



COMMONWEALTH OF AUSTRALIA

SENATE

Hansard

THURSDAY, 23 AUGUST 2012

CORRECTIONS

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Thursday, 30 August 2012

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SITTING DAYS—2012

Month	Date
February	7, 8, 9, 27, 28, 29
March	1, 13, 14, 15, 16, 19, 20, 21, 22
May	8, 9, 10
June	18, 19, 20, 21, 22, 25, 26, 27, 28
August	14, 15, 16, 20, 21, 22, 23
September	10, 11, 12, 13, 17, 18, 19, 20
October	9, 10, 11, 29, 30, 31
November	1, 19, 20, 21, 22, 26, 27, 28, 29

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**FORTY-THIRD PARLIAMENT
FIRST SESSION—SEVENTH PERIOD**

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

Deputy Leader of the Opposition in the Senate—Senator Hon. George Henry Brandis SC

Manager of Government Business in the Senate—Senator Hon. Joseph William Ludwig

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Deputy Leader of the Australian Labor Party—Senator Hon. Stephen Michael Conroy

Leader of the Liberal Party of Australia—Senator Hon. Eric Abetz

Deputy Leader of the Liberal Party of Australia—Senator Hon. George Henry Brandis SC

Leader of The Nationals—Senator Barnaby Thomas Gerard Joyce

Deputy Leader of The Nationals—Senator Fiona Nash

Leader of the Australian Greens—Senator Christine Anne Milne

Chief Government Whip—Senator Anne McEwen

Deputy Government Whips—Senators Carol Louise Brown and Helen Beatrice Polley

Chief Opposition Whip—Senator Helen Kroger

Deputy Opposition Whips—Senators David Christopher Bushby and
Christopher John Back

The Nationals Whip—Senator John Reginald Williams

Australian Greens Whip—Senator Rachel Mary Siewert

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Members of the Senate

Senator	State or Territory	Term expires	Party
Abetz, Hon. Eric	TAS	30.6.2017	LP
Back, Christopher John	WA	30.6.2017	LP
Bernardi, Cory	SA	30.6.2014	LP
Bilyk, Catryna Louise	TAS	30.6.2014	ALP
Birmingham, Simon John	SA	30.6.2014	LP
Bishop, Thomas Mark	WA	30.6.2014	ALP
Boswell, Hon. Ronald Leslie Doyle	QLD	30.6.2014	NATS
Boyce, Suzanne Kay	QLD	30.6.2014	LP
Brandis, Hon. George Henry, SC	QLD	30.6.2017	LP
Brown, Carol Louise	TAS	30.6.2014	ALP
Bushby, David Christopher	TAS	30.6.2014	LP
Cameron, Douglas Niven	NSW	30.6.2014	ALP
Carr, Hon. Kim John	VIC	30.6.2017	ALP
Carr, Hon. Robert John (3)	NSW	30.6.2014	ALP
Cash, Michaelia Clare	WA	30.6.2014	LP
Colbeck, Hon. Richard Mansell	TAS	30.6.2014	LP
Collins, Jacinta Mary Ann	VIC	30.6.2014	ALP
Conroy, Hon. Stephen Michael	VIC	30.6.2017	ALP
Cormann, Mathias Hubert Paul	WA	30.6.2017	LP
Crossin, Patricia Margaret (1)	NT		ALP
Di Natale, Richard	VIC	30.6.2017	AG
Edwards, Sean	SA	30.6.2017	LP
Eggleston, Alan	WA	30.6.2014	LP
Evans, Hon. Christopher Vaughan	WA	30.6.2017	ALP
Farrell, Donald Edward	SA	30.6.2014	ALP
Faulkner, Hon. John Philip	NSW	30.6.2017	ALP
Fawcett, David Julian	SA	30.6.2017	LP
Feeney, David Ian	VIC	30.6.2014	ALP
Fierravanti-Wells, Concetta Anna	NSW	30.6.2017	LP
Fifield, Mitchell Peter	VIC	30.6.2014	LP
Furner, Mark Lionel	QLD	30.6.2014	ALP
Gallacher, Alexander McEachian	SA	30.6.2017	ALP
Hanson-Young, Sarah Coral	SA	30.6.2014	AG
Heffernan, Hon. William Daniel	NSW	30.6.2017	LP
Hogg, Hon. John Joseph	QLD	30.6.2014	ALP
Humphries, Gary John Joseph (1)	ACT		LP
Johnston, Hon. David Albert Lloyd	WA	30.6.2014	LP
Joyce, Barnaby Thomas Gerard	QLD	30.6.2017	NATS
Kroger, Helen	VIC	30.6.2014	LP
Ludlam, Scott	WA	30.6.2014	AG
Ludwig, Hon. Joseph William	QLD	30.6.2017	ALP
Lundy, Kate Alexandra (1)	ACT		ALP
Macdonald, Hon. Ian Douglas	QLD	30.6.2014	LP
Madigan, John Joseph	VIC	30.6.2017	DLP
McEwen, Anne	SA	30.6.2017	ALP
McKenzie, Bridget	VIC	30.6.2017	NATS
McLucas, Hon. Jan Elizabeth	QLD	30.6.2017	ALP
Marshall, Gavin Mark	VIC	30.6.2014	ALP
Mason, Hon. Brett John	QLD	30.6.2017	LP

Senator	State or Territory	Term expires	Party
Milne, Christine Anne	TAS	30.6.2017	AG
Moore, Claire Mary	QLD	30.6.2014	ALP
Nash, Fiona Joy	NSW	30.6.2017	NATS
Parry, Stephen Shane	TAS	30.6.2017	LP
Payne, Marise Ann	NSW	30.6.2014	LP
Polley, Helen Beatrice	TAS	30.6.2017	ALP
Pratt, Louise Clare	WA	30.6.2014	ALP
Rhiannon, Lee	NSW	30.6.2017	AG
Ronaldson, Hon. Michael	VIC	30.6.2017	LP
Ryan, Scott Michael	VIC	30.6.2014	LP
Scullion, Hon. Nigel Gregory (1)	NT		CLP
Siewert, Rachel Mary	WA	30.6.2017	AG
Singh, Hon. Lisa Maria	TAS	30.6.2017	ALP
Sinodinos, Arthur (2)	NSW	30.6.2014	LP
Smith, Dean Anthony (4)	WA	30.6.2017	LP
Stephens, Hon. Ursula Mary	NSW	30.6.2014	ALP
Sterle, Glenn	WA	30.6.2017	ALP
Thistlethwaite, Matthew	NSW	30.6.2017	ALP
Thorp, Lin Estelle (6)	TAS	30.6.2014	ALP
Urquhart, Anne Elizabeth	TAS	30.6.2017	ALP
Waters, Larissa Joy	QLD	30.6.2017	AG
Whish-Wilson, Peter Stuart (5)	TAS	30.6.2014	AG
Williams, John Reginald	NSW	30.6.2014	NATS
Wright, Penelope Lesley	SA	30.6.2017	AG
Wong, Hon. Penelope Ying Yen	SA	30.6.2014	ALP
Xenophon, Nicholas	SA	30.6.2014	IND

- (1) Term expires at close of day next preceding the polling day for the general election of members of the House of Representatives.
- (2) Chosen by the Parliament of New South Wales to fill a casual vacancy (vice H. Coonan, resigned 22.8.11), pursuant to section 15 of the Constitution.
- (3) Chosen by the Parliament of New South Wales to fill a casual vacancy (vice Hon. M. Arbib, resigned 5.3.12), pursuant to section 15 of the Constitution.
- (4) Chosen by the Parliament of Western Australia to fill a casual vacancy (vice J. Adams, died in office 31.3.12), pursuant to section 15 of the Constitution.
- (5) Chosen by the Parliament of Tasmania to fill a casual vacancy (vice Hon. B. Brown, resigned 15.6.12), pursuant to section 15 of the Constitution.
- (6) Chosen by the Parliament of Tasmania to fill a casual vacancy (vice Hon. N. Sherry, resigned 1.6.12), pursuant to section 15 of the Constitution.

PARTY ABBREVIATIONS

AG—Australian Greens; ALP—Australian Labor Party; CLP—Country Liberal Party;
DLP—Democratic Labor Party; LP—Liberal Party of Australia; NATS—The Nationals

Heads of Parliamentary Departments

Clerk of the Senate—R Laing

Clerk of the House of Representatives—B Wright

Secretary, Department of Parliamentary Services—C Mills

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Title	Minister
Prime Minister	The Hon Julia Gillard MP
<i>Minister Assisting the Prime Minister on Digital Productivity</i>	<i>Senator the Hon Stephen Conroy</i>
Minister for Social Inclusion	The Hon Mark Butler MP
<i>Minister Assisting the Prime Minister on Mental Health Reform</i>	<i>The Hon Mark Butler MP</i>
Minister for the Public Service and Integrity	The Hon Gary Gray AO MP
<i>Minister Assisting the Prime Minister on the Centenary of ANZAC</i>	<i>The Hon Warren Snowdon MP</i>
Cabinet Secretary	<i>The Hon Mark Dreyfus QC MP</i>
<i>Parliamentary Secretary to the Prime Minister</i>	<i>Senator the Hon Jan McLucas</i>
Treasurer (Deputy Prime Minister)	The Hon Wayne Swan MP
Minister for Financial Services and Superannuation	The Hon Bill Shorten MP
Assistant Treasurer	The Hon David Bradbury MP
<i>Parliamentary Secretary to the Treasurer</i>	<i>The Hon Bernie Ripoll MP</i>
Minister for Tertiary Education, Skills, Science and Research (Leader of the Government in the Senate)	Senator the Hon Chris Evans
Minister for Industry and Innovation	The Hon Greg Combet AM MP
Minister for Small Business	The Hon Brendan O'Connor MP
<i>Minister Assisting for Industry and Innovation</i>	<i>Senator the Hon Kate Lundy</i>
<i>Parliamentary Secretary for Industry and Innovation</i>	<i>The Hon Mark Dreyfus QC MP</i>
<i>Parliamentary Secretary for Higher Education and Skills</i>	<i>The Hon Sharon Bird MP</i>
Minister for Broadband, Communications and the Digital Economy (Deputy Leader of the Government in the Senate)	Senator the Hon Stephen Conroy
Minister for Regional Australia, Regional Development and Local Government	The Hon Simon Crean MP
Minister for the Arts	The Hon Simon Crean MP
Minister for Sport	Senator the Hon Kate Lundy
Minister for Defence (Deputy Leader of the House)	The Hon Stephen Smith MP
Minister for Defence Materiel	The Hon Jason Clare MP
Minister for Veterans' Affairs	The Hon Warren Snowdon MP
Minister for Defence Science and Personnel	The Hon Warren Snowdon MP
<i>Parliamentary Secretary for Defence</i>	<i>The Hon Dr Mike Kelly AM MP</i>
<i>Parliamentary Secretary for Defence</i>	<i>Senator the Hon David Feeney</i>
Minister for Immigration and Citizenship	The Hon Chris Bowen MP
Minister for Multicultural Affairs	Senator the Hon Kate Lundy
Minister for Infrastructure and Transport (Leader of the House)	The Hon Anthony Albanese MP
<i>Parliamentary Secretary for Infrastructure and Transport</i>	<i>The Hon Catherine King MP</i>
Attorney-General	The Hon Nicola Roxon MP
Minister for Emergency Management	The Hon Nicola Roxon MP
<i>Minister Assisting on Queensland Floods Recovery</i>	<i>Senator the Hon Joe Ludwig</i>
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Minister for Justice	The Hon Jason Clare MP
Minister for Families, Community Services and Indigenous Affairs	The Hon Jenny Macklin MP
Minister for Disability Reform	The Hon Jenny Macklin MP
Minister for Housing	The Hon Brendan O'Connor MP
Minister for Homelessness	The Hon Brendan O'Connor MP
Minister for Community Services	The Hon Julie Collins MP
Minister for the Status of Women	The Hon Julie Collins MP

Title	Minister
<i>Parliamentary Secretary for Disabilities and Carers</i>	<i>Senator the Hon Jan McLucas</i>
Minister for Foreign Affairs	Senator the Hon Bob Carr
Minister for Trade and Competitiveness	The Hon Dr Craig Emerson MP
<i>Parliamentary Secretary for Trade</i>	<i>The Hon Justine Elliot MP</i>
<i>Parliamentary Secretary for Pacific Island Affairs</i>	<i>The Hon Richard Marles MP</i>
<i>Parliamentary Secretary for Foreign Affairs</i>	<i>The Hon Richard Marles MP</i>
Minister for Sustainability, Environment, Water, Population and Communities	The Hon Tony Burke MP
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<i>Parliamentary Secretary for Sustainability and Urban Water</i>	<i>Senator the Hon Don Farrell</i>
Minister for Finance and Deregulation	Senator the Hon Penny Wong
Special Minister of State	The Hon Gary Gray AO MP
<i>Minister Assisting for Deregulation</i>	<i>The Hon David Bradbury MP</i>
Minister for School Education, Early Childhood and Youth	The Hon Peter Garrett AM MP
Minister for Employment and Workplace Relations	The Hon Bill Shorten MP
Minister for Early Childhood and Childcare	The Hon Kate Ellis MP
Minister for Employment Participation	The Hon Kate Ellis MP
Minister for Indigenous Employment and Economic Development	The Hon Julie Collins MP
<i>Parliamentary Secretary for School Education and Workplace Relations</i>	<i>Senator the Hon Jacinta Collins</i>
(Manager of Government Business in the Senate)	
Minister for Agriculture, Fisheries and Forestry	Senator the Hon Joe Ludwig
<i>Parliamentary Secretary for Agriculture, Fisheries and Forestry</i>	<i>The Hon Sid Sidebottom MP</i>
Minister for Resources and Energy	The Hon Martin Ferguson AM MP
Minister for Tourism	The Hon Martin Ferguson AM MP
Minister for Climate Change and Energy Efficiency	The Hon Greg Combet AM MP
<i>Parliamentary Secretary for Climate Change and Energy Efficiency</i>	<i>The Hon Mark Dreyfus QC MP</i>
Minister for Health	The Hon Tanya Plibersek MP
Minister for Mental Health and Ageing	The Hon Mark Butler MP
Minister for Indigenous Health	The Hon Warren Snowdon MP
<i>Parliamentary Secretary for Health and Ageing</i>	<i>The Hon Catherine King MP</i>
Minister for Human Services	Senator the Hon Kim Carr

SHADOW MINISTRY

Title	Shadow Minister
Leader of the Opposition	The Hon Tony Abbott MP
<i>Shadow Parliamentary Secretary Assisting the Leader of the Opposition</i>	<i>Senator Cory Bernardi</i>
Shadow Minister for Foreign Affairs	The Hon Julie Bishop MP
Shadow Minister for Trade (Deputy Leader of the Opposition)	
<i>Shadow Parliamentary Secretary for International Development Assistance</i>	<i>The Hon Teresa Gambaro MP</i>
Shadow Minister for Infrastructure and Transport (Leader of The Nationals)	The Hon Warren Truss MP
<i>Shadow Parliamentary Secretary for Roads and Regional Transport</i>	<i>Mr Darren Chester MP</i>
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Shadow Minister for Employment Participation	The Hon Sussan Ley MP
Shadow Attorney-General	Senator the Hon George Brandis SC
Shadow Minister for the Arts (Deputy Leader of the Opposition in the Senate)	
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Shadow Assistant Treasurer and Shadow Minister for Financial Services and Superannuation	Senator Mathias Cormann
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Shadow Minister for Universities and Research	Senator the Hon Brett Mason
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Shadow Minister for Indigenous Development and Employment	Senator Marise Payne
Shadow Minister for Regional Development, Local Government and Water (Leader of the Nationals in the Senate)	Senator Barnaby Joyce
Shadow Minister for Regional Development	The Hon Bob Baldwin MP
<i>Shadow Parliamentary Secretary for Northern and Remote Australia</i>	<i>Senator the Hon Ian Macdonald</i>
<i>Shadow Parliamentary Secretary for Local Government</i>	<i>Mr Don Randall MP</i>
<i>Shadow Parliamentary Secretary for the Murray-Darling Basin</i>	<i>Senator Simon Birmingham</i>
Shadow Minister for Finance, Deregulation and Debt Reduction (Chairman, Coalition Policy Development Committee)	The Hon Andrew Robb AO MP
Shadow Special Minister of State	The Hon Bronwyn Bishop MP
Shadow Minister for COAG (Chairman, Scrutiny of Government Waste Committee)	Senator Marise Payne (Mr Jamie Briggs MP)
Shadow Minister for Energy and Resources	The Hon Ian Macfarlane MP
Shadow Minister for Tourism	The Hon Bob Baldwin MP

Title	Shadow Minister
Shadow Minister for Defence	Senator the Hon David Johnston
Shadow Minister for Defence Science, Technology and Personnel	Mr Stuart Robert MP
Shadow Minister for Veterans' Affairs and Shadow Minister Assisting the Leader of the Opposition on the Centenary of ANZAC	Senator the Hon Michael Ronaldson
<i>Shadow Parliamentary Secretary for Defence Materiel</i>	<i>Senator Gary Humphries</i>
<i>Shadow Parliamentary Secretary for the Defence Force and Defence Support</i>	<i>Senator the Hon Ian Macdonald</i>
Shadow Minister for Communications and Broadband	The Hon Malcolm Turnbull MP
Shadow Minister for Regional Communications	Mr Luke Hartsuyker MP
Shadow Minister for Health and Ageing	The Hon Peter Dutton MP
Shadow Minister for Ageing	Senator Concetta Fierravanti-Wells
Shadow Minister for Mental Health	<i>Dr Andrew Southcott MP</i>
<i>Shadow Parliamentary Secretary for Primary Healthcare</i>	<i>Dr Andrew Laming MP</i>
<i>Shadow Parliamentary Secretary for Regional Health Services and Indigenous Health</i>	
Shadow Minister for Families, Housing and Human Services	The Hon Kevin Andrews MP
Shadow Minister for Seniors	The Hon Bronwyn Bishop MP
Shadow Minister for Disabilities, Carers and the Voluntary Sector (Manager of Opposition Business in the Senate)	Senator Mitch Fifield
Shadow Minister for Housing	Senator Marise Payne
<i>Shadow Parliamentary Secretary for Supporting Families</i>	<i>Senator Cory Bernardi</i>
<i>Shadow Parliamentary Secretary for the Status of Women</i>	<i>Senator Michaelia Cash</i>
Shadow Minister for Climate Action, Environment and Heritage	The Hon Greg Hunt MP
<i>Shadow Parliamentary Secretary for Environment</i>	<i>Senator Simon Birmingham</i>
Shadow Minister for Productivity and Population	Mr Scott Morrison MP
Shadow Minister for Immigration and Citizenship	
<i>Shadow Parliamentary Secretary for Citizenship and Settlement</i>	<i>The Hon Teresa Gambaro MP</i>
<i>Shadow Parliamentary Secretary for Immigration</i>	<i>Senator Michaelia Cash</i>
Shadow Minister for Innovation, Industry and Science	Mrs Sophie Mirabella MP
<i>Shadow Parliamentary Secretary for Innovation, Industry, and Science</i>	<i>Senator the Hon Richard Colbeck</i>
Shadow Minister for Agriculture and Food Security	The Hon John Cobb MP
<i>Shadow Parliamentary Secretary for Fisheries and Forestry</i>	<i>Senator the Hon Richard Colbeck</i>
Shadow Minister for Small Business, Competition Policy and Consumer Affairs	The Hon Bruce Billson MP
<i>Shadow Parliamentary Secretary for Small Business and Fair Competition</i>	<i>Senator Scott Ryan</i>

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Thursday, 23 August 2012

The PRESIDENT (Senator the Hon. John Hogg) took the chair at 9:30, read prayers and made an acknowledgement of country.

BILLS

Health Insurance (Dental Services) Bill 2012

[No. 2]

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Senator BOYCE (Queensland) (09:31): I am delighted to have this chance to continue my remarks on the Health Insurance (Dental Services) Bill 2012 [No. 2], which has been brought to this chamber by Senator Bushby.

The issue that we are looking at here really is one of trying to maintain what has been a very good and privately based service in Australia. At a recent inquiry the Australian Dental Association was forced to make the point that they hope that private practice will continue to be a centrepiece of the dental offers made to Australians all over Australia, but particularly in rural areas. There have been a number of instances of this government trying to change the way that dental services are offered, along with others, and the Australian Dental Association has made the point that it believes that clinical independence is a very vital part of the way that dentistry is practised in this country.

The Australian Dental Association has also slammed the way the government has gone about establishing Medicare Locals. It is a bit startling to find that dentistry has generally been completely excluded from the Medicare Locals model. Eighty-five per cent of the dental services provided in Australia are provided by the private sector, and without those private sector dentists there would be virtually no dental services in rural and regional Australia in particular.

The practitioners of dentistry need to be fully consulted and to become part of any change in dental care delivery, otherwise there is a very real risk that rural and regional areas will lose the dental care that they already have. I think it is worth noting that a survey of members by the Australian Dental Association showed that dentists in rural and regional areas offer a higher mean number of services at a discounted rate compared to metropolitan-based services. In the country—rural and regional areas—39 per cent of services are discounted on average, compared to nine per cent in cities and urban areas.

Rural and regional dentists also offer a higher mean number of free consultations compared to their metropolitan counterparts. I must add that I have yet to come across a free dental consultation, but apparently

they do exist. And rural and regional dental practitioners offer an average of 63 per cent free consultations compared to 50 per cent in urban areas. These results suggest that, in spite of the additional challenges that dentists face in rural and regional dental practice, dentist practitioners in these areas strive to provide a quality service at a reasonable rate, in the interests of their patients.

But, of course, there continues to be a problem with dental services in the country, and nothing that this government is doing is likely to improve that. There has been a large increase in the supply of dental professionals recently, with the opening of three new schools in 2007, and the number of new dentists entering the workforce, including new graduates and overseas trained dentists, will be double the number of new entrants that there were in 2006.

There was an Australian Institute of Health and Welfare report released recently on dentists, specialists and allied practitioners in Australia which, unfortunately, uses 2006 labour force data—simply because that is the most recent that we have. It indicates that there were 12,212 dentists registered in Australia in 2006. That was a 21 per cent increase on the number of registered dentists compared to 1996, and during the coming decade about 250 new dentists will enter the workforce each year.

Based on these figures, the Dental Board of Australia, in May 2011, estimates that there are now 13,750 dentists with just over 300 new dentists a year coming into our workforce since 2006. Along with the large number of new doctors that will come into the system over the next decade, there will also be a large number of new dentists and other dental professionals, I should point out, and the number of allied dental service practitioners will also increase at a substantial rate.

Despite this, the odds of the figures in rural and regional areas improving is not high given the government's current policies in this area. The number of practising dental practitioners per 100,000 of population ranges from 59.5 in major cities down to 17.9 in remote and very remote areas. How we go about improving those numbers is something that was the subject of an inquiry by the Community Affairs Committee, and it is also something this government needs to focus on. We do not need to be still saying in years to come that the supply of dentists has been found to decrease dramatically with remoteness, and that the allied health workforce is found to be largely based within the major cities, as the DOHA report titled *Audit of the health workforce in rural and regional Australia* found in 2008. We need to work on policies to improve this, and might I suggest to the government that a good place to start is the inclusion of dental services and dental practitioners in the people

who are consulted about the structure of Medicare Locals. The idea of a needs-based locally-developed medical and health provision is an excellent start, if it works—and of course the 'if it works' is in very large letters when you look at the way this government has gone about it.

The issue that the Australian Dental Association raises is:

Medicare Locals in rural/regional Australia to date has been implemented hastily and has excluded dentistry which will affect dental care delivery for Australians in these areas.

It should go without saying that dentistry must be adequately included in the development of primary healthcare responses to ensure that activities such as dental health promotion and oral disease prevention are undertaken in what, in many cases, are more vulnerable communities. The Australian Dental Association makes the point that establishing a dental surgery is an expensive exercise, considering the equipment that is needed, so establishing it in a small town is a very problematic approach unless there are (a) incentives for people to do so and, (b) a sense that the care they are offering has been integrated into a well-structured health service provision for the local community. No dentist in private practice is going to set up in an area where they know they will not be fully occupied servicing customers.

I commend Senator Bushby for this bill. It seeks to correct some of the attempts of the government to undermine private practice for dentists in Australia and it seeks to ensure that the sorts of programs that have been so extraordinarily successful—for instance, the chronic disease prevention program involving dentistry that was established by the Howard-Costello government—will be maintained.

The Australian Dental Association points out that a number of factors limit the supply of dental practitioners in rural and regional areas. As I said, not only are there financial constraints such as the very high capital cost, but also the lack of resources and professional support coupled with the lack of social and local infrastructure in the community. Not only do we need to attract dental practitioners to rural and regional areas but we also need to find methods of ensuring that they stay in those rural and regional areas. This involves not just looking after the financial needs of practitioners, but also fostering and supporting their professional, social and community needs. Just as we have had concerns raised during the recent Community Affairs Committee inquiry in terms of the support needed for younger doctors and other health professionals moving into rural and regional areas, the same issue arises of course for dentists and allied dental professionals. It is not going to happen if we do not support it and foster it.

The Australian Dental Association did a survey of its members in September 2011 that found that 17 per cent of the metropolitan-based members would be willing to consider relocating to rural or regional areas to practise dentistry. If this were to occur, if that whole 17 per cent were to move, we would in fact end up with an oversupply of dental professionals in the rural and regional areas. But there are a number caveats on this. The ADA members survey said that there were things that would encourage dentists to move to rural practice. For example, 44 per cent of members said that the quiet rural lifestyle would encourage them to move to rural practice; 23 per cent said the demand for services, the need—thought to be unmet—for services; and 21 per cent believed there were greater employment opportunities for rural and regional dental practice.

But these members also identified what they needed to stay in the area. Some of the very large concerns expressed by the 17 per cent who would consider moving were that there would be social and community issues and professional issues.

The social and community issues that were identified by members of the Australian Dental Association were a lack of access to quality secondary schooling, spouse or partner's unhappiness in moving to a rural setting, the potential lack of employment opportunities for partners, the lack of community resources and what was perceived as a lack of 'cultural fit' with the local community. Professionally, these dentists' concerns were a lack of financial incentive to compensate for a more isolated lifestyle, heavy workload and high community expectations, professional isolation—a very, very important point—and inability to access continuing education. They referred also to the lack of access to general anaesthetic facilities in hospitals, a lack of mentoring for recent graduates and more inexperienced operators, a lack of access to specialist services and support, and—perhaps one of the most important issues for families of an overworked dentist in a rural area—a lack of leave cover for holidays. The lack of access to further education was one of the greatest areas of concern. There have been a number of suggestions made by the Australian Dental Association with regard to this. Certainly the government's view is not going to succeed. Senator Bushby's bill will assist.

Senator McLