet and go to the backbench?

Senator ABETZ (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:34): No.

Senator CONROY (Victoria—Deputy Leader of the Opposition in the Senate) (14:34): Mr President, I ask a further supplementary question. Can the minister confirm reports that the Prime Minister has considered dumping Mr Hockey and replacing him that Mr Turnbull to ensure that Mr Turnbull ceases his campaign of destabilisation?
**Senator ABETZ** (Tasmania—Leader of the Government in the Senate, Minister Assisting the Prime Minister for the Public Service and Minister for Employment) (14:34): When we have a growing debt and deficit problem in this country and a growing youth unemployment situation in this country, when people are battling their family budgets with the cost of living, we have this sort of question from he who would be—what?—No. 3 in any federal Labor government. This is the sort of non-policy issue that Senator Conroy seeks to ventilate at question time. He has an opportunity to ask the government about finetuning policy, about getting good policies onto the public agenda, and what does Senator Conroy do? He goes grubbing through the newspapers, looks at the gossip column and then sees if he can make a question up about that. He then seeks to sell himself to the Australian people as some potential responsible leader or deputy leader of the government in this place. *(Time expired)*

### Autism Spectrum Disorder: Traineeships

**Senator REYNOLDS** (Western Australia) (14:35): My question is to the Minister for Human Services, Senator Payne. Can the minister inform the Senate how the government is helping people with autism spectrum disorder to find skilled employment?

**Senator PAYNE** (New South Wales—Minister for Human Services) (14:36): I thank Senator Reynolds very much for her question. I am very proud that the Department of Human Services is participating in this groundbreaking initiative. We are providing traineeships for people with autism spectrum disorder working in our ICT hub in Adelaide. We are partnering with Hewlett Packard Australia and with a Danish organisation called Specialisterne or Specialist People Foundation to provide those 11 traineeships in our department’s ICT testing teams.

**Senator Cameron:** Why did you cut traineeship support programs?

**The PRESIDENT:** Senator Cameron!  

**Senator PAYNE:** That is a program which will provide trainees with incredibly valuable work skills in an environment that enables them to perform their roles effectively.

**Senator Abetz:** Mr President, I rise on a point of order.

**The PRESIDENT:** Pause the clock.

**Senator Abetz:** I think that families that have children with autism might be interested in this answer and not the rank politics emanating from Senator Cameron.

**The PRESIDENT:** There is no point of order.

**Opposition senators interjecting—**

**The PRESIDENT:** Order on my left.

**Honourable senators interjecting—**

**The PRESIDENT:** Both sides, order! Senator Cameron, Senator Macdonald and Senator Ronaldson! Order, Senator Macdonald!

**Senator Cameron interjecting—**

**The PRESIDENT:** Senator Cameron, you are so persistent with your interjections. Can you at least lay off for a little while?

**Senator Ian Macdonald interjecting—**

**The PRESIDENT:** You too, Senator Macdonald.
Senator PAYNE: For Australia to be involved in a groundbreaking program like this, to see those extraordinary young men—and their families—who have an amazing capacity for precise attention to detail, who are able to systematically process information, who have long concentration spans that make them ideal for and make them love work in information technology is actually quite rewarding. It is quite heartening to see that a collaboration like that, working on something like critical IT testing, can actually come together with Autism SA, with Hewlett Packard and with these young men and their families.

They have settled in incredibly well. I think that they expected to be welcomed by the Australian parliament when I made these observations this afternoon, not trashed by those opposite in the way Senator Cameron and Senator Collins did. They have settled in really well. They did their induction and training with Hewlett Packard and then they came to work with us. They are incredibly bright; they are incredibly talented. They have very impressive academic records, but, unfortunately, they found it hard to get jobs in the routine workplace. This partnership has been able to assist them and their families.

Senator REYNOLDS (Western Australia) (14:39): Mr President, I ask a supplementary question. Can the minister inform the Senate of—

Senator Payne interjecting—

The PRESIDENT: Order! Minister and Senator Cameron, let’s just settle.

Senator REYNOLDS: Can the minister inform the Senate of feedback from the trainees themselves and their families about this initiative?

Senator Jacinta Collins: She might be able to tell us about the number of women.

Senator Payne: What do you know about autism, Jacinta?

The PRESIDENT: Order! Ignore the interjections, Minister; you have the call. Cease interjecting, on my left.

Senator PAYNE (New South Wales—Minister for Human Services) (14:40): The trainees and their families—their mothers, fathers and siblings who were there last week—had incredibly positive initial feedback. One small business owner and his wife reported that their son, who had gone to work in the Department of Human Services, was now not in the truck with the father, which was fantastic for the son. He was able to come home and talk about the socialising that he had done at work and talk about going to work on the train with his colleagues. Of course, it meant that his mother was back in the truck now, so she was not necessarily ‘thrilled’ by that arrangement, but in family terms it was overwhelmingly positive. To see the trainees talk amongst themselves, to see them engage in this discussion and to see the enormous potential that this has for other young Australians with autism spectrum disorder—no matter where they are on the spectrum, in very many cases—to work in this environment that supports and understands them is an incredibly important step. I am very proud that the Department of Human Services has been able to play a role in this.

Senator REYNOLDS (Western Australia) (14:41): Mr President, I ask a further supplementary question. Will the minister advise the Senate what else the government is doing to support diversity in the workplace?
**Senator Payne** (New South Wales—Minister for Human Services) (14:41): I do thank Senator Reynolds for that question. As a number of those opposite will know, and may actually consider to be meritorious, the Department of Human Services is really a leader when it comes to promoting diversity in the workplace, particularly across the Australian Public Service. Speaking in relation to disability, for example, over 4½ per cent of our employees self-identify as having one or more disabilities. Over four per cent self-identify as Indigenous; over 45 per cent—and I am not sure whether or not this number includes me—are mature age workers 45 years old or over; and 25 per cent self-identify as being from diverse cultural and linguistic backgrounds. We reflect the community that we serve.

**Asylum Seekers**

**Senator Muir** (Victoria) (14:42): Mr President, my question is to the Assistant Minister for Immigration and Border Protection, Senator Cash. In the last sitting week of 2014, the government passed the asylum legacy caseload bill. Releasing children and families from Christmas Island was part of the deal that the government reached with some of the crossbench, including me, in exchange for support to pass the bill. I am aware that children and families were released from Christmas Island as per the agreement with the government. However, I have concerns regarding the time that it has taken to transition these children and families into the community. Can the minister please provide an update on the children and families that were transferred from Christmas Island to the Blaydin Point facility in Darwin as part of the commitment made by the government in December last year?

**Senator Cash** (Western Australia—Assistant Minister for Immigration and Border Protection and Minister Assisting the Prime Minister for Women) (14:43): I thank Senator Muir for some notice of the question. In commencing my answer, could I again thank the crossbenchers for the constructive way in which they did engage with the government in relation to the passage of the Resolving the Asylum Legacy Caseload Bill in December 2014. Can I say—in particular to Senator Muir, but also to the crossbenchers—you achieved more in one day in relation to the release of children in detention than Senator Hanson-Young and Labor have achieved in their entire careers. So well done. I think that it is a great shame that we had so many children in detention because of the policies of the former government. In fact, in July 2013—at the height of Labor's policy failure—there were 1,992 children in detention.

In relation to Senator Muir’s question: Senator Muir, I confirm with you that all children accommodated on Christmas Island were transferred to the mainland, consistent with the government's commitment following the passage of the legislation. We said that we would do it before Christmas. We indeed did do that by 20 December.

In relation to the status of the children, I am advised that all but three of those children have now been approved for placement in the community and are in the process of moving to their new accommodation. Certainly, in releasing the children, the government has a duty of care, and we take this duty of care very seriously. As such, one of the things that we seek to do is to ensure that we have adequate support and care mechanisms in place to ensure that those families are able to settle into the community. But, again, I confirm with Senator Muir that we adhere to our agreement.

**Senator Muir** (Victoria) (14:45): Mr President, I ask a supplementary question. I have been contacted by Victorian constituents who are concerned about the progress being made

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**CHAMBER**
by the department in transitioning the children and families from Christmas Island into the community. Can the Prime Minister—the minister—please inform the Senate why there have been no public announcements by Minister Dutton’s office on the progress being made in transitioning these children and families?

Senator CASH (Western Australia—Assistant Minister for Immigration and Border Protection and Minister Assisting the Prime Minister for Women) (14:45): Thank you, and I cannot be the Prime Minister, because I am in the Senate, so we will quash that rumour altogether!

Opposition senators interjecting—

The PRESIDENT: Order on my left! Pause the clock. I think we have enjoyed that faux pas. Minister.

Senator CASH: Senator Muir, we do not run a running commentary in relation to Operation Sovereign Borders. It was those on the other side who quite literally had no choice but to issue a running commentary, because they had boat after boat after boat arriving and were literally releasing press releases every single day. We have a communications protocol in place and, consistent with that communications protocol, Minister Dutton actually did address this issue with Lieutenant General Angus Campbell on 28 January 2015 at the OSB update for January, in which he confirmed that the government had honoured the commitment with the crossbenchers. (Time expired)

Senator MUIR (Victoria) (14:47): Mr President, I ask a further supplementary question. On Sunday I received information from the Asylum Seeker Resource Centre that, despite the promise made by the former minister, approximately 26,000 of the legacy case load asylum seekers currently in the community on bridging visas do not have work rights. Can the minister please update the Senate on the status of granting working rights for the legacy case load?

Senator Hanson-Young interjecting—

Senator CASH (Western Australia—Assistant Minister for Immigration and Border Protection and Minister Assisting the Prime Minister for Women) (14:47): In answering that question, I can hear Senator Hanson-Young, who was unable to secure any release of children from detention. Senator Hanson-Young, you supported the policies that ensured that these asylum seekers did not have work rights. The 26,000 people without work rights can be squarely laid at your feet. But, since the passage of the temporary protection visa legislation, as it is known, and, as I said, in conjunction with the crossbenchers, Senator Muir, I can advise you that 5,400 IMAs have now been granted bridging visas with work rights.

Budget

Senator URQUHART (Tasmania—Deputy Opposition Whip in the Senate) (14:48): My question is to the Minister for Finance, Senator Cormann. Can the minister confirm that no minister has raised the unfairness of the budget with him?

Senator CORMANN (Western Australia—Minister for Finance) (14:48): I thank Senator Urquhart for this question. What senators on this side of the chamber keep raising with me is the unfairness of the debt and deficit legacy that Labor left behind. What people on the coalition side of the parliament keep raising with me is the unfairness of a weakening economy, rising unemployment, a bad and deteriorating budget position, a government living
beyond its means, a government legacy left behind by Labor where we are living at the expense of our children and grandchildren. All of us on the coalition side of the parliament are working very hard to strengthen the economy, to create more jobs and to help families, for example, by getting rid of the carbon tax—the disastrous Labor-Green carbon tax. All of us on this side of the chamber are focused on repairing the budget mess that Labor left behind.

**The PRESIDENT:** Pause the clock. Senator Moore on a point of order?

**Senator Moore:** My point of order is on direct relevance. It was a very simple question. It was about whether the minister has received comments about the unfairness of the budget. The minister has not mentioned that in his answer as yet.

**The PRESIDENT:** Senator Moore, the minister has been addressing the question. He did go to the core of the question. He might not necessarily be answering it in the way you would like him to answer it, but he did address the core part of the question. Senator Wong?

**Senator Wong:** Thank you, Mr President.

**The PRESIDENT:** Senator Wong, I have ruled on the point of order. I do not think there is anything you can add.

**Senator Wong:** This is a new standard, Mr President.

**The PRESIDENT:** I am sorry, Senator Wong, I am not going to accept that. Senator Cormann, you have the call.

**Senator CORMANN:** All of us on this side of the chamber are very concerned about the unfairness of the budget situation that Labor left behind. Of course, the worst finance minister in the history of the Commonwealth is none other than Senator Wong. It is Senator Wong that put Australia on a trajectory where we are borrowing from our children and grandchildren and locking in massive increases in expenditure, in legislation, in the period beyond—

**The PRESIDENT:** Pause the clock. A point of order, Senator Wong?

**Senator Wong:** Thank you, Mr President. The question was very simple: can the minister confirm that no minister has raised the unfairness of the budget with him? It is based on the minister's own public statements. He is not addressing the question. With respect, Mr President, deciding to answer a different question is not direct relevance.

**The PRESIDENT:** I am sorry, Senator Wong. I cannot determine in what context the question was asked. I can only determine, a question is asked—

**Senator Wong:** He said on national television—

**The PRESIDENT:** Senator Wong, you have raised a point of order and you are now ignoring my response.

**Senator Ian Macdonald:** Throw her out!

**Senator Colbeck interjecting**—

**The PRESIDENT:** Senator Macdonald and Senator Colbeck, it does not assist. A question was asked. The minister has gone directly to the core of the question in his response. I can only listen to the question and listen to the answer. He has spoken about the unfairness—

**Senator Wong interjecting**—

**The PRESIDENT:** I am not going to entertain a debate about this, Senator Wong.
Senator Wong: I have a question for the President.

The President: I will entertain a question. Senator Wong?

Senator Wong: Mr President, perhaps you could indicate to the chamber now or later in what way the minister has gone to the core of the question asked.

Government senators interjecting—

The President: Order, on my right! Senator Wong, I do not have any obligation to do that, but what I will do after this is privately explain to you why I reached my decision. And that is my decision. Senator Cormann, you have the call.

Senator Cormann: I can indeed confirm that on this side of the chamber we do discuss the absolute unfairness of the budget position that Labor left behind—the unfairness to future generations of Australians, the unfairness to our children and grandchildren, the unfairness to those Australians who need us to protect their living standards, the unfairness to those Australians who need funding for welfare and healthcare services and who need other important services of government to remain affordable and sustainable, the unfairness of the mess that Senator Wong left behind— (Time expired)

Senator Urquhart (Tasmania—Deputy Opposition Whip in the Senate) (14:53): Mr President, I ask a supplementary question. Has the Minister for Foreign Affairs, Ms Bishop, ever objected to the unfair measures in the budget, including cuts to pensions, the GP tax and cuts to family payments?

Senator Cormann (Western Australia—Minister for Finance) (14:53): The unfairness that all in the Abbott government are concerned about is the unfairness of Labor’s legacy of weakening economic growth, rising unemployment, the deteriorating budget position and the legacy of debt and deficit which is making it harder for us to protect our living standards.

Opposition senators interjecting—

The President: Pause the clock.

Senator Conroy: Mr President, I raise a point of order on relevance. Again, Senator Cormann is choosing to answer an entirely different question to that which was asked. It was very specific: has Ms Bishop ever raised the unfairness of the measures that were raised? There was no other question. That was the only question that was asked.

The President: That question was more specific, and the minister has 34 seconds in which to answer the question. I remind the minister of the question.

Senator Cormann: In direct response to the question, the unfairness that this government is concerned about is that the unsustainable spending growth trajectory that Labor left behind will force lower living standards on our children and grandchildren, and we think that is fundamentally unfair. We are working to strengthen the economy, create more jobs and repair the budget mess that Senator Wong left behind.

Honourable senators interjecting—

The President: Order, on both sides!

Senator Urquhart (Tasmania—Deputy Opposition Whip in the Senate) (14:55): Mr President, I ask a further supplementary question. Has the Minister for Communications, Mr
Turnbull, ever objected to the unfair measures in the budget, including the $100,000 degrees and cutting the pay of our Defence personnel?

Senator CORMANN (Western Australia—Minister for Finance) (14:55): I really have answered these questions in response to the first two questions. But let me just say it again. All of us in the Abbott government are united in our resolve to address the unfairness of the budget situation that Labor left behind—the unfairness to our children and grandchildren and the unfairness of putting our future living standards at risk by the budget legacy that you left behind. We are very focused, all of us—

*Opposition senators interjecting—*

The PRESIDENT: Pause the clock.

Senator Moore: Mr President, I raise a point of order—

Senator Conroy: Will Joe Hockey ever deliver a surplus?

The PRESIDENT: Senator Conroy! You have a colleague on her feet.

Senator Moore: Mr President, we will try again. My point of order is in terms of direct relevance. This was another very specific question referring particularly to $100,000 degrees and cutting the pay of our Defence personnel. Has the Minister for Communications, Mr Turnbull, ever objected to Senator Cormann about those unfair measures?

The PRESIDENT: I remind the minister of the question. He has 31 seconds left in which to answer.

Senator CORMANN: There is no proposal for $100,000 degrees in the budget. There is no such proposal, and Defence pay is actually to increase by 1.5 per cent on average over the next three years.

Do Not Call Register

Senator WILLIAMS (New South Wales) (14:57): Mr President, my question is to the hardworking and very competent Assistant Minister for Social Services, Senator Fifield, representing the Minister for Communications. Can the minister update the Senate on the popular Howard government initiative which prevents Australians being bombarded with unsolicited approaches from telemarketers?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (14:57): Thank you, Senator Williams, for your question. Mr President, you probably recall that the Do Not Call Register is a longstanding and very popular Howard government initiative that enables households and individuals to opt out of receiving telemarketing phone calls and indeed even telemarketing faxes. I have not seen a fax in a while, but apparently it also serves that purpose.

The register was launched in May 2007 and was an immediate hit, with almost a million numbers being registered in 2007 alone. Listing a phone number on the register is free for both mobile and fixed lines, as long as they are primarily used for private purposes. It is against the law to make unsolicited telemarketing calls or to send marketing faxes to a number listed on the register unless consent has been obtained. Such is the success of the policy that around 8,000 telemarketers have established accounts to enable them to check that their call lists do not contravene the law.
There is no sign that the register's popularity is waning in Australia. Almost 3,600 numbers, on average, have been registered every day since its launch. Just last Thursday, ACMA, which operates the register, announced yet another milestone, when the number of fixed-line and mobile telephone numbers on the register passed 10 million. Impressively, this represents two-thirds of Australian residences with fixed-line telephones and almost 4.3 million mobile numbers.

Senator WILLIAMS (New South Wales) (14:59): Mr President, I ask a supplementary question. Can the minister advise the Senate of any threats to the continuation of this important protection for consumers?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (14:59): Registrations are currently time limited. Originally, the registration period was set at three years. However, that was extended under the previous government. The registration period now sits at eight years, but the government has recognised that, without regulatory intervention, numbers on the register will begin to expire from May. In response, the government is moving to permit a one-time sign-up for the register, ensuring that all numbers currently registered will remain protected from invasive telemarketing calls. The necessary regulatory changes were included in the telecommunications deregulation bill introduced into the House of Representatives on the coalition government's second repeal day, last October.

Senator WILLIAMS (New South Wales) (15:00): Mr President, I ask a further supplementary question. Can the minister advise the Senate how many Australians will fall off the register and be bombarded by telemarketing calls if the Senate fails to pass this bill?

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (15:00): Failure to pass the Telecommunications Legislation Amendment (Deregulation) Bill will see the earliest and most enthusiastic supporters of the register, those who signed up first, fall off the register. By the end of May this year, 354,977 numbers on the register will expire. These telephone numbers could once again be bombarded by invasive telemarketing calls. If the passage of the legislation is pushed to midyear, a further 171,430 numbers will drop off the register. The bill to which I referred has been before the House of Representatives since October and has been subject to a thorough Senate inquiry, which was tabled in this place yesterday. I urge my Senate colleagues to protect hundreds of thousands of Australians who value the benefits of the register by ensuring the timely passage of this bill.

Senator Abetz: Mr President, I ask that further questions be placed on notice.

QUESTIONS WITHOUT NOTICE: TAKE NOTE OF ANSWERS

Answers to Questions

Senator CAMERON (New South Wales) (15:02): I move:

That the Senate take note of the answers given by the Minister for Employment (Senator Abetz) to questions without notice asked today.

This is a government in absolute chaos. Not only is this a government that lied its way to power; it is a government that now lies to its own backbench. It is a government that could not lie straight in bed. And here we have Senator Edwards claiming that he had a double victory yesterday. One victory was putting Tony Abbott, the current Prime Minister, back in
as the Prime Minister. I think that one might be a bit of a Pyrrhic victory. The other victory, he says, was the victory to get a competitive tendering process for the submarines that this country needs for its defence and its ongoing technological development.

In *The Flinders News*, we have Senator Edwards saying that he got a competitive tendering process. The article states:

This was enough for Senator Edwards to throw his weight behind the embattled Liberal leader to vote against a leadership spill at Parliament House in Canberra this morning.

I have to tell you, I did not hear anything from Senator Edwards when the announcement was made that they could not build a canoe in the Adelaide shipyards. I did not hear a word out of him for months, until the South Australian public and the Australian public said, 'This is unacceptable. It is not acceptable that our defence industries can be sent overseas because there's been a deal done between the Prime Minister of Australia and the Japanese government.' Jobs were not important then. We never heard a word from Senator Edwards—we did not hear a word from any of the South Australian senators. Questions were asked on this issue time after time after time in this place; then, when Senator Edward suddenly discovered that it was a massive political problem, not only for the government but for himself personally and for the re-election of senators in South Australia, suddenly his job became more important than anything else, and that is when he grew a backbone and started to argue for the job to be done in South Australia.

Then we had the situation with the chaos in this government. Senator Edwards got a phone call from the Prime Minister and said, 'I will support you if you meet your commitment for a tender process in South Australia.' That is how good Senator Edwards is—not very good at all. He was absolutely silent on this issue until his own job came under some pressure. All the coalition are interested in and all the Prime Minister is interested in are their jobs, not the jobs of Australian workers in the shipbuilding industry, nor the jobs, which they just sacrificed, in the car manufacturing industry in this country.

Senator Edwards said that he had:

... scored a big win for South Australia with an assurance from the Prime Minister that the Australian Submarine Corporation and South Australian shipbuilders will be given the opportunity to tender for the Future Submarine contract.

Well, Senator Edwards, you were lied to the same as the Australian public were lied to prior to the election. You should understand that this government cannot be trusted and that this government has no credibility.

**Senator Ian Macdonald:** Mr Deputy President, I raise a point of order. Could you tell Senator Cameron—he has been here long enough to know—that you do not talk directly to other senators; every remark should be through you, as Deputy President of the chamber.

**The DEPUTY PRESIDENT:** I believe the comments were being directed through me, Senator Macdonald, so there is no point of order. But I do remind senators of the standing orders and the need to address the chair.

**Senator CAMERON:** This is a government that lied to the Australian public before the last election, and this is a government that lies to its own backbench. This is a government that cannot be trusted on any issue. They cannot even give proper responses to a backbencher raising an issue. They tell the backbencher that there will be a competitive tender, and then
later it is 'a process of competitive evaluation' and now it is 'an opportunity to engage'. This is rubbish coming from the coalition. (Time expired)

Senator SMITH (Western Australia) (15:08): The gall of Labor senators, of Senator Cameron, to come in here in the first week of the new parliamentary year to talk about lies and chaos!

Opposition senators interjecting—

The DEPUTY PRESIDENT: Order! The Senate needs to come to order.

Senator SMITH: I would like to talk about good government for a moment. Last week was an important anniversary. Next week will be an important anniversary. I am just wondering whether colleagues on the Labor side know what those two anniversaries are.

Opposition senators interjecting—

Senator SMITH: You don't even know the first anniversary! What about the second anniversary—

Opposition senators interjecting—

The DEPUTY PRESIDENT: Let me remind senators again that—

Senator Bilyk interjecting—

The DEPUTY PRESIDENT: I am actually speaking, Senator Bilyk. I remind senators that they should address the remarks through the chair.

Senator SMITH: Mr Deputy President, let me remind you of two important anniversaries. The first is 3 February. You might recall that as the day Fraser called the 1983 election and Hawke replaced Hayden. The second important anniversary is 16 February, the day Mr Hawke gave a very important election speech. It is shameful that a coalition senator should have to educate Labor senators about their own political history. I would like to demonstrate an important point: Labor people themselves are trying to tell Labor senators in this place to perform better. Do not think for one moment that these people on the other side are representative of the views of Labor's former leaders or even of the views of people in the current Labor Party. Let me reflect briefly on what Mr Hawke had to say on 16 February 1983. Talking about the economic situation, Mr Hawke said: 'We'—the federal Labor Party—'will not be able to just spend that way out of the mess. We must work our way out of it together. Australia needs long-term national solutions.' Let us jump ahead to last year and what Bob Hawke said about the performance of Labor senators and the federal Labor opposition. As reported in The Australian newspaper, Mr Hawke said what is required is the same thing as he had to experience. He said: 'It is important to have a Prime Minister and a Treasurer and a competent ministry which understands the issue and is prepared to make hard decisions.' He went on to say: 'We could not go on maintaining the standard of living that we have become accustomed to. Structural adjustments to the economy must happen and spending must be cut across the board.'

Let us look at what Bill Hayden had to say just a few of months ago. He said Labor senators, the federal Labor opposition, needed to establish some economic credibility. He urged federal Labor to be a party that built economic credibility with voters and he stressed the need to reduce the influence of factions and reform the party's internal structures and overhaul its policies to regain government. This is a Labor opposition in the Senate that is not
even listening to the informed experience of former Labor leaders Bob Hawke and Bill Hayden.

Let us jump briefly to an important admission that unfortunately was lost over the last two weeks. I do not mind saying that, for a brief moment over the last few weeks, the government lost its focus—and Labor got away with a couple of important things. But you cannot escape how it was reported in the paper. Labor's shadow Treasurer, Chris Bowen, said, 'Labor doesn't rule out cuts to payments.' Ooh, silence!

_Opposition senators interjecting—_

**Senator SMITH:** Didn't you see that, Senator Polley? I will send it to you.

_Senator Bilyk interjecting—_

**Senator SMITH:** Oh, you did see it?

**Senator Bilyk:** Mr Deputy President, on a point of order: the senator should actually call me by the correct name if he wants to try and insult me.

_The DEPUTY PRESIDENT:_ Thank you, Senator Bilyk. Senator Smith, I regret to inform you that your time is up.

**Senator SINGH** (Tasmania) (15:14): This is a government of chaos and this is a government that cannot be trusted. That has been proven by the Prime Minister's own admission today when he said, 'Good government starts today.' Well, what have we been living with for the last 500 or so days? We have been living with a bad government. The fact is that another broken promise has been made by the Prime Minister today, and that is: good government does not start today; it is the same bad government because it has the same bad policies. It is only going to be a matter of time before those in revolt on the backbench in government realise that nothing has changed—that it is the same old bad government that Australia has been putting up with for the last 16 months. And why? Because it has the same bad policies.

It is not going to take long, I believe, for the backbench to start figuring that out—so much so that Julie Bishop has declined to say how she actually voted yesterday in the spill motion. We know she is keeping her leadership options open. On top of that, we know that Malcolm Turnbull is keeping his leadership options open—so much so that he gave a very fine, some would say, leadership speech, just at the end of last month, in the US. It was a leadership speech where he articulated what leaders should be—what a leader of a country should be, no doubt. 'Leaders must be decision makers,' he said. 'It is vitally important,' he said, 'that, as a matter of social justice and political reality, structural changes are seen to be fair across the board.' That sounds to me a bit like a pitch from someone vying for the top job. We know how far Mr Turnbull will go to get that top job. In recent reports he said he would sell out on climate change, his No. 1 policy issue—the policy issue on which he said, 'I want to be leader, if I have a team that is committed to climate change.' But, when it comes to the top job, if that is what it takes—selling out on his principles and his conviction—he will let the issue of climate change go.

And we know that Julie Bishop is in a similar vein. You have Julie Bishop, Malcolm Turnbull and Tony Abbott—three leaders: one currently in place as Prime Minister and trying to convince his colleagues that his good government starts today, and the other two waiting in the wings.
But what has not changed through all of this? It really does not matter which one of these three will be leader at any point in time during the term of this government; it does not matter about the leadership of this government, because what is bad about it is: its policies, which continue to hurt Australians. And we know that Julie Bishop and Malcolm Turnbull have supported those policies. They have supported cuts to pensions, cuts to family payments, a GP tax, $100,000 university degrees, and cutting pay to Defence personnel. They have supported, with Tony Abbott, this government's agenda. And that is why it does not matter which one of them becomes leader in the future.

Australians are aware of this. Australians are aware that they are living under the regime of a bad government, and they are also becoming increasingly aware that the only way to get rid of these bad policies is to change the government. And that day cannot come soon enough, because Australian people deserve fairness. The Australian ethos of a fair go has been lost under this government. Those on the backbench of this government know that; that is why they revolted yesterday. That is why the spill motion came on.

But Tony Abbott came in today and said, 'Good government starts today.' His own admission, therefore, is that he has been leading a bad government—a bad government with bad policies that hurt all Australians.

Labor stands for the complete opposite of that. We stand for fairness. We stand for compassion. We stand for social justice. That is what a Labor government will deliver—unlike this mean-hearted coalition government that continues to hurt all Australians.

Senator WILLIAMS (New South Wales) (15:19): I find this concerning about senators such as Senator Singh and Senator Cameron: where is their memory? Senator Singh was talking about action on climate change. Mr Deputy President, correct me if I am wrong, but there was a Prime Minister called Mr Kevin Rudd and he said that the greatest moral challenge of our time was to act on climate change, and so he went to bring in an emissions trading scheme. Then people realised that they did not understand it, first of all, and then that it was a monster tax on everything: that every time you plugged an electrical item into a power point you started paying it. In fact, it was the highest price in the world. It drove out jobs, shut down manufacturing and processing, shifted our cement industry overseas and affected our motor vehicle industry. And these people talk about jobs! They talk about policies!

Turning to Senator Cameron, perhaps he does not remember the run-up to the 2010 election—it is probably a long time back for Senator Cameron to remember; he may not remember back that far—but the point was that the Prime Minister at the time, their leader, was called Miss Julia Gillard, and she said, 'There will be no carbon tax under a government I lead.' Then I noticed that, because the Greens were the dominant force in that political agreement between the Gillard Labor government and were driving the agenda, Senator Cameron and others just kowtowed to their requests. I actually saw them in here voting for a carbon tax. Senator Abetz, you remember it, I am sure—

Senator Abetz: I remember.

Senator WILLIAMS: and so would Senator Bushby. Those opposite voted for it. They said we were never going to have it, but the Greens were dominating their whole government...
policy. And of course they want to forget that. It was about $9 billion, growing each year, that carbon tax. Thank goodness it has gone.

Here is the thing I find amazing when we talk about policies. I want to refer to two things. Mr Deputy President Marshall, I do not know how you drive your car—and I am sure you are a very good driver of your motor vehicle—but one thing is for sure: I am sure you do not have one foot pushing down on the accelerator and one foot pushing down on the brake, both at the same time. That would be strange. But I remember that, back in 2009, the Reserve Bank was raising interest rates to slow the economy, while the Labor Party in government was borrowing money and spending it to stimulate the economy. How crazy is that! And what are we left with? We are left with this great big debt. And it is getting very serious.

Mr Deputy President, you would be well aware that a man I respect enormously, Mr Glenn Stevens, the Reserve Bank governor, addressed cabinet just recently and said: 'You are facing serious financial problems.' And he is correct. We are borrowing $110 million a day and spending some $40 million a day to pay the interest.

Senator Conroy: You're an economic fraud.

Senator WILLIAMS: I will take the interjection because this is not a laughing matter—it is about how we leave our finances for the future generations of this country. You probably do not care about being an economic wrecker; you are just a political thug with the Shor-Con faction, doing whatever you wish to do. In the First World War my grandfather was over there with Senator Conroy's relatives helping them out. My late father was a rear gunner in a Lancaster bomber, over there in Senator Conroy's former country, helping them out. I see and I read about what our ancestors did to build this country. Those opposite want to leave our future generations wallowing in debt.

Senator Conroy: You are a typical National Party economic illiterate.

Senator WILLIAMS: Senator Conroy, your judgement of the economy is about as good as your judgement of football teams—absolutely hopeless. I want to put that point on the record. We have a serious problem. I said to one of the Labor senators prior to the last election that, no matter who won government, there would be serious financial problems with the budget. I do not know why those opposite in the Labor Party, who proposed some $5½ billion of savings when they were in government, are now opposing our bringing those savings in. Why are they doing that? Are they here just to disrupt? Are they here to mortgage our children's future? I ask the crossbenchers: if the budget is not brought into some sort of respect—

Senator Conroy: You are not going to have a surplus beyond 2019.

Senator WILLIAMS: You were going to give us a surplus. Wayne Maxwell Swan was going to give us a budget surplus. You never even got close. The last time you had a surplus was 1989—you would still have been in primary school. Don't come in here talking about budget surpluses—you do not even understand what they are. If we do not get the books right and the balances right, the future of our children will be a future of higher taxes. (Time expired)

Senator GALLACHER (South Australia) (15:24): Senator Abetz said that the government is committed to the best value for the taxpayer in respect of the project to build, sustain and maintain Australia's future submarines. I think that is a slight movement away
from previous governments that have accepted that there may well be a premium associated with building ships and submarines in Australia—it was in the Australian National Audit Office report, which set out that previous governments had accepted that. We then go to the famous election promise, that the submarines would be built right here in Australia, in Adelaide. This government has prevaricated and shifted ground, until we arrive at today where it is reported that the coalition position in respect of submarine building in Adelaide is 'as clear as mud.' That is what has been reported—it is as clear as mud.

**Senator Abetz:** Where was that reported?

**Senator GALLACHER:** That was reported in *InDaily*, which is an internet publication in Adelaide.

**Senator Abetz:** Ha, ha, ha!

**Senator GALLACHER:** Well you may laugh, but you have to understand that you cannot move in South Australia without being approached about this issue. It is a deeply felt issue. Have a look at the result in the electorate of Fisher—an unprecedented Labor victory there. In the seat of Davenport—and this is what is sending the shivers up the spines of some people in Adelaide—it was a 58-42 Liberal-held seat, handed down from father to son. It is now 53-47—they are a mere 1,700 votes from losing one of the jewels in the Liberal crown in the State parliament. I do not take much notice of polls—I am sure those on the other side are having a casual look—but Newspoll says the figures are 59-41. That brings a lot of Liberal seats into play. The predominant issues in both Fisher and Davenport were the economy, jobs and submarines. Senator Edwards is probably not the only one who has come late to this issue, and he is now ardently supporting the building, sustaining and maintaining of defence ships, submarines and whatever else we can to offset the dastardly decision on car manufacturing. This issue will not go away.

Coincidentally, I think there are 11 Liberal members of the coalition government in South Australia. It seems a little unusual that Senator Edwards was able to give a commitment from the Prime Minister that there will be a competitive tender and then the party vote was brought forward—we know that the party vote was 39 to 61. Was there something untoward at play there? I do not know and I do not really care, but the public will draw their own conclusions if Senator Edwards has been set up and then torn down the next day from competitive tender to competitive evaluation. One reader said it was 'psychobabble and confragulation.' I did look up 'confragulation' in the dictionary but I could not find it, but if that is what people are saying about your minister's press conference today, surrounded by concerned Liberal MPs—concerned for the future of South Australia and for the future of the South Australia economy but also concerned about their own survival—then things to be looked at.

I think this will play out down the track, all the way to the next election. You will be judged on how you have acted. You have made policy on the run today. You have made a confused but hopeful public more confused and less hopeful, especially when your minister's appalling performance today could best be summed up as 'clear as mud'—do not take it from me but read the paper. Senator Edwards has also been undressed—set up, undressed and let down really shabbily. South Australia deserves better. *(Time expired)*

Question agreed to.
Health Care

Senator DI NATALE (Victoria) (15:29): I move:

I rise today to talk about the debacle that is the changes proposed by this government to Medicare. It represents everything that is wrong with this government. It represents, firstly, a complete lack of integrity. It represents a triumph of ideology over evidence. And it represents breathtaking incompetence from a government that promised that the adults were back in charge.

On that first point on lack of integrity, this is a government that promised no cuts to health care. In its first budget it introduced a freeze to Medicare indexation, representing a real cut to the income of GPs to the tune of hundreds of millions of dollars. There was an increase in the Medicare co-payment representing a $5 out-of-pocket cost for ordinary people seeking to access Medicare services at a time when out-of-pocket costs are higher than they have ever been.

This is a triumph of ideology over evidence because we have a policy based on a lie. These changes are premised on the notion that Medicare is unsustainable despite the evidence saying the exact opposite. The rise in health spend is lower than it has ever been. Our total spend on health care is lower than the OECD average. Over the last decade we have seen a decline in Commonwealth spending in health care. The evidence is telling us that our system is good and strong. That is not to say it cannot be better, but we do have a strong health system that is sustainable and that will provide health care to Australians over the long term.

Why has the government done this? It is because this is a party that, contrary to what people think about it lacking vision, has a clear vision that says, ‘Government needs to get out of the way. If you cannot afford access to health care it is your fault. People should face price barriers before they go and see a doctor.’ Again, this is despite the evidence that says that health care that is universal at the point of access is not just the fairest way of providing health care but also the most efficient. We only need to look to the US to see that. They spend twice what we spend on their health care—18 per cent of their GDP. It is a user pays system. What they get is worse but much more expensive health care and a much less fair system.

The government are proposing a co-payment that does nothing other than shift costs on to patients and, even worse, state governments that are already struggling to fund their hospital systems. We are going to see people move from primary care, one of the most efficient ways of delivering healthcare services, into emergency departments, which are much more expensive and are worse at providing health care to people with chronic disease. It makes no sense at all. It is a triumph of ideology over evidence.

Then we saw the freeze on indexation. This is a freeze that, over time, will have a more substantial impact than the Medicare co-payment. I will say that again. While all the debate has been about the Medicare co-payment, it is that freeze on Medicare rebates that, over time, is going to bite harder and will effectively mean the end of universal health care.

Perhaps even worse than all of that is that, from a government that promised the adults were back in charge and that they would be grown up and accountable, they cannot even implement this policy properly. They cannot even implement bad policy properly. This is
version 3. Version 1 was a thought bubble dreamt up before the budget. Version 2 was dreamt up by the Prime Minister in December last year. Then we saw the new health minister given the hospital handball, forcing her to ditch version 2 and to announce version 3, which received just as much praise as the original policy.

What needs to happen now is for the government to press the reset button on their health policy. They need to talk to the crossbench. They need to engage in a constructive conversation with the medical community and consumer groups. We need to start tackling the real issues in health care.

Question agreed to.

NOTICES

Presentation

Senator Fawcett to move:

That the Joint Standing Committee on Foreign Affairs, Defence and Trade be authorised to hold public meetings during the sittings of the Senate, as follows:
(a) Monday, 2 March 2015, from 5.30 pm, to take evidence for the committee's inquiry into the role of the private sector in promoting economic growth and reducing poverty in the Indo-Pacific region;
(b) Tuesday, 3 March 2015, from 12.45 pm, to take evidence for the committee's inquiry into human rights issues confronting women and girls in the Indian Ocean—Asia Pacific region;
(c) Tuesday, 3 March 2015, from 5.30 pm, to take evidence for the committee's inquiry into government support for Australian defence industry exports;
(d) Wednesday, 4 March 2015, from 11 am, to take evidence for the committee's inquiry into Australia's trade and investment relationships with countries of the Middle East;
(e) Monday, 16 March 2015, from 5.30 pm, to take evidence for the committee's inquiry into the role of the private sector in promoting economic growth and reducing poverty in the Indo-Pacific region;
(f) Tuesday, 17 March 2015, from 12.45 pm, to take evidence for the committee's inquiry into human rights issues confronting women and girls in the Indian Ocean—Asia Pacific region;
(g) Tuesday, 17 March 2015, from 5.30 pm, to take evidence for the committee's inquiry into government support for Australian defence industry exports;
(h) Wednesday, 18 March 2015, from 11 am, to take evidence for the committee's inquiry into Australia's trade and investment relationships with countries of the Middle East;
(i) Monday, 23 March 2015, from 5.30 pm, to take evidence for the committee's inquiry into the role of the private sector in promoting economic growth and reducing poverty in the Indo-Pacific region;
(j) Tuesday, 24 March 2015, from 12.45 pm, to take evidence for the committee's inquiry into human rights issues confronting women and girls in the Indian Ocean—Asia Pacific region; and
(k) Wednesday, 25 March 2015, from 11 am, to take evidence for the committee's inquiry into Australia's trade and investment relationships with countries of the Middle East.

Senator Fifield to move:

That, on Wednesday, 11 February 2015, on its presentation to the Senate, the Prime Minister's annual report on Closing the Gap and accompanying ministerial statement be considered for not more than 2 hours.
Senator Milne and Senator Xenophon to move:

That the following bill be introduced: A Bill for an Act to amend the law relating to country of origin labelling of food, and for related purposes. Competition and Consumer Amendment (Australian Country of Origin Food Labelling) Bill 2015.

Senator Milne to move:

That the Senate—

(a) welcomes the Egyptian Government's decision to unconditionally release and deport Australian journalist, Mr Peter Greste;
(b) recognises the tireless work of the Greste family, the Australian Government, the Ambassador and embassy staff in Cairo, and supporters of free press in Australia and around the world in advocating for the release of Mr Greste; and
(c) calls on the Egyptian Government to uphold freedom of the press and ensure the just and timely release of Mr Greste's Al Jazeera colleagues, Mr Mohamed Fahmy and Mr Baher Mohamed.

Senator O'Sullivan to move:

That the Senate recognises Australia's ability to develop and expand the kangaroo meat and hide industry, which can create jobs and build wealth for communities across rural and regional Australia.

Senator Polley to move:

That the Senate—

(a) notes:
(i) that February is Ovarian Cancer Awareness Month, which aims to raise awareness among Australian women of the symptoms of ovarian cancer,
(ii) that each year 1 400 Australian women are diagnosed with ovarian cancer, and more than 1 000 will die from the disease—that is one woman every 8 hours, and
(iii) with concern, that the prognosis for women diagnosed with ovarian cancer is generally poor due to the advanced stage of most ovarian cancers at the time of diagnosis;
(b) acknowledges that there is no screening program or detection test for ovarian cancer, and that the Pap smear will not detect the disease;
(c) recognises that:
(i) ovarian cancer is not a silent disease and that all women experience symptoms, even in the early stages of the cancer, and
(ii) the four most common symptoms are:
(a) abdominal or pelvic pain,
(b) increased abdominal size or persistent abdominal bloating,
(c) needing to urinate often or urgently, and
(d) difficulty eating or feeling full quickly;
(d) understands that every Australian woman needs to know the symptoms of ovarian cancer; and
(e) notes the need for greater focus on education and additional research funding to help Australian scientists to find early detection markers and more effective treatments for this disease.

Senator Collins to move:

That the Senate:

(a) adopt the recommendation in the 160th report of the Committee of Privileges, on the use of CCTV material in Parliament House, that no contempt be found in relation to the matter referred; and
(b) adopt the following further recommendations made by the committee:

- That the Presiding Officers instigate the development of a new Code of Practice which restores the focus on matters of security and safety, and emphasises accountability to the Presiding Officers and the Parliament, with appropriate regard for the primacy of the powers, and immunities of the Houses and their members.
- That the review process involve consultations with members and senators and other building occupants, and give consideration to the matters dealt with in this report.
- That senior officers in the Department of Parliamentary Services involved in the administration of the CCTV system and other systems managed on behalf of the Parliament undertake some structured training to acquaint themselves with the principles of privilege.
- That the attention of the Finance and Public Administration Legislation Committee be drawn to the matters set out from paragraph 2.2, under the heading Contradictory evidence, relating to the misleading evidence given at its estimates hearing on 26 May 2014.

Senator Wong to move:
That—
(a) the Senate—
(i) notes the Abbott Government's failure to keep Parliament and the public informed of the nature and progress of its trade negotiations,
(ii) expresses concern that the Abbott Government's lack of transparency diminishes industry and community engagement and undermines support for trade liberalisation,
(iii) draws to the attention of the Minister representing the Minister for Trade and Investment the order of the Senate of 11 December 2013 requiring bilateral and plurilateral trade agreements to be tabled at least 14 days before signing, and
(iv) requires the Minister representing the Minister for Trade and Investment to make a statement in the Senate on the status of negotiations on the proposed Trans-Pacific Partnership no later than 4 pm on Thursday, 12 February 2015;
(b) at the conclusion of the statement a senator may move to take note of the statement; or
(c) if no statement has been made by the Minister representing the Minister for Trade and Investment by 4 pm on Thursday, 12 February 2015, the Senator Wong) may immediately move a further motion relating to the Minister's failure to comply.

Senators Carr, Xenophon, Lambie, Muir, Rhiannon and Lazarus to move:
That the following matters be referred to the Education and Employment References Committee for inquiry and report by 17 March 2015:
(a) the principles of the Higher Education and Research Reform Bill 2014;
(b) alternatives to deregulation in order to maintain a sustainable higher education system;
(c) the latest data and projections on student enrolments, targets, dropout rates and the Higher Education Loans Program;
(d) structural adjustment pressures, and the adequacy of proposed measures to sustain high quality delivery of higher education in Australia's regions;
(e) the appropriateness and accuracy of government advertising in support of higher education measures, including those previously rejected by the Senate;
(f) research infrastructure; and
(g) any other related matters.
Senator Cash to move:
That the Senate—
(a) notes that:
   (i) February 2015 marks Ovarian Cancer Awareness Month,
   (ii) Ovarian Cancer Awareness Month is run every year by Ovarian Cancer Australia and its purpose is to raise awareness of the signs and symptoms of ovarian cancer and to offer support for the women, their families and friends affected by ovarian cancer, and
   (iii) Teal Ribbon Day is commemorated on Wednesday, 25 February 2015, and is a day when all Australians are invited to wear a teal ribbon to show support for ovarian cancer awareness, support and research;
(b) recognises that:
   (i) ovarian cancer is one of the most commonly diagnosed gynaecological cancers in Australia, with more than 1 300 Australian women diagnosed with ovarian cancer each year, which equates to almost four women each day,
   (ii) ovarian cancer has a low survival rate compared to other women's cancers, with more than two-thirds of ovarian cancers being advanced at the time of diagnosis and therefore being difficult to treat,
   (iii) there are no screening tests for ovarian cancer that provide early detection and many Australian men and women remain unaware of the symptoms of this insidious disease, and
   (iv) from 2000 to 2014, the National Health and Medical Research Council allocated over $97 million in funding for research into ovarian cancer, and over $11 million is to be allocated in 2015 to 2018; and
(c) commends Ovarian Cancer Australia for its continuing efforts to raise awareness of the signs and symptoms of ovarian cancer, and to provide support to those Australians affected by ovarian cancer.

BUSINESS

Leave of Absence

Senator LEYONHJELM (New South Wales) (15:35): by leave—I move:
That leave of absence be granted to Senator Day from 10 to 12 February 2015, for personal reasons.
Question agreed to.

NOTICES

Postponement

The following items of business were postponed:
Business of the Senate notice of motion no. 1 standing in the names of Senators Leyonhjelm and Day for 11 February 2015, proposing the disallowance of the provisions of subclauses 5(1), 5(4) and 5(5) of the Competition and Consumer (Industry Code—Port Terminal Access (Bulk Wheat)) Regulation 2014, postponed till 4 March 2015.

COMMITTEES

Environment and Communications References Committee

Reporting Date

The Clerk: Notifications of extensions of time for committees to report have been lodged in respect of the following:
Environment and Communications References Committee—National Landcare Program, extended to 25 March 2015.

The PRESIDENT (15:36): Unless any senator wants that motion put, I will continue.

NOTICES

Postponement

Senator XENOPHON (South Australia) (15:36): by leave—I move:

That business of the Senate notice of motion no.1 standing in the names of Senators Xenophon and McKenzie for today, proposing a reference to the Economics References Committee, be postponed till 2 March 2015.

Question agreed to.

Senator WHISH-WILSON (Tasmania) (15:37): by leave—I move:

That business of the Senate notice of motion no. 3 standing in my name for today, proposing a reference to the Rural and Regional Affairs and Transport References Committee, be postponed till the next day of sitting.

Question agreed to.

BUDGET

Consideration by Estimates Committees

Senator FIFIELD (Victoria—Manager of Government Business in the Senate and Assistant Minister for Social Services) (15:38): I move:

(1) That estimates hearings by legislation committees for 2015 be scheduled as follows:

2014-15 additional estimates:

Monday, 23 February and Tuesday, 24 February (Group A)

Wednesday, 25 February and Thursday, 26 February (Group B).

2015-16 Budget estimates:

Monday, 25 May to Thursday, 28 May, and, if required, Friday, 29 May (Group A)

Monday, 1 June to Thursday, 4 June, and, if required, Friday, 5 June (Group B)

Monday, 19 October and Tuesday, 20 October (supplementary hearings—Group A)

Wednesday, 21 October and Thursday, 22 October (supplementary hearings—Group B).

(2) That pursuant to the order of the Senate of 26 August 2008, cross portfolio estimates hearings on Indigenous matters be scheduled for Friday, 27 February, Friday, 29 May and Friday, 23 October.

(3) That the committees consider the proposed expenditure in accordance with the allocation of departments and agencies to committees agreed to by the Senate.

(4) That committees meet in the following groups:

Group A:

- Environment and Communications
- Finance and Public Administration
- Legal and Constitutional Affairs
- Rural and Regional Affairs and Transport
Group B:
Community Affairs
Economics
Education and Employment
Foreign Affairs, Defence and Trade.

(5) That the committees report to the Senate on the following dates:
(a) Tuesday, 17 March 2015 in respect of the 2014-15 additional estimates; and
(b) Tuesday, 23 June 2015 in respect of the 2015-16 Budget estimates.

Question agreed to.

Consideration by Estimates Committees

Senator URQUHART (Tasmania—Deputy Opposition Whip in the Senate) (15:38): At the request of Senator Cameron, I move:

That the Senate—
(a) notes that the Director of Fair Work Building and Construction has failed to provide information in his responses to Supplementary Budget Estimates 2014-15 questions on notice and has not made a claim of public interest immunity; and
(b) orders that there be laid on the table by the Minister for Employment, by the end of question time on Thursday, 12 February 2015, a copy of complete answers to Supplementary Budget Estimates 2014-15 question on notice EM1529 15, EM1521 15 and EM1555 15.


The DEPUTY PRESIDENT: Leave is granted for one minute.

Senator FIFIELD: The government opposes this motion. The questions on notice contained in this motion actually refer to correspondence between a Commonwealth agency and Victoria Police about an active police investigation. The response that was provided was that providing copies of correspondence between FWBC and police agencies may prejudice ongoing working relationships with police agencies throughout Australia. This is a fair and reasonable explanation and is similar to responses provided by the opposition while it was in government in relation to ongoing police investigations. While the opposition may want to undermine working relationships with Commonwealth agencies and police so that they can provide sensitive police intelligence to certain unions, the government does not support such an action.

Question agreed to.

MOTIONS

Gardens of Stone

Senator RHIANNON (New South Wales) (15:40): I move:

That the Senate—
(a) notes that:
(i) the Gardens of Stone in New South Wales and adjacent Ben Bullen, Newnes and Wolgan State Forests are spectacular landscapes that are habitats for many plants and wildlife, including national and state-listed threatened species,
(ii) in October 2014 the New South Wales Planning Assessment Commission found that the pagoda landforms in that area should be afforded special significance status and the highest possible level of protection, and

(iii) the Gardens of Stone and adjacent areas continue to be threatened by open cut and longwall mining proposals and will continue to be vulnerable to mining impacts until permanent protection is granted; and

(b) calls on the Federal Government to support the call for the New South Wales State Government to extend national parks protection for the Gardens of Stone stage two reserve proposal.


The DEPUTY PRESIDENT: Leave is granted for one minute.

Senator FIFIELD: The designations of national parks is wholly a matter for state governments and the Greens need to stop wasting the Senate's time with matters that are outside the Australian government's jurisdiction, particularly for areas that are already afforded the highest level of protection under national environmental law. In fact, the Greater Blue Mountains area was listed as a World Heritage property in 2000 and contains the Gardens of Stone referred to by the Greens motion. Any proposed development that is likely to have a significant impact on the outstanding universal value of the Greater Blue Mountains World Heritage area must be assessed under the EPBC Act. In fact, Cullen Valley Mine, which was subject to the Planning Assessment Commission report, was referred to the Minister for the Environment for assessment in January 2015. This will be considered within the strict requirements of national environmental law. The Australian government will continue to focus on issues within its jurisdiction instead of interfering with state governments.

The PRESIDENT: The question is that notice of motion No. 590 standing in the name of Senator Rhiannon be agreed to.

The Senate divided. [15:46]

(The President—Senator Parry)

Ayes ......................10
Noes ......................30
Majority .................20

AYES

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

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

NOES

Back, CJ
Brown, CL
Bushby, DC
Carr, KJ
Fawcett, DJ

Bernardi, C
Bullock, J.W.
Canavan, M.J.
Dastyari, S
Fifield, MP

CHAMBER
Question negatived.

**South Australian Bushfires**

**Senator WRIGHT** (South Australia) (15:49): I move:

(a) thanks those who fought to protect homes, properties and wildlife during the devastating Sampson Flat bushfires in South Australia during January 2015;

(b) recognises the outstanding contribution of South Australia's Country Fire Service personnel in keeping residents safe and bringing the fire under control in challenging conditions;

(c) commiserates with those who lost their homes, properties and pets as a result of the fire;

(d) celebrates the depth of the South Australian community's response to the Sampson Flat bushfires, as demonstrated by the outpouring of support for those affected by the fires; and

(d) calls on the Federal and South Australian Governments to ensure South Australia's Country Fire Service has adequate funding for volunteer training, equipment and operations.

Question agreed to.

**Coal Seam Gas**

**Senator BUSHBY** (Tasmania—Chief Government Whip in the Senate) (15:49): At the request of Senator O'Sullivan, I move:

That the Senate—

(a) acknowledges the commencement of export activity of Queensland's coal seam gas to liquefied natural gas (LNG) industry in January 2015; and

(b) recognises that, with two other LNG projects set to commence exporting from Curtis Island Port in the coming months, Australia is on the verge of being propelled to the top of the global LNG export ladder.

**Senator WATERS** (Queensland) (15:49): I seek leave to make a short statement.

The PRESIDENT: Leave is granted for one minute.

**Senator WATERS**: If Senator O'Sullivan is going to waste the Senate's time by putting mere factual statements to the chamber—

**Senator O'Sullivan interjecting**—

**Senator McGrath interjecting**—

The PRESIDENT: Pause the clock. Order! Senator Waters is entitled to be heard in silence. Order on my left.
Senator WATERS: Then in the future we will vote against them on the basis that the Senate has better things to do. This is a caricature motion, which does not mention the suffering imposed on local landholders and communities by coal seam gas or the devastating impacts on our farmland or groundwater or the climate from this rogue industry. The CSG industry is to be condemned, not applauded, and Senator O'Sullivan does his regional and rural constituents no favours by pretending otherwise.

Question agreed to.

COMMITTEES

National Capital and External Territories Committee

Meeting

Senator URQUHART (Tasmania—Deputy Opposition Whip in the Senate) (15:51): At the request of Senator Brown, I move:

That the Joint Standing Committee on the National Capital and External Territories be authorised to hold private meetings otherwise than in accordance with standing order 33(1) during the sittings of the Senate, as follows:

(a) Thursday, 12 February 2015;
(b) Thursday, 5 March 2015;
(c) Wednesday, 18 March 2015; and
(d) Thursday, 26 March 2015.

Question agreed to.

MOTIONS

Death Penalty

Senator SINGH (Tasmania) (15:52): I, and also on behalf of Senator Milne and Senator Mason, move:

That the Senate—

(a) notes:

(i) that two Australians, Mr Myuran Sukumaran and Mr Andrew Chan, are presently imprisoned in Kerobokan prison in Indonesia and are facing execution for the crime of drug trafficking,

(ii) the serious nature of Mr Sukumaran and Mr Chan's crimes, befitting lengthy prison terms as just punishments for them,

(iii) Australia's abolition of capital punishment, the international trend away from capital punishment, and the success of Indonesia's efforts to save the lives of its own citizens sentenced to death in foreign jurisdictions,

(iv) the genuine remorse demonstrated by Mr Chan and Mr Sukumaran and their efforts at rehabilitation and reform in Kerobokan prison, not only for themselves but also for other prisoners, and

(v) the widespread support of the Australian people for the commutation of the death sentences of Mr Chan and Mr Sukumaran to lengthy prison sentences, as shown in the recent campaigns across the country calling for mercy to be shown to them; and

(b) calls on Indonesia to give consideration to the circumstances of Mr Chan and Mr Sukumaran and their rehabilitation in prison, their suffering and that of their families, and commute their sentences to an appropriate term of imprisonment.
Senator MILNE (Tasmania—Leader of the Australian Greens) (15:52): I move:

That the Senate—

(a) notes that the latest Intergenerational Report was due to be publicly released on 1 February 2015 as required by section 20 of the Charter of Budget Honesty Act 1998; and

(b) orders that there be laid on the table by the Minister representing the Treasurer, Senator Cormann, no later than 2 pm on 11 February 2015, a copy of that Intergenerational Report.

Question agreed to.

Senator HANSON-YOUNG (South Australia) (15:52): I move:

That there be laid on the table by the Minister representing the Minister for Immigration and Border Protection, no later than 3 pm on Wednesday, 11 February 2015, a copy of the completed ‘review into recent allegations relating to conditions and circumstances at the Regional Processing Centre in Nauru’, conducted by Mr Phillip Moss.


The PRESIDENT: Leave is granted for one minute.

Senator FIFIELD: On behalf of Minister Cash, on 3 October 2014 the acting Secretary of the Department of Immigration and Border Protection announced that a review by Mr Phillip Moss would commence into allegations relating to conditions and circumstances at the regional processing centre in Nauru. The terms of reference for the review require Mr Moss to provide a report to the Secretary of the Department of Immigration and Border Protection. This report was commissioned by the department for the department, and the government will not be supporting this motion.

Question agreed to.

BILLS

Telecommunications Legislation Amendment (Deregulation) Bill 2014

Telecommunications (Industry Levy) Amendment Bill 2014

Reference to Committee

Senator URQUHART (Tasmania—Deputy Opposition Whip in the Senate) (15:54): At the request of Senator Conroy, I move:

The PRESIDENT: The question is that business of the Senate notice of motion No. 2 standing in the name of Senator Conroy be agreed to.

The Senate divided. [15:59]

(The President—Senator Parry)

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<th>Ayes ....................33</th>
<th>Noes ..................28</th>
<th>Majority ..........5</th>
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<td>Urquhart, AE (teller)</td>
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<td>Waters, LJ</td>
<td>Whish-Wilson, PS</td>
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NOES

| Back, CJ                  | Bernardi, C            |                   |
| Birmingham, SJ            | Bushby, DC (teller)    |                   |
| Canavan, M.J.             | Cash, MC               |                   |
| Colbeck, R                | Fawcett, DJ            |                   |
| Fierravanti-Wells, C      | Fifield, MP            |                   |
| Heffernan, W              | Johnston, D            |                   |
| Leyonhjelm, DE            | Macdonald, ID          |                   |
| Mason, B                  | McGrath, J             |                   |
| Nash, F                   | O'Sullivan, B          |                   |
| Parry, S                  | Reynolds, L            |                   |
| Ronaldson, M              | Ruston, A              |                   |
| Ryan, SM                  | Scullion, NG           |                   |
| Seselja, Z                | Sinodinos, A           |                   |
| Smith, D                  | Williams, JR           |                   |

PAIRS

| Cameron, DN               | Edwards, S             |                   |
| Day, R.J.                 | Payne, MA              |                   |
| Faulkner, J               | McKenzie, B            |                   |
| Marshall, GM              | Cormann, M             |                   |
McEwen, A
Wong, P
Abetz, E
Brandis, GH

Question agreed to.

**DOCUMENTS**

**Affordable Housing and Homelessness Policy**

**Order for the Production of Documents**

**Senator LUDLAM** (Western Australia) (16:01): I, and also on behalf of Senator McLucas, move:

That the Senate—

(a) notes:

(i) that the Abbott Government's 2014-15 budget included cuts of $589.6 million from housing and homelessness initiatives, including axing the $44 million capital budget in the National Partnership for Homelessness (NPAH) used for shelters and housing for the homeless,

(ii) continued uncertainty over the future of the Government's responsibility for housing places at least 3 400 highly specialised jobs across 180 initiatives providing services to 80 000 clients every year under the NPAH at risk, and

(iii) even at current levels of funding there are 100 000 people experiencing homelessness on any given night in Australia and another 225 000 Australian families on waiting lists for social housing;

(b) orders that there be laid on the table by the Minister representing the Minister for Social Services, no later than 3 pm on Wednesday, 11 February 2015, a statement to the Senate clarifying the Government’s commitment to:

(i) homelessness beyond June 2015, including progress on review and negotiations of the NPAH, and

(ii) affordable housing, including the future of the NPAH.

Notice of motion altered on 9 February 2015 pursuant to standing order 77.

Question agreed to.

**MATTERS OF URGENCY**

**Maules Creek Coalmine**

The **ACTING DEPUTY PRESIDENT** (Senator Lines) (16:03): I inform the Senate that the President has received the following letter from Senator Siewert:

Pursuant to standing order 75, I give notice that today I propose to move that, in the opinion of the Senate, the following is a matter of urgency:

"The need for Minister Hunt to suspend the approval for the Maules Creek coal mine on the New South Wales Liverpool Plains and to act immediately to prevent further land clearing, due to commence on 15 February, of critically endangered vegetation in Leard State Forest."

Is the proposal supported?

More than the number of senators required by the standing orders having risen in their places—
The ACTING DEPUTY PRESIDENT: I understand that informal arrangements have been made to allocate specific times to each of the speakers in today’s debate. With the concurrence of the Senate, I shall ask the Clerks to set the clock accordingly.

Senator MILNE (Tasmania—Leader of the Australian Greens) (16:03): I move:

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

The need for Minister Hunt to suspend the approval for the Maules Creek coal mine on the New South Wales Liverpool Plains and to act immediately to prevent further land clearing, due to commence on 15 February 2015, of critically endangered vegetation in Leard State Forest.

I rise this afternoon to call on the federal Minister for the Environment, Mr Hunt, to immediately stop the Maules Creek Coalmine in New South Wales. The date of 15 February marks what will be an act of ecological vandalism and economic stupidity. It is of national significance as we have in New South Wales Whitehaven Coal, with the full blessing of New South Wales Premier Mike Baird and the Leader of the Opposition, Luke Foley, together with Prime Minister Abbott, Mr Shorten and no doubt Mr Turnbull—the whole lot of them—keen to recommence smashing down the critically endangered white box gum in Leard State Forest and to destroy the habitat of at least 396 species of plants and animals, including owls, koalas, birds, bats and parrots. Of course, the bat species are renowned in that particular area. Of those species, 34 are threatened species, including three that are critically endangered. The number is so high because they are dependent on the box gum woodland, of which only 0.1 per cent survives nationally. I will say that again: only 0.1 per cent of this vegetation type survives nationally. Yet the Premier of New South Wales, the Leader of the Opposition in New South Wales—the Labor Party—think it is fine to go and smash down that remnant vegetation.

The Department of Premier and Cabinet in New South Wales has recognised this forest as having irreplaceable, ecologically unique values. But it took a land and environment court case to stop winter clearing. But now they are about to start again. I have heard endlessly from the Prime Minister and Treasurer Hockey that we must not be stealing from future generations. If there is one thing that they are stealing from future generations it is critically endangered habitat, plants and animals, and of course a safe climate.

It is hard to believe the stupidity, the backwardness, the ignorance of knocking down the Leard State Forest to build a coalmine in an age of global warming, when the coal should be staying in the ground. That is the fact of the matter. That coal needs to stay in the ground. We cannot afford to burn that coal because of the climate. Yet we have got this ridiculous situation where we are going to lose this critically endangered vegetation. We will lose sites that are of cultural significance to the Gomeroi people. We will see precious water resources all wasted and all to facilitate what has been a corruptly approved—I say that again, ‘corruptly approved’—Whitehaven coalmine. It is likely to be not only an ecological disaster but also an economic disaster.

The only thing that is standing behind future generations actually being able to enjoy this forest, ensuring that this threatened vegetation community—and the plants and animals that it supports—can remain and that is preventing this intergenerational theft is the community.

Today, I really want to pay respect and give absolute encouragement to people who have been prepared to stand there in Maules Creek and put themselves on the line. They have done that. More than 250 people have been arrested there. We have alliances like the Leard State
Forest alliance and the Front Line Action on Coal out there. We have had all the conservation groups out there. We have had incredible support from people as varied as Bill Ryan, who is 92 years old and a veteran of the Kokoda Trail; Cliff Wallace, who is a property owner there, who has facilitated and helped the protesters make the stand that they have; Intergovernmental Panel on Climate Change lead author Colin Butler, who was arrested there; and of course former Wallabies captain David Pocock was arrested as well. All of these people have made a major stand for the forest, the environment, the climate and against corruption. We will see more of those people putting their lives on the line this weekend and calling out the Baird government in New South Wales and the Abbott government federally, because all of this should not be happening, because it was all corruptly approved.

Now we find that Whitehaven is trying to squirm out of even the minimal biodiversity corridor, saying it presents:

[…] a material risk to the project's success …

And the company cannot accept it. This is how marginal the coalmine is. They are saying that they cannot even meet the minimal biodiversity corridor, because it jeopardises the project. The fact is that the project is jeopardised anyway because there has been a complete collapse in the coal price globally and that is going to continue. There is a structural change here and it is not going to recover. We are going to see the stupidity of smashing down the Leard State Forest to put in a coalmine which will never be viable.

This is a disgrace in a country like ours. People pride themselves in Australia. They look at other countries and say, 'Look at the corruption that goes on there,' and they never recognise that the corruption goes on here just as much. In fact, it has been even worse in New South Wales. I want to go to that in terms of the offsets, and my colleague Senator Waters will talk about this a bit later. The offsets never, ever offset the critical vegetation type and yet the mine was approved. I make the point that it was former Labor Party environment minister Tony Burke who approved it, but they are up to their neck in it in New South Wales and the approval by the Liberals.

There should have been a judicial inquiry. When ICAC got right into what happened, they found that Nathan Tinkler was central to a series of corrupt dealings in New South Wales and that it involved this mine. There were political donations to the Liberal and National Parties and there has never been a proper investigation into what actually went on. It is totally disgraceful. You cannot believe that, in this day and age, this mine was not stopped the minute they found out that it had been corruptly approved. There were a whole series of events: donations went from Aston Resources, Boardwalk Resources, Chris Hartcher and the Free Enterprise Foundation eventually to the New South Wales Liberal Party and then the ministers in New South Wales assisted in various approvals. What sort of corrupt behaviour is that? Now a whole community has to fight for their land, for their water, for biodiversity and for their forest. Why should they have to do that?

It is even more shocking that a former leader of the National Party and former Deputy Prime Minister of Australia, Mark Vaile, is the chair of Whitehaven Coal. This really sends an appalling signal to people around the country: get yourself involved in corrupt dealings, hand over the cash in back rooms to make prohibited donations, get it through things like the Free Enterprise Foundation, absolutely hide it from the public gaze, get it through to the Liberal Party and you will get it back in approvals.
The Labor Party is not exempt from this, as the Obeid cases in New South Wales show. This should have been stopped. It should have been stopped by a proper judicial inquiry. The corruption goes on to this day. The fact that Mike Baird, the Premier of New South Wales, could stand there last week opening this mine and saying what a great thing it is shows you the extent to which corruption has seeped into the body politic of New South Wales.

The Greens are going to stand with that community. The Greens are going to stand with everyone in New South Wales who turns out in Maules Creek to stop the destruction of the Leard forest, the logging that will start there and the bulldozing of that forest as it continues, because the people there deserve to have decent, democratic representation that is honest and transparent, not corrupt. We, along with the next generations, have to do what we can to save the critically endangered species that the Leard forest contains. If Minister Hunt was really a Minister for the Environment he would step in and say now that he will not be a party to final federal approval of the plan that will see Whitehaven go broke after having destroyed the environment.

I wish the very best of luck to everyone who turns out this weekend to stop this destruction. We stand with you and we will articulate this in the Senate.

Senator BIRMINGHAM (South Australia—Assistant Minister for Education and Training) (16:14): I thank Senator Milne for her New South Wales campaign speech, which appears to be what we just heard, with a whole bunch of allegations about approvals processes or what may have transpired in relation to processes completely within the control and domain of the New South Wales government. The motion that she has moved, which is before the Senate, relates particularly to calling on Minister Hunt to suspend this mine. His powers purely exist within the Environment Protection and Biodiversity Conservation Act. Matters you want to talk about as to processes in New South Wales—whose donations went to who, the Obeid family or any of those matters—are completely irrelevant under that act. All Minister Hunt or any minister of the Crown would be doing were they to take those matters into consideration would be to expose the Commonwealth to the risk of litigation and compensation. That is what you seem to be calling upon Minister Hunt to do.

I look forward to the contributions to this debate from those in the Labor Party. The reality is that the Maules Creek mine has been assessed and approved in appropriate terms under the EPBC Act, under our national environmental laws. It was under those opposite that these approvals were granted. The member for Watson, Mr Burke, was the responsible minister for the approvals. So I look forward to their contributions in this debate and I trust that they will be reflective of the decisions that were taken at the time, reflective of the fact that Commonwealth law—the EPBC Act—has boundaries about what is assessed and considered. You can shake your head all you want, Senator Milne, but that is the reality of the situation. The EPBC Act is about environmental assessments, limited to matters of national environmental significance—

Senator Milne interjecting—

Senator BIRMINGHAM: And I know that you actually know this, Senator Milne, and I know that you are not a fool on these matters. I know that you do actually understand the EPBC Act and its limitations, and I appreciate that you are just coming in here to create a political debate and a political situation around this issue. That is fine. Everybody is allowed,
in the run-up to state elections, to decide in the states chamber to run their campaigns for their state causes, and clearly that is what you are going to do.

The Maules Creek mine is subject to 40 conditions, and it is the expectation that conditions would be met, as it is the expectation for any EPBC approval that occurs. But it is also the expectation of this government that, when approvals through a legal process are given, whether they are approvals that we have made or approvals that our predecessors made, those approvals will then stand under the law of the land. That is just as, when we came to office, if there were contracts in place that had been entered into by the previous government, much as we might sometimes have disagreed with those contracts, we of course sought to honour those contracts. If there are legal approvals in place, we honour those legal approvals, because to do otherwise would be to expose the Commonwealth, the taxpayer, to risks of litigation and compensation.

At its heart, we know that the Greens, if they had their way, would stop all coalmining in Australia. They would stop all gas extraction in Australia. They would be making sure that all of those sorts of resources projects simply ground to a halt. That is fine. That is their political philosophy and that is what they are entitled to campaign for, but they might as well be honest about that: it would not matter what the circumstances of this mine were, they would campaign to have it stopped. They argue in these debates that we should be stopping it from occurring because of a collapse in the coal price. Once again, I draw the Greens back to the terms of the EPBC Act. The price of coal is not a relevant consideration; it is the impacts on matters of national environmental significance that are absolutely appropriate considerations.

It is a condition of the approval of this project, a condition imposed by the member for Watson, Mr Burke, the former Labor minister for the environment, that a biodiversity corridor plan to protect and maintain a new biodiversity corridor adjacent to the mine occur; that offsets of nearly 10,000 hectares must be obtained for the threatened Regent honeyeater, the Swift parrot and the greater long-eared bat; and that 5,500 hectares of offsets must be secured for ecological communities. These conditions are in place and we expect them to be applied and implemented. Equally, as a government, we expect that we abide by the terms of the legislation passed by this parliament.

Since the EPBC Act came into force in the year 2000, projects around Australia have been subject to what are robust and comprehensive assessments, some of the best in the world. Over the last 14 years the act has been successfully implemented by governments of both persuasions, maintaining good standards, maintaining appropriate standards but of course also facilitating development. What we do not want to do as a government—and what I would hope those opposite, as an alternative government, would not want to do—is shift the goalposts, create business uncertainty, add to costs, create an environment where there is a risk that approvals, once given, may, because of political pressure, be withdrawn, because that would be a very damaging environment for investment in Australia and it would be a situation where there is a real threat to jobs and to security and to our economic wellbeing. As I said before, the Greens would happily shut down not just this mine but coalmines right around the country. I am sure they would live with the economic consequences that would have—the significant job losses and the significant loss of export income that would occur. That is not the way of this government. I do not believe that is the way of those opposite, although
sometimes it is hard to tell from their approach and their relationship with the Australian Greens.

Those opposite can try to defend the Obeids and some of what has occurred in New South Wales if they want to. They can choose, if they want to, to respond to Senator Milne's allegations of corruption being at the heart of approvals. But it is important to note that, when Senator Milne stands here and says, 'This mine was corruptly approved,' I assume she was talking about the New South Wales government. I would be very concerned, Senator Milne, if you were making any reflections on a member of our government or, frankly, on Mr Burke or a member of the previous government, about whom I am not aware of any allegations of wrongdoing in relation to this mine. At the Commonwealth level—

Senator Rhiannon: The laws are already so weak, Senator Birmingham; you know that. That is why you can get away with it. You call it legal, but it is not.

Senator BIRMINGHAM: I am not sure who you are making an allegation against there, Senator Rhiannon—

Senator Rhiannon: At the state laws.

Senator BIRMINGHAM: At the state laws? You are in the Commonwealth parliament now, Senator Rhiannon. You might not remember that you made that change! You might have forgotten that you changed from the New South Wales parliament to the federal parliament; but, here, we have to work with the federal laws. Here, we are confined by those federal laws.

Senator Rhiannon interjecting—

The ACTING DEPUTY PRESIDENT (Senator Lines): Senator Birmingham has the right to be heard in silence. Please continue, Senator Birmingham.

Senator BIRMINGHAM: Here, we have to work within the Constitution, within the limits of federal power, and the ministers of the day exercise their powers in accordance with the legislation passed by this parliament—this parliament. You can exercise your right to campaign against this mine in New South Wales. You can make whatever allegations you want to make about New South Wales governments, past or present, if you so choose. But in this place we have to deal with federal laws, and in the Environment Protection and Biodiversity Conservation Act 1999 we have a law that has been appropriately applied, where the public servants and the ministers of the day have acted within the terms of the law—and this mine has those approvals. We will uphold those approvals, subject to the conditions in place, because as a government we believe in providing certainty to businesses who go through our legal processes.

Senator O'NEILL (New South Wales) (16:24): I am pleased to rise today to speak on this urgency motion. We in the Labor Party are very concerned about the impacts of development on our environment. I am a member who lives on the Central Coast, which was a hot spot for many of the shenanigans—which I think might be an appropriate term to describe the way in which the Liberal Party raised funds in the lead-up to the last election—that have been the subject of considerable discussion at ICAC. As a person from New South Wales who lives in an area where the heartbeat of that plan to redirect funds was exercised I am very aware and very concerned about the influence of inappropriate donations and their impact on how development proceeds in New South Wales. But let us be clear: we the Labor Party share the
concerns of others in this chamber that mining operations minimise their impact on the environment and on communities, particularly Aboriginal and Torres Strait Islander people.

With reckless disregard, the Abbott government is pushing ahead with its move to hand over environmental approval powers to state and local governments. This is the key in any debate about environmental approvals and about the protection of our environment generally. This government—a government that has been governing badly for 520 days that is now, as expressed by the Prime Minister yesterday, attempting 'good government'—would happily allow state and local governments to approve developments on a mighty scale in some of Australia's most iconic environmental and agricultural assets.

On the Abbott government's watch, we will have Colin Barnett in charge of the Ningaloo Reef and Will Hodgman and his 'cut it down' government in charge of Tasmania's iconic World Heritage listed forests. But this government's approach goes beyond pro-development state governments. It provides the ability for these same state governments to accredit local government to undertake critical assessment and approval processes. This is a matter of great concern. It should be a matter of great concern to every Australian. This government is presiding over a period of devolution of responsibility that puts at risk not just the piece of land nominated for discussion by the Greens this afternoon but also the entire country. This is a government intent on allowing the states to approve anything anywhere, without limitation. That is worrying.

The states are planning on further diluting accountability by putting local government in charge of Australia's major natural assets. We know the real work of delegating approval powers is being done in the bilateral agreements that this government is making with the states; and one of Labor's concerns about this is the lack of quality and consistency in the processes with the states. Under the Abbott government's approach, World Heritage sites and species protected under international treaties will be put in the hands of state and local governments. I keep repeating it because it is hard to believe that there could be a government so intent on abrogating its national responsibilities.

Labor will steadfastly oppose this approach. We continue to support streamlining environmental assessment processes for major projects, but final approval on matters of national environmental significance should remain with the national government. Labor began negotiations with the states to establish agreements to reduce regulatory doubling-up in 2012. Through those negotiations, it became clear that some states could not be trusted with Australia's unique environment. The Australian government has the responsibility of protecting Australia's precious environment, and the EPBC Act, in particular, accounts for matters of national environmental significance.

The Abbott government has no interest in protecting Australia's environment for the future. Since coming to government, Tony Abbott and Greg Hunt have made bad decision upon bad decision that have clearly hurt our environment, and have ignored the community. This government simply has no credibility when it comes to the environment. Its record makes one ask why ministers for the environment have not gone the way of ministers for science, because clearly the government is ignoring the realities. The record, so far, of the 529 days of 'bad government' is simply astounding, ranging from moving backwards on climate change to risking our reputation for outstanding World Heritage icons.
Soon after coming to office, the Abbott government began rushing through environmental approvals that included the Abbot Point coal terminal on the Great Barrier Reef. Let me tell you that in my public encounters I have had conversations with young people, including a person as young as four, who presented me with a picture of her concern about what Tony Abbott was planning to do at Abbot Point. The risk to the environment that this government presents is so evident that a four-year-old can come and lobby a federal politician on the issue. That is how clear its abrogation of responsibility is. This is the government that disallowed the endangered community listing of the River Murray from the Darling to the sea. This is the government that went against all reason and all advice and sneakily had the world's largest marine reserve system re-proclaimed to undo the management plans that gave it effect. The government has begun a process of handing over environmental approval powers to the state, as I said. It has given Colin Barnett the keys to Ningaloo marine reserve and Will Hodgman control of the Tasmanian Wilderness World Heritage Area—as if these great, iconic environmental assets belong only to one state, or even down to a local government level. They belong to every Australian. We are a Commonwealth, a federation of states, and the national responsibility is the responsibility of the national government. This government has all but abandoned efforts to have Queensland's Cape York added to the World Heritage List.

But it does not end there. The government has disenfranchised communities across Australia by ripping Commonwealth funding from the Environmental Defenders Offices, which means that those who have a concern about environmental approvals will no longer have the capacity to protect the places they love and to contest decisions. Not only the Environmental Defenders Offices but legal aid, women's legal services, and welfare rights and community legal centres all agree that this wicked slashing of federal government funding has hit them hard. Access to justice for people who wish to use the law to stand up for and protect their environment will be effectively lost when the EDOs have to close. For this government, that is what it considers a good outcome. That is the great shame of witnessing in this place every day the stripping away of the capacity of Australians to fundamentally protect the things that are of value to us.

Defending the environment and defending community amenity and cultural heritage will simply become unaffordable for many Australians, as the local EDO has often been the only place many people could afford to go for expert legal advice on complex matters of public interest with regard to environmental law. The government's ridiculous decision to remove funding from environmental legal centres will expose communities to damaging developments and reduce scrutiny, particularly on the very powerful and cashed-up mining industry.

The government has taken us backwards on climate change by repealing the carbon price in favour of a taxpayer funded, dressed-up slush fund that certainly will not work. Tony Abbott abolished the Climate Commission, which was established to provide public information on the effects of and potential solutions to global warming. The government also wants to axe the Australian Renewable Energy Agency, the Climate Change Authority, the Clean Energy Finance Corporation and the renewable energy target—all that blood on its hands.

The government approached the World Heritage Committee to delist 74,000 hectares of the Tasmanian Wilderness World Heritage Area. This embarrassing application was dismissed
out of hand by the World Heritage Committee. The government ripped nearly half a billion dollars out of Landcare, taking money away from landholders and local communities to run its Green Army program instead. The government has the National Water Commission in its sights, with plans for its abolition for a small budget saving at a time when water management in Australia is at dangerous risk of backsliding.

The government has been entrusted with one of the great honours of public life: to protect and promote Australia's magnificent natural assets. The problem with this government is that it has no mindset for the environment. (Time expired)

Senator WATERS (Queensland) (16:34): I rise to speak on the matter of urgency, regarding the approval of a 13-megaton coalmine in the middle of a critically endangered forest. Sadly, the approval was given at the federal level by the former Labor government and it was given at the state level by the state Liberal government—and I will have more to say about that in the course of my short contribution.

I want to focus on the farce that was the granting of this approval, in particular the granting of the approval on the promise of this critically endangered woodland being protected elsewhere, when the company lied about finding appropriate offsets. Subsequent independent investigations revealed that the company's purported offset was in fact 95 per cent an entirely different ecosystem. Somehow, the federal Department of the Environment had not realised that until they had already issued the approval. To their credit, they then commenced an investigation, which demonstrated that, indeed, the offsets were mis-described—in my view, proving that the company had used false and misleading information in order to gain an approval. That is a prosecutable offence. Instead, we saw an investigation that rolled on for months and months and, ultimately, was dropped. That left us with a situation of a mega-coalmine approved in the middle of a forest with critically endangered woodland and endangered species, with an offsets plan that was totally inadequate and that, two years down the track, is still not finalised. This company has an approval to destroy critically endangered woodland, of which there is 0.1 per cent left in this entire country, and it still has not worked out where it is going to find replacement vegetation. If that does not make an entire mockery of our environmental legal system, I do not know what does.

Of course, we saw one of the activists involved in trying to protect this forest, Jonathan Moylan, issue a fake press release which caused a temporary dip in the share price of the bank that was proposing to fund this mine. He had the book thrown at him and was subjected to charges which would have borne a 10-year penalty. Thankfully, he got off, but it highlights the difference of approach between a company which has provided false information to get an approval and then has the investigation dropped and an activist who was faced with a potential 10 years in jail.

The other point I want to talk about is the fact that the bulldozers are about to go in. On 15 February, this coming weekend, this company, which two years on still has not finalised its offsets plan and still has not finalised where the biodiversity corridor that the conditions require it to identify and protect is going to go, is going to send the bulldozers in with all of these question marks still hanging over the entire approval.

There are question marks about the company's financial state as well, so I am worried that we might see a situation where this endangered woodland gets cleared and then the mine does not even get up at all. I would love for the mine not to happen; but for the trees to be cleared...
and the company then fall over would be an absolute travesty. We have got to see the minister step in and pause this approval—I think he should revoke it entirely—protect the climate from this 13-megatonne coalmine and protect those 500-plus hectares of critically endangered woodland. That is what we are calling on Minister Hunt to do.

I was very interested that Senator Birmingham said he has got confidence in the enforcement of the 40 conditions that were placed on this coalmine. It is great that he has got confidence; sadly, the federal environment department's staff have been slashed under his government's administration, so I do not have confidence that they have the people to enforce the conditions. But it is a very interesting comment for him to make given that that the company is now seeking to weaken those very conditions. Senator Birmingham said that his government would uphold the approvals, subject to the conditions in place. We will hold him to that. We will not allow this company to get in the back door and try and weaken the conditions about where the biodiversity corridor should go. So I thank Senator Birmingham for a perhaps offhand remark that we intend to hold him to and ensure that those conditions are indeed enforced. What a mockery it is for this megacoalmine to be approved right when the cost of thermal coal has halved in the last three years. This mine is not financial. It is going to have an absolutely atrocious effect on the climate. It would pump out 30 million tonnes of CO2, which is equivalent to the annual emissions of New Zealand's entire energy sector—massive climate disaster, massive biodiversity disaster. Minister Hunt needs to step in and act like an environment minister and stop this. (Time expired)

Senator RUSTON (South Australia—Deputy Government Whip in the Senate) (16:39): I have had the pleasure of sitting in the chamber on whip's duty and I must say I am amazed by some of the comments that have come from the Greens in particular. The Maules Creek Whitehaven coalmine is a project that has been talked about for some time. It was approved in accordance with environmental law. As we mentioned, it was approved by the member for Watson, the Hon Tony Burke, who was the responsible minister when the Labor Party was in government. The mine is subject to appropriate conditions—some 40 of them—which Senator Waters seems to think are a waste of time. These conditions have been put in place by a robust planning process, including the preparation of a biodiversity corridor. I note that the senator, in her contribution, said the offsets plan was a complete waste of time. But when you consider that we are talking about 550 hectares being affected by this particular project, and that the offsets that have been proposed are nearly 10,000 hectares, even if there was some level of error in the offsets you would have to question whether the senator is not just going to pick on anything that she can possibly get her hands on to complain about—because she and the Greens do not like any mines whatsoever.

This government, like those opposite when they were in government, obviously understands that you have to run a country on a number of bases. You cannot just run a country thinking that the environmental considerations are above and beyond all other considerations that take place. We understand that we have to have a robust economy. We understand that we have to have social things in place. We understand that we have to have a multifaceted economy—because there are lots of different things that happen in Australia, not just the environment. Therefore, the responsible approach to these things is to accept that there are some things that are going to have to occur that may actually require a tree to be cut down or a whole to be dug. So what I would say to the Greens, who have come in here today
and had a lovely little grandstand about this mine—and I am sure they will continue to
grandstand about every project that they do not like—is that I do not think anybody in this
place is disputing the fact that this mine will have an environmental impact. But what we have
to understand is that, right now, we do not have the capacity in this country to have an entirely
clean option for our energy. We do not have the capacity at the moment to deal with baseload
power from clean energy sources.

You often hear those up in the top corner of this chamber, in the area where the Greens sit,
carrying on about the Clean Energy Finance Corporation and refusing to allow the
government to pursue its economic agenda to get the budget back in shape. But all we seem to
have seen is a lot of wind farms being approved by these kinds of organisations. If, instead,
we had started to invest in things like how we are going to store some of this clean energy that
we purportedly will need into the future, then maybe we could be arguing that perhaps we do
not need to pursue coal. But, right now, the Australian community has no choice whatsoever
but to continue to use fossil fuels for the delivery of energy in this country. I think it is a bit
rich for us to suggest that this mine, and every other coalmine—which the Greens hate so
terribly much—needs to disappear. I would be really surprised if every one of the 10 Greens
who sit down at the other end of the chamber does not use a significant amount of energy;
and, given that we do not have the capacity to provide baseload power without fossil fuels, I
am not quite sure how they intend to turn the light on in the morning or use their electric
toothbrush.

One thing that annoys me more than anything else in these sorts of debates is the
outrageous comments that come out. When Senator Milne opened this debate this morning,
she commented that the whole approval process had been corrupt.

Not once in her contribution did Senator Milne actually describe in any detail what
evidence she had that would be the basis of 'corruption'.

She also said that this mine will never be viable. I am not quite sure where Senator Milne
got her evidence to suggest that the mine would never be viable. I accept the comments that
Senator Waters made that the price of coal has dropped. There is no question that, at the
moment, the resource sector is in a very depressed state. But, unless Senator Milne has some
sort of crystal ball and can see into the future and tell us what the prices of these fuels are
going to be in the future—and I would be delighted if you were able to, Senator Milne—
unfortunately, I do not think that we have any evidence. Senator Rhiannon, when she gets up
to make her contribution to this debate, may well be able to provide us with the evidence of
this specifically 'corrupt' behaviour that Senator Milne refers to, and also the evidence for this
mine—and I quote from Senator Milne—never being viable.

So what I would say is that it seems a little rich that senators come in here and carry on in
this sort of way. I was quite astounded, actually, during the discovery of formal business
today, to hear Senator Waters get up and ask to make a one-minute statement after Senator
O'Sullivan had put a motion before this place and to hear her being critical of Senator
O'Sullivan 'wasting the Senate's time on business motions'. I thought, 'My golly gosh! I have
never seen any party waste more of the Senate's time on motions that have no relevance apart
from giving them the opportunity to grandstand about something that is factual. I'm surprised
they don't come in here and move a motion that the sun's going to come up tomorrow
morning!'
As to this sanctimonious and hypocritical rubbish that we hear from the other end of the chamber, I am quite happy to have a sensible and reasonable debate about the clean energy future that I think this country deserves; I am more than happy to have that debate. I am more than happy to sit down and work through the relevant committees. I am the chair of a standing committee on the environment. I am happy to sit there and work through what the options are so that we can get Australia to the position we want, where we have the cleanest possible future when it comes to energy. But to just say that everything and anything that is on the ground at the moment that burns any fossil fuel element whatsoever should not go ahead is just absolutely ridiculous.

But the thing that probably annoys me more than anything else is that we have crocodile tears in here for the farmers. If the Greens were really genuinely interested in looking after Australia’s farmers, what they would do is to start to support some of the initiatives that we put in place to enable our farmers to be more profitable and more competitive on the economic stage, and to support us in some of our trade activities to make sure that Australian businesses are competitive, instead of continuing to put more and more compliance and regulatory burdens on them, duplicating the things that they have to do. I think that, if you were genuinely interested in the future of Australia’s farmers, then you would not be in here carrying on about—

**Senator Waters:** About coal-seam gas?

**Senator RUSTON:** The fact of the matter is that in Australia we do rely on energy. There is no question about it: we rely on energy. And, sadly, if we want to have energy, we have to produce it. So, for those people who obviously do not like this mine—and I understand that there are quite a number of them where the mine is being located who have some concerns; I also understand that there are quite a number of them who come down from Sydney who don’t like it either—the fact of the matter is that New South Wales actually imports the majority of its energy from Queensland. So there is this whole nimby idea: ‘Not in my backyard’. We are quite happy for the Queenslanders to dig up their backyards so that they can send the energy down south. But Senator Waters probably would not like that. She would probably prefer it to happen in Western Australia, Senator Sterle, because we can dig up your backyard so she can have the energy—just like we will dig up Queensland backyards. I am not quite sure where Senator Milne wants to get her energy from, but, given that more than 50 per cent of Tasmania is tied up under wilderness arrangements, I do not imagine that there is much opportunity to get it from there either. So I think that we just need to be a little realistic about the total picture. (Time expired)

**Senator Singh:** Madam Acting Deputy President, I rise on a point of order. Senator Ruston said that ‘more than 50 per cent of Tasmania is tied up’ in wilderness; that is an incorrect statement. She may like to retract it.

**Senator Ryan:** That is not a point of order!

**The ACTING DEPUTY PRESIDENT (Senator Lines):** Thank you, Senator Ryan. That is a debating point, thank you, Senator Singh.

**Senator SINGH (Tasmania) (16:49):** I rise to contribute to this debate on this urgency motion. We in the Labor Party care very much and are very concerned about the impacts of development on the environment. We have had a longstanding history of concern and care, as
custodians of the environment, for the environment. So of course we do take the issue of the impact of development on our environment very seriously. We also share the concerns of others in this chamber in relation to mining operations. Mining operations should always minimise their impact on our environment and our communities and also on Aboriginal and Torres Strait Islander peoples. That is why, when we were in government, the then Labor environment minister put in place very strict conditions on this particular proposal—very strict conditions. I acknowledge at the outset that Senator Waters has raised concerns with the way in which some of those conditions, at least by the company, have been acted upon—the misleading aspects as to offset by the company and the process, raised by Senator Waters, in the department for dealing with that—but those strict conditions were put in place for that very reason.

The fact is that this urgency motion actually asks Minister Greg Hunt to do something. Therein lies the problem with this urgency motion, because Minister Greg Hunt is, in name and title, the environment minister, but, for all intents and purposes, he does not act like an environment minister. He actually acts like an anti-environment minister—he acts against the environment.

On top of that, this government cannot be trusted. So not only are you asking a minister of the Crown who is not carrying out his portfolio duties in a way that an environment minister would, one would think; on top of that, you are dealing with a government that simply cannot be trusted at all.

We have seen that in the last day, with the heralding in by Prime Minister Abbott of a new good government, starting from today—basically admitting that for the last 16 months we have had, therefore, a bad government. That is correct; it has been a bad government—but I know that that bad government is still here. It is very much evident when we look at the environment portfolio. Senator O'Neill went through the record of failures by Minister Hunt in the environment portfolio area recently. That list clearly shows why this government cannot be trusted when it comes to the maintenance and care of and concern for our environment.

One of the most alarming components of this urgency motion concerns the one-stop shop legislation that Mr Hunt wants to introduce. That is a piece of legislation that basically allows him to give up his powers under the EPBC Act and give them to Premier Baird and to Premier Hodgman in Tasmania when it comes to the Tasmanian Wilderness World Heritage Area. When a minister himself wants to give up his approval powers, you cannot have faith in that minister. Minister Hunt was in my home state last month, sharing with the Tasmanian community how much he cared about the wilderness and heritage values of the Tasmanian Wilderness World Heritage Area and how under the current draft management plan for the Tasmanian Wilderness World Heritage Area he would ensure that the environmental, cultural and heritage values of the area would be protected because he had the final say. It is that exact final say that he is trying to give up; it is that final say that he is trying to give to Premier Will Hodgman because that is what his one-stop shop legislation is all about. It is all about this government giving up a role of federal government because it simply does not care about the environment, and Senator O'Neill went through the huge list of points demonstrating why that is the case. Those points included going to Qatar last year and, embarrassingly, seeking to delist some 74,000 hectares of the pristine Tasmanian Wilderness World Heritage Area. That
request to UNESCO's World Heritage Committee was laughed out in less than 10 minutes—it was rejected in less than 10 minutes as a ludicrous proposal and Australia returned home with its head hanging very low, having wasted not only taxpayers' money but also its own time with such a stupid proposal from Minister Greg Hunt and Prime Minister Tony Abbott.

Senator O'Neill raised the cutting of the Landcare program—a fantastic program that brings together so many community members who care for their local area, who care for their local environment. There is the slashing of funds for Environmental Defender offices—again, taking away another level of our democracy, another level of freedom and rights and justice in our democratic system. On top of that, we know that there is a complete backward flow when it comes to any action by this government on climate change. It does not matter if it is Tony Abbott, it does not matter if it is Malcolm Turnbull, it does not matter if it is Julie Bishop—they are all the same. They all want to take Australia backwards on climate change. We had that last year with the abolition of carbon pricing, we had it with $2 billion of taxpayers' money going into a dud scheme called Direct Action, which will not reach our emissions reduction target, and we had it with their efforts on the international stage recently in Lima, where minister Julie Bishop had to take the trade minister to hold her hand just in case she went a little beyond the conservatives' position on climate change—a very backward position.

Their record on the environment is certainly something to be very embarrassed about and ashamed about. It shows that they simply cannot be trusted. That is why what the Greens are asking of Minister Hunt in this urgency motion is something that will not ever be achieved, because Minister Hunt fails to be able to do his job effectively. It is only a matter of time before he tries once again to bring that legislation forward, to give up his own responsibilities and pass them to the states. At least we know now that he cannot pass to Campbell Newman the responsibilities for environmental approvals and care for the Great Barrier Reef that the federal government currently holds, because, fortunately, there is no longer a Premier Campbell Newman. Premier Campbell Newman is now Mr Campbell Newman thanks to the good people of Queensland who saw fit to vote him out of office—completely out of office—because of his appalling record on the environment and in relation to Abbot Point, a record achieved with the support of this federal government and Minister Greg Hunt. Of course Labor is concerned about the impacts of development on the environment; of course Labor is concerned about mining operations, understanding that they must always minimise their impact on the environment. That is why when we were in government we put in place very strict conditions. Those conditions must be met but we certainly do not support efforts by this government such as putting in Mr Bob Baldwin as a parliamentary secretary—someone, again, who is a veteran climate change sceptic—and having Greg Hunt as a minister, who simply is an anti-environment minister who has given up completely.

Senator RHIANNON (New South Wales) (17:04): The world is turning its back on coal. So many communities and so many countries are recognising that renewables are the way of the future, that they are commercially and industrially viable, and they are putting them in place. But in Australia, because of weak planning laws at a state level and weak environment laws at a federal level, it is so hard for communities to be heard. It is so hard to ensure that we do not allow greedy, selfish coal companies at this stage when the coal industry clearly is at a point of transition to engage in an unseemly coal rush just to boost their profits when it causes so much damage.
That damage is so extensive when it comes to the Maules Creek mine. Thirty million tonnes of carbon dioxide will be released every year for the 30-year life of this mine if it goes ahead. I congratulate the many farmers and supporters across the country and, indeed, across the world who are working so hard to ensure the right thing is done here and that protection for the Leard forest is put in place, that Aboriginal sacred sites and special places are not destroyed and that the climate action that we so urgently need is taken seriously and becomes a reality. There are so many reasons this mine should not go ahead. I congratulate my colleagues Senator Christine Milne and Senator Larissa Waters, who have set out the case very clearly. I congratulate locals Phil and Rick Laird, Ros Druce, Adam Ryan. They have done a fantastic job in welcoming thousands of people to their community. More than 300 have now been arrested in direct action. Jonathan Moylan, a Second World War veteran of the Kokoda Trail, and Bill Ryan are some of those people who are regularly there adding their voices and alerting the world to the crimes of Whitehaven.

This is a mine that, as I said, has been so destructive in many aspects. It is not just limited to environmental destruction. The way this has played out has also damaged the very fabric of our democracy. Some of the other senators have asked the question, 'Where are the corrupting aspects of it?' It is well documented now thanks to the strong ICAC corruption watchdog that we have in New South Wales. They have exposed the unhealthy association between mine owners, members of parliament and candidates and how that corrupting relationship plays out.

The former owner of Aston Coal 2, which was merged in with Whitehaven, the current owner of Maules Creek, was Nathan Tinkler. He was overseeing the Maules Creek project. Aston Coal 2, the company that merged with Whitehaven, was fined in 2013 because two of its directors had made reportable political donations which were not disclosed during the assessment of the Maules Creek planning application. This is one of the greatest tragedies in New South Wales. Labor and the coalition, for over a decade, voted together to weaken the planning laws and we have ended up with this situation where it is so hard for communities to have their voices heard.

Then Nathan Tinkler set out why he gives these large donations. His very words were, 'That's the way we do business in New South Wales.' ICAC received evidence that Tinkler made illegal donations to the Liberal Party and associated entities Eightbyfive and the Free Enterprise Foundation, and that he tried to bribe a Labor MP. ICAC has evidence that Eightbyfive received $66,000 in secret payments from Buildev, a development company also associated with Mr Tinkler, in exchange for political favours from the former New South Wales Liberal energy minister Chris Hartcher. So all the way along we see these connections.

The very corrupting influence these political donations are having has been made easier because of the weak planning laws and it is conducive to a climate that is so deeply damaging.

The Greens are working to promote a fast transition of our energy systems from fossil fuels to renewable energy. There is no need for this damage to occur in such a wonderful area as Leard forest. Senator Waters set out how extensive this offset con job was and how it was perpetrated on the people of that region. This weekend I congratulate all those associated with Bat Attack and urge people to attend. (Time expired)

The ACTING DEPUTY PRESIDENT (Senator Seselja): The question is that Senator Milne’s motion be agreed to.
The Senate divided. [17:09]
(The Acting Deputy President—Senator Seselja)

Ayes ...................... 13
Noes ...................... 35
Majority ............... 22

AYES

Di Natale, R   Hanson-Young, SC
Lambie, J     Lazarus, GP
Ludlam, S     Milne, C
Rhiannon, L   Rice, J
Siewert, R (teller)       Wang, Z
Waters, LJ    Whish-Wilson, PS
Wright, PL

NOES

Back, CJ     Bernardi, C
Bilyk, CL (teller)     Brandis, GH
Bullock, J.W.  Bushby, DC
Cameron, DN     Canavan, M.J.
Cash, MC     Colbeck, R
Collins, JMA     Edwards, S
Fawcett, DJ     Fifield, MP
Gallacher, AM     Heffernan, W
Ketter, CR     Leyonhjelm, DE
Ludwig, JW    Lundy, KA
Marshall, GM     McGrath, J
McKenzie, B     McLachlan, S
Nash, F      O'Neill, DM
O'Sullivan, B     Payne, MA
Peris, N    Reynolds, L
Ruston, A   Scullion, NG
Seselja, Z     Smith, D
Sterle, G

Question negatived.

DOCUMENTS

Consideration

The following documents tabled earlier today were called on but no motion was moved.

COMMITTEES

Publications Joint Committee

Report

Senator O'SULLIVAN (Queensland—Nationals Whip in the Senate) (17:13): I present the 11th report of the Publications Committee.

Ordered that the report be adopted.
Tuesday, 10 February 2015

SENATE

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Human Rights Committee

Report

Senator O'SULLIVAN (Queensland—Nationals Whip in the Senate) (17:13): On behalf of the Parliamentary Joint Committee on Human Rights, I present the 18th report of the 44th Parliament of the Parliamentary Joint Committee on Human Rights.

Ordered that the report be printed.

Senator O'SULLIVAN: I seek leave to incorporate a statement in Hansard.

Leave granted.

The statement read as follows—

PARLIAMENTARY JOINT COMMITTEE ON HUMAN RIGHTS

CHAIR'S TABLING STATEMENT

Tuesday 10 February 2015

I rise to speak to the tabling of the Parliamentary Joint Committee on Human Rights' Eighteenth Report of the 44th Parliament.

This report provides the committee's view on the compatibility with human rights as defined in the Human Rights (Parliamentary Scrutiny) Act 2011 of bills introduced during the period 1 to 4 December 2014, legislative instruments received during the period 31 October 2014 to 22 January 2015 and legislation previously deferred by the committee. The committee has also considered responses to the committee's comments in previous reports.

Of the 26 bills considered in this report, 16 are assessed as not raising human rights concerns and four raise matters requiring further correspondence with ministers. The committee has either deferred or concluded its consideration of the remaining bills.

A number of the bills considered are scheduled for debate during the sitting week commencing 9 February 2015, including:

- the Biosecurity Bill 2014 and related legislation; and
- the Higher Education and Research Reform Bill.

As always, the report outlines the committee's examination of the compatibility of these bills with our human rights obligations, and I encourage my fellow Senators and others to examine the committee's report to better inform their consideration of proposed legislation.

This report includes our examination of the Biosecurity Bill 2014 and related legislation. These bills are an excellent example of how consideration of traditional rights and freedoms in the policy making process can greatly improve the final outcome of legislation.

The Biosecurity Bill seeks to provide a new regulatory framework to manage the risks of pests and diseases entering Australia, replacing the century-old Quarantine Act 1908. As the statement of compatibility recognises, the bill engages multiple human rights, including the right to life; the right to liberty; freedom of movement; fair trial rights; and the right to privacy. This is because the bills, in seeking to manage risks to safety, include provisions that, for example, restrict the free movement of persons who may spread disease.

While the bill limits a number of fundamental rights and freedoms, the statement of compatibility provides an excellent analysis of how such limitations are reasonable and proportionate in pursuit of a legitimate objective. The bills have been drafted with Australia's human rights obligations in mind and, as the statement of compatibility says, seek 'to ensure individual liberties and freedoms are considered in conjunction with the disease risk'.
The committee commends the minister and the department for their commitment to ensuring that the bills include appropriate safeguards, and on the quality of the statement of compatibility.

I also wish to commend the work of the Australian Public Service Commissioner in reviewing the APSC's Directions following advice from the committee. Specifically, in its Sixth Report of 2013, the committee raised concerns about the publication of personal information about public servants in the Gazette. Following the committee's comments, the Commissioner launched a review and has now amended the directions to address most of the committee's concerns.

This report also considers the Minister for Education's response to the committee in relation to the Higher Education and Research Reform Amendment Bill 2014, which the minister introduced into the other house in December last year. The minister's response has enabled the committee to conclude its examination of most measures in the bills. In relation to the 14 individual measures in the bills, the committee has concluded that 12 of those measures are compatible with human rights. In relation to the removal of the cap on student contribution amounts, the committee has sought further information from the minister.

I would like to remind Senators that the committee undertakes its scrutiny function as a technical inquiry relating to Australia's international human rights obligations. The committee does not consider the broader policy merits of legislation.

The committee's purpose is to enhance understanding of and respect for human rights in Australia and to ensure appropriate recognition of human rights issues in legislative and policy development.

The committee's engagement with proponents of legislation emphasises the importance of maintaining an effective dialogue that contributes to this broader respect for and recognition of human rights in Australia.

Members of the committee engage with the committee's work in keeping with the scrutiny tradition of undertaking technical and bipartisan inquiry into the merits of proposed legislation and, in the case of this committee's particular task, the compatibility of proposed legislation with the human rights conventions signed up to by previous Australian governments.

To put aside personal opinions on the policy merits of legislation is not always an easy thing to do, and for doing so in the interests of providing credible reports to inform the debates of the Parliament, I recognise and commend committee members for their service to this institution and to the legislators within it.

With these comments I commend the committee's Eighteenth Report of the 44th Parliament to the Senate.

Environment and Communications References Committee
Legal and Constitutional Affairs References Committee
National Capital and External Territories Committee
Northern Australia Committee

Government Response to Report

Senator BRANDIS (Queensland—Deputy Leader of the Government in the Senate, Vice-President of the Executive Council, Minister for Arts and Attorney-General) (17:14): I present four government responses to committee reports as listed at item 13 on today's Order of Business. In accordance with the usual practice, I seek leave to incorporate the documents in Hansard.

Leave granted.

The documents read as follows—
AUSTRALIAN GOVERNMENT RESPONSE TO THE SENATE ENVIRONMENT AND COMMUNICATIONS REFERENCES COMMITTEE REPORT:

Environmental offsets

DECEMBER 2014

Report on Senate inquiry into environmental offsets—Response to recommendations

Introduction

Environmental offsets are measures that seek to compensate for the residual adverse impact of an action on the environment and achieve equivalent environmental outcomes. Under national environmental standards all reasonable steps should first be taken to avoid and then mitigate adverse impacts on the environment, before environmental offsets are considered.

Offsets can provide an important and scientifically-robust means to deliver environmental outcomes while achieving social and economic benefits associated with Australia’s development.

Use of environmental offsets has grown over the past decade. Internationally, Australia is among a number of countries that have adopted the use of environmental offsets as part of the environmental assessment and approval process. Within Australia, the Commonwealth and all states have legislation or policies in place on environmental offsets.

EPBC Act environmental offsets policy (2012)

The Australian Government utilises offsets through its regulation of environmental impacts under the Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act). The EPBC Act environmental offsets policy (2012) guides the use of offsets under national environmental law. The policy is accompanied by the offsets assessment guide, which is a metric that is used to determine the suitability of offsets for listed threatened species and ecological communities. It measures an offset against a relevant impact to determine whether the offsets proposal is suitable, and whether the net environmental impacts are acceptable.

The EPBC Act environmental offsets policy applies to all matters of national environmental significance protected under the EPBC Act with the exception of water resources in relation to coal seam gas and large coal mine developments, which was added as a new matter of national environmental significance after the release of the policy.

The offsets policy applies to offsetting requirements in terrestrial and aquatic (including marine) environments and for both project-by-project assessments and strategic assessments approved under Parts 9 and 10 of the EPBC Act, respectively. The policy has had effect for all referrals made since 2 October 2012, and to projects that were undergoing assessment and had not had a proposed approval decision made by 2 October 2012.

The EPBC Act environmental offsets policy and the offsets assessment guide were released in October 2012. The policy and guide were developed following detailed research and stakeholder consultation. This included the release of a consultation draft for public comment, targeted stakeholder engagement with peak industry and environmental bodies and close collaboration with researchers from the Australian National University and University of Queensland through the National Environmental Research Program. The development of the policy also gave consideration to the Business and Biodiversity Offsets Program Standard on Biodiversity Offsets (2012).

The offsets policy articulates the role offsets play under the EPBC Act and how suitable offsets are determined. It makes a significant contribution toward the establishment of national standards for environmental offsets.

One-Stop Shop

The Australian Government is working towards delivery of a One-Stop Shop for environmental approvals. States and territories will only be accredited when they can demonstrate that their processes
meet high environmental standards. The standards are on the Department's website at http://www.environment.gov.au/system/files/resources/40e7000f-4d52-47fe-9a61-f12b321ace3b/files/standards-accreditation-2014_0.pdf. The standards are based on requirements of Commonwealth law and will facilitate the maintenance of environmental outcomes through the One-Stop Shop.

The standards specify that any offsets delivered through an accredited process must achieve long-term environmental outcomes for matters protected under the EPBC Act and be consistent with either the EPBC Act Environmental Offsets Policy, or another policy which achieves the objects of the EPBC Act to an equivalent or better level.

The Government has developed an assurance framework which will put in place arrangements to provide ongoing confidence to the Government and the public in the long term durability and effectiveness of the regulatory arrangements under the One-Stop Shop policy. This will provide a series of safeguards designed to provide ongoing confidence about environmental outcomes and the effectiveness of the regulatory system.

The Committee's recommendations

There remain opportunities to improve the implementation of offsets. Recent audit reports of offsets required as conditions of approval under the EPBC Act have identified issues in relation to ensuring protective mechanisms are attached to the title of a property in a timely fashion. There are a number of causes of these delays, including the complexities of negotiating with land owners for the protection and management of areas proposed as offsets as well as the legal complexities of registering a restrictive covenant on a title. There may be an opportunity for the Commonwealth to work with states and territories to streamline covenants with offsets to achieve better outcomes for approval holders and the environment. The states and territories have responsibility for the legal mechanisms available to secure offsets and changing these mechanisms would ultimately be a decision for the states.

The policy and offsets assessment guide were scheduled to undergo a technical review one year after its release and a complete review of effectiveness against the aims of the policy every five years thereafter. The performance of the offsets policy against the stated objectives will be evaluated as part of these review processes. The one year technical review has been temporarily delayed to allow consideration of state and territory processes that may be accredited through the One-Stop Shop policy.

The EPBC Act offsets policy also commits to the development of a register for offsets, and that once completed, that information on offsets be made publicly available where it is possible to do so. This work is currently being considered in the context of improved coordination and display of environmental information across the jurisdictions that will support the Government's One-Stop Shop policy.

Response to committee report

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<tr>
<th>Recommendation</th>
<th>Response</th>
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<tr>
<td><strong>Recommendation 1</strong>: The committee recommends that the EPBC Act be amended to expressly recognise environmental offsets and to include the principles in the offsets policy as relevant considerations for the Minister in making decisions about conditions of approval relating to offsets</td>
<td>Not agreed. The Australian Government has integrated the principles of the EPBC Act environmental offsets policy into the environmental assessment and approval process. The principles are therefore considered in approval decisions where offsets are relevant and it is not necessary to specifically include these considerations in the EPBC Act.</td>
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**Recommendation 2**: The committee recommends that the policy be revised to provide further clarity on the principle of additionality.

**Recommendation 3**: The committee recommends that the Department ensure that all offsets adequately reflect the principles of additionality, and are not granted in relation to areas that are already protected under existing Commonwealth, state or territory legislation or policy.

**Recommendation 4**: The committee recommends that offsets be used as a last resort.

**Recommendation 5**: The committee recommends that, prior to approval being given for actions under the EPBC Act, the mitigation hierarchy be rigorously implemented, with a greater emphasis on avoidance and mitigation.

**Recommendation 6**: The committee recommends that the policy be revised to provide greater guidance on developments in which offsets are unacceptable, including a list of ‘red flag’ areas, such as world heritage and critically endangered communities and species.

**Recommendation 7**: The committee recommends that environmental offsets related to any particular development or activity should be clearly identified prior to approval being given for that development or activity.
Recommendation 8: The committee recommends that all environmental offsets plans and strategies, required as part of the conditions of approval under the EPBC Act, be published on the Department's website.

Recommendation 9: The committee recommends that the Department expedite the development of a publicly available nationally coordinated register of environmental offsets.

Recommendation 10: The committee recommends that the Department develop a separate offsets policy in relation to the marine environment.

Recommendation 11: The committee recommends that the Department carefully verify all calculations and information provided by proponents in relation to environmental offsets.

Recommendation 12: The committee recommends that the scheduled technical review of the policy be commenced as soon as possible. The technical review should be made publicly available and should consider evidence provided to this committee in relation to the Offsets Assessment Guide.
Recommendation 13: The committee recommends that resource and staffing levels within the Department should be sufficient to ensure adequate monitoring capacity in relation to approvals of conditions under the EPBC Act, including conditions relating to offsets.

Experience gained through the negotiations will then inform the technical review. Agreed.

The Department of the Environment has recently introduced a strategic risk-based approach to compliance monitoring and auditing of approval conditions imposed under the EPBC Act, including approval conditions concerning offsets. This will achieve higher-value compliance and enforcement outcomes, and, ultimately, better protection of Australia's environment and heritage. In addition to the development of a risk-based project-prioritisation model, the Department has more than doubled the number of staff responsible for monitoring compliance with conditions since August 2011. In effect this means that the Department has more monitoring resources focused towards achieving the greatest environmental benefit.

Recommendation 14: The committee recommends that the Department's compliance audit program be extended to include an evaluation of the progress of offsets granted as conditions of approval under the EPBC Act in achieving their intended environmental outcomes.

The implementation of offsets required under the EPBC Act is evaluated by the Department of the Environment in management plans and compliance reports required by approval holders. The Department of the Environment has recently introduced a strategic risk-based approach to compliance monitoring and auditing of approval conditions imposed under the EPBC Act, including approval conditions concerning offsets. The Australian Government recognises the value of focusing regulatory effort on measuring outcomes, rather than monitoring process or administrative requirements. The Government is currently exploring how to facilitate a more outcomes-based approach to environmental approvals, which will enable better measurement of the outcomes of EPBC Act approvals. For example, applying more outcomes-based offset conditions to environmental approvals would allow compliance audits to focus on the environmental outcomes achieved by offsets.

Agreed.

Recommendation 15: The committee recommends that the scheduled five-year review of the policy include consultation and evaluation of the extent to which offsets are achieving positive environmental outcomes.

The performance of the EPBC Act environmental offsets policy against the stated objectives will be evaluated as part of these review processes.

Recommendation 16: The committee recommends that the Department reviews the mechanisms for securing offsets under the EPBC Act with a view to ensuring that the strongest possible legal mechanisms are used

Noted.

The EPBC Act environmental offsets policy includes a requirement to consider suitable legal mechanisms to protect offsets and provides guidance on acceptable delivery mechanisms. The states and territories have
or developed, if required, to secure offsets in perpetuity.

Recommendation 17: The committee recommends that the Department revise the policy to clarify that offsets need to be protected in perpetuity and should not be subject to future development.

Recommendation 18: The committee recommends that the Department include requirements in conditions of approval under the EPBC Act for the secure funding of the future management of offset areas.

Recommendation 19: The committee recommends that the Department examine and review options to ensure a more strategic approach to offsets, including encouraging greater use of 'advanced offsets'.

Recommendation 20: The committee recommends that a consistent national standard be developed in relation to environmental offsets based on the policy.
ensure these standards are met. The provisions of the
approval bilateral agreements with each state and
territory will give effect to the assurance framework.
The Australian Government has released Standards for
Accreditation of Environmental Approvals under the
EPBC Act, which articulates the environmental
standards and considerations for accreditation of state
and territory approval processes through bilateral
agreements. Standard 28 requires that offsets under a
state process must achieve long-term environmental
outcomes for matters protected under the EPBC Act and
be consistent with either the EPBC Act environmental
offsets policy, or another policy accredited by the
Minister as achieving the objects of the EPBC Act to an
equivalent or better level.
For example, the draft approval bilateral agreement with
Queensland requires that Queensland applies the EPBC
Act environmental offsets policy, except where the
Commonwealth Minister is satisfied that the
Queensland offsets policy will result in outcomes
equivalent to or greater than the outcome that would be
achieved under the EPBC Act environmental offsets
policy.

Recommendation 21: The committee
recommends that the Australian Government
not accredit state and territory approval
processes under the EPBC Act.

Response to Australian Greens minority report

Recommendation 1: The Government must
refuse projects which have unacceptable
impacts on matters of national environmental
significance, rather than using offsets as a fig
leaf to allow continued approvals.

Response: Noted. The EPBC Act environmental offsets policy clearly
states that offsets do not enable proposals with
unacceptable residual impacts to be approved. Offsets
will not be considered until all reasonable avoidance and
mitigation measures are considered.

Recommendation 2: The Government
should immediately revoke the approval for
the Maules Creek coal mine, and Whitehaven
Coal should be prosecuted for providing the
Government with false information in order
to get approval for their environmentally
disastrous mine at Maules Creek.

Response: Not agreed. The approval for Whitehaven Coal's Maules Creek coal
mine was undertaken in accordance with the
requirements of the EPBC Act.

Recommendation 3: The Government
should immediately revoke approval for
Waratah Coal's Galilee Coal Project.

Response: Not agreed. The approval for Waratah Coal's Galilee coal and rail
project was undertaken in accordance with the
Recommendation 4: The Government should immediately revoke approval for the Abbot Point coal terminal dredging and dumping.

Not agreed.
The approval for the North Queensland Bulk Ports Abbot Point coal terminal capital dredging project was undertaken in accordance with the requirements of the EPBC Act.

Recommendation 5: Any existing offset areas already secured must be protected in perpetuity and not subject to further development.

Not agreed.
The various legal mechanisms available to secure offsets are the responsibility of the states and territories. The EPBC Act environmental offsets policy requires that suitable legal mechanisms for offsets be considered and must work within the parameters of those mechanisms to enable the best legal security that is practicable. The requirement for offsets is tied to the length of the impact. Offsets should be in place for the duration required to ecologically recover from the impact of the proposal.
The offsets policy also states that, where a proposal is likely to impact on an existing EPBC Act offset, there should be a referral. If determined to be a controlled action, the offsets policy requires that the person proposing to take the action must develop an offsets package to compensate for both the impact of the proposed action, as well as the original action for which the offset was a condition of approval.

1 Standards for Accreditation of Environmental Approvals under the Environment Protection and Biodiversity Conservation Act 1999, p. 11-12.

AUSTRALIAN GOVERNMENT RESPONSE TO THE RECOMMENDATIONS OF THE SENATE LEGAL AND CONSTITUTIONAL AFFAIRS REFERENCES COMMITTEE IN ITS REPORT:
Current investigative processes and powers of the Australian Federal Police in relation to non-criminal matters
February 2015

Introduction
The Australian Government welcomes the recommendations of the Senate Legal and Constitutional Affairs References Committee (the Committee) in its report Current investigative processes and powers of the Australian Federal Police in relation to non-criminal matters (the report).
The Committee received eight submissions. The Australian Federal Police (AFP) prepared a written submission dated March 2014 and a supplementary submission dated April 2014 for the Committee. The Attorney-General's Department (AGD) did not prepare a written submission, but endorsed both the AFP's submission and the supplementary submission. The AFP and the Commonwealth Director of Public Prosecutions (CDPP) appeared before the Committee at a public hearing held on 7 April 2014. On 5 May 2014, the Committee provided two written questions on notice to AGD concerning issues raised by the Rule of Law Institute of Australia in relation to the use of search warrants and production notices during investigations under the Proceeds of Crime Act 2002 (Cth) (POC Act). On 9 May 2014 AGD responded to these questions on notice.
The Committee's report was published on 15 May 2014. The report makes nine recommendations relating to investigations in support of civil action under the POC Act.

In responding to the recommendations, the Government has taken advice from the following Commonwealth Government departments and agencies with responsibility for and expertise in matters relating to investigations in support of civil actions under the POC Act:

- the Attorney-General's Department
- the Australian Federal Police, and
- the Commonwealth Director of Public Prosecutions.

Agreed.

The Government notes that the AFP provides training to investigators that focuses on proceeds of crime and asset confiscation. The AFP will refresh its training and investigative guidance resources to address more directly the nature of investigations in support of proceeds of crime actions.

Recommendation 2:

That, when making applications for search warrants under s 225 of the POC Act, the AFP presents all relevant information to the issuing magistrate, including full details of any other information gathering activities undertaken by the AFP in relation to the matter and whether such activities are ongoing.

Agreed.

The Government agrees that when making applications for search warrants under the POC Act, the issuing officer should be presented with all relevant information.

As part of normal practice the AFP makes all relevant information available to issuing officers when making an application for a search warrant under the POC Act. The matters examined by the Committee in relation to this recommendation arose because quality assurance was not as stringent as it should have been in this specific instance. The AFP established the Investigations Standards and Practices portfolio in April 2014 to mitigate against this issue occurring again, and to ensure consistency against standards and practices within AFP investigations.

Agreed.

The AFP considers it best practice for its investigators to have with them copies of the relevant legislation when seeking the authorisation of warrants, orders or otherwise, from relevant judicial authorities under the POC Act. This is already part of AFP standard local procedures and has been reinforced through an all staff reminder issued on 21 May 2014.

Recommendation 4:

The Commonwealth Government investigates options for distinguishing literary proceeds matters from other matters under the POC Act with particular consideration given to:

- retaining literary proceeds matters within the POC Act, and amending the POC Act to distinguish clearly between literary proceeds matters and other proceeds of crime matters; or

- removing literary proceeds matters from the POC Act altogether and creating standalone legislation to deal with literary proceeds matters.

Noted.

Not agreed.

The Government does not consider that distinguishing more clearly in legislation between literary proceeds matters and other matters under the POC Act would significantly assist law enforcement officers or a magistrate to fulfil their functions in relation to an investigation of a literary proceeds matter or further the policy aims of the POC Act. More effective support to literary proceeds investigations could be afforded by providing clear guidance to law enforcement officers and to
magistrates regarding the protocols associated with investigations of literary proceeds matters. This will be achieved through implementation of recommendations 1–3 of the Committee's report.

In considering this recommendation, the Government has taken into account that creating a separate regime for literary proceeds orders—whether within the POC Act or in standalone legislation—would add to the complexity of legislation. Keeping literary proceeds orders with other kinds of orders within the POC Act aligns with the Government's commitment to legislative clarity.

Literary proceeds actions, like the majority of actions in the POC Act, are civil, rather than criminal in nature and the information-gathering mechanisms contained in these provisions are common across a range of civil proceedings. The name of the Act reflects the policy intent of the laws to ensure that criminals do not profit from their crimes, and does not imply criminality on the part of the companies that are party to investigations under the Act. The Government does not agree with the view expressed by the Committee that the name of the POC Act may give rise to the impression that any company investigated under its provisions must be involved in criminal activity.

Not agreed.

The Government considers that in order for the AFP to conduct effective investigations under the POC Act, it is important that the AFP retains flexibility in the choice of investigatory tools it may employ. The full suite of information gathering and investigatory powers provided for under the POC Act should be available to the AFP in investigations of proceeds of crime matters. The Government considers that implementation of this recommendation would potentially hamper investigations of proceeds of crime matters.

The Government also considers that it is possible that in some circumstances, issuing a production order prior to obtaining a search warrant is likely to prejudice an investigation by putting a person on notice that they are being investigated, thus giving them the opportunity to move their assets out of the reach of law enforcement.

Recommendation 6:
The Commonwealth Government investigates options for introducing enforceable undertakings powers as an option available to law enforcement agencies during literary proceeds investigations.

Not Agreed.

At a hearing before the Committee on 7 April 2014, the AFP indicated that it was open to considering the viability of introducing enforceable undertakings in literary proceeds investigations. Such undertakings, which would be voluntarily entered into, would require an organisation to notify the AFP that it has granted, or will grant, a benefit to a person who the AFP suspects has committed a relevant offence. Following this consideration, the AFP has determined that enforceable undertakings would be of no operational benefit in literary proceeds matters. The process of negotiating an enforceable undertaking is likely to be complex and would require both the AFP and the relevant organisation to expend considerable time and resources, particularly as the commercial interests of an organisation in publishing a story are unlikely to align with the aims of a POC Act investigation to prevent the flow of literary proceeds.

As a result of these complexities, negotiating an enforceable undertaking is unlikely to be a viable option for either police or media organisations, especially in circumstances where the payment of literary proceeds is imminent. Delay caused by protracted negotiations is likely to impede and frustrate the ability of the AFP to lawfully acquire information relevant to the payment of literary proceeds.

Not agreed.

The Government considers that implementing this recommendation would introduce further impediments to investigations of proceeds of crime matters and would frustrate the ability of the AFP to lawfully acquire information during investigations of proceeds of crime matters.
Any person or organisation that is party to a police investigation is required to comply with relevant laws. The Government does not support creating specific arrangements for media organisations, as distinct from other organisations or individuals, during investigations of criminal matters. In order to effectively investigate suspected criminal behaviour, it is important that the AFP should have timely access to all relevant information, irrespective of the nature of the organisation that is in control or possession of that information. The introduction of enforceable protocols during investigations by the AFP may also generate uncertainty concerning the interaction of such protocols with existing obligations under the POC Act.

**Recommendation 8:**
The AFP and relevant media and publishing stakeholders develop guidelines to be observed during the execution of search warrants on the premises of media organisations in circumstances where a claim of journalists' privilege is made.

**Agreed in principle.**

Journalists' privilege is currently recognised in section 126H of the *Evidence Act 1995* (Cth), which provides protection for confidential journalists' sources during court proceedings, and ensures that journalists and their employers cannot be compelled to identify a confidential informant in court.

In considering this recommendation, the Government has noted that the privilege enjoyed by journalists is not the same as legal professional privilege. Whereas legal professional privilege applies during investigations of criminal matters, journalists' privilege does not apply during criminal investigations. Journalists' privilege in Australia is a product of evidence law, and is relevant to the admissibility of evidence in court proceedings only.

The AFP will work with relevant stakeholders to develop a search warrant execution protocol. The protocol would apply only in circumstances where a journalist has agreed with an informant to keep the informant's identity confidential. Generally speaking, the journalist's source in a literary proceeds matter will be known to the AFP, because it is the exploitation of the individual's criminal notoriety that is the basis for seeking the literary proceeds order. For this reason, the protocol would also apply only where the informant is not the subject of the proceeds of crime investigation.

**Not agreed.**

As noted above, journalists' privilege in Australia is a product of evidence law and is only relevant to the admissibility of evidence during court proceedings.

The Government considers that this recommendation, if implemented, would in practice elevate journalists' privilege to the same status as legal professional privilege in that the status of the material subject of the claim would need to be adjudicated by a court prior to any access by investigators. Implementing this recommendation would introduce further impediments to the investigation of proceeds of crime matters, and therefore frustrate the ability of the AFP to lawfully acquire information during such investigations.

**AUSTRALIAN GOVERNMENT RESPONSE TO THE JOINT STANDING COMMITTEE ON THE NATIONAL CAPITAL AND EXTERNAL TERRITORIES:**

*Report on the visit to the Indian Ocean Territories*  
21–25 October 2012  
August 2014

**Recommendation 1**

The Committee recommends that the Australian Government, as a matter of urgency, commit sufficient funds to give effect to the recommendations of the Expert Working Group on Christmas Island, as set out in its final report.
Noted. Australian Government agencies have been implementing the accepted recommendations, within available capital resources.

**Recommendation 2**
The Committee recommends that the Australian Government formulate a vision or strategic plan in direct consultation with the island communities for the future of the IOTs. This vision will articulate:

- better governance and administrative arrangements
- a greater degree of administrative autonomy
- a commitment to the funding and implementation of existing strategies commissioned by the Commonwealth in respect of
  - economic development
  - the provision of services
  - protection of the environment
- the aspirations and needs of the island communities
- how different aspects of government policy will be coordinated.

Noted. The Minister with responsibility for the Indian Ocean Territories has asked the Department of Infrastructure and Regional Development to review the current arrangements to ensure the most efficient and effective service delivery approach is in place for the IOT.

**Recommendation 3**
The Committee Recommends that the Australian Government develop a formal mechanism to allow consultation with and feedback from the Indian Ocean Territories’ communities in relation to the application of Western Australian law to the IOTs and the negotiation and implementation of SDAs.

Noted. The Administrator of Christmas Island and the Cocos (Keeling) Islands is the Minister’s representative on island and provides the linkage between the communities and the Commonwealth, including feedback from the community in relation to the application of legislation and Service Delivery Arrangements. The Australian Government released the 2013-14 IOT Budget Book on 3 April 2014 to provide greater transparency. The Department of Infrastructure and Regional Development will also develop a service feedback form to be rolled out in 2014.

**Recommendation 4**
The Committee recommends that the Australian Government conduct a full biosecurity assessment of the IOTs.

Noted. The Australian Government is conducting such an assessment on Norfolk Island and will look to the outcomes of that study before forming a view on its applicability to the IOT.

**Recommendation 5**
The Committee recommends that the Australian Government develop and commit to an economic strategy for the Indian Ocean Territories to transition the economy of the IOTs from its current situation, heavily reliant on a mining or government activity, to one based on sustainable private sector activity. This strategy is to be formulated by the Australian Government in conjunction with the local communities.

Noted. The economic base for Christmas Island and Cocos (Keeling) Islands is extremely narrow and the opportunities to diversify are limited. The Australian Government looks to support new opportunities in the economy based on comparative advantage. Accordingly, the Australian Government has extended the mine lease, is fostering a market garden and is supporting tourism activities by supporting local associations.
Recommendation 6
The Committee recommends that as part of its overall economic strategy for the Indian Ocean Territories and in the context of creating environmental management investment, the Australian Government commit to the extension of the current mining leases and re-examine new mining leases on Christmas Island.

Supported. A new mine lease with Phosphate Resources Limited was signed on 27 June 2013. This provided the mine with an extended lease until 2034 which will allow for continued employment and investment, including workforce renewal.

Recommendation 7
The Committee recommends that as part of its overall economic strategy for the Indian Ocean Territories, the Australian Government commit to the implementation of existing strategies commissioned by the Commonwealth to develop tourism in the Indian Ocean Territories, and develop long term arrangements to secure air services, including subsidising flights to Asia, and improve tourism-related infrastructure and facilities.

Not supported. The Australian Government considers that airline services should operate on as commercial a basis as possible with minimal underwriting. The Department of Infrastructure and Regional Development will be reviewing existing contracts to ensure that appropriate services are delivered at the lowest cost. It is not Government policy to subsidise flights to Asia.

Recommendation 8
The Committee recommends that the Australian Government commit to the reopening of the casino on Christmas Island and that it facilitate the approval process to allow this to happen if a proposal comes forward.

Noted. While the Government supports economic and tourism development for Christmas Island, broader Government and community consultation would be required prior to any consideration of a proposal to re-establish a casino.

Recommendation 9
The Committee recommends that the Australian Government commit to extending and upgrading mobile telephone services in the Indian Ocean Territories to provide access to 3G/4G telephone services.

Not supported. Mobile telephony is a commercial service provided by the private sector.

Recommendation 10
The Committee recommends that the Australian Government provide road funding to the Indian Ocean Territories on a more flexible basis, with longer grant periods, rolling funding, and more local discretion upon how the funds are used.

Not supported. As part of the Indian Ocean Territories budget, the Shires receive funding equivalent to road and Financial Assistance Grant payments. The Department of Infrastructure and Regional Development has worked with the Shires to improve road planning and the delivery of maintenance services. This delivers better outcomes for the community than extending timeframes. Further, the Department has established a ten year road plan. Where there are extenuating circumstances, such as unusual weather conditions, extending timeframes is taken into account as part of normal business processes. This provides for a more strategic approach.

Recommendation 11
The Committee recommends that the Australian Government commit funds to the sealing of the road to the Immigration Reception and Processing Centre as a matter of priority.

Supported. This work has commenced under the ten year road plan, within the available budget.
Recommendation 12
The Committee recommends that the Australian Government review its policy towards shipping of freight by plane and ship to the Indian Ocean Territories with a view to leveraging off Commonwealth efficiencies to find the most cost effective outcome for the communities in the IOTs.

Noted. Shipping services operate on a commercial basis. Air passenger and freight services are tendered and there is some underwriting where needed but they operate where possible on a commercial basis. The Australian Government regularly reviews its policies, programmes and contractual arrangements to ensure the delivery of efficient and effective services.

Recommendation 13
The Committee recommends that the Australian Government provide funds for the construction of a recreation centre/cyclone shelter on West Island as a matter of urgency.

Not supported. The current cyclone shelter on West Island is adequate for the current resident population. A new combined cyclone/recreation centre is not able to be constructed within available capital resources.

Recommendation 14
The Committee recommends that the Department of Immigration and Citizenship develop a cyclone contingency plan for its operations on the Cocos (Keeling) Islands which will provide safe accommodation meeting Australian cyclone standards on island for asylum seekers in the event of a cyclone without undue risk or inconvenience to the local community.

Noted. The former Quarantine Station on West Island is not currently being utilised to accommodate illegal maritime arrivals and has not been required for this purpose since October 2013. Therefore, there is currently no operational need for cyclone shelter facilities on this site. Notwithstanding this, contingency plans have been developed for use in the event of a cyclone or extreme weather event on the Cocos (Keeling) Islands. The local emergency management committee, through the Territory Controller (the senior officer of the Australian Federal Police assigned to community policing duties in the Territory), will direct the placement of people, including any illegal maritime arrivals that may be present on the islands, in the event of an emergency.

Recommendation 15
The Committee recommends that the Australian Government urgently address the insurance problems facing the communities of the Indian Ocean Territories, if necessary by investigating the provision of insurance to those communities.

Not supported. A number of remote communities are experiencing similar issues of insurance affordability and availability. Australian Government policy maintains that insurance is a market-driven issue. In similar situations some communities have engaged in cooperative action to gain access to insurance and increase coverage. Cooperative action could be through industry bodies who may maintain insurance schemes for their members or the use of brokers for collective insurance.

Recommendation 16
The Committee recommends that the Australian Government provide the necessary funding to implement a comprehensive waste management strategy on the Cocos (Keeling) Islands, including funding facilities for the incineration of organic waste and the safe removal of inorganic waste from the islands.

Supported. The Shire of Cocos (Keeling) Islands has a waste management strategy in place. The Australian Government has funded the early stages of this project. Applications for additional funding will be considered within the context of available resources.
Recommendation 17
The Committee recommends that the Australian Government fund the stockpiling of geofabric bags for the better management of coastal erosion on the Cocos (Keeling) Islands.

Not supported. The stockpiling of geofabric bags is not an effective use of funds. The Australian Government funds the purchase and placement of geofabric bags to arrest erosion on Cocos (Keeling) Islands on an as needs basis. The placement of geofabric bags to arrest erosion adjacent to the fuel depot and West Island Health Clinic was completed in April 2014.

Recommendation 18
The Committee recommends that the Australian Government take steps to improve the opportunities for local businesses to participate in work under contract, including by separating large tenders into individual parts or allowing local businesses to tender for parts of contracts.

Noted. All procurements must comply with Commonwealth Procurement Rules and the Public Governance, Performance and Accountability Act 2013, and all tenders include clauses promoting local business participation.

Recommendation 19
The Committee recommends that the Australian Government provide increased storage capacity for petrol on Christmas Island as a matter of urgency.

Supported. The Australian Government has already provided funding to increase storage capacity for petrol on Christmas Island. An additional petrol tank is currently under construction and work is expected to be completed by December 2014.

Recommendation 20
The Committee recommends that the Australian Government commence planning for, and funding of, a dedicated aged-care facility to be collocated with the Christmas Island Hospital.

Noted. The Minister with responsibility for the Territories has requested an analysis of aged care services in the Indian Ocean Territories. The Department of Infrastructure and Regional Development is preparing an initial review of aged care which will inform the development of a broader strategy for the provision of aged care services and facilities for the IOT.

Recommendation 21
The Committee recommends that the Australian Government undertake a comprehensive housing survey to establish levels of availability and demand for housing in the Indian Ocean Territories.

Noted. An accommodation needs assessment was completed in 2011 and is available on the Department of Infrastructure and Regional Development website. The Australian Government has invested in the construction of 28 new dwellings on Christmas Island which were completed in July 2014, and continues to monitor housing availability and demand.

Recommendation 22
The Committee recommends that the Australian Government provide funds for the raising of the sea wall in the Kampong, with a view to facilitating design and construction within the next two years.

Noted. The Australian Government, through the Department of Infrastructure and Regional Development, has investigated alternative solutions to a complete reconstruction and continues to repair and maintain the existing sea wall as required. In addition, following consultation with the Christmas Island Shire Council, construction has commenced on a low wall which is designed to reduce possible flooding of the Kampong during significant swells.
Recommendation 23
The Committee recommends that the Australian Government adjust the rules for the pensioner airfare concession, which currently provides for an annual flight to Perth, to allow for an equal concession to be put towards flights to Asia.

Not supported. The Australian Government does not support international travel subsidies for pensioners.

Recommendation 24
The Committee recommends that the Australian Government provide the necessary funding to implement a comprehensive waste management strategy on Christmas Island, including funding facilities for the incineration of organic waste and the safe removal of inorganic waste from the island.

Supported. The Shire of Christmas Island has a waste management strategy in place. The Australian Government has funded the early stages of this project. Applications for additional funding will be considered within the context of available resources.

Recommendation 25
The Committee recommends that the Australian Government make the Regional Price Index for the Indian Ocean Territories publicly available.

Supported. The Regional Price Index has been released and is available on the Department of Infrastructure and Regional Development’s website.

AUSTRALIAN GOVERNMENT INTERIM RESPONSE TO THE JOINT SELECT COMMITTEE ON NORTHERN AUSTRALIA REPORT:

Pivot North—Inquiry into the Development of Northern Australia: Final Report
December 2014

The Australian Government welcomes Pivot North—Inquiry into the Development of Northern Australia: Final Report, the Joint Select Committee on Northern Australia’s (the Committee’s) final report into developing northern Australia. The Committee’s work is invaluable in helping the Government prepare the White Paper on Developing Northern Australia (the White Paper), especially through its consultations with stakeholders and identification of potential policies and actions to support economic development. The Committee received a total of 352 submissions from interested parties, and held 27 public hearings across northern Australia.

The report addresses important issues covering the economy, trade, industry, Indigenous communities, land, liveability and the environment. It also highlights a range of challenges to northern development, including in relation to population, costs of living and doing business, infrastructure and the regulatory environment. The report makes recommendations spanning economic infrastructure, private sector investment, the northern workforce, regulatory reform, governance, agriculture, power and land.

The Committee’s report is informing the Government’s White Paper, which is being prepared. The White Paper will set out a clear and well defined policy platform for unlocking the full potential of the north, including actions through to 2030. The Government will respond to the Committee’s specific recommendations through the White Paper.

The White Paper is also drawing on around 180 submissions to the Government’s Green Paper (released on 10 June 2014) and stakeholder consultation. The Government is engaging with the Queensland, Western Australian and Northern Territory governments, including through a Strategic Partnership of the Prime Minister, Deputy Prime Minister and the First Ministers of the northern jurisdictions. A Northern Australia Advisory Group, chaired by the Hon Shane Stone AC QC, is also providing advice to this Partnership.
While the White Paper is being prepared, the Government is continuing to demonstrate its serious commitment to northern Australia, including through investing in roads and other transport infrastructure, opening livestock export markets in the Middle East and southeast Asia, settling a new Designated Area Migration Agreement for Darwin to help address critical labour constraints, and funding a range of other initiatives. The Government has also established Free Trade Agreements with China, Japan and Korea, which will eliminate high tariffs on Australian goods of importance for northern Australian producers.

Environment and Communications References Committee
Government Response to Report

Senator BILYK (Tasmania—Deputy Opposition Whip in the Senate) (17:15): I move:
That the Senate take note of the document.

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

Leave granted.

DOCUMENTS
Intergenerational Report
Order for the Production of Documents

Senator BRANDIS (Queensland—Deputy Leader of the Government in the Senate, Vice-President of the Executive Council, Minister for Arts and Attorney-General) (17:15): I table a document relating to the order for the production of documents concerning the Intergenerational Report.

COMMITTEES
Corporations and Financial Services Committee
Report

Senator WILLIAMS (New South Wales) (17:17): I move:
That the Senate take note of the report.

The inquiry by the Joint Parliamentary Committee on Corporations and Financial Services into the standards of financial planners was a very, very important inquiry. It was a result of the inquiry that the Senate had into the Australian Securities and Investments Commission. ASIC’s Regulatory Guide 146 is just amazing. The committee received frightening evidence that someone could go online and do a course of a few hours and be qualified to be a financial planner and advise people how to invest their tens of thousands, hundreds of thousands, even millions, of dollars, simply by doing a brief questionnaire on the internet. Some say it was an eight-day crash course of study. It is vital that this parliament, including the other house, change these regulations. It is a bit like a surgeon who does a crash course on the internet or an eight-day crash course being qualified to perform operations on a human. That would be totally unacceptable. In this case, we looked at the savings of Australians to see that they get proper financial advice and see that the advice is in their interest first and foremost, as those opposite did with FoFA and which we left in FoFA.
It is amazing that, on 3 July last year, the CEO of the Commonwealth Bank of Australia, Mr Ian Narev, said in a statement:

Trust goes to the heart of a relationship between a financial institution and its customers. At the centre of the matters which a recent Senate Committee reviewed, is the very disturbing fact that some people working for our Commonwealth Financial Planning (CFP) and Financial Wisdom (FWL) businesses breached that trust. They failed in their primary obligation – to act in the best interests of our customers. That of course was in response to the damning Senate inquiry into the performance of ASIC, and both the CBA and Macquarie Private Wealth were collateral damage. CBA announced two weeks later that it was adopting new minimum education standards for Commonwealth Financial Planning Ltd financial planners, supervisors and managers of planners. I welcome this decision by the Commonwealth Bank. Likewise with NAB, ANZ, Westpac and many other financial institutions: the standard must be raised.

CBA identified around 400,000 people who could have received shoddy advice. Macquarie Bank is writing to some 160,000 people. We are talking about more than half a million Australians who may have received bad advice. The worst aspect was the lack of oversight of these advisers, who were in many cases allowed to run rampant. If I achieve one thing in my time in the Senate, it is to see that ASIC, the overseer of these people, carries out its duties much better than it has done in the past.

Going back to 2009, the Corporations and Financial Services Committee undertook an inquiry into financial products and services in the wake of the collapse of Storm Financial and Opes Prime. I was a member of that committee. We all remember those disasters. CBA had to pay out over $250 million in compensation and the Bank of Queensland agreed to $17 million compensation over the Storm Financial debacle. Many fights are continuing in the courts.

With the terrible financial pressure on families, the cost to the taxpayers where people were retired, owned their home and had a nest egg and who in many cases are now renting and on a pension. It is disgraceful that people who are in the twilight of their lives are relying on a pension, when they had owned assets and were self-sufficient.

During that inquiry the committee heard that the cost of poor financial advice over the past decade could be as high as $37 billion. The alarm bells started to ring then: were the financial advisers working in the best interests of their clients or the financial institutions? FoFA was a result of that inquiry.

Other scars on the financial landscape have been the collapse of Trio Capital and Westpoint, let alone Timbercorp and Great Southern, and some of those other, crazy, managed investment schemes.

The common factor in all these was bad financial advice and, in some cases, fraud. The analogy for investing in bad financial products I use is: these financial planners were selling cars without brakes, and the people who bought those cars went downhill and crashed into trees. We cannot have this go on in the future.

I would like to thank the committee chair, Senator David Fawcett, for his great work and all the members of the committee. I would hope that, when these changes come to this place, they are supported unanimously—to lift the education standards of financial planners so that it is no longer the farce it has been for many years. I am very confident we will get this right to ensure that in the future hard-working Australians with, in many cases, self-managed super
funds, worth some $600 million or $600 billion—I may have the figures wrong—get good advice and grow their retirement nest egg so that they can retire with the financial security and the lifestyle they have worked for all their lives and so that they are not a tax burden on the taxpayers of Australia. That is the whole idea of superannuation.

Could I thank the secretary and everyone involved in the committee and I look forward to the changes being brought forward—hopefully very soon in this place.

Senator O'NEILL (New South Wales) (17:23): I would like to take this opportunity to bring to the attention of the Senate and those listening to the broadcast this very important report, and its recommendations, from the Joint Committee on Corporations and Financial Services which was handed down on 19 December last year after the parliament had risen for the Christmas break. I do endorse the comments Senator Williams has made about the committee and its endeavours to address this critical issue for Australians. This is a bipartisan report, and it is important to put that on the record.

The committee was tasked with inquiring into the professional, ethical and educational standards in the financial advice industry. It is a sector that deals in units of billions of dollars and involves the savings of millions of Australians. It was Labor's vision that grasped the importance of building a national savings space as a counterweight to the economic pressure an ageing population would bring to the economy in future generations. We believe Australians have the right to live their retirement in dignity with savings built by investing in their superannuation. Labor had the foresight under Prime Minister Paul Keating in 1992 to recognise that such a demographic swing would place an unbearable strain on the economy if it was not addressed. The voluntary savings of Australians—the money they put away and invest for their retirement—is one of the three foundation pillars of the superannuation philosophy, along with employer contributions and the age pension. Wealth management became a growth industry in response to this initiative, and a whole new profession grew up around managing and growing people's savings. Labor created this industry.

To give some idea of the sector's size and importance, financial services account for 9 per cent of GDP, and more than $1.8 trillion in super funds are currently under management. But the development of this industry opened door for cowboys and shysters, as is typically the case when the opportunity to use someone else's money arises. Labor believes these vital private savings must be properly protected. While there is always a threat to investments from market forces and global economic crises, we can take away the threat from the cowboys above and beyond the legislation in place to protect consumers. Recent experience has sadly shown that the savings can too easily fall prey to fraudulent or incompetent financial advisers. The level and efficacy of protection for consumers when dealing with the finance sector came to a head with the shocking 2009 collapse of Timbercorp and the Great Southern agribusiness investment scheme with losses estimated at $3 billion.

It also has to be acknowledged that the committee's hearings were conducted in the context of revelations of the Commonwealth Bank of Australia financial planning scandal, to which Senator Williams alluded. As we know, large sums of money were involved and large numbers of investors lost on these occasions. Individuals' lives were ruined and, sadly, some of the largest institutions in this country were implicated. We have a problem with the professional standards of our financial services industry, and that was addressed in this inquiry and report. There was another large loss on the small side of the equation—the small
investors, the mums and dads, the retirees who banked a lifetime of earnings, often risking their homes and property only to have their lives shattered by poor financial advice. It was incentivised in many ways by bad practices in the industry. The losers were not the big guys in this; they were the little ones—the ordinary investors. The majority of these people were left with nothing of their investment—no financial security and little in the way of wherewithal to fight for the return of their money. They had their lives ruined by an act of fraud in some cases on a massive scale and others lost their savings just because of inefficient and incompetent practitioners.

While the inquiry heard submissions dealing with the misery these collapses and scandals inflicted, I believe there is a positive message to take from the report's recommendations, which, as deputy chair of the committee, I wholeheartedly support. The message is one of opportunity to secure the financial future of investors, for the mums and dads, and restore integrity to the vast majority of the sector that acts responsibly. The message to take away is in essence a road map to redress the wrongs of the past and to establish a new professionalism in this burgeoning sector. It is not of great comfort now to those who have lost their life savings, but I know there will be some comfort if this report can be enacted to prevent it from happening to other Australians. It is an opportunity for real and genuine change to bring about vital improvements to the industry. The overarching theme of these recommendations is that those offering financial advice have responsibilities that are life-impacting on a significant scale. They need to act in a professional way. They have the power of professionals; they need the skills, values and attitudes of professionals—just as doctors and lawyers are assumed to act in their clients' best interest. People managing people's life savings are viewed in the same way and, sadly, that has been misplaced up to now on too many occasions.

The government's announcement on 24 October of a register of financial advisers was a step forward, but that has also been uncertainly changed over a number of occasions by the minister. What we are proposing is that an industry based, independent financial professional education council be established to set the standard of qualification, and these standards would increase to meet degree standards, and a competence for financial advisers would follow. The move supports findings of previous reviews of the sector that called for an independent body to be created to formulate and oversee the education standards of those who are or will be giving vital advice to consumers.

The make-up of the professional education council would include representatives from each of the professional associations approved by the professional standards council; an agreed number of academics; at least one consumer advocate, whose voice has been too quiet in the past, and preferably two who represent different sectors; and an ethicist, vital to consider the detailed, careful consideration of ethical behaviour in this field. The body would be controlled and funded by relevant professional associations. It would oversee a qualification process that would require the completion of an undergraduate course followed by a structured professional year where the graduate is in the employment of an Australian financial services licence holder for a year before sitting a registration exam that would be overseen by an independent monitor, as in the case of certified accountants. There would be no more of this eight hours off the internet, get an RG146 and off you go, handling people's life savings at the local bank, pretending you are a qualified professional adviser when, really, that sort of a licence is a licence to do danger and to damage people's life savings.
The FPEC would not only set the curriculum for coursework, consisting of core subjects and adjunct sector specific subjects for things like self managed superannuation, financial advice, risk insurance and markets, but also develop a standardised framework for the graduate professional year which would in turn be administered by the appropriate professional associations. But the education and qualification process would not be a set-and-forget proposition and end with registration. It is vital, in the view of the committee, that practice would be continually developed over the course of a whole career, with continuing professional development mandatory and required to be audited and ongoing.

For existing financial advisers, previous appropriate qualifications and experience should be taken into consideration, and they would be given under what we have proposed as a provisional registration from the introduction of the government register until 1 January 2018. There are a number of signposts that we indicated in our report about the orderly way in which this would proceed, with markers in July this year, June 2016, July 2016, January 2017 and 2019 to keep the process on track and keep the sector accountable to the public who have very high expectations. The committee envisages a target date of July 2016 for the second vital plank of the process and that is setting in stone a code of ethics for the sector which would require financial advisers to be members of professional associations. A code of ethics is far different from a code of conduct. Observing external behaviours and practices is a vital part of professional behaviour.

At the heart of this financial services sector we need professionals who have an ethical disposition to put the clients' interests first. A best interest test needs to be passed. The fact that there have been attempts over the years to legislate towards this indicates that for too many years already the best interests have not been at the heart of those giving financial advice, and this report goes a long way to providing a road map which will end, I think, a lot more happily for those Australians who have now the income and the benefit of Labor's vision for investing in superannuation. Thank you to the secretariat for their great work on this report. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

COMMITTEES
Consideration

The following orders of the day relating to committee reports and government responses were considered:

Legal and Constitutional Affairs References Committee—Manus Island Detention Centre—Interim and final reports. Motion to take note of reports moved by Senator Bilyk. Debate adjourned till the next day of sitting, Senator Bilyk in continuation.

Rural and Regional Affairs and Transport References Committee—Current requirements for labelling of seafood and seafood products—Report. Motion to take note of report moved by Senator Bilyk. Debate adjourned till the next day of sitting, Senator Bilyk in continuation.

Abbott Government's Budget Cuts—Select Committee—First interim report. Motion to take note of report moved by Senator Bilyk. Debate adjourned till the next day of sitting, Senator Bilyk in continuation.
BILLs
Fair Work Amendment (Bargaining Processes) Bill 2014
First Reading
Bill received from the House of Representatives.
Senator CORMANN (Western Australia—Minister for Finance) (17:35): I move:
That this bill may proceed without formalities and be now read a first time.
Question agreed to.
Bill read a first time.
Second Reading
Senator CORMANN (Western Australia—Minister for Finance) (17:36): I move:
That this bill be now read a second time.
I seek leave to have the second reading speech incorporated in Hansard.
Leave granted.
The speech read as follows—
FAIR WORK AMENDMENT (BARGAINING PROCESSES) BILL 2014
Second reading speech
Introduction
The Coalition's Policy to Improve the Fair Work Laws was released in May 2013, some four months before the 2013 federal election. As was stated in the policy, achieving higher living standards, better pay and more jobs all depend on having fair, productive, and effective workplaces. The reforms we have committed to will ensure that the Fair Work laws provide a strong and enforceable safety net for workers while helping business to grow, create new jobs and deliver higher real wage growth.

There has already been significant progress towards implementing the government's reforms, with the introduction into parliament of the Fair Work Amendment Bill 2014, the Fair Work (Registered Organisations) Amendment Bill 2014 and the Building and Construction Industry (Improving Productivity) Bill 2013.

Today I introduce the Fair Work Amendment (Bargaining Processes) Bill 2014, which further implements reforms included in our workplace relations policy. This bill gives effect to our election commitment to ensure that negotiations for enterprise agreements are harmonious and productive.

Enterprise bargaining is an important feature of the Fair Work laws, however the current framework has led to some outcomes that fail the common sense test.

Currently the Fair Work Act allows industrial action to be taken at an early stage in negotiations, before meaningful discussions have taken place. The current provisions allow for industrial action to be taken as a step of 'first resort'. The current act does nothing to encourage parties to even consider issues of workplace productivity during bargaining, despite productivity being front and centre in the objects of the Fair Work Act. The amendments to the Fair Work Act the government is pursuing will address these issues.

Protected industrial action
When Labor introduced the Fair Work Act, it enabled unions to take protected industrial action before bargaining had even commenced despite promising not to do so in 2007. The act also allows industrial action to be taken at a very early stage in negotiations, before proper, meaningful discussions have occurred or bargaining has been given a chance to get underway. When the 'strike first, talk later'
problem was exposed in the *JJ Richards* case, Labor chose to do nothing about it, even though it was directly contrary to its policy commitments made before the 2007 election in relation to industrial action. Labor's own Fair Work Act Review Panel recommended that the problem be rectified, but Labor still did nothing.

The coalition government has already moved to address this problem with the Fair Work Amendment Bill 2014, which will ensure protected industrial action cannot be taken until bargaining has commenced. The bill I introduce today will complement this reform, ensuring that before someone seeks to take industrial action, they have at least attempted to have genuine and meaningful discussions with the employer.

In order to take protected industrial action, an employee bargaining representative must first apply for a protected action ballot order to allow a secret ballot of employees to be conducted so the employees can decide whether they wish to take industrial action. When making a protected action ballot order, the Fair Work Commission must be satisfied that the applicant has been, and is, genuinely trying to reach an agreement. Until now, the Fair Work Act did not provide specific guidance on what it means to be 'genuinely trying to reach an agreement' for this purpose.

The bill will fix this by requiring the Fair Work Commission to have regard to a range of factors in deciding whether an applicant for a protected action ballot order is genuinely trying to reach an agreement. This list of non-exhaustive factors include a consideration of the extent to which the applicant has communicated its claims to the employer and the extent to which bargaining has progressed.

This amendment will provide greater transparency in what applicants for a protected action ballot order need to demonstrate to show they are genuinely trying to reach an agreement. The decision on whether to issue an order will still be made by the independent Fair Work Commission.

The bill also addresses a further problem with the Fair Work Act that allows industrial action to be taken in pursuit of almost any bargaining claim, regardless of how extreme, unreasonable or unrealistic it may be. Enterprise bargaining is a central part of the Fair Work system, but the current rules have allowed industrial action to be taken in pursuit of fanciful pay and leave increases, without any proposed productivity increases. For example, we've recently seen reports of protected action ballot orders made and protected industrial action threatened in pursuit of claims that would increase the salary package of marine engineers in Port Hedland by around 38 per cent over four years. The reports indicated the claim, which includes an additional month of annual leave, is on top of existing salary packages of between $280,000 and $390,000, where employees work six months of the year.

Similar irresponsible conduct was on show in the case of the MUA's negotiations with marine operators in the offshore oil and gas sector in Western Australia in 2010. These negotiations resulted in 30 per cent wage increases in just under four years with no productivity benefits, following industrial action being taken. Just months following this case, the MUA brought Australian ports to a halt in pursuit of a $46,000 wage increase for workers already earning over $100,000 for 185 days work per year.

The government's view is that the right to take industrial action should not be used as a 'first resort' tool in bargaining. This right must not be exercised capriciously. The bill will require that the independent Fair Work Commission will not make a protected action ballot order if it satisfied that the bargaining claims:

- are manifestly excessive, having regard to the conditions at the workplace and relevant industry; or
- would have a significant adverse impact on productivity at the workplace.
Enterprise agreement approval

Despite Labor's talk about how the Fair Work laws would encourage workplace productivity, there is nothing in the current bargaining provisions that requires bargaining parties to even think about productivity when they are negotiating a new enterprise agreement.

For the future prosperity of this country, we need to put productivity back on the bargaining agenda. To ensure this happens, the bill will amend the Fair Work Act to require productivity improvements at the workplace to have been discussed during negotiations, before a new enterprise agreement can be approved by the Fair Work Commission.

There does not need to be an agreement reached about improving productivity—it may be that the workplace has already been progressively making productivity improvements. The key is to make sure parties have at least considered how productivity in their workplace could be improved. This will at least ensure productivity is part of the bargaining discussions.

Conclusion

Before the last election, the government committed to keep and improve the Fair Work laws. The government is continuing to deliver on this commitment with the measures included in the Fair Work Amendment (Bargaining Processes) Bill 2014. The bill will amend the Fair Work Act to promote sensible, harmonious and productive enterprise bargaining. It will make sure that industrial action is not a first-resort step in negotiations for an agreement. It will allow the Fair Work Commission to intervene where industrial action is pursued to support claims that are manifestly excessive. And finally, it will put productivity back on the agenda in enterprise agreement negotiations.

The bill implements clearly stated election policies – nothing more and nothing less.

These reforms are needed to help build Australia's prosperity for future generations. I urge members to act to promote more harmonious and productive bargaining by supporting the modest and measured reforms included in this bill.

Debate adjourned.

Biosecurity Bill 2014

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

First Reading

Bills received from the House of Representatives.

Senator CORMANN (Western Australia—Minister for Finance) (17:36): I move:
That these bills may proceed without formalities, may be taken together and be now read a first time.
Question agreed to.
Bills read a first time.

Second Reading

Senator CORMANN (Western Australia—Minister for Finance) (17:37): I move:
That these bills be now read a second time.
I seek leave to have the second reading speeches incorporated in Hansard.
Leave granted.
The speeches read as follows—

BIOSECURITY BILL 2014

Australia has a world class biosecurity system. The system helps us preserve Australia’s unique pest and disease status and protect our environment, human health, the wellbeing of our domestic animals, plants and our way of life.

There is no doubt that all Australians benefit from the system that underpins the security of our agriculture, forestry and fishery industries and enables a competitive advantage in export markets around the world. We have to get biosecurity right, because the stakes are high and getting it right benefits everyone.

The importance of quarantine is highlighted by its inclusion as a head of power in the Australian Constitution. The Commonwealth government is responsible for using this power to ensure Australia is protected from biosecurity risks. It follows that our biosecurity system must be underpinned by a modern and effective regulatory framework. This framework operates to manage the risk of pests and diseases entering Australian territory and causing harm to animal, plant and human health, the environment and the economy.

The legislation that currently enables us to do this, the Quarantine Act, has been amended no less than 50 times over the last 106 years. While the legislation has served us well in the past, it has become cumbersome to administer, difficult to interpret and incompatible with our needs as our business and our risks change.

A new regulatory framework is needed to provide for a safe and seamless transition of people and goods across Australia’s borders.

It needs to be more responsive to the threat of communicable diseases while also avoiding unnecessary burden on international passengers and trade.

Today the Government brings forward the Biosecurity Bill 2014 and four companion bills to implement the biosecurity legislation. The Minister for Agriculture is responsible for plant and animal quarantine and the Minister for Health is responsible for human quarantine. Accordingly, the legislation is a collaboration between both portfolios, and is jointly administered by them. This legislation will enable the departments to continue to manage biosecurity risks in a modern and responsive manner.

The century old Quarantine Act was written in a completely different world, when today’s technology was not conceived.

When the Quarantine Act came into force there were only two Australian passport holders.

The Act was written when people and goods arrived by sea and today's air and sea craft were unimaginable. It was a time when the threat of diseases such as the bubonic plague, smallpox, cholera and measles were at the forefront of policy makers' minds and those of the community.

In 1908 over 5000 miles of the Australian coastline remained unchartered, and in parts even unexamined.

The population of Australia at the time was around 4 million, less than the number of people in Sydney today.

To contrast this picture, in 2012–13 the Department of Agriculture cleared:

- 16 million arriving international passengers,
- about 186 million international mail items,
- 1.7 million sea cargo consignments, and
- 26 million air cargo consignments.
In the past decade, we've seen the volume of air passengers grow by 80 per cent, sea containers by 82 per cent and bulk cargo increase by 16 per cent. So we need legislation that not only safeguards our primary industries, our environment and our people from the increased threat of pest and disease, but also allows us to manage these movements in the most efficient way.

This legislation is designed to support the biosecurity system in any age. The Bill is a culmination of many years of work. A number of significant reviews of the system have outlined opportunities to improve the biosecurity system, including the development of new legislation.

During the development of the Bill, we have worked with industry, stakeholders and state and territory governments to seek feedback and to ensure the legislation we put in place is robust and effective. This engagement will continue during the development of the regulations and policies that support the Bill so that we all have the benefit of the best biosecurity system.

Strengthening the competitiveness and productivity of Australia's agriculture sector is a key undertaking of this government.

Australia is free of many pests and diseases that are common around the world. This allows our farmers to produce higher quality products and increases the demand for those products.

This is essential for our farmers to maintain access to overseas markets and build on our position as a net exporter of the highest quality agricultural goods. In 2013-2014 the total gross value of agricultural production was $53 billion.

These exports underpin our robust agricultural industry—and the biosecurity system that protects that industry—without which our farmers, the economy and consumers could suffer serious consequences.

Australia's enviable pest and disease status gives our producers a unique advantage. As well as playing an obvious role protecting Australia's environment, safeguarding Australia from unwanted pests and diseases also protects Australia's economy.

For example, a recent review commissioned by the Australian Bureau of Agricultural and Resource Economics and Sciences looked at the economic impact of hypothetical foot and mouth disease outbreaks in Australia.

In the event of a large multi-state foot and mouth disease outbreak, the ABARES estimates revenue losses could be more than $50 billion over 10 years. Reflecting international experience, the economic impact of trade restrictions, including the closure of export markets, would be far greater than the cost of controlling the disease.

The Bill will help protect the Australian environment from costly incursions by introducing a strong legislative framework that allows biosecurity risks to be managed more effectively.

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

When prohibited goods are intercepted, penalties in the Bill will match the offence and be balanced, consistent and reflect the level of biosecurity risk posed.

The Bill includes mechanisms to more clearly identify biosecurity risks offshore, onshore and at the border and will manage these risks using a broad range of Commonwealth powers.

In relation to risks posed to human health, the Quarantine Act was enacted before the considerations of individual rights and personal freedoms we have today. Within the Bill, the process for managing the threat of a serious communicable disease to human health will be better aligned with modern science relating to treatment and management of such diseases. It will also provide for consideration of personal freedoms and rights to review in human health biosecurity decision-making.
The new legislation will have no fiscal impact on the Australian economy. In fact it will reduce red tape for thousands of businesses that regularly interact with the biosecurity system.

The compliance costs on businesses are estimated to be reduced by approximately $6.9 million per year because of clearer, easier to use legislation and the improved processes it will enable.

The Bill modernises overly complex regulatory provisions and administrative practices under the Quarantine Act.

A good example is the introduction of a new scheme to manage Commonwealth-industry partnerships, known as the approved arrangement scheme.

This will replace the duplicative quarantine approved premise and compliance agreement provisions in the Quarantine Act, which can overlap and cause unnecessary costs for businesses. Provisions in the Bill will instead allow businesses to enter into a single agreement with the Department of Agriculture, to manage their biosecurity risks in an approved way that better reflects their business operations.

The Biosecurity Bill introduces a new range of enforcement options, including infringement notices, civil penalties, enforceable undertakings and criminal sanctions.

The enforcement work undertaken by the Department of Agriculture is complex and can require a different approach than that traditionally taken by law enforcement. Biosecurity requirements are grounded in science and not everyone who breaches them will have understood why or have done so deliberately.

Having a range of enforcement options available is important, as it gives the Department the ability to effectively penalise those who deliberately breach laws and greater flexibility to deal with those who have inadvertently committed a breach.

Importantly, the Bill contains new powers to address the risk posed by people and companies. Previous non-compliant behaviour of individuals or their associates can be considered when issuing an import permit or entering into a Commonwealth-industry partnership through a fit and proper person test.

Currently the current Quarantine Act only allows for assessment of the risks associated with the goods themselves.

The Bill will provide the Commonwealth with the right tools to manage biosecurity threats, including the human health risks posed to the Australian population from serious communicable diseases.

The human health provisions of the Quarantine Act, particularly those relating to isolation and treatment, have rarely been used in the last twenty years.

It is expected that the human health provisions contained in the Bill will be seldom used. However it is important that legislative powers are available to manage serious communicable diseases should they occur.

This has been particularly highlighted by the recent announcements by the World Health Organization of polio and Ebola Virus disease as Public Health Emergencies of International Concern. Importantly, the Bill will also seek to further implement Australia's obligations as a signatory to the International Health Regulations 2005.

The Biosecurity Bill also creates powers to enable information gathering to review the biosecurity system. It is intended that these powers will be used by the Inspector-General of Biosecurity.

This will help ensure that the assessment and management of biosecurity risk is subject to regular review and continual improvement. An independently verified system will enhance the overall integrity and robustness of Australia's biosecurity system.

The Bill will create and enable partnerships and better collaboration between governments, businesses and industry.
State governments, business and industries will be able to take a greater role in managing biosecurity risks—where it is appropriate to do so—with support and regulatory oversight from the Commonwealth. In doing so, there will be a more appropriate level or intensity of intervention from the government.

The Biosecurity Bill continues this intent by providing expanded onshore powers for the Commonwealth to cooperatively manage and address pest and disease incursions. Provisions such as the ability to issue biosecurity control orders and the establishment of biosecurity zones enhance the powers available to the Commonwealth to address biosecurity risks within or across jurisdictions, in a consistent way.

This is particularly important where state and territory government regulations may be incompatible or lack the powers required to manage an incident.

The Department of Agriculture has worked closely with states and territories and will continue to do so in the further development and implementation of the Biosecurity Bill.

This Bill is several years in the making.

After engaging with industry, state and territory governments, environment groups, health professionals, the general public and our trading partners—the Biosecurity Bill 2014 represents a comprehensive modernisation of Australia’s biosecurity legislation.

The Bill directly addresses the Government’s commitment to improving Australia’s already world-class biosecurity system.

The Departments of Agriculture and Health employ and work with some of Australia’s most knowledgeable and experienced plant scientists, veterinarians and medical and clinical experts.

These people are available to our biosecurity officers to provide current advice and guidance on the risks posed by the movement of people, aircraft, vessels and goods.

This Bill ensures Australia’s biosecurity system can continue to respond to future changes that this shifting world presents and the challenges and opportunities that come with those changes.

For Australian farmers, a strong biosecurity system means crops will be safer from exotic pests and livestock better protected from diseases such as foot-and-mouth.

For the Australian economy, it means an increased capacity for sustained domestic production and international exports from a competitive and profitable agricultural sector.

For the Australian community more broadly, it means everyone can continue to have confidence in the biosecurity system which protects our way of life.

BIOSECURITY (CONSEQUENTIAL AMENDMENTS AND TRANSITIONAL PROVISIONS) BILL 2014

The Biosecurity (Consequential Amendments and Transitional Provisions) Bill 2014 is the first companion bill to the Biosecurity Bill 2014. It will facilitate the transition from the Quarantine Act to the Biosecurity Act. This Bill makes consequential amendments to a range of other Commonwealth legislation to reflect the broad scope of managing biosecurity risk. It will also replace references to the Quarantine Act with the Biosecurity Act 2014.

Biosecurity is wide reaching and impacts air travel, shipping and fisheries amongst other matters, with the result that over twenty pieces of Commonwealth legislation will require some minor amendments.

This bill will repeal the Quarantine Act and the Quarantine Charges (Collection) Act 2014. Most importantly, it will allow the Department of Agriculture to provide for a smooth transition from the old legislation to the new regulatory framework.
The Bill will do this by ensuring that biosecurity risk managed under the Quarantine Act will continue to be managed following its repeal. For example, if a person is directed not to move a good under the Quarantine Act, that direction will still be valid under the Biosecurity Act. Or if an import permit application is made under the Quarantine Act, it is taken to have been made under the Biosecurity Act.

In some key areas, such as approved arrangement industry partnerships, the transition will take place over a longer period of time so businesses have more time to become compliant with new requirements and both business and the department can better manage the volume of work associated with the change.

QUARANTINE CHARGES (IMPOSITION-CUSTOMS) AMENDMENT BILL 2014

The Quarantine Charges (Imposition-Customs) Amendment Bill 2014 is the second of the three Charging Bills. This Bill will amend the Quarantine Charges (Imposition-Customs) Act 2014 relating to the repeal of the Quarantine Act, and will only impose charges when they are considered a duty of customs.

QUARANTINE CHARGES (IMPOSITION-EXCISE) AMENDMENT BILL 2014

The Quarantine Charges (Imposition-Excise) Amendment Bill 2014 is the third of the three Charging Bills. It will make amendments to the Quarantine Charges (Imposition-Excise) Act 2014 relating to the repeal of the Quarantine Act. It will impose charges only when they are considered a duty of excise.

QUARANTINE CHARGES (IMPOSITION-GENERAL) AMENDMENT BILL 2014

Three Charging Bills are being introduced as part of the Biosecurity Bill package. These will allow the Commonwealth to impose charges that appropriately reflect the cost of administering the Biosecurity Act now and into the future.

The Charging Bills do not set the amount of the charges and do not apply any financial impacts on business. The charges and who is liable and exempt from paying the charges will be set in delegated legislation.

The first Charging Bill, the Quarantine Charges (Imposition-General) Amendment Bill 2014, will amend the Quarantine Charges (Imposition—General) Act 2014. This Bill will continue current cost recovery arrangements to enable effective management of biosecurity risk through the Biosecurity Bill.

This Bill will allow the Commonwealth to continue imposing suitable charges for activities and services relating to the administration of Australia's biosecurity system—including scientific analysis, intelligence, inspections and surveillance.

This enables the Commonwealth to support and administer a robust, efficient biosecurity system where the appropriate responsibility for costs associated with the system lie with those who pose the highest risk to our biosecurity status. The charges will reflect the cost of providing these services and ensure the department is sufficiently resourced to continue the critical job of protecting Australia's unique animal and plant health status.

Debate adjourned.

Migration Amendment (Protecting Babies Born in Australia) Bill 2014

Report of Legislation Committee

Senator O’SULLIVAN (Queensland—Nationals Whip in the Senate) (17:38): On behalf of the Chair of the Legal and Constitutional Affairs Legislation Committee, Senator
Macdonald, I present the report of the committee on the Migration Amendment (Protecting Babies Born in Australia) Bill 2014 together with the *Hansard* record of proceedings and documents presented to the committee.

Ordered that the report be printed.

**Tax Laws Amendment (Research and Development) Bill 2013**

In Committee

Debate resumed.

The TEMPORARY CHAIRMAN (Senator Gallacher) (17:39): The Senate is considering amendments (1) and (2) on sheet 7618 moved by Senator Wang and amendment (1) on sheet 7650 moved by Senator Carr to Senator Wang's amendment (2).

Senator KIM CARR (Victoria) (17:40): Before question time I was asking the minister what impact the retrospective nature of this bill would have on companies and, in particular, about the issue of companies that seek pre-approvals of their work, which of course is standard practice. I was making the point that in the cases of companies like CSL strategic investment decisions have already been taken based on the advice received. So I would ask the minister: how many firms have received advanced approval for R&D spends in 2015-16 from AusIndustry?

Senator CORMANN (Western Australia—Minister for Finance) (17:40): Actually, it is not technically an approval, because you only qualify for relevant incentives once relevant expenditure has occurred, consistent with the requirements in the legislation. What relevant businesses are required to do is preregister the activity that they might want to make a claim in relation to. That is all.

I note that Senator Carr does not accept responsibility at all, even though he was a minister in the Gillard and Rudd governments, which put this measure on the table and which had it as part of their pre-election costings in the lead-up to the last election. He does not accept any responsibility for the fact that this is a measure which was announced in 2013-14 in Labor's last budget, with a starting date of 1 July 2013. We have delayed the starting date by one year, to 1 July 2014, in recognition of the fact that delays caused by Labor against the implementation of their own budget measure have made that necessary. The practical effect is that this will only impact on companies lodging tax returns after 1 July 2015. It is a measure which was announced in 2013. It will not impact on businesses until after 1 July 2015, which is very much prospective. There cannot be any doubt that relevant businesses in the marketplace had very good notice of the government's intentions in relation to this particular change.

Senator KIM CARR (Victoria) (17:42): The fact is that businesses cannot have good notice of the government's intention, because this is an entirely separate matter. Senator Wang, despite the fact that you have written these amendments and despite the fact that they are, in effect, your amendments, they have never, ever been announced as government policy. So how can you possibly say that companies had notice of these proposals? These are entirely separate matters from those that were considered before the Senate committee. These are new measures. You have effectively sought to fundamentally change the nature of this bill and this proposal. You make broad assumptions and broad assertions as to the equivalence of these measures. The evidence has not been produced that that is the case. Not one scrap of evidence
has been put forward as to the nature of these changes in terms of their similarity to previous government announcements. This is despite the fact that, for all intents and purposes, these are now government amendments.

The government has effectively written these amendments. We have not heard from the proponents—in name—of these. We have not heard a word about it. What we do know is that they were prepared in Treasury for a senator in this place, which you have all confirmed in these matters before a briefing and before the committee, and you have confirmed those propositions in this chamber. I would ask you, Minister: where is the officer from AusIndustry to advise you on this question? Which of these officers here is from AusIndustry?

Senator CORMANN (Western Australia—Minister for Finance) (17:44): Let's be very clear. The government's preference is to implement and to legislate the measure as introduced, which is Labor's measure. And if Senator Carr prefers Labor's measure, which is to remove the additional tax incentives for R&D for businesses generating more than $20 billion in assessable income per year—if that is his preference—tell us now, and the government will be joining with Labor to pass Labor's budget measure. Now, if Labor is not prepared to do this, then, quite frankly, the shadow minister should get out of the Senate's way and let the Senate deal with this legislation the way the Senate wants to deal with it.

The government accepts that we do not have the numbers in this chamber, and the government accepts that we are not able to get our preferred methodology through the Senate. What we have done is accept a request that was made by the crossbench for some adjustments, and I have explained on the record, ad nauseam now, how those changes will impact. And it is absolutely right to say that the fiscal impact, the beneficial impact on the budget bottom line, will be broadly similar. The number of companies impacted will be broadly similar. There will be some differences, because there is an additional fairness protection putting businesses generating most of their profits in Australia on an equal footing with businesses generating some of their profits in Australia but more profits overseas—put them on an equal footing. We think that is fair. We have accepted it. It is not our amendment; it is the Palmer United Party amendment. But the government is prepared to accept it. But if the Labor Party is telling us that they prefer their original budget saving, we are all ears. We are quite happy to deal with it very quickly. If Senator Carr is telling us now that he likes the budget saving that former Prime Minister Gillard and former Treasurer Swan put forward, as part of a government that he was a minister in, then let's do it.

Senator KIM CARR (Victoria) (17:46): I will ask again—and I take it, given that you have not been able to tell me that there is an AusIndustry officer here: how many firms received advance approval for R&D spends in 2015-16 from AusIndustry, who will now be adversely affected by these measures?

The minister shakes his head. You refuse to answer? Or you do not know? Are you confessing to your profound ignorance yet again? Once again, your demonstrate your contempt for this chamber. You simply do not know the answer. That is the truth of the matter. You have not had the relevant officers here to be able to advise you. I can understand that a minister does not necessarily follow every element of the administration of this issue. But you should at least have the relevant officers here to tell you how many occasions a company has been given pre-approval, which is now being effectively rescinded by your
unilateral actions to introduce measures that are effectively government sponsored measures, without notice. This is an application of retrospectivity to the taxation law which on any standard would not be acceptable in any normal circumstances.

The CHAIRMAN: The question is that opposition amendment (1) on sheet 7650 be agreed to.

The committee divided. [17:52]

(The Chairman—Senator Marshall)

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Question negatived.
The CHAIRMAN (17:57): The question now is that Palmer United Party amendments (1) and (2) on sheet 7618 revised be agreed to.

Senator MILNE (Tasmania—Leader of the Australian Greens) (17:57): I am glad that Senator Wang is here, because it would be good for him to answer some questions about his own amendment, which he has not spoken on at all. He has moved it but has not been here for the debate at all. I have put some questions to the minister that he has refused to answer, so I now put those questions to Senator Wang since it is his amendment. Number 1: the University of New South Wales has indicated in its submission that it will see a substantial reduction in its research effort if this legislation is to pass and that in fact 30 per cent of its research effort currently relies on what the university gets in relation to this particular provision on research and development. I would like to ask Senator Wang: what consultation have you had with universities around the country as to the impact of this legislation on their research effort? I can ask through you, Mr Chairman—

The CHAIRMAN: Senator Milne, could you resume your seat.

Senator O’Sullivan: Mr Chairman, I rise on a point of order. I seek clarification from the chair on this issue. The time of the Senate is valuable, and I know of no capacity or precedent for one senator to seek a question of another senator in the chamber.

The CHAIRMAN: It is quite in order, Senator O’Sullivan. There is no point of order.

Senator MILNE: It is quite normal practice in the committee state of a bill, if someone raises an amendment and puts it to the Senate, for them to speak to their own amendments, so I am putting this question very clearly.

Universities around the country, in conjunction with institutions like the CSIRO and with small businesses, benefit enormously from large corporations spending money in the research and development area. So I am asking: what consultation has been done with universities around the country, for a start, as to what impact this will have, firstly, on their research effort and, secondly, on CSIRO?

I think this is critical. We are seeing $1.1 billion taken out of research and development, and I think that the person who is moving for this particular change to the way that this would be determined should answer some questions about the consultation on the impact on the universities, since the government will not. We know that the government wrote the amendment for Senator Wang, but nevertheless it is his amendment, and I would like an answer to the question from either the minister or Senator Wang.

Senator CORMANN (Western Australia—Minister for Finance) (18:00): Senator Milne, who is clearly trying to keep the filibuster going for a bit longer, is misleading the Senate, because I did answer that question. What I said very clearly is that this measure, which was initiated and banked in Labor’s last budget by the previous Gillard Labor government, has been subject to consultation with the most important people of all—that is, the Australian people at the last election. I know that the Greens do not like the result at the last election. I know that the Greens do not like democracy, but that is the system of government that we are operating under here in Australia.

So what has happened here is that the government sought to implement Labor’s budget measure, which has broadly the same fiscal impact. Actually, our saving now is slightly less than what the saving would have been if Labor’s measure had been implemented. So, to the
extent that there is an impact, it is going to be a lesser impact than it would have been under Labor's original proposal. But what we have agreed with Senator Wang and the Palmer United Party, after very constructive engagement, is to make this change in a better way—in a way that is fairer for businesses generating most of their profits in Australia, vis-a-vis those businesses operating in Australia who generate a significant part of their profits in other parts of the world.

The Palmer United Party—Senator Wang in particular—in relation to this legislation has taken a very constructive approach. The Labor Party and the Greens have taken a very destructive approach. I do not understand why the Greens all of a sudden now are shedding crocodile tears when they did not shed crocodile tears when the Labor Party was pursuing this. The impact of this measure now is a lesser impact than it would have been under the Gillard Labor government proposal—the Gillard Labor government, of course, having been a government that enjoyed the confidence and the support of the Australian Greens party.

Senator KIM CARR (Victoria) (18:02): We need to correct the record yet again. This is an entirely different proposal, Minister, for which notice has not been given.

Senator Cormann: The Senate is amending it.

Senator KIM CARR: You have written this amendment. It is your amendment, in effect. But it is an entirely different proposal, and you cannot possibly seek to misrepresent the position in this chamber.

Senator MILNE (Tasmania—Leader of the Australian Greens) (18:02): It is an entirely different proposal. But, regardless, the Greens did not support taking $1.1 billion out of the research and development budget under the last government, and we do not support it under this government. In particular, what we have had from the minister is complete contempt for the Senate. He has been asked a direct question about what consultation he had with the universities. The fact is that there has been none, because all he can come up with is the same rhetoric from the bad government that has been in for so long. The good government that is supposed to have taken its place has not made its way to the Senate, because we are getting the same rubbish: that the Australian people are the people he consulted, not the universities.

You never do that when it comes to any other bit of legislation. You talk about your stakeholders. You go and ask the people who are going to be impacted. The universities are going to be impacted. CSIRO is going to be impacted. Every research institution in the country is going to be impacted by this. You are going to see a lot of research dollars go off overseas. More particularly, the decision to slash the universities and CSIRO, and now to take $1.1 billion out of the research funding, means that you are going to have a lot of small, innovative companies in Australia not having access to research dollars, and universities are going to be undermined in their research efforts, and it is going to be down to you, the Palmer United Party and other people on the crossbench who vote for it.

Mark my words: when AusBiotech and the universities find out what you have done, they are going to be horrified. But I am not surprised, because, as I said earlier, the Vandals have come over the wall. They are going back to the Dark Ages. It is anti-science, anti-research and anti-rationalism. We are going back to intuition, as Senator Cormann said last night in response to why he would not accept my amendment on quarterly payments: it was intuitive. So now we are into intuition and fairytales, because there is no consultation about what is
going on in terms of the impact on the universities. I feel really sad, because we will see PhD students and innovative companies done out of research dollars by people who do not know what they are doing, do not know what they have put to the Senate and cannot stand up and actually argue their case.

The CHAIRMAN: The question is that Palmer United Party amendments (1) and (2) on sheet 7618, revised, be agreed to.

The committee divided. [18:09]

(The Chairman—Senator Marshall)

Ayes ....................34
Noes ....................31
Majority ..............3

AYES
Back, CJ
Bernardi, C
Birmingham, SJ
Bushby, DC
Canavan, M.J.
Cash, MC
Colbeck, R
Cormann, M
Edwards, S
Fierravanti-Wells, C
Fifield, MP
Heffernan, W
Johnston, D
Lazarus, GP
Macdonald, ID
Madigan, JJ
Mason, B
McGrath, J
McKenzie, B
Muir, R
Nash, F
O’Sullivan, B
Parry, S
Reynolds, L
Ronaldson, M
Ruston, A (teller)
Ryan, SM
Scullion, NG
Seselja, Z
Sindonis, A
Smith, D
Wang, Z
Williams, JR
Xenophon, N

NOES
Bilyk, CL
Brown, CL
Bullock, J.W.
Cameron, DN
Carr, KJ
Collins, JMA
Conroy, SM
Di Natale, R
Gallacher, AM
Hanson-Young, SC
Ketter, CR
Lambie, J
Lines, S
Ludlam, S
Ludwig, JW
Lundy, KA
Marshall, GM
Milne, C
Moore, CM
O’Neill, DM
Peris, N
Polley, H
Rhiannon, L
Rice, J
Siewert, R
Singh, LM
Sterle, G
Urquhart, AE (teller)
Waters, LJ
Whish-Wilson, PS
Wright, PL
Question agreed to.
Bill, as amended, agreed to.
Bill reported with amendments; report adopted.

Third Reading

Senator CORMANN (Western Australia—Minister for Finance) (18:12): I move:
That this bill be now read a third time.
The Senate divided. [18:14]

(The President—Senator Parry)

Ayes .................34
Noes .................31
Majority ............3

AYES

Back, CJ
Bernardi, C

Birmingham, SJ
Bushby, DC

Canavan, M.J.
Cash, MC

Colbeck, R
Cormann, M

Edwards, S
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Smith, D
Wang, Z

Williams, JR
Xenophon, N

NOES

Bilyk, CL
Brown, CL

Bullock, J.W.
Cameron, DN

Carr, KJ
Collins, JMA

Conroy, SM
Di Natale, R

Gallacher, AM
Hanson-Young, SC

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Lundy, KA

Marshall, GM
Milne, C

Moore, CM
O’Neill, DM

Peris, N
Polley, H

Rhiannon, L
Rice, J

Siewert, R
Singh, LM

Sterle, G
Urquhart, AE (teller)

Waters, LJ
Whish-Wilson, PS

Wright, PL
Question agreed to.
Bill read a third time.

**Treasury Legislation Amendment (Repeal Day) Bill 2014**

**Second Reading**

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

**Senator CAROL BROWN** (Tasmania) (18:14): I rise to speak on the Treasury Legislation Amendment (Repeal Day) Bill 2014. There are a number of measures that I want to speak to, each of them separately. They are all important and make some important changes, in particular to the Superannuation Industry (Supervision) Act 1993, to repeal the pay slip reporting provisions.

Schedule 1 deals with the pay slip reporting provisions in the Superannuation Industry (Supervision) Act, which requires employers to include information prescribed by the regulations in the pay slips of their employees. People would be familiar with this when they look at their pay slips and see a number of things that are included, including their superannuation entitlements and payments. It was intended that regulations be made so that employers had to report on pay slips the superannuation contributions and the date on which the employer expects to pay them. This has not occurred.

There were existing requirements in the Fair Work Act 2009 and the Fair Work Regulations 2009 for employers to include in pay slips the number of superannuation contributions they are liable to make. It is important to note that these regulations are not changing. The requirement for superannuation guarantee payments to be made within 28 days of the end of a quarter is also not changing. The provisions—that this bill is removing—were enacted in legislation but never became a practical reality for business, because the regulations that were a requirement to give practical effect to them were never put in place.

There is no doubt that the intention of the original changes was good. The reality for employers, though—particularly small business—was increased cost via software and other upgrades. Labor believes it is arguable whether the requirements being repealed would have any effect at all on those negligent, unscrupulous employers who intend not to pay superannuation. In light of that, these changes have been brought forward.

Employees will still be able to check with their superannuation fund whether payments have been made by their employer. That is critically important. Labor will closely monitor the issue of unpaid superannuation payments, as should the government, because this is an important part of an employee's salary and payments. It is just what ordinary people are paid. The same as anybody else, we expect that when we get a pay slip and it details how much we are paid it also includes superannuation contributions. There is, of course, an expectation that those payments have been paid into our respective accounts, wherever they might be. We will monitor that, and we expect the government to do the same thing, particularly in light of the importance of superannuation in boosting people's retirement savings.

There is no political party in Australia that has done more to boost the retirement savings of Australians than Labor has. Going back many years, Labor has recognised that ordinary people need to have a mechanism available to them through the superannuation guarantee to

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**CHAMBER**
set aside money for their independence and financial security in retirement. As noble a cause as it is, it is an important cause for individuals and families. What it also means is a huge saving to government, the budget and the bottom line. This is a good measure.

Last financial year alone, some $6 billion was saved from budget expenditure on social security payments because of superannuation savings held by ordinary Australians. They are people who, because of their retirement savings, either do not rely at all on the pension system or other welfare payments or rely only in part on government payments. The growth of retirement savings is something that should be encouraged. It should be nurtured. It should be assisted and not hindered by government. The government should do as much as it can to ensure that growth in retirement savings continues to occur and to ensure the stability of the system. This first schedule is important in making sure that we understand the basis of what is contained in people’s pay slips.

I would like to remind the Senate that, unfortunately, this government has let down many Australians through changes to superannuation legislation. Most strikingly, in September last year, we saw one of what we know have been many broken promises from this government, this Prime Minister and his arrogant Treasurer, and that was the promise not to make any adverse changes to superannuation. We know what happened: a freezing of the superannuation guarantee contribution for over eight million Australians. If that is not an adverse change, I do not know what is.

This government attacked working Australians in its budget. The issue of retirement incomes is a significant one for people across the country and it is no different in my home state of Tasmania, especially in a seat like Braddon. But there were the Liberal members in the Abbott government that were attacking retirement savings. But where were they? Missing in action. Standing up for your constituents takes a lot more than standing in the background at a press conference. This government has made it particularly harder for low- and middle-income Australians to save for their retirement. In addition to the delay in the increase in the superannuation guarantee, it also removed the low-income super contribution from 1 July 2017. What this government is saying to low-income Australians in particular—particularly to cleaners, factory workers, manual labourers and clerical workers around the country—is this: ‘We're not going to give you any support to save for your retirement. We're not going to give you any tax concessions but we are going to ensure that high-income earners continue to get large tax concessions.’ This is in the context of the previous government putting in place a policy that ensured that we would give low-income workers in this country some tax concessions and pull back the tax concessions for high-income earners in a very modest measure—just a little bit to ensure there was equity in the system. Those of us on this side of the chamber say shame on this Treasurer and shame on this Prime Minister for treating low-income workers of Australia with such contempt and such arrogance. The government that said they do not want any adverse changes in superannuation has made an adverse change if you have ever seen one: a tax hike for people on low incomes in Australia.

I return to the text of the bill at hand. Schedule 2 makes mechanical and non-controversial changes to the Taxation Administration Act 1953 and consolidates duplicated provisions. It also repeals redundant laws and moves longstanding regulations into primary law. Labor supports these measures. They are good measures and measures that in government we were
also moving towards. This is often the situation with legislation like this, and I have made Labor's case on a number of other tax and superannuation laws amendment bills in this place. Regardless of how long a party is in government, it is not possible to do everything all in one day or all in many days. Like all governments towards the end of a term, there is always some unfinished business. This is part of that unfinished business.

Schedule 3 to this bill amends the Financial Sector (Shareholdings) Act 1998 so that persons who do not hold a direct control interest in a financial sector company will no longer be deemed to have a stake in that financial sector company solely as a consequence of their associate's direct control interest in the company. Under existing law, a person must obtain approval from the Treasurer to hold a stake in a financial sector company of more than 15 per cent. A 'stake' is defined in clause 10 of schedule 1 of the Financial Sector (Shareholdings) Act as the aggregate of the direct control interest held by that person and the direct control interest held by associates of that person. 'Associates' is widely defined in clause 4 of schedule 1 of the Financial Sector (Shareholdings) Act to include a person's relatives, partners, related companies and other parties. Where a person acquires a direct control interest in a financial sector company of more than 15 per cent, the associate of the person is required to also obtain approval to exceed the 15 per cent shareholding limit. This can be despite the associate holding no direct control interest or, indeed, any interest in the financial sector company. This imposes a burden for associates to reasonably comply with the law, particularly where associates are not aware of the requirement to seek the Treasurer's approval.

The measures in this bill mean a person who does not hold a direct control interest in a financial sector company will no longer be deemed to hold a stake in that company solely as a consequence of their associates' direct control interest in the company. Only where a person holds a direct control interest of any size would the interest be aggregated with that of the person's associates to determine the total stake held. For an associate holding a direct control interest in a financial sector company, the associate's stake is equivalent to the aggregate of their own stake and that of other associates, including the person acquiring the actual direct control interest. The associate is required to seek the Treasurer's approval where the aggregated stake exceeds the 15 per cent shareholding limit. It is important to note that these changes will ensure that there is an appropriate examination of a shareholder's controlling interest. But it will take away the trap of associates who have no control interest in having to apply to the Treasurer in order to comply with the law. Labor supports removing this unnecessary burden.

Further, schedule 4 rewrites provisions from the Income Tax Assessment Act 1936 into the Income Tax Assessment Act 1997 and the Taxation Administration Act 1953 to unify the definition of 'Australia' for tax purposes. This is a non-controversial mechanical change with no fiscal impact. Labor supports this change as well.

Labor is prepared to support fair and reasonable amendments and changes that improve the management and structure of our financial services sector, or other measures that improve consumer protections and also improve the ability of business to deal with regulation properly.

Senator RICE (Victoria) (18:28): I rise to speak to the Treasury Legislation Amendment (Repeal Day) Bill 2014 and foreshadow that I am going to be moving amendments that will
omit schedule 1. As outlined by Senator Brown, the Greens also have very strong concerns about schedule 1 because this schedule would remove the pay slip reporting provisions in the Superannuation Industry (Supervision) Act 1993, which requires employers to include in employee pay slips information prescribed by the regulations.

These provisions are very sensible provisions. They came from the Super System Review, the Cooper review, which recommended that employers be required by legislation to provide significantly more detail in pay slips of contributions, including a breakdown of contributions by type—that is, superannuation guarantee, salary sacrifice, after tax et cetera—and that the timing of the contributions should be improved to coincide with pay slip cycles. So this bill would remove protections for employees whose employers do not pay their superannuation. According to the Inspector-General of Taxation, the employees worst affected tend to be low-income, casual or part-time workers. I think this affects young workers as well. When you are 20 you do not pay much attention to your super contributions, super contributions that you are not going to be able to access for another 40 years. It is not a high priority. Imagine that you are not paying attention to your superannuation statements, and you would not have the information on your pay slip. Months or years could go by before you realise that your super has not been paid.

The benefits of repealing this regulation for employers are marginal compared to the significant disadvantage that employees could experience if they are kept in the dark about their super contributions. They could find out years later that they have been underpaid. Recouping this money will be a very difficult task for the employee and could result in a huge burden on employers if a lump sum then has to be paid to cover an extended period of underpayment.

Repealing this regulation shows the absurdity, unfairness, short-sightedness and narrow-mindedness of repealing regulations which are there for good reason—to create a sensible suite of measures that get good outcomes that serve the interests of the whole community. Put simply, the benefits of repeal are tiny and the consequences of it could be enormous.

(Quorum formed)

Senator SESELJA (Australian Capital Territory) (18:34): I am very pleased today to be speaking in support of the Treasury Legislation Amendment (Repeal Day) Bill 2014. As I made clear yesterday in a number of contributions, there are a number of important achievements of this government in the last 16 months. The repeal day and the repeal of unnecessary regulations are a part of that. I will go through some of those achievements before I go into the detail of the bill and the reasons why we in the coalition actually believe in getting rid of unnecessary regulations. I know that there are other parties in this place who believe that. I think it is fair to say that Senator Leyonhjelm and the Liberal Democrats support getting rid of unnecessary regulations. I think it is fair to say that Bob Day and Family First support that. I think it is fair to say that Palmer United Party senators support less regulation in some areas. We certainly would look forward to working with a number of them. If you were to quiz Nick Xenophon on his stated support for small business, you would expect that he would want to see us get rid of unnecessary red tape, along with Senator Madigan and others. I do not know what Senator Muir's stance is. I expect that he would have an open mind on it. But we do not see any evidence of support generally for the principle of reducing unnecessary, burdensome regulation, certainly from the Labor Party and the Greens.
We simply do not see it. When we saw the Labor Party and the Greens in coalition
government together, what did they do? They just added regulations. In fact, they did not just
add regulations; they actually prided themselves on the amount of legislation that passed,
which often imposed new burdens on Australian business.

Going to some of the coalition's achievements, we have repealed the carbon tax, which
Labor wants to bring back. Repealing the carbon tax lowers people's costs. It lowers
household costs and business costs. We have repealed the mining tax, which made very little
money. Of course, a lot of spending went with that. We have stopped the boats and the deaths
at sea. We have signed free trade agreements with some of our major trading partners. It is all
about growing jobs, growing the economy and supporting Australian business. And we are, of
course, getting on with the job of fixing the debt and deficit legacy that was left to us by the
former Labor government.

One of the most important and successful ways we are doing this and looking to grow jobs
is through reducing the burden of unnecessary red tape on business—red tape that hurts
productivity, halts investment and innovation, and stifles job creation. Since the 2013
election, the coalition government have more than doubled our election target of red-tape
reduction, announcing over 400 measures across the whole of government and a net reduction
of over $2.1 billion in compliance costs. As part of the 2014 spring repeal day on 29 October,
the government continued this work by removing nearly 1,000 pieces of red tape and over
7,200 pages of legislation and regulation. This continued the work of the first repeal day, in
March, when the government removed over 10,000 pieces of red tape, 50,000 pages of
legislation and regulation and over $700 million in compliance costs.

In stark contrast, as I alluded to earlier, Labor introduced more than 21,000 additional
regulations. It was something they seemed to take glee in. They seemed to pride themselves
on the amount of legislation they passed. We happen to believe that not all legis-
lation is good legislation—that simply passing legislation through the parliament does not make for a
successful government and does not make for a stronger economy if that legislation adds
burdens rather than takes burdens away. That is the stark difference between the way we do
things and the way the former, Labor government did things. Of course, those 21,000
additional regulations were despite Kevin Rudd's promise of a 'one regulation in, one
regulation out' policy, and the then small business minister, Craig Emerson, saying that Labor
would 'take a giant pair of scissors to the red tape that is strangling small business'. They
never did that, unfortunately. They in fact just added to that burden, and we are seeking to lift
that burden from Australian small businesses and Australian business generally.

It is important to remember that some regulation is important. We are not against
regulation that is about a safer Australia and about protecting our community. But we know—
we hear it from business consistently—that there is in many cases just far too much of it and
much of it is unnecessary, much of it is over the top and much of it is burdensome. And we
know that, when there is too much unnecessary regulation and red tape, that hurts the ability
of business to employ people. It also hurts the ability of small business people and family
business owners to spend more time with their families, because they are constantly engaged
in the paperwork of dealing with that red tape.

We saw that our multifactor productivity fell in 2013, after essentially flatlining for a
decade. In 2014, Australia ranked 124 out of 148 countries for burden-of-government
regulation in the World Economic Forum's Global Competitiveness Index. We have a long way to go before we are where we want to be on that Global Competitiveness Index. We want to be in a place where we attract business to this country and where, when businesses invest their money or when businesses start and they look to employ people, we find ways of supporting those decisions and making them easier—making that decision to take on an extra staff member that much easier. That is absolutely critical to the economic task that faces our nation. If we want business to employ people, to continue to employ more people, to continue to grow, to become profitable so they can invest those profits so they can employ more Australians, then we need to work with them. That is what the coalition are seeking to do through things like reducing red tape and cutting unnecessary taxes such as the carbon tax and the mining tax.

The Productivity Commission has estimated that regulation compliance costs could amount to as much as four per cent of Australia's GDP. So it is absolutely critical that we address these issues—and that we do not just do it once and we do not just do it twice. We have committed to doing at least two repeal days every year where we will see unnecessary burdens being lifted from business in this country.

This bill forms part of our whole-of-government commitment to repeal counterproductive, unnecessary and redundant legislation and regulations. The measures contained in this bill improve and simplify the operation of laws relating to taxation, superannuation and shareholdings in certain financial sector companies. The bill contains a number of important measures: it repeals the pay-slip reporting provisions in the superannuation law that would have increased the regulatory burden on employers beyond that currently imposed under the Fair Work legislation; it simplifies taxation laws by removing inoperative provisions, consolidating duplicated provisions and moving longstanding regulations into the primary law; it reduces the regulatory burden on the associates of individuals seeking to obtain a shareholding of more than 15 per cent in certain financial sector companies; and it rewrites the definition of 'Australia' into a single location in the tax law for use across all the tax laws in a simple and coherent form.

The first element of this bill is the employer reporting of superannuation contributions on pay slips. This provision will provide certainty to employers that they do not need to prepare for significant changes to their pay-slip software in respect of superannuation reporting. There are duplicative provisions from the superannuation law that allow for regulations to be created prescribing additional information that can be included on employee pay slips on superannuation contributions. These will be repealed. Labor had intended these regulations to specify that employers had to report on pay slips the amount of superannuation contributions and the date on which the employer expects to pay them. Labor, however, never made the regulations.

This measure will not affect the information employees currently receive on superannuation contributions on their pay slips. Under the Fair Work Act, employers are already required to at least report, on an employee's pay-slip, details of employee superannuation entitlements that accrued during the pay period.

If employers were required to report actual contributions and payment dates, they would need to invest in major upgrades in their software. The benefit for employees would be marginal. Most employers pay their superannuation as they should, and, even if reporting actual
superannuation contributions on payslips was mandated, it defies reason that an employer not complying would decide to voluntarily report that they were not complying. Also, employees may not take regular notice of what is reported on their payslips. I also note that 70 per cent of employees who do not receive their superannuation entitlements from their employer wait until they have left that job to make a complaint to the Australian Tax Office. This may be because they do not want to jeopardise their jobs, and changing the information on superannuation contributions required to be reported on payslips is unlikely to change that.

The ATO investigates every complaint received about unpaid super. Their risk analysis work allows the ATO to target actions against high-risk industries and employers. Employees can now also typically check online via their superannuation fund whether their employer is making regular superannuation contributions without having to wait for an annual statement. It is exactly this sort of regulation that this government is committed to providing so businesses do not need to deal with duplication and can get on with growing the economy.

We also have the consolidation and repeal of tax provisions. This measure simplifies the taxation laws by consolidating duplicated taxation administration provisions contained in various taxation acts into a single location in a single act. It also repeals spent or redundant taxation laws, such as the older harsh penalty regimes, and moves longstanding regulations into the primary law. One item in this bill has to do with the power of the Commissioner of Taxation to obtain information. Currently, there are over 10 different acts relevant to what information the commissioner can obtain, and, if a taxpayer wants to know what information that might be, they need to refer to all of those acts to get to the bottom of it. As a result of these amendments, a taxpayer will now only have to refer to schedule 1 to the Taxation Administration Act 1953.

The current tax law is complex, difficult to understand and frequently costly to comply with. For example, the current provisions dealing with tax file number and investment income reports that investment bodies provide to the Commissioner of Taxation are overly prescriptive and difficult to comply with. They lack the flexibility to allow the commissioner to continue to pursue further ways of reducing compliance costs. Rewriting the tax file number and investment income reporting will help give the Commissioner of Taxation flexibility to facilitate modern reporting methods, which should reduce compliance costs for investment bodies.

Overall, the changes will result in a material reduction in the size of the taxation laws—with one or two sections replacing in excess of 50 existing provisions. Removing inoperative provisions, consolidating duplicated provisions and moving longstanding regulations into the primary law does not alter any of the current tax policies. However, it does make the tax law easier to use and easier to comply with. Tidying up our tax laws in line with good legislative practices is an important part of the care and maintenance of our tax system. Once again, this reduces the burden on businesses who do the right thing and get caught up in unnecessary regulations.

We also have measures in relation to shareholding approvals in certain financial sector companies. These measures take away an unnecessary burden on the associates of a person—for example, a person's partner, relatives or related companies—who is seeking approval for a shareholding of greater than 15 per cent in certain financial sector companies such as banks and insurance companies. At present, when a person is seeking a shareholding of more than
15 per cent of a financial sector company, they must seek approval from the Treasurer for the shareholding. The associates of the person must also seek approval from the Treasurer for the shareholding as the Financial Sector (Shareholdings) Act 1998 deems the shareholding of the associate to be the same as that of the person seeking the more than 15 per cent shareholding. This approval requirement applies to an associate even where the associate has no actual shareholding in the company. The measure removes this technical legislative trap that imposes an unnecessary regulatory burden.

The changes in this bill do not compromise the examination of a shareholder's controlling interest. Associates with a shareholding are still required to be considered as part of the main applicant's shareholding to determine if they need to seek approval from the Treasurer for the shareholding. In addition, the Treasurer retains authority to block shareholdings where practical control can be asserted by an associate and the Treasurer is satisfied that it is in the national interest that the shareholding be divested.

Finally, this measure rewrites the definition of 'Australia' into a single location in the tax law for use across all the tax laws in a simple and coherent form. This measures addresses the problem that the current definition of Australia for taxation purposes is complex, overly detailed and expressed differently in different parts of the taxation laws, despite the fact that the laws are intended to achieve a simple and largely equivalent result. Currently, if an individual working on an oil platform near Australia wanted to determine whether or not they had to pay Australian income tax, they would be required to navigate through myriad provisions in up to 13 different Commonwealth acts. To deal with this unnecessary complication, the amendments consolidate and standardise in one place the definition of Australia for most tax purposes.

Rewriting the tax laws, on average, has reduced the size of the provisions being rewritten by two-thirds. This assists taxpayers to better understand and comply with the laws, reducing compliance costs. This takes another step towards achieving a single income tax assessment act for Australia.

It is clear to me and it is certainly clear to members of the coalition that encouraging Australian businesses to thrive and encouraging Australian businesses to employ more people—surely all of us would share that goal—is very, very important. If we want to see more Australians in work, more Australians with the opportunity to work and more innovation in our businesses for the betterment of Australians and, in fact, the wider world, then we cannot tie the hands of businesses behind their backs. When I speak to businesses, big and small, in this country, one of the first things that they raise is the fact that there is too much unnecessary, burdensome regulation, which in many cases is simply as a result of poor legislation. Sometimes it is poorly drafted legislation; sometimes parliaments have been too overeager to regulate things which do not need to be regulated in the way that they are. So I am very pleased that the coalition has taken a different approach to this, that instead of talking about a one-in one-out regulation as we saw from those opposite when they were in government—and of course they laid on thousands of pieces of legislation and thousands of extra regulations during their time in office—we have committed to regular repeals where we put on the agenda the needs of Australian business and, in particular, the needs of Australian small business. If we want them to continue to employ people, we should not add burdensome regulation and red tape.
Achievements such as getting rid of the carbon tax, getting rid of the mining tax, signing free trade agreements and getting rid of unnecessary and burdensome regulations are all directed broadly at the same end. They are broadly about growing our economy, making it easier to do business in this country, ensuring that more Australians have the opportunity to work and ensuring that Australians who are underemployed get the opportunity to have more hours. These are the goals of these policies. We have seen significant successes in areas such as the repeal of the carbon tax and the repeal of the mining tax. We have already seen much of the burdensome red tape coming off. But, of course, there is much, much more to do. This legislation is a part of the package, and I commend it to the Senate.

Senator LUDWIG (Queensland) (18:54): I rise to speak on the Treasury Legislation Amendment (Repeal Day) Bill 2014. Despite what Senator Seselja tried to infer, the opposition does support this provision. During the second reading speech in the other place, we indicated our support for this bill. This bill is divided into schedules 1 to 4, which deal with a range of matters. Schedule 1 deals with the repeal of the Superannuation Industry (Supervision) Act 1993 provisions requiring employers to report superannuation contributions on pay slips. The purpose of schedule 1 is to amend the SI(S) Act to repeal the provision and to report actual superannuation contributions paid on pay slips. Under part 29B of the SI(S) Act, employers are required to include on an employee's pay slip information about superannuation contributions as prescribed by the regulation. That is a point I want to come back to.

What I think Senator Seselja inferred was that the government is repealing a piece of legislation that is a burden on employers. Well, the catch here of course is that this provision was introduced by Labor and it was intended to commence from 1 July 2013. The measure did require employers to disclose when superannuation payments were actually made in a pay period, for all the sensible reasons—to ensure that employees were aware that they were being paid their superannuation. The concern is always that if a company goes into liquidation, if a company fails to pay its superannuation contributions, then at some point an employee, if they are not aware, will find out that they may in fact have missed out on a substantial amount of superannuation; it may have disappeared, and they may not be able to regain that amount easily. But in this instance it was a matter that was intended to provide an early warning that superannuation payments were not being paid. However, this provision has not applied in practice, as the enabling legislation has not been made. So we do have a hollow argument by Senator Seselja when he says he is removing the burden; the burden was never there in the first place. But we will move on from that small point; I am sure he would have corrected it had he been aware of it.

The draft legislation for the SI(S) Act pay slip reporting requirements was released by the Treasury for comment back in August 2014, so no changes were being made. In general the superannuation industry and accounting groups originally supported the pay slip reporting requirements when they were being considered for introduction. The ACCI has changed its position—I suspect it has been nudged by the government to close ranks on this issue or to at least not be discordant on the issue—and supports the repeal of these provisions as proposed in schedule 1. They argue—not as they argued originally—that the superannuation pay slip reporting regulations proved to be more complex in terms of creating confusion as to compliance obligations.
Another argument was that the introduction of pay slip reporting requirements would involve significant compliance costs. I do not for one minute accept that proposition. Nonetheless, existing arrangements under the Fair Work Act continue to operate. I have been assured on the concerns that I would otherwise have raised, whilst the government remains vigilant in the area of the Fair Work Act. I am not entirely confident of that, but there is good legislation in place to ensure that those requirements are met. For example, in terms of what reporting is actually provided to employees, the current Fair Work Act provisions give employers the choice of including either contributions actually made, which would be identical to the policy intended to be facilitated by the SI(S) Act provisions, or the amount of contributions the employer is liable to make. I will not go through the Fair Work Act provisions, but, in short, it is what I would regard as reasonably equivalent, and provides certainty that employees will have that information available to them.

For those employers already reporting the contributions they make on the payslips, the proposed SI(S) Act arrangements essentially match the reporting they currently provide. So, ultimately, the employers are meeting these obligations; they are meeting the spirit of the regulations through the Fair Work Act. As to the argument that it is a glad day and we can all cheer about the repeal of legislation, I think Senator Seselja's enthusiasm is a little bit misplaced. These are necessary as a consequence of what has already occurred.

The schedule 2 amendments are designed to simplify taxation laws by amending the Taxation Administration Act 1953 and a number of other acts so the requirements for the provision of information for the administration of taxation and superannuation laws are centrally located. Federal Labor again supports the measures aimed at the consolidation and repeal of redundant laws. It does make, with no shadow of a doubt, statute laws clearer, shorter and more accessible, and has real practical benefits for those who work with the law such as legal practitioners, courts, parliament and, of course, government, and for those who need to be able to access it, including those citizens and businesses that we speak of.

Schedule 3 has amendments to the Financial Sector (Shareholdings) Act. I will not go through the detail of that, other than to say that removing the requirements for a person to be subject to the provisions of the act where they do not have a stake in a financial sector company and their associates may be seen to increase their own stake in that company above 15 per cent is a laudable aim and should be supported. This amendment may lead to the unintended consequence of a person with no stake in a financial sector company gaining control of that company through their associates' stakes. This, however, is, I think, a small matter. There is, however, legislation to deal with that particular situation in the act. But it would have been easier for it to have been brought to the Treasurer's attention before action was taken. But we will continue to provide our support for this legislation, notwithstanding that it maybe missed a couple of points or was a little sloppy in bringing this forward in a consolidated way.

Schedule 4 rewrites provisions for the Income Tax Assessment Act 1936 and the Taxation Administration Act 1953 to unify the definition of 'Australia' for income tax purposes. One of the areas that this government seems to crow about is the repeal day provisions. Yet these are, in truth, tidy-up provisions. They should be doing them as a matter of course. They should be doing them as a good government as they go through, rather than trying to put them under the rubric of a sudden 'repeal day'. That typifies what this government is. We have already heard
the government say that—how can I phrase it?—good government would start from yesterday. I can only conclude from a statement like that that it must have been bad government prior to that. That seems to be the only position that you could adopt if you argue that good government started yesterday.

I think the repeal provision of this Treasury legislation is a good piece of legislation, but it is telling of the government. It is telling in this way: it is about spring-cleaning. And you can see in the eyes of the Liberals that they are keen to do a bit of spring-cleaning themselves. They have their broom in hand and they want to clean out their leader. That is what they want to do. And you can see it when their Prime Minister stands up in question time and answers questions. Those behind him are not watching him. They seem to have their eyes riveted on Mr Turnbull to see what he is doing. That seems to be the circumstance.

Federal Labor would like to see a bit of spring-cleaning on the other side—extending to the Abbott government's policies and leadership. It is time for the broomstick to turn a bit inward after their repeal of this legislation, to sweep away some of the cobwebs of chaos, speculation and dysfunction which have clearly taken hold of the manor. It seems that the repeal of a redundant leader like Mr Tony Abbott is on the cards. His leadership since 7 September 2013 has been marked by the relentless pursuit of inequality and unfairness, against those least able to defend themselves. He is a leader who is out of touch. There has been a litany of lies from this government, which is addicted to breaking promises and being ineffective.

And let me provide some practical examples of this, because I know that there are some on the other side who would doubt it. Mr Abbott said in his address to the National Press Club shortly before his election: My aim is to lead a no surprises, no excuses government that says what it means and does what it says. Sixteen months later, do we have that? Well, let us look at this example. As at 10 February 2015, the Abbott government is still unable to pass the 2014 budget measures. It promised to lead a strong, stable, accountable government. That promise was broken on 9 February 2015. Within 17 months, Mr Tony Abbott has faced his first leadership spill. Quite extraordinary—17 months in! How is this strong? Where is the stability? Where is the accountability? They are absent. He has dumped his signature policy on paid parental leave. That was abandoned on 2 February 2015, after months of back-pedalling. This was a signature policy that suddenly got swept back. I heard on the radio, as this policy was going out the back door, that small business and business in general were wondering what was going to happen to the 1.5 per cent tax—does it still apply, does it not apply, does it get swept out with the paid parental leave, and was this a government that was going to continue to mislead? No credibility can be sheeted home to this government.

On 26 January we saw firsthand just how out of touch Mr Tony Abbott is when he awarded a knighthood to Prince Philip—but I will not say any more about that; quite frankly, enough has been said. It was bizarre when he reintroduced knights and dames—I do not have a description after that. It was beyond bizarre—I am short of a word to describe it. On 30 August 2013 Mr Abbott promised that they were not in the business of cutting health. That promise was broken. On 12 January 2015 the Abbott government undermined Medicare by slashing the amount doctors get for consultations—and not even telling them. It was a surprise, unlike what he promised before the election—a no-surprises government. Let me say that slashing the amount of money that doctors get for consultations was a big surprise to
those in the medical fraternity. On the same day he announced a freeze to the annual increases to the Medicare schedule. Again, this is supposed to be a no-surprises government. Let me redefine what 'no surprises' means—it means 'at any time I will do what I like, when I like, how I like and I will call it no surprises and you will believe it. There was $57 billion worth of cuts to hospitals, including $600 million from dental health care. We were not told of that before the election and it was not discussed during 17 months—it was just another jack-in-the-box policy surprise from this government.

By 15 December 2014 the federal budget had blown out to $40.4 billion, compared to the $29.9 billion deficit predicted by the Treasurer, Mr Joe Hockey, in May 2014. Talking about Mr Joe Hockey, with deficits being predicted by this government I wonder whether he is also going to get a bit of a spring-clean from those who sit opposite. I am not going to make predictions. We can only watch the chaos of this government unfold. On 11 December Mr Turnbull imposed a $900 tax on new homes connecting to the NBN, breaking the 14 March 2013 election promise of no new taxes under an Abbott government. If those opposite are considering swapping Mr Abbott for Mr Turnbull, they should be aware that he also breaks promises and misleads so be very, very careful. On 2 September 2014 the Abbott government killed the low-income super contribution payment and the superannuation guarantee, which aimed to boost the retirement savings of 3.6 million workers who earn $37,000 a year or less. I can only say shame on the government for that. This has not been a good, stable government. No wonder the statement was made yesterday that they would start the journey of being a good government. That does not wipe away the things that they have already done, and the public will not be misled by that statement. They will not start you afresh. This is not a reset of the clock. All of these things that I am outlining are matters that you have already dealt with, and you have already demonstrated your credentials to the Australian public.

On 13 May 2014 the Abbott government slashed $240 million over four years to community programs that support poor, sick or disadvantaged people. On the same day, the government cut $25 million over four years—a quarter of the total funding—to community legal centres that provide legal support to those who are most in need. On 6 December 2013 Mr Tony Abbott promised there would be no cuts to education. What a phenomenal mislead that was. There were to be no cuts to education and no cuts to health. We now know that they were totally broken promises because those areas have been cut. The Abbott government's deregulation of university fees will mean $100,000 degrees for students seeking a higher education in Australia.

This is a government that is now in the weeds, concentrating on Treasury repeal legislation. Where are their signature policies, where are their big statements, where are they managing government in a way that gives confidence to the Australian people? This is not a government that is doing any of that. This is a government in chaos; this is a government that is confused—and a little dazed too, I suspect, after the last two days. Can it concentrate on the bigger picture? No. We are now talking about repeals that are a bit hollow. They might be repeals that are necessary, but they should not be trumpeted—they should be just an ordinary part of the government's day-to-day work. Mr Abbott said that 'a serious country deserves an adult government.' This government has not demonstrated that it is a serious government one little bit. What has this government done? Mr Abbott has been in the chair of his new
government, with a new agenda, for a couple of days, and what are they doing? There is silence. It is business as usual. Do not befooled, Australia.

Senator CORMANN (Western Australia—Minister for Finance) (19:14): The Treasury Legislation Amendment (Repeal Day) Bill is an important part of our plan for a stronger, more prosperous economy where everyone has the best possible opportunity to get ahead and get a job. It is part of our commitment to reducing red-tape costs for business by more than $1 billion a year. I commend the bill to the Senate, and thank senators for contributing to the debate.

Question agreed to.

Bill read a second time.

In Committee

Bill—by leave—taken as a whole.

Senator RICE (Victoria) (19:15): The Greens oppose schedule 1 in the following terms:

Schedule 1, page 3 (lines 1 to 17), to be opposed.

I listened very closely to Senator Seselja, who was trying to convince us that the provisions that are to be repealed in schedule 1 are unnecessary and burdensome. He failed to convince me of that. I really cannot see how repealing these provisions would result in more people being employed or result in a brand new day of improved productivity. I really cannot see how these regulations are burdensome. The information on the superannuation details has to be calculated. It has to be documented. For a small upgrade in pay slip software, being able to share that information with the employee so they can make sure they are being paid properly seems to be a good thing to do.

This provision did not come out of nowhere. It came out of a review that took place in a period of over a year. The provision was there, as I said in my previous speech, for good reason, with the aim of ensuring that workers are being employed under fair conditions and being paid properly, knowing their super is actually being paid. I think there is a very good case as to why these regulations should stay. Omitting schedule 1 would enable the regulations that came from the super review to stay in place.

Senator CORMANN (Western Australia—Minister for Finance) (19:17): The government opposes this Greens amendment. People across Australia currently receive information on their superannuation contributions on their pay slips and that will continue to be the case. This bill will not affect in any way, shape or form the information employees currently receive on superannuation contributions on their pay slips. Labor made regulations for additional duplicative provisions imposing additional red tape but never made regulations giving the opportunity for additional information to be included on employee pay slips on superannuation contributions. Labor never made those regulations. That was in relation to information about the date on which the employer expects to pay the contribution and various other bits of information. It is a redundant provision and the government thinks it ought to be removed.

Senator POLLEY (Tasmania) (19:18): The amendment will not rectify the situation because it does not introduce the regulations required to enforce the pay slip reporting. Without these regulations being introduced, this amendment is a stunt that will not make any practical difference to workers. Schedule 1 provides certainty to businesses, particularly small
businesses who would have faced large implementation costs to introduce pay slip reporting. So we will be opposing the amendment.

The TEMPORARY CHAIRMAN (Senator Whish-Wilson): The question is that schedule 1 stand as printed.

Question agreed to.

Bill agreed to.

Bill reported without amendments; report adopted.

Third Reading

Senator CORMANN (Western Australia—Minister for Finance) (19:20): I move:

That the bill be now read a third time.

Question agreed to.

Bill read a third time.

ADJOURNMENT

The DEPUTY PRESIDENT (19:20): Order! I propose the question:

That the Senate do now adjourn.

Ferguson, Ms Adele

Senator WILLIAMS (New South Wales) (19:20): I rise tonight to speak about a particular journalist who, in my opinion, is very fearless. I know on this side of the chamber some of my colleagues have copped some flak from her. Probably some on the other side have as well. I refer to my friend Adele Ferguson. Let me tell you a bit of history about Adele Ferguson. She started at the Adelaide Advertiser under the very capable eyes of one Piers Akerman. Then she became the senior business commentator at the Business Review Weekly magazine. Adele is also a columnist and business writer with The Australian and a senior business writer and columnist for The Sydney Morning Herald and The Age. Adele Ferguson is fearless. I have seen the work she has done. I have seen the people she has taken on. I have seen the people who have been knocked down, cheated and robbed who she has highlighted in her many, many reports.

Let me talk about one example—her fearless articles on the CBA financial planning scandal after meetings with whistleblower Jeff Morris. With ASIC stalling on action for 16 months, that then lead to the Senate inquiry into ASIC backed by all sides here in this chamber. No less than some 600,000 Australians, as I said in a previous speech today on the PJC committee report, have been written to to see if they have been basically dudged. Because of one journalist, now 600,000 Australians have been written to.

Through many tremendously courageous reports and research by Adele Ferguson and the hard work she has done, hopefully many Australians will be treated much better in the future and compensated for wrongdoings. I can assure you that there are still many that must come forward before various committees because we have not heard the whole story as yet. Adele Ferguson then did a combined TV program with Four Corners, with Fairfax and the ABC doing that report.

It was a tremendous honour on the last day of sittings last year that I went to the Walkley Awards, along with Senator Dastiari, to sit at Adele Ferguson's table. Prior to that, she had
won a Kennedy Award back in 2013 and in 2014 took out the Gold Kennedy Award. In 2013 she took out a Walkley Award for her business report and this year took out the Gold Walkley Award, the highest honour in any media awards in Australia. Adele has won many awards and probably has to extend her house to fit in the trophies for the great work she has done. She has become a very good friend of mine and is someone I trust totally in confidence to do her job. I think that between us we have achieved a lot for the Australian people. Some of her other awards include Quill Awards over several years.

On the long weekend in January, they threw a surprise birthday for me. I had no idea it was on. That is what happens when you turn 60—your children, your wife and your staff all get together and plan a surprise. When I came home from mass at seven o'clock on a Saturday night, I wondered what all the cars were doing at home. It was an honour to have Adele Ferguson and her great husband, Christian, travel from Melbourne to Inverell to be part of that surprise.

Adele Ferguson, I salute you for your wonderful work. I think it is downhill from now on because, when you are a Kennedy Award winner and a Walkley Award winner, you are at the top of the Mt Everest of awards. You have earned them, you have deserved them, and we honour you for the great work you have done. I hope you remain there because you are tenacious and courageous, you have taken on crooks, you have received writs, you are fearless, you are bulletproof, and the great work you have done has brought justice to many Australians. We cop a bit of flak on this side from journalists, and sometimes we deserve it and sometimes we do not. I have had a few words with a few journalists who got it wrong and they have apologised for it. Adele Ferguson, I make this five-minute speech in honour of you for the wonderful work you have done for the Australian people. I am sure there will be many years of good journalism coming from you through your fearless hard work.

Sydney: Martin Place Siege

Senator O'NEILL (New South Wales) (19:25): I would like to take the opportunity at the commencement of my speech to endorse Senator Williams' words. I have the privilege of now knowing two female Walkley Award winners: Joanne McCarthy from the Central Coast and Adele Ferguson—two very brave Australian women who have done outstanding work in service of the nation.

The focus of my words this evening is to express my condolences to the families of Tori Johnson and Katrina Dawson and to the survivors of the experience that Australians will not forget that unfolded in the Lindt cafe. I particularly rise to honour the memory of Tori Johnson and Katrina Dawson—two amazing Australians who did not survive the Martin Place siege—and to extend my personal and deepest sympathies to their families. I acknowledge in the Senate the sadness and grief of an entire state—we who love Sydney as our primary city and indeed the nation. As a Sydneysider and a lover of the city, I have spent so many memorable moments of my life in Martin Place. Like many of us who live in Sydney, we saw the transformation of that place—first with the siege and then with the actions following the siege, and that needs to be marked and recorded.

I convey to the families who have braved unspeakable pain and heartbreak that their tragic loss has inspired a wellspring of emotion that has truly shown what Australia stands for. Katrina Dawson and Tori Johnson will not be forgotten. Their bravery and composure under
such unimaginable duress will serve as perpetual testimony to the strength and resolve of our people amid this sad chapter in our history.

Tori and Katrina paid the ultimate sacrifice in the course of the siege at the Lindt cafe in Sydney’s Martin Place on 15 and 16 December, and ultimately they gave their lives for the protection of others. The events in that cafe on that long day and night and the outpouring of emotion that followed showed us and the world the real strength that binds our community. We came together as one, we showed that our own could not be taken in such grave and cruel circumstances without inflicting a wound on our collective conscious.

More importantly, we also showed that such a wound could be addressed by the natural strength and compassion that Australians are famous for—compassion that we have shown again and again in times of crisis. There was undoubtedly shock and perhaps righteous anger mixed with that compassion, but common humanity prevailed in the end. Australians showed that we would never surrender to hatred, to fear or to intolerance. It showed that we had the collective resources to rise above these obstacles as a civil, rational and cohesive society.

As the floral tributes piled up in Martin Place, Australians from all walks of life, from all religions and from across the spectrum of our multicultural and multifaith community, came to the Sydney CBD to pay their respects. Some came alone, some with their children and family, some to pray, some to stand silently and some to display community solidarity. I was touched, as I am sure all Australians were, by the images of interfaith gatherings and vigils, with friends and strangers arm-in-arm. I was struck walking through Martin Place days after the tragedy by the beautiful scent of the flowers and the transformative effect the mass tribute had on a place that could have made me and many others so heavy of heart.

The events of 15 and 16 December also hold special significance for the New South Wales Central Coast—the community where my family lives. Tori Johnson grew up on the Central Coast and was a former student at Terrigal High School. This connection brought the events of Martin Place closer to the Central Coast than the hour it takes to travel down the highway to Sydney.

Forresters Beach resident and Macquarie University student Jordyn Steele felt that connection and started a tribute at the Terrigal War Memorial on the Tuesday evening after the siege was broken, and posted her feelings on Facebook. Locals read her message: they came to the memorial with flowers and written messages, and Tori’s school friends gathered and shared their stories. It was, again, a vital time for the community to unite and to repair.

Touchingly, Jordyn wrote on her Facebook page: ‘As a nation we have shown our true strength and courage in the face of malignant and deliberate violence. As a community I believe we can show even greater strength.’ Jordyn was part of a conversation that Australia had on that day. That conversation was about compassion, freedom and strength, not fear and anger.

Can I also indicate that those listening might think about supporting the Katrina Dawson Foundation, which will be dedicated to the education of young women, because it is through education that we will be able to overcome the horror and the terror that led to that terrible event.
Speed Limits

Senator LEYONHJELM (New South Wales) (19:30): A family man drives across the wide plains of country Australia. There is not a cloud in the sky. The highway is a single lane each way, but the surface is smooth and the shoulders are wide. He is enjoying the comfort of his well-serviced and well-appointed family car. He is fresh and he is alert.

There is a car up ahead, going at around 100 kilometres an hour. It appears to be the only other car on the road for kilometres. He is gradually reeling in the smaller car, and then he accelerates to overtake. The manoeuvre is completed in seconds, and he settles back into the rest of his journey. That is where the story should end, but it does not. In his rear view mirror there is a highway patrol car. He pulls over. He knows what will happen; it has happened before.

Fast forward a couple of hours: the man arrives home. How the conversation progresses between husband and wife is none of our business. But the upshot is that this family now has to work out how to get the kids to school, both parents to work and the shopping done over the next three months without the family car. To top it off, they also have to figure out how to pay the hefty fine.

This is a true story from a despairing constituent who called my office. It is strikingly similar to a number of other stories from everyday folk across the country who have called me. This is clearly not a story of our hard-earned tax dollars being put to good use, of public servants serving the public or of a police force gaining trust and cooperation from the community of which they are a part. It is a human tragedy, and it should not happen. Australia is obsessed with speed and speed limits.

Many other countries are not. Speed limits in those countries reflect community views on the right balance between the convenience of travel times and safety. In Australia they reflect the views of engineers, who think they know what is good for the community and who believe that they know how to strike the right balance. And yet the road toll is falling as much in other developed countries as it is here, due largely to improvements in the quality of roads and cars and the cultural change against drink driving.

The everyday people who call my office are not criminals. They are not reckless with their lives, the lives of their families or the lives of their fellow Australians. They would gladly comply with speed limits that were set according to the 85th percentile rule. Under this rule, we would measure the speed of drivers on each road with the speed limit removed, and then impose a speed limit that would cast 85 per cent of those drivers as law abiding, and only 15 per cent as speeders. As the great majority of drivers admit to exceeding the current speed limits regularly, if we adopted the 85th percentile rule we would get higher speed limits.

If speed limits reflected community views in this way, everyday Australians would want the speed limits to be enforced. And they would see police as being on their side, rather than as people to fear and loathe. Politicians and bureaucrats should get over their obsession with speed limits. They should stop treating motorists like naughty children. They should stop pretending that the setting of speed limits is an engineering issue. And they should bring the laws on speeding into line with community values.
Singapore: Distinguished Visitor Program

Senator SINODINOS (New South Wales) (19:34): Late last year, I had the pleasure and privilege of travelling to Singapore as a guest of the Singapore government under its Distinguished Visitor Program. I thank the new High Commissioner of Singapore in Australia, Mr Burhan Gafoor, for renewing the invitation.

My good friend, Albert Chua, who is now the Second Permanent Secretary of the Ministry of Foreign Affairs, was instrumental in putting the program together for the visit. I was received by the Deputy Prime Minister and Minister for Finance, Tharman Shanmugaratnam; the Second Minister for Foreign Affairs, Grace Fu; the Managing Director of the Monetary Authority of Singapore, Ravi Menon; the Public Service Commission Chairman, Eddie Teo; and the CEO of the National Research Foundation, Professor Low Teck Seng.

I met various senior business and public service figures and members of the Singapore parliament, and also our High Commissioner to Singapore, Philip Green, who briefed me on proposals to celebrate next year's 50th anniversary of the establishment of diplomatic relations between our two countries.

A consistent theme of my meetings was the warmth and affection of Singaporeans for Australia and their keenness to broaden and deepen the relationship. At the official level, there was a repeated reference to our Prime Minister, Tony Abbott's, recent declaration that he wants to enter into a strategic partnership that would match our very close, sibling-like relationship with New Zealand.

I fully support our entering into a much deeper strategic relationship with Singapore in the areas of economics, foreign affairs, defence and security and people-to-people links. Singapore has capital, a highly trained and technologically-literate workforce and a sophisticated network of connections through the region. We have first-class economic and financial infrastructure, plenty of space and resources and ideas for commercialisation.

We discussed the proposal to establish a global infrastructure hub in Sydney with the Monetary Authority. They are interested in moving from the theoretical to the practical by developing financial securities to encourage pension funds and insurance companies to invest in long-term assets to match their long-term liabilities, including how to transmit any guarantees provided to infrastructure suppliers to the investors in projects. With our expertise in financial matters, we are in a great position to help on these matters.

I was struck by Singapore's strong commitment to education and training throughout life, which is matched by investment in research, innovation and enterprise to create sustainable competitive advantage. Singapore has a comprehensive approach to such activities through its five-year plans, policies and strategies, which cover basic research, research manpower, multidisciplinary collaboration and alignment with economic outcomes, support for commercialisation and strengthening entrepreneurship by attracting global talent to Singapore.

The National Research Foundation is part of the Prime Minister's office and services the Research, Innovation and Enterprise Council, an amalgam of senior ministers, representatives of business, science and technology who meet under the chairmanship of the Prime Minister. It is a co-ordinating body physically located on a major campus and an innovation and creativity hub.
I was also struck by how Singapore recognises and celebrates its cultural diversity as a social and economic good. It is a vibrant multiracial and multicultural society with a delightfully diverse cuisine, active maintenance of its different heritages and, importantly, a commitment to no discrimination on the basis of race, religion or language. This is enshrined in the national pledge that is recited in her schools every morning.

Again I have been impressed by Singapore's capacity to combine support for free trade and open markets with state sponsored co-investment to stimulate new industries and activities, including relocation of regional headquarters and the attraction of multinational corporations. Singapore's financial stringency and economic strength have allowed her to build up sovereign wealth funds such as Temasek and the Government Investment Corporation to enable her to invest in regional growth and development to Singapore's benefit.

I could go on about Singapore for a while. I was very impressed at the way in which they adapt to the changing global environment. At the end of the last world war, Singapore was devastated, but its successful transformation is proof that necessity is the mother of invention. Under the visionary leadership of Lee Kuan Yew and his successors, the sleepy sea port with no resources has become an economic powerhouse. We should conclude a meaningful strategic partnership with Singapore as a fitting climax to next year's celebration of 50 years of her relations with Australia.

Ibrahim, Mr Anwar

Senator XENOPHON (South Australia) (19:39): I rise to speak about a matter which is a travesty and a tragedy of democracy in the region. Earlier today Malaysian opposition leader Anwar Ibrahim was sentenced to five years' jail on trumped up charges of sodomy. There is no appeal—it has gone to Malaysia's highest court. These charges are manifestly and clearly politically motivated. There was a corrupted legal process. It has been acknowledged by Human Rights Watch, by Amnesty International, by the Interparliamentary Union and by the International Committee of Jurists that these charges were trumped up.

Anwar Ibrahim is a friend of mine. He is a person I have enormous respect for. Many regard him as the Nelson Mandela of the region because of what he has gone through—6½ years in jail, solitary confinement, on charges that were trumped up and eventually thrown out through the Malaysian legal system back in 2008. He now faces these other charges, which are indeed a travesty. I will refer to them briefly.

Last night I spoke to Anwar Ibrahim to wish him well. Today, surprisingly, during an adjournment after it was made clear that the Federal Court would jail him, and Anwar rang me to tell me that he was facing a long jail term. He told me that Australia needs to speak out—that Australia, as a good friend of Malaysia, needs to tell the truth about what has occurred. I spoke to him again, all too briefly, as he was being led into to be sentenced to five years. It is an absolute travesty. The great man, the great statesman that Anwar is, still had his sense of humour. He said to me, 'My friend, I am about to be taken to my new palace.' He says that we must keep up the fight and let the world know what has happened to him and, more importantly, what has happened to Malaysian democracy.

As you are aware, Mr Acting Deputy President, I am banned from Malaysia. I was deported from there almost two years ago because I have spoken out on behalf of pro-democracy groups within Malaysia. We should not be fooled as a nation about the Malaysian
government and its regime. Prime Minister Najib—despite his genial, and some would say his bumbling, demeanour—rules a party and leads a government that has ruled Malaysia with an iron fist since 1957. There is no freedom of the electronic media; you need a permit to publish a newspaper; only the internet has a semblance of freedom. This regime is a regime that has repressed dissent. As Anwar Ibrahim told me when I was there back in 2012, the great tragedy for Malaysia is that, because of the croniness and corruption of UMNO regime, Malaysia has been left behind in terms of economic development. Forty years ago Malaysia and South Korea had about the same GDP per capita, but now 40 years later South Korea’s GDP is four times higher than Malaysia's per capita GDP, despite its abundant natural resources and enormous petroleum wealth. That is what has occurred.

As a nation, we must speak out. I met with the foreign minister, the honourable Julie Bishop, late this afternoon to express my concerns. Australia must play a leadership role in the region to speak out about this travesty of injustice. We must be aware that this trial was politically motivated; we must be aware that, two days before the alleged incident for which Anwar Ibrahim was convicted, the alleged victim met with Prime Minister Najib and the prosecutor at Prime Minister Najib’s home. That raises serious issues about the very nature of these charges.

Independent jurists have condemned these charges; independent jurists say this is a sham of a trial. Anwar Ibrahim is now going to be imprisoned for a period of five years and will be banned from running for public office for another period of five years. He is 67 years old; he is a beacon of democracy in the region. It is important that we play our role and to do the right thing by speaking out to condemn this injustice and to call for the release of Anwar Ibrahim from this manifestly bizarre and unfair travesty. We must speak out. I will be calling on my colleagues to gather with me tomorrow so that we can speak to the media to let the region know that we actually give a damn about what is happening in Malaysia.

Bristow, Sergeant Carol

Senator RUSTON (South Australia—Deputy Government Whip in the Senate) (19:44): It is with a sense of sadness, a sense of reflection, a sense of humility, a sense of honour that I rise tonight to speak about a very dear friend of mine who unfortunately passed away from ovarian cancer last week. Whilst it is a terribly sad thing to lose somebody in any way, shape or form, the legacy that has been left by the person who we are talking about is probably one of the greatest things that we can celebrate, and it was for that reason that last Wednesday I joined with 700 other people in Renmark to say farewell to Carol Bristow.

Carol came to our community in the Riverland in 1990 as the police prosecutor. But Carol was not just any old police officer. We have this image of police waiting on the corner to see if you are going to speed or if you are not going to put on your indicator when you go around the corner. She was not one of those people. Carol’s view of policing was that the best possible way to have the best possible community was to get the community onside in your policing activities, and that is exactly what she did. In fact, she said: ‘We can't do policing on our own. We must be part of the community.’ And the one thing that you can be absolutely assured of is that Carol was an intrinsic part of the Riverland community for the 25 years that she was amongst us.

Carol was not just a police officer, though. She was a person who cared about the youth in the community. She cared about everything that happened in our community. She was
involved in things like setting up the blue light disco for the young kids. She was involved in Landcare programs. She just had this overwhelming sense of responsibility to her community, so much so that in 2011 she received the award for Police Officer of the Year for South Australia for her services to our community. I think the fact that so many people turned up to say farewell to Carol last Wednesday is probably an extraordinary reflection of the way the community appreciated everything that she had done.

Probably the most amazing thing about Carol was not how she conducted her life when she was living the normal life that the rest of us take for granted, without illness hanging over her head. It was when she found out that she had an illness—an illness that was going to claim her life in a very short space of time. It was the enthusiasm and vigour with which she approached the final few months of her life that probably set Carol apart from many of the people that we will come to know in our lives. The first thing that she did was try to work out what she could do to make sure that she raised awareness of the cancer that she had—ovarian cancer—and I suppose it is somewhat timely that we are standing here today in Ovarian Cancer Awareness Month talking about the contribution that she made.

She organised high teas at our Renmark Hotel. These high teas, I think, for evermore will be one of those things that the women of our community will rally around to raise money because it will remind them of turning up and seeing Carol sitting there in her bright coloured dress with her bright coloured turban. She was not afraid to confront what was coming down at her at a rate of knots and she had decided that the best thing that she could do was to use it to raise awareness and to help others in the community face some of the tough things that come past in life.

The final thing that she decided to do was set up a wig library. I can remember talking to her about this about 12 months ago and she said: 'The funny thing was when I found out that I had to have chemo I thought I'm not going to wear a wig, I'm just going to wear a turban.' But when she eventually put on a wig she said she felt complete again. So the first thing she did after that—the next day—was to say, 'I'm going to set up a wig library for those women who aren't able to afford to go out and spend the hundreds and hundreds of dollars on a wig, so that they can go in there and for just $5 they can rent a wig.' When they have finished with it, whatever the outcome may be, whether they get better or whether they end up the same way that our darling Carol did, the wig goes back to the library for somebody in the future to use.

To her family—her lovely husband, Michael, or, as we all know him, Mick, and to her two wonderful children, Matilda and McKenzie, or Tillie and Macca as they are known—I think the thing that they can take away from having had the wife and mother that they did is that she was an inspiration to our community, she was an inspiration to our state, she was an inspiration to the police force and she will be an inspiration for our community into the future. Even though Carol may not be with us any longer in the physical presence, Carol will remain with us for the rest of our lives.

**Liberation of Auschwitz: 70th Anniversary**

*Senator SMITH (Western Australia) (19:50):* Two weeks, people around the world paused to commemorate an event that, more powerfully than any other, symbolises humanity's darkest chapter. The 70th anniversary of the liberation of the Nazi death camp at Auschwitz was an occasion for world leaders, Holocaust survivors, representatives of all religious faiths and millions of ordinary citizens around the globe to reflect on the tragedy of
the Holocaust, its lessons and the ultimate triumph of those who not only survived horror but then went on to rebuild their own lives and to build a better world.

The Auschwitz camp was the largest in a network of concentration camps established by the Nazi regime. It was constructed in its initial inception in 1940 and expanded on several occasions to the point where it could hold upwards of 150,000 people at any given time. The Auschwitz site, located around 60 kilometres west of Krakow in Poland, actually contained three distinct camps. It is the second of these, the camp at Auschwitz-Birkenau, that has become the most infamous. Estimates of the numbers that perished at Auschwitz vary, but even the most conservative estimates by historians put the number at well over one million, with some estimates ranging as high as four million. The vast majority of these were Jewish prisoners, executed in the camp's gas chambers on Nazi orders, though many also died through starvation, twisted medical and scientific experiments, disease and firing squads.

Initially intended as a forced labour camp, by 1942 the Nazis had concocted an even more insidious use for the facility, and it became the primary site for the Nazi's evil desire to eliminate European Jews altogether. Even today, the image of the rail track running into the camp at Auschwitz-Birkenau is a chilling, haunting and distressing one to see. Even those who have not visited Auschwitz in person can nonetheless understand the horror that it has come to represent. As trains bearing Jewish prisoners arrived at the camp, selections would be carried out by Nazi officials on the platform. The ill, the elderly, pregnant women and children would be classified as unfit for labour and immediately sent to the gas chambers. This accounted for around 75 per cent of each new transport. These victims were never officially entered in camp records; they were not assigned prisoner numbers or registered in any other way. Thus, it is impossible to know precisely how many perished in the horror of Auschwitz.

Those not targeted for immediate execution were subjected to degradation of the worst kind: tattooed with a prisoner number, stripped and deloused, shaved, and clothed in either prison style uniforms or, as numbers swelled, clothing taken from those who had already perished in the gas chambers. Inmates were housed in the most primitive of conditions, forced to share tiers of bunk beds that were not equipped with mattresses. Water supply was limited to one tap per building, through which water would flow for only around one hour per day. There was little food provided and no soap, which did nothing to prevent the spread of diseases such as dysentery, which, in the absence of medicine and medical professionals, claimed many victims within the camp.

A lack of hygiene was far from the only indignity facing those housed at Auschwitz: beatings at the hands of Nazi guards were commonplace, as was the humiliation of running or standing punishments where inmates were stripped naked and forced to run on the spot or stand still for hours at a time in extreme temperatures. There were various forms of electroshock punishment, public floggings and hangings, or the possibility of a cruel, slow death through being selected as the subject of one of the Nazi's heinous medical experiments. Naturally, this existence would weaken many to the point where they were no longer capable of physical work, at which point they, too, would be taken to the gas chamber.

The gas chamber at Auschwitz-Birkenau had the capacity to kill approximately 6,000 people per day—a capacity that was, more often than not, fully utilised by Nazis. The pace of executions at Auschwitz steadily increased, peaking from May to November 1944, as the
increasingly desperate Nazi regime made a last-ditch attempt to realise its twisted vision. When the Auschwitz death camp was finally liberated on 27 January 1945, there remained only around 7,500 prisoners and the bodies of around another 600. Yet, despite the attempts of fleeing Nazi officials to hide what had really gone on, liberating troops quickly found evidence that pointed to murder on a massive scale—uncovering 370,000 men's suits, 837,000 women's garments and 7.7 tonnes of human hair stored at the camp.

Of the millions who passed through the gates of Auschwitz, it is estimated that only around 200,000 survived. The stories of survivors, not only of the camp at Auschwitz but of the Holocaust more broadly, are of critical importance if we are to fully understand human history's darkest hour. What is perhaps most extraordinary is the extent to which so many not only survived the horror but went on to lead productive and full lives in spite of the trauma they endured. I think particularly here of people such as the late Kurt Ehrenfeld of Western Australia, who passed away in July last year. I knew Mr Ehrenfeld and I know his children. He was transported to the Theresienstadt concentration camp at the age of just 12, along with his mother and sister. The memorial program put together by the Ehrenfeld family contains the story:

The SS Officer pointed to me and asked my father: "Is he a strong boy?"
"No, he's not," said my father, "he's weak". So my father was sent in one direction and my mother, sister and me in another. That was the last I ever saw of my father.

Kurt Ehrenfeld later learnt that his father, Oskar, perished in the Nazi camp at Bergen-Belsen. One can hardly begin to imagine the effect that such a traumatic experience would have on a child so young. Yet Kurt Ehrenfeld, like so many others, found a new life in Australia, which he fully embraced, making a major contribution to significant engineering projects in WA, including the Ord River dam project, and raising his own seven children with his wife, Norma.

Of course, while it was the European Jews who were overwhelmingly the target and victims of the Nazis' reign of terror, others perished in their camps, including those who stood up for Jewish people, resistance fighters, the physically disabled, those with intellectual disabilities, gay people and those opposed to the Nazis politically.

In acknowledging the 70th anniversary of the liberation of Auschwitz, one thing came through very strongly at the commemorative services here in Australia and around the world. That was: to never forget. It was former US President Harry Truman who said in the days following the end of the Second World War:

It is easier to remove tyrants and destroy concentration camps than it is to kill the ideas which gave them birth and strength.

Given some of the anti-Semitic outbursts and attacks we have witnessed in Europe in just the last month, President Truman's words resonate with a tragic prescience. In the same week that the world was shocked by the violent assault on the offices of Charlie Hebdo in Paris, there was a subsequent attack carried out by an Islamist militant on a kosher supermarket in the eastern suburbs of that same city. This attack claimed the lives of four Jewish hostages and terrorised another 15 before police ultimately killed the perpetrator. It was a chilling reminder that, for all the lessons the Holocaust has taught us, anti-Semitism has not been defeated.
Anti-Semitic attacks in Europe are being reported with an alarming frequency and the world must remain vigilant—as it must against all forms of discrimination. Yet even in the face of tragedy, humanity's best aspects can shine through. The man hailed as the hero of the Paris supermarket attack, 24-year-old Lassana Bathily, is a practising Muslim, whose words and deeds showed that those of different religions are bound by a common concern for humanity. He said:

Yes, I helped Jews get out. We're brothers. It's not that we're Jewish or Christian or Muslims, we're all in the same boat. You help so you can get through this attack.

I think all of us hope for a world in which our instinctive reaction is always to stand up and defend others, to oppose violence based on differences of religious belief, political opinion, sexual preference, race or gender. It is more important to focus on our shared commitment to preserving the freedom and dignity of every individual.

Scratched into the walls of the concentration camp at Auschwitz at the height of the horror were these brief lines, which best embody the hope that beats in every human heart even in our darkest times:

I believe in the sun even when it's not shining.
I believe in love even when I don't feel it.
I believe in God even when He is silent.

Horvath, Ms Corinna

Senator MARSHALL (Victoria—Deputy President of the Senate and Chair of Committees) (20:00): I welcome the news that Victoria's Independent Broad-based Anti-corruption Commission, IBAC, has initiated an own-motion review into the handling of Ms Corinna Horvath's complaints alleging police assault in March 1996 and associated Victoria Police disciplinary action.

Almost 20 years ago, police illegally entered the home of Corinna Horvath and subjected her to a vicious assault that included numerous punches to the face, which ultimately broke her nose and shattered a major artery. They falsely imprisoned her and denied her speedy medical attention for the trauma she suffered at the hands of the police. Once she made an official complaint, local police then filed numerous charges against her, which she had to fight in court. She filed for damages against police, and in 2001 County Court Judge Williams handed down his decision. He found police at fault of assault, unlawful arrest, false imprisonment and malicious prosecution, and found that the police told lies on matters of major significance. The independent judiciary found police at fault, yet no officer was disciplined or charged. Three of the four police officers who assaulted Corinna still work for Victoria Police.

I welcome the news that IBAC has appointed former Supreme Court Justice the Hon. Bernard Teague AO to lead the independent review into this case. Bernard Teague has a distinguished career as a Supreme Court judge and was appointed as the head of the Royal Commission into the Black Saturday fires in Victoria and more recently headed the inquiry into the Hazelwood mine fire. His work in heading up the royal commission into the Black Saturday fires has been universally recognised.

The IBAC review of the Corinna Horvath case is a very important opportunity to help resolve the ongoing issue of police human right abuses in the state of Victoria. The terms of
reference for the own-motion review have not yet been released, but I would hope that the terms of reference would enable the Victorian people a chance to come forward and talk about their experience of how their complaints against police are handled. For what happened to Corinna 18 years ago is not an isolated incident. It is symptomatic of a failed system where police investigate complaints made against themselves.

There are numerous examples just like Corinna's case, where an official complaint made against police has been met with retaliatory charges being laid against the individual making the complaint, charges that are costly and stressful for the individual to defend. Complaints against the police are ultimately rejected as unfounded after police internal review. And even if an independent judiciary found police at fault, rarely is action is taken by police against themselves.

In 2014 the United Nations Human Rights Committee reviewed the case of Corinna Horvath. The Human Rights Committee found that the internal review of the matter did not meet the requirements of an effective remedy. Specifically, it found that the investigation conducted by the Victorian Police did not call Corinna nor other witnesses to give evidence, that Corinna was refused access to the file, that there was no public hearing and that once the civil proceeding finding was made against the police there was no opportunity to reopen or recommence disciplinary proceedings.

Since the time of Corinna Horvath's initial assault, there have been some changes in the way complaints against police are handled. IBAC has been tasked with the role of receiving the initial complaint made against police. However, in the 2014 special report following their first year of operation, IBAC concedes that 'a low percentage of complaints to IBAC will result in an investigation by IBAC'. IBAC is on the whole a clearing house; the vast majority of cases are referred back for internal police investigations. When IBAC does review the outcome of the internal police investigations, their findings can be ignored by police command. For example, IBAC reviewed the case of a Stawell police officer who assaulted an individual by punching him in the face while he sat in his car. The internal police investigation referred the matter to the senior officer at the Stawell station. The complaint was rejected by this investigation. However, IBAC found that 'the senior duty officer at Stawell had been deficient in investigating the complaint'. It further found:

Witness statements or contact details had not been obtained. Exculpatory evidence had not been considered. Only evidence that would support a prosecution of the complainant had been considered.

In conclusion, IBAC found that 'Victoria Police's oversight and review of the investigation was inadequate.' However, Victoria Police simply ignored IBAC's review and took no action against the police officer involved.

Even in the face of the 2014 Human Rights Committee finding in the Corinna Horvath case, Victoria Police still refused to reopen the case. A spokeswoman for Victoria Police in September last year said that Chief Commissioner Lay had been given legal advice that the organisation could not re-consider further disciplinary action against the officers involved in a matter 'that has already been decided on the available evidence'.

It is clear the current system is flawed. Allowing police to investigate public complaints made against themselves is a conflict at best. It undermines public confidence in police and sends the message to police officers that they are not accountable for their actions. Police
have no fear of the complaints process. Officers left without accountability will continue to act without fear.

There are a number of jurisdictions internationally that have effective and independent reviews of complaints made against police. There is no reason why Victoria cannot adopt the same approach. Since 2000, complaints made against police in Northern Ireland have been investigated by the independent Police Ombudsman. They employ over 150 people, two-thirds of whom are investigators, of which 75 per cent have never served in a police force. In Ontario, Canada, a civilian law enforcement agency independent of the police investigates circumstances involving police and civilians which have resulted in serious injury, including sexual assault, psychological injury or death.

It conducts criminal investigations, and the police are obliged to fully cooperate with its investigations. None of its staff are serving police officers, and 50 per cent of its investigative staff have never been police officers. In the Canadian jurisdictions that do not have independent bodies, recent reviews recommend the establishment of an independent body to investigate their police forces.

In 2009, the Davies commission in British Columbia, Canada, into the death of Mr Frank Paul made this recommendation in its interim report:

Having concluded that the current practice of a home police department conducting criminal investigations of police-related deaths is fundamentally flawed due to conflict of interest, it follows that no amount of tinkering with the current practice can eliminate that underlying conflict of interest.

In Quebec, Canada, the ombudsman tabled a report recommending the establishment of an independent review of police:

After analyzing the existing process in Quebec for investigating serious incidents involving police officers, the Quebec Ombudsman believes that changes are necessary. The status quo is neither acceptable nor in the interest of police officers, citizens, or sound governance.

Jurisdictions closer to home have also struggled with the practice of police investigating themselves. The 2010 inquiry into the death of Mulrunji Doomadgee in Palm Island, Queensland recommended:

... that the future investigation of deaths in police custody be undertaken solely or primarily by the CMC as the specialist misconduct and anti-corruption body for the State of Queensland. To enable this to occur, I recommend that the CMC be resourced and empowered … to undertake the role.

In June 2013, the Police Integrity Commission of New South Wales inquiry into the police investigation into the death of Adam Salter stated:

There would be benefits if such a method of investigating critical incidents was adopted.

... ... ...

If critical incidents were investigated by a body that was independent of the NSWP—

the New South Wales Police Force—

then there would be greater public confidence in the integrity of the investigations and less risk of the investigations failing to be properly conducted.

Ex-judge Bernard Teague has been tasked with an important investigation. I look forward to seeing the terms of reference and I sincerely hope that it has a wide enough scope to categorically deal with the matter of how complaints against police are managed in Victoria. We have seen too often, time after time, internal police investigations simply ignoring the
evidence at hand and finding in favour of the police involved, with consequential judicial oversight finding police at serious fault. We need, and Victorians deserve no less, an independent body to investigate complaints against police if we intend to restore the integrity of the police force in Victoria.

**Climate Change**

**Senator MILNE** (Tasmania—Leader of the Australian Greens) (20:10): I rise today to welcome the growing worldwide movement to divest fossil fuels. I am celebrating the fact that Global Divestment Day is this 13 and 14 February, and what a great day it is going to be here and around the world. If governments will not act to save the climate, then people will. We are the last generation that has the capacity to act in time. That means there is a real sense of urgency and enthusiasm as people move to divest fossil fuels.

In 2013, author, activist and academic Bill McKibben visited Australia as part of the Do the Math Tour. He was here to discuss the carbon bubble, fossil fuels, climate change, civil disobedience and how we can get away from investing in coal. On his visit, he contended that the fossil fuel industry needed to lose its veneer of respectability, the way that the tobacco industry has done. He said:

If it's wrong to wreck the climate, then it's wrong to profit from that wreckage.

And he is absolutely right.

This call for divestment has been picked up by people around the world. Citizens are taking the power back from coal-addicted governments and voting with their hearts and their wallets, moving their money out of banks, superannuation funds and companies that profit from fossil fuels.

But the growing divestment movement should put our government's yesterday's men on notice. Here in Australia, we have seen Charlie Wood and 350.org, together with Market Forces, spearheading the divestment campaign. Meanwhile, the Australian Youth Climate Coalition is also challenging the big banks to protect the Great Barrier Reef and to stop financing new coalmines. Young people across the country are organising; we are seeing fossil fuel free groups in universities mobilising. Students and academics are calling for their universities to divest, giving students the option to invest their minds, their wallets and their fees—so to speak—in clean degrees from universities that share their values.

Fossil Free ANU has been running a strong campus-wide campaign to urge the university to divest. The ANU has committed to divesting its shareholdings in seven resource companies, and that is a great first step. The ANU's decision is a bellwether moment. The pendulum is swinging away from this Liberal government towards restoring our democracy and towards a clean energy future. The university faced a backlash from the Murdoch press, from *The Australian* and the *Financial Review*, but the decision stood and was vindicated. Stock prices have fallen, showing a return already on divestment.

The Fossil Free group at the University of Melbourne is also hard at work. Last year they used their graduation ceremony to present a letter signed by over 100 academics urging the university to divest. Staff and students at the Queensland University of Technology have been fighting hard against the deal done by QUT Business School with Adani, who are building the world's biggest coalmine in the Galilee basin. That Galilee mine is a crime against humanity. It has to be stopped. It will be a stranded asset, but the damage it will do to the climate if it is
allowed to go ahead is unconscionable. Fossil Free UQ has mobilised over 1,000 students and more than 100 staff and academics with their petition and open letter directed to their vice-chancellor. They have been keeping the pressure on by awarding Risky Business Awards to Griffith University, QUT and UQ for their disappointing results under the global universities index. Fossil Free University of Sydney has been campaigning hard and this week the University of Sydney did announce that it will cut heavy polluters and some fossil fuel companies from its $413,000 share portfolio in an attempt to reduce the carbon footprint of its investments by 20 per cent over three years. Fossil Free University of Tasmania has been campaigning hard and urging its vice-chancellor, Peter Rathjen, to divest UTAS from this unprofitable industry, which is engaged in intergenerational theft. Fossil Free Newcastle, Fossil Free Griffith University, Fossil Free La Trobe University and Fossil Free Universities South Australia are all campaigning on their campuses as well.

But universities are not the only group to mobilise; religious groups are also showing moral leadership. Almost 50 religious institutions have committed to divesting from fossil fuels. The Quakers, the Uniting Church, numerous Anglican dioceses and the Australian Religious Response to Climate Change have all been playing a powerful role in moving Australia’s economy out of fossil fuels and into clean energy. They are showing this moral leadership because they recognise that acting on global warming is a justice issue—that the poor around the world are already suffering and are the ones who have done the least to contribute to global warming but are suffering first and the most.

On a local government level, Marrickville councillors have voted for the council to divest over $15 million and have indicated that this will just be the start. They will be avoiding the use of the big four banks and will reinvest council money in fossil-free institutions. The Melbourne council of Moreland has done the same. In fact, it was one of the first to do so, as has the Fremantle council in Western Australia, which revised its investment policy to not place council funds into banks that support fossil fuels unless there is no alternative.

It is these young people—these campaigners and people who look at social justice and ethics. It is forward-thinking councils, organisations and institutions. They are all leading the way towards our clean energy future. They recognise that this is the future that the world is embracing and it is the only future that gives humanity a chance and also our natural environment a chance. We are going to see extinction on a grand scale. We are already seeing extreme weather events hurting people around the planet and here in Australia. Just recently, the world’s largest sovereign wealth fund, Norway’s government pension fund, worth $850 billion, removed 32 coalmining companies from its portfolio.

Meanwhile, the Liberal government here in Australia is driving Australia backwards as the world moves towards a clean energy future. Our government ministers are gladly and wilfully condemning Australia to a ‘cut it down, dig it up, ship it out’ future and not only compromising the opportunities for sustainability of the environment and community here in Australia but also taking away the opportunities for future generations. The attacks on the renewable energy target, on the Clean Energy Finance Corporation, on the Climate Change Authority and on the Renewable Energy Agency, all in order to maximise the profits of the fossil fuel industry, are a disgrace.

Now, with organisations and individuals across Australia making the decision to divest from fossil fuels, it is time for Australia’s public Future Fund to take a strong leadership role.
As it did when it divested from tobacco, it should now divest from fossil fuels. The message is very strong: the Future Fund in Australia must divest from fossil fuels. That is clearly the right thing to do, the ethical thing to do and the environmentally sound and socially just thing to do. Interestingly, it is those investments in the ethical, new, climate-friendly future that are actually maximising returns as well. Now is the time for people to take the power back, to reject governments owned by the fossil fuel corporations, to restore our democracy, to restore hope for the future and to divest from fossil fuels.

Queensland

Senator O'SULLIVAN (Queensland—Nationals Whip in the Senate) (20:19): My contribution tonight relates to the third in a trilogy of speeches that I have made in this place concerning the fulfilment of a promise that I made when I was appointed as a senator for the state of Queensland, in that I promised to visit every community in my state, where practicable, on a listening tour to determine exactly what was on their minds with respect to their ideals for their communities right across my state.

I have now completed that task—although I must admit that, when I was battling 600 or 700 kilometres of unsealed road between Birdsville and Quilpie, I for a moment thought that perhaps I should have just promised to go to every second community in the state. Nonetheless, I have now, with the exception of one of two areas in the peninsula in the far remote north, visited every community.

The challenges for these communities are remarkably consistent, particularly when we get into the more rural and remote areas of my state. There are facts and figures that show that almost 33 per cent of the GDP of my state comes from an area that we would politically be familiar with as the divisions of Kennedy and Maranoa and a portion of Capricornia, where there are only 240,000 residents. Remembering that my state’s population is 4.4 million, 240,000 residents are responsible for 33 per cent of GDP.

I listened with great interest to the previous speaker, Senator Milne. She is in the stratosphere somewhere, on her own, as she starts to attack the contributions made by the mining and resource sector. Communities that are in the area that I have described, west of the Great Divide and in the Bowen Basin, are suffering now on so many fronts; and, if we were to follow the script provided, no-one would live west of the Great Divide. Many of these communities suffer from a lack of essential services. I think progressive governments—and I call upon my own government to pay acute attention to this—have in many respects failed these communities.

Some might remember that, in my maiden speech, I made the point that there has been a reduction in community services throughout these communities over the last four or five decades; but it is now getting into a critical phase because of, I think, our failure to keep these townships up-to-date with communications technologies. Many of them have difficulties with their fixed lines. They have either no internet service, an inadequate and intermittent internet service or one that is simply too expensive for them to access. Mums and dads in the central-west who use the internet as a platform for education and for their own social interactions pay sometimes 400 per cent more for the same volume of service that we have come to expect in the more populated areas.
On top of this—and it has been canvassed in this place many times—is the potential impact that will occur if we do not continue to underpin the Australia Post services that are so important to so many of these communities. In the community of Bedourie, the local shire has had to purchase the local post office. I am advised by them that they subsidise it for about $100,000 a year out of the rates receipt for that district. Imagine that. Imagine us going out in the more populated areas, in the cities, to tell ratepayers that they now have to pay for basic community service obligations such as the operation of their post office and their postal services. Indeed, three of the shires out there were putting $5 million into trying to come up with a solution to do with the delivery of their fixed line service.

These things are horrific. This is in communities that are paying four and five times as much for freight as one would pay in the city for the delivery of goods for retail. Of course, this is passed on to very small communities. It is very difficult for these additional and very large cost imposts to be amortised across these much smaller communities. Consequently, the cost of living is much greater for many of our Queensland communities west of the Great Divide—and I assume the situation is the same in western New South Wales, Victoria, South Australia, the Territory and certainly a very large part of Western Australia. These communities are made up of not many people. They do not have the voting voice or the power that you have in some of the more concentrated federal divisions politically; they are potentially without voice as a percentage of whole. Not only do they have these massive cost-of-living imposts because of freight and the cost of goods and services; they also have to pay additionally for the failure of progressive governments to deliver to them the very basic community service obligations.

For most Australians, if you want to visit your accountant you can probably do it on the way to work. But some of these people have to travel thousands upon thousands of kilometres to visit these professional services where they are delivered. They get the most basic of medical or dental services. I say we need to start focusing on their needs not only on the basis that they are entitled—as, in my view, they are—and not only on the basis that governments both state and federal need to subsidise the delivery of these services. The fact is that, if you are not persuaded in terms of the community service obligations, you should be persuaded by the economic argument. Those 240,000 people deliver up over a third of the GDP of my state. Their contribution is about $212,000 a head whereas if you were to amortise the contribution of some of the major populated areas, it is down to as low as $5,000 per head.

These things have massive impacts on their ability to conduct their business and on the delivery of education and health services—not to mention the social engagement that you and I take for granted when we either send or receive an email or communicate with our family across the internet. These are people who sometimes can go almost a week without having the capacity to communicate with their young children who are away at boarding school. Mind you—and I send this out to mums and dads everywhere—children are in some cases starting boarding school as early as grade 1 because there is simply no alternative delivery of education that can be done on a reliable basis.

My message has been the same right through my three speeches, and it will remain; it is one of central mantras that I bring with me to this place. We need to all pay attention to making sure that we provide these Australians with a much better level of service—not exactly the same as what we have, because that is not possible; we understand that and they
understand that—even if it is at an additional cost to our government. And, most certainly, we need to pay attention to providing our basic service obligations, particularly in communications, health and education.

**Australia Day**

**Senator BILYK** (Tasmania—Deputy Opposition Whip in the Senate) (20:30): I rise tonight to speak about a day when we celebrate our nation, and I am speaking of course about our national day, Australia Day. My local office is based in the suburb of Kingston, and this puts me close to Tasmania's largest Australia Day celebration, an annual event called A Day on the Beach, which has been running for eight years now.

I am very proud to have been invited to serve as patron of this event for the past five years. My office serves as a kind of base for the Kingston Beach Regatta Association, the organisation that hosts and runs A Day on the Beach, and their annual general meetings and regular planning meetings leading up to the event are held in the office meeting room.

A Day on the Beach has become incredibly successful as it has built up over the years, and it now regularly attracts crowds of 10,000 or more. This year, A Day on the Beach featured a six-metre-high inflatable slide, a race with giant inflatable thong-shaped li-los, beach volleyball, a tug-of-war, a sand sculpture competition, an ocean swim and a multitude of other events and activities.

The thing I like most of all about A Day on the Beach, and the main reason why I am such a huge supporter of the event, is that it is accessible to people from all walks of life, because all the activities are free. The regatta association achieves this by raising money through sponsorship, donations, stallholder fees and the proceeds of a big barbecue at the event to cover the running costs. They also reduce costs by partnering with various local not-for-profit community organisations, which organise many of the activities.

I support this event so strongly because I think it typifies what being Australian is all about. It celebrates the freedoms we hold dear, and, by involving and showcasing so many community organisations, it embraces and celebrates that great Australian spirit of volunteering and supporting the community. As long as I am in this place, and, hopefully, even after, I intend to support this fantastic event to ensure it continues well into the future.

Australia Day is a day for celebrating our achievements as a nation, but also for celebrating the contributions of many amazing individuals who make our nation great. All around Australia, our local councils hold ceremonies to recognise and reward people who have made significant contributions to the community, and to swear in and welcome new citizens. On Australia Day this year, Australian citizenship was conferred on almost 16,000 people from 152 countries. They were sworn in at more than 300 ceremonies across Australia, including 16 in my home state of Tasmania. In Tasmania, 332 new citizens were welcomed to Australia.

Australian citizenship is an important step for those making an ongoing commitment to our country and what it stands for. It also comes with a number of important privileges and responsibilities. Australian citizens have the right and the responsibility to vote in federal and state or territory elections and in referendums. Other privileges include the right to apply for work with the Australian Public Service or the Australian Defence Force, to seek election to parliament, to re-enter Australia freely with an Australian passport, and to receive consular help while overseas. The children of Australian citizens born overseas can be registered as
Australians by descent. As well as voting in elections, the responsibilities of Australian citizens are to serve on a jury if called to do so, and to defend Australia should the need arise.

As well as welcoming many new Australians, Australia Day is a day to celebrate the extraordinary achievements and contributions of our citizens. For those who have made the most extraordinary contributions, we bestow various awards through the Order of Australia and other honours such as the Public Service Medal and the Australian Police Medal, the Australian Fire Service Medal, the Ambulance Service Medal and the Emergency Service Medal.

While there are many distinguished Australians among those inducted into the Order of Australia this year, I would like make special mention of a couple in particular. Geoff Butler of St Helens is a personal friend of mine who I have known through the Australian Labor Party for many years. Geoff was awarded a Member of the Order of Australia, or AM, for his distinguished service to the community, particularly to a variety of organisations in St Helens and the Break O'Day municipality. As well as serving a term as president of the Tasmanian Branch of the ALP, Mr Butler has served his local community on boards and committees covering health, aged care, business, local government and tourism. He is an absolute icon of the Break O'Day community, particularly in St Helens.

Another inductee, Dr Cathy Kezelman, was also awarded an AM for her advocacy on behalf of adult survivors of child abuse. I have worked with Dr Kezelman in my role as co-convenor of the parliamentary friendship group Parliamentarians Against Child Abuse and Neglect, a role I share with Mr Ken Wyatt, and previously shared with Senator Helen Kroger. Dr Kezelman was acknowledged for her work in a number of roles, but particularly as the president and chairman of Adults Surviving Child Abuse, or ASCA, a national organisation which provides support and resources to adults who have suffered trauma and abuse in childhood, and to their partners, families and friends.

The hundreds of other Australians receiving awards and honours in the Order of Australia and various service medals have made incredible contributions to Australia at a local and, in some cases, a national level. On Australia Day, councils across the country also bestow their own citizenship awards for contributions to local communities.

In the municipality of Kingborough, where my local office is located, Gloria Lonergan received the Citizen of the Year Award for her work with the South Channel Ratepayers and Residents Association. The association organises the annual Middleton Country Fair, one of the main cultural events in the D'Entrecasteaux Channel. I am a regular participant in the Middleton Country Fair, volunteering each year for the barbecue stall organised by the Rotary Club of D'Entrecasteaux Channel. This year's fair was held just one week ago, and, although the day was wet, the fair was still attended very well, despite the bad weather.

As chair and secretary of the ratepayers and residents association, Mrs Lonergan has been a key driving force in the organisation of the fair. Although the fair is a signature event, Mrs Lonergan and the other hardworking volunteers in the association are responsible for organising many social functions and establishing a variety of community facilities throughout the channel, in particular the townships of Middleton, Flowerpot and Gordon.

Kingborough's Young Citizen of the Year, Jessica Lucas, is a regular helper for Kingborough Helping Hands, a charity which provides food and other household items to
families in need. I support Kingborough Helping Hands through an annual Christmas food and gift drive and volunteer on their food van when I can. Having worked alongside Miss Lucas, who is only just starting university this year, I am pleased to see someone so young dedicated to helping her local community.

Just south of Kingborough, in the Huon Valley, the Cultural and Community Builders Award went to Jimmy Bell, who has worked hard to establish and maintain the Huon Police and Community Youth Club, or PCYC. A multi-million dollar development, the Huon PCYC is an incredible hub of sporting, recreational and other activities in Huonville, and if not for Mr Bell's incredibly hard work and tireless advocacy it would not have been established.

Finally, I would like to conclude by recognising that there is a debate going on about the appropriateness of the date of Australia Day. This is a debate that will be continuing for some time, and it is a debate we should have as a nation. It is a debate we must have with some compassion for the descendants of Australia's first peoples. It is also a debate we should conduct with maturity and mutual respect for different points of view. I do not intend to enter into the debate in this contribution. For Indigenous Australians, 26 January 1788 represented the beginning of a period in which their ancestors were dispossessed of their land and forced assimilation took place which robbed them of their cultural identity. However, while Australia Day remains on 26 January, I believe we can still celebrate the great progress our nation has achieved while also acknowledging the wrongs of the past.

I believe there are some universal values, some common beliefs among most Australians, that make our country great. They are our belief in democracy and in the rule of law, our egalitarianism and the principle of mateship—pull together in times of need and give a helping hand to those less fortunate. We can take pride in our scientific achievement, our economic progress and our standard of living, but these shared values and beliefs are the true strength of our nation. We promote and defend these values by celebrating them, by having pride in them. This is what our national day helps us to achieve.

Senator LAMBIE (Tasmania) (20:39): I recommend to members of the Senate—indeed, to all Australians—a BBC Radio documentary which examines ‘The brutality and bureaucracy of Islamic State.’ The introduction to the 30-minute radio report on ABC Radio National states

While Western countries urge their Muslim citizens to embrace the secular values despised by Islamic extremists, the self-declared Islamic State group is using brutality, bureaucracy and a steady cash flow to control their ‘Caliphate’ in Syria and Iraq.

We have become familiar with images of Islamic State brutality, triumphantly uploaded to the world—although the murdered foreign captives represent a tiny fraction of the number of people put to death, according to human rights groups monitoring the territory controlled by IS. We know about the young men, and some young women, who have been attracted from afar to IS, including more than 100 Australians who have entered the self-declared caliphate and joined the fight. We know less about the way IS rose to control large parts of Iraq and Syria, and how it goes about governing that territory.

A unique insight is provided by a former jihadist, schooled in Saudi Arabia, who first joined the Mujahedeen in Bosnia during the Balkans War and later hooked up with al-Qaeda.
in Afghanistan. Aimen Dean told the BBC he became disillusioned with the group's focus on terrorism and began working as a spy, gathering information and providing analysis for the British Foreign Office. His knowledge of IS is based on long-established networks. Dean says he still engages in discussion and debate with IS operatives. He says:

Through debate you start to ask questions that basically lead them to reveal some of at least their thinking, some of their strategy. But since there is nothing confidential that will lead to a drone strike, let's say, or to an arrest, then it's fine, it is an ongoing discussion and dialogue.

One of the people he talks to is a former childhood friend from Saudi Arabia, now in his early thirties, who is a judge in an IS court. They communicate via a messaging app. Dean says the judge is proud of the sentences he has handed down—of lashes, crucifixion and beheadings—because he says he is following the example of God.

IS has established a bureaucracy, much of it overseen by its Department of the Public Good, says Dean. There are professions you cannot practise without a licence from the department, such as being an Imam, a teacher, a pharmacist, a doctor or a lawyer. Dean says:

You cannot get a licence unless you take a Sharia course for one week, organised by them to indoctrinate you.

Dean says the beginnings of what would become Islamic State emerged soon after the US-led invasion of Iraq in 2003. Senior figures that were with al-Qaeda at the time used hundreds of millions of US dollars—stolen from the Iraqi Central Bank—to set up their networks. Dean says:

They were buying existing businesses like cafes, restaurants, farms, butcher shops, tailor shops, and they were buying those that are conveniently located close to government headquarters and security headquarters. The purpose was for security purposes, intelligence gathering and espionage, but also to recruit insiders.

The most important recruits for the future Islamic State group were the many members of the professional class, members of the Iraqi Army and the civil service who had been supporters of Saddam Hussein and were forced out of their jobs after the US-led invasion. Aimen Dean went on:

The parties who made the Iraqi government at that time in 2004/05 started to expel professors of economics and politics and planning and urban generation from universities, because they were Baathists.

He says many of them joined the jihadist movement because they needed work, money and protection:

When people [ask why] they have this cadre of oil engineers, of financial planners, of business executives, it all boils down to the fatal decisions taken in 2003 and 2004 by the new American administration and by the then Iraqi Council.

It would be easy to dismiss the followers of Islamic State as lunatics and deprived humans who are lucky to now occupy one-third of Syria and over a quarter of Iraq. However, this documentary highlighted the extremely sophisticated nature of the bureaucracy and financial planning that has helped establish the Islamic State, which, according to the Islamic spy Aimen Dean, helps to release the inner psychopath in many of the followers and supporters of Islamic State. Given the acts of barbarity and savagery carried out daily around the world by Islamic State supporters, who would argue against him?
I will repeat the introduction to this documentary, seen on the ABC website, because it has great relevance to a matter I would like to address today. You will remember the introduction says:

While Western countries urge their Muslim citizens to embrace the secular values despised by Islamic extremists, the self-declared Islamic State group is using brutality, bureaucracy and a steady cash flow to control their ‘Caliphate’ in Syria and Iraq.

It is IS’s steady cash flow that I would like the Senate chamber to think about. Where is IS receiving its steady cash flow from? What are potential sources of Islamic State finances?

I receive about 400 emails a day from Tasmanians and other Australians. In recent days, I have received hundreds of requests for me to investigate halal certification as a possible source of income for Islamic terrorists. As a crossbencher, I have limited resources to conduct investigations which are not sanctioned by a committee of the parliament. However, I commissioned a Parliamentary Library study which examined the laws and rules surrounding halal certification in Australia. This exposed some surprising facts in response to my questions and I was alarmed by the official researchers’ answers to my key question, which was:

In Australia is there a reporting/auditing process for the money raised by halal certification to ensure the funds are not misused for terrorist activities?

The short answer provided by the Parliamentary Library was no. The brief said:

Importantly, it is for each certifying organisation to set the amount of its fees. Some certifying organisations publish the relevant fee on their website. Others do not. There is no legal requirement that these fees be disclosed.

Even more disturbingly, the library's brief goes on to state:

As halal certification is undertaken on a purely commercial basis, there is no formal reporting or auditing mechanism to ascertain whether monies paid for certification are misused.

I will close by asking these very important questions. Given that our enemies in the Islamic State, by all reports, are receiving a steady cash flow to control their caliphate in Syria and Iraq, why isn't there a legal requirement in Australia for halal certification fees to be disclosed? Given that our nation is on high terrorism alert while hundreds of Australian Islamic State sympathisers are fighting our Australian Defence Forces in Iraq, why is there no formal reporting or auditing mechanism in Australia to ascertain whether moneys paid for halal certification are misused? If the government fails to answer these questions, I will be forced to introduce a private member's bill which closes these legal loopholes that could allow financing of terrorists and Australia's enemies through halal certification moneys.

Our major political parties failed to take proper action over the last decade to prevent acts of sedition, treason and terrorism. They have failed to ensure Australian citizens who have assisted or fought alongside our enemies are charged with crimes such as sedition and treason. The Abbott government has sent our troops to Iraq in an expensive, dangerous, futile, flag-flying exercise. America have only about 3,000 troops in Iraq. They are not fair dinkum about defeating Islamic State. We must bring our diggers home from Iraq, secure our home soil and reconsider our military involvement until America and the rest of the world get fair dinkum about wiping out these Islamic savages. Australian taxpayers should not be forced to pay $360 million a year for our military in Iraq when the Iraqi government make a surplus of billions of dollars each year.
The Nationals

Senator McKENZIE (Victoria) (20:49): Mr Acting Deputy President Williams, I am sure you will appreciate my contribution tonight as I seek to outline the Nationals' Wodonga statement. I would just like to briefly mention some words by Franklin D Roosevelt. He said:

We cannot always build the future for our youth, but we can build our youth for the future.

At the National Party's meeting in Wodonga last week, we committed to ensuring that regional Australia has a future. That requires us to make investments in our youth, whether they stay or go, and to ensure that the quality of the education that they are able to access is world-class and that they will be able to participate in meaningful career options so that they can provide for their future families and themselves and also contribute to our local economies and drive our industries within the regions. We also need to make sure that our young people in regional Australia are safe. When young people grow up in an environment of safety and community, I think they will achieve their best selves. Those are the things we came together last week to discuss. We need to invest in that. We also need to invest in the material infrastructure that will allow regional economies to fully harness the opportunities that the digital economy will provide.

When the Nationals headed to Wodonga last week, The Border Mail reported that the 'Nat pack' was in town. It was on the front page. It was our first party room meeting for the year and we mapped out our priorities for regional Australia. United behind our leader, Deputy Prime Minister Warren Truss, the Nationals spent Thursday talking to Wodonga locals. We heard from local government and businesses about their priorities for the region. That encompasses the federal seat of Indi, which is a seat that we will be contesting at the next federal election. One of the most exciting aspects of our time in the seat was to hear directly from locals. Local businesses, including Campbells Wines—it is a great wine region—councillors, education providers and the like around Wodonga were really engaged with the Nationals. Having the whole team in town added real vibrancy.

We committed to developing over that period of time a holistic regional youth policy, including access to tertiary education—that was a prime aspect of that policy—and jobs and ensuring safer communities. Delivering on those policy areas has great potential to deliver great outcomes for the people of Wodonga, Indi and more broadly in regional communities right across the nation. Last week, the Nationals committed to delivering on jobs for our young people. We are going to investigate ways in which we can support our young people into work, building on the principles of mutual obligation. Currently in the regions we have backpackers doing work in our local communities, from fruit picking to working in dairies, packing sheds and the like, when we should be employing our local young people. In Indi the youth unemployment rate is 15.6 per cent. That is above the national average, and that is reflected right across regional Australia. That is a tragedy. We need to ensure that our young people know the value and self-worth that comes with holding down a job and being able to provide for yourself, interact with others and be engaged. We risk an entire generation missing out on such benefits, and we are committed to addressing that, which I am very proud to say.

We also understand the importance of education and research to our local economies. We know how important graduating from university is, with graduates earning on average 75 per cent more over a lifetime than school leavers. Educating regional students is vitally important
to regional economies and economic development, particularly as we move to a digital economy. There are new ways of doing business. I look at the importance of robotics and the impact that advanced manufacturing and new technologies are having, even on our traditional industries in the regions of agriculture. We need highly educated individuals to assist us with the food task ahead.

When regional students decide a university education is for them, they face many challenges. I am sure that you, Mr Acting Deputy President Williams, you are well aware of those. They have to move away from community, they often have to move interstate and will be hundreds and hundreds of kilometres away from friends, family and support structures. Not only are there societal, individual and emotional impacts but there is a significant financial impact to moving. Students at city based universities face a yearly cost of more than $12,000 for accommodation with basic services and upwards of $25,000 for fully serviced accommodation. That is not an insignificant amount for those people working and living in the regions. This can see families paying more than $70,000 over a three-year degree just to accommodate one of their children from a regional community, before even one cent is put towards tuition and books.

In my role as chair of the Education and Employment Legislation Committee, I am keen to always look at ways we can improve access to higher education for regional students. That means we need a range of options. We need regional campuses in our local communities conducting research into the industries that matter to us. We also need online education, which means we need investment in infrastructure that is going to assist with that. We also need to ensure that we provide adequate support for those who seek to study away from home. We must examine, in a very deep and meaningful way, what limits regional and remote students face, including those from Indi, when they want to participate in higher education.

With our regions facing ever-increasing skill shortages for many university educated professions, such as medicine, law, accounting and others, it is important to encourage regional students to get a higher education, because research tells us that they are more likely to return. They may not return to their home town, but they will return to a town in the regions because they understand more than most. I wish more Australians would take up the offer to head out of the cities to see what wonderful lifestyles and opportunities exist across regional Australia. The Nationals are committed to addressing the imbalance faced by regional students and, as part of that commitment, we are determined to review the appropriateness of existing and planned support for students. As we know, many students have been forced to use the welfare system in order to support them leaving their homes and heading away to university. We need to examine that more closely and seek innovative options, given the budgetary constraints we are currently under.

The future of young people, as I outlined earlier, depends on their health. I have spoken in this place before about the ice epidemic. We spoke about that last week in Wodonga. We want to investigate new ways to tackle the scourge of ice in our regional communities. I held a forum last year. Regional representatives, senators and members from the coalition right across the country, gathered together and spoke about the very real impact this was having on their young people. There has been an explosion of that drug across regional Australia and local authorities are struggling to combat it. Fatal drug overdoses in Victoria involving ice increased by more than 250 per cent between 2010 and 2013. This is something we have to
deal with. I particularly want to commend the Assistant Minister for Health, Senator Nash, for her commitment for the Australian government to tackle this as a first priority. The National Drug and Alcohol Research Centre will be examining what we can do about this. We need to ensure that state ministers are involved in that conversation because we cannot do this alone.

Finally, I would like to briefly touch on the other investment that we spoke about last week. The National Party is investing in not only young people but also infrastructure that is going to allow us to fully harness all the opportunities that the digital economy provides. The technology that is coming out is so transformative. It will overcome the tyranny of barriers that regional citizens have felt for a very long time. It has a huge amount of power. We need to ensure that we build the infrastructure and encourage ways to operate and deliver, ensuring that regional Australians can fully participate and local economies can bloom and flourish. It means mobile phone coverage, internet access and looking at the ABC to make sure we have access to local radio and weather reports that actually matter for when we put in our crops and when we do not. It is ensuring that we have communication services, such as Australia Post, ensuring that regional communities remain connected.

The Nationals are a working part of a strong and united coalition, and we recognise the important role that regional communities play in creating a prosperous Australia. (Time expired)

Death Penalty

Senator MOORE (Queensland) (21:00): On 2 December 2005, my friend Ruth Webber—a former senator in this place from Western Australia—and I joined a candlelit vigil outside the High Commission of Singapore in Canberra. We silently acknowledged the death of Van Tuong Nguyen, a 25-year-old Australian man who was executed at that time for drug smuggling. His death was preceded by widespread international diplomacy, letters, mail and petitions calling for clemency, as well as a wider protest around the whole issue of the death penalty. Naturally, it seems that those efforts failed in that case.

This month, two more Australian citizens are facing execution for drug smuggling, this time in Indonesia. Myuran Sukumaran and Andrew Chan were sentenced in 2006 and have been advised that all legal options have been concluded, and that sometime this month—72 hours before the scheduled time—they will be told that they will face a firing squad. These young men have lived with this reality for over seven years—and not just these young men: their families, their friends and people who have shared with them so much of their lives.

Again, this decision has caused extensive lobbying through the Australian government, church leaders and Amnesty International. There have been approaches to the Indonesian government, calling again for clemency. In none of these calls has there been any denial of the seriousness of the crime. There has been no attempt to pretend that they were not serious issues that were covered by Indonesian law. But, again, it was the wider issue that has been focused by these two particular young men; people have paused to think about the issue of the death penalty itself.

This issue of the death penalty has been discussed in our own nation for many years. In our own country in the 19th century, as many as 80 people were hanged each year for crimes that ranged from burglary and sheep stealing—that was a big one—to forgery, as well as for murder and manslaughter. This was our law. My own state of Queensland was the first state
to actually abolish the death penalty for all crimes in July 1922. In a very close vote, 33 to 30, Queensland Attorney-General, Mr Mullan, from the seat of Flinders, convinced the parliament to accept an amendment to the Criminal Code which stated:

The sentence of punishment by death shall no longer be pronounced or recorded, and the punishment of death shall no longer be inflicted.

The arguments across the chamber—and they were tough—reflected many of the same discussions I have heard in the last few weeks on local talkback radio, in the media and in conversations with people as the sentences in Indonesia became clearer. Punishment versus deterrent; making the punishment fit the crime. What would you do if your family were victims, or a friend? What must we do to protect our society? All these issues, bouncing back and forth—and everybody is an expert.

I have actually read in the debate from 1922 that my namesake, a Mr Moore from Aubigny, was particularly strong in his view that the death penalty was an important deterrent. He said, 'If the people feel that the governments are not prepared to inflict a remedy that fits the crime, the public will have to take their affairs into their own hands. The government should uphold the law.'

Eleven years earlier, a gentleman by the name of Vincent Bernard Lesina—known as Joe—who was the member for Clermont in Queensland—an extraordinary man—actually was a voice that called for reason in the debate around punishment. He believed that the issue around the death penalty was wrong. In a passionate speech in a previous debate around the Criminal Code in the Queensland government he said that he would like to see the issues of death and punishment actually focused on in the parliament, that the work of people:

… and that of their followers, has raised the moral tone of society … tonight I can appeal for the abolition of the last vestiges of punishment by mutilation—the lash and the gallows. I would like to see them abolished. We have excellent precedents from the other countries of the civilised world… I am opposed to these punishments because they are forms of mutilation and they are altogether foreign to civilised ideas of punishment… Our punishment today is largely punitive instead of being reformative. Instead of hanging criminals we should place them in correctional institutions.

He went on to make an inspirational speech. Unfortunately, at that time he was very much a lone voice in parliament. But over the next years in Queensland, a number of cases appeared which brought the community into the debate which we needed to have. There was widespread outrage about a number of key cases, which caused people to meet and to actually express their views to the government—to tell their Queensland government that they wanted the law changed. The government should impose the law, but the law should be changed to ensure that there was more consideration and compassion—that we remove the issues around the death penalty.

That was in 1922. Many laws have passed since that time. We know in Australia that all states now have abolished the death penalty. The last person to be executed in our country was in 1967. I can remember that; I was very young. I can remember black-and-white television coverage in our living room of scenes outside the Pentridge Prison. And my family were angry. They were angry because they believed it was wrong. They believed that a life was being taken just as much by the state as by whatever crime that person had committed. And their anger continued to agitate, and the way that happened was through institutions which we respect—-institutions around the Catholic Church.
Today we have a group in Queensland which continues to meet and it is partly sponsored by the Australian Coalition against the Death Penalty and partly by Catholic Social Justice. This group has been called together because they care, and one of the reasons they care is that Chris and Lee Rush are members of that community. You may remember that their son Scott was part of the same group who were sentenced by Indonesian law and sentenced to death. It was only through extraordinary legal efforts that that particular sentence was commuted to a prison sentence. Chris and Lee live every day with what is happening in Indonesian jails. As you will remember, it was Mr Rush who told the Australian Federal Police about the drug plan. Telling the Australian police about what was going to happen ended with Myuran Sukumaran and Andrew Chan, who are seemingly going to be executed in a few days or a few months.

That will happen because it is the law. Many countries have changed the law to ensure that no longer is the death penalty seen as a fitting end to a crime. We know that on 20 November 2012 Australia was among a record 110 countries which backed a resolution to be voted on every two years at the United Nations General Assembly, calling for the abolition of the death penalty worldwide—not selectively, but the abolition of the death penalty. We get caught up in talking about wider legal aspects. I listen to the words of Lee and Christine Rush, who talk about how their son could have been with Andrew and Myuran now. We need to work not selectively—we cannot take a case and say that is wrong or particularly say that, just because these young men in Indonesia are Australian citizens, they should have special treatment.

We should work to try to make sure that no country sees the death penalty as an appropriate result or an appropriate law. We can change the law—we can—and it has happened before. I will be at more candlelight vigils. The Department of Foreign Affairs has said another 12 Australians are on death rows in various countries as we speak. We know the numbers of countries that execute their citizens for a wide range of crimes—just as we did in the 19th century—but each one of us has the ability to work together to raise awareness. If it is through candlelight vigils that people share the experience, so be it, but it needs to be in parliaments, in diplomacy, at the United Nations so we can point out exactly the same messages as Joe Lesina in the Queensland parliament in 1899. We can change the law and we can make the law more compassionate.

 Senate adjourned at 21:10

 DOCUMENTS

 Tabling

 The following documents were tabled by the Clerk pursuant to statute:

 [Legislative instruments are identified by a Federal Register of Legislative Instruments (FRLI) number. An explanatory statement is tabled with an instrument unless otherwise indicated by an asterisk.]


 Environment Protection and Biodiversity Conservation Act 1999—Amendment to List of CITES Species (3 February 2015) [F2015L00123].
Tabling
The following documents were tabled by the Clerk pursuant to order:
Departmental and agency appointments and vacancies—Additional estimates—Letters of advice pursuant to the order of the Senate of 24 June 2008—
Department of Human Services.
Industry and Science portfolio.

Departmental and agency contracts for 2014—Letter of advice pursuant to the order of the Senate of 20 June 2001, as amended—Industry and Science portfolio.

Departmental and agency grants—Additional estimates—Letters of advice pursuant to the order of the Senate of 24 June 2008—
Department of Human Services.
Industry and Science portfolio.

Estimates hearings—Unanswered questions on notice—Budget (supplementary) estimates 2014-15—Statement pursuant to the order of the Senate of 25 June 2014—Department of Defence.


Navigation Act 2012—
Marine Order 31 (Vessel surveys and certification) 2015—AMSA MO 2015/1 [F2015L00122].
Marine Order 49 (High-speed craft) 2015—AMSA MO 2015/2 [F2015L00124].
Veterans' Entitlements Act 1986—

Tabling
The following government documents were tabled pursuant to standing order 61(1)(b):
Auditor-General—Audit report no. 21 of 2014-15—Performance audit—Delivery of Australia's consular services: Department of Foreign Affairs and Trade.
Odgers' Australian Senate Practice—13th edition (Supplement)—Updates to 31 December 2014.
Questions on notice summary—12 November 2013 to 31 December 2014.
Treaties—
Bilateral—Agreement between Australia and the Republic of India on Social Security done at Canberra on 18 November 2014—Text, together with national interest analysis.
Multilateral—
Amendments to Appendices I and II to the Convention on the Conservation of Migratory Species of Wild Animals (Bonn, 23 June 1979) done at Quito on 9 November 2014—Text, together with national interest analysis.

Work of Committees—Year statistics: 1 January to 31 December 2014; and half year statistics: 1 July to 31 December 2014.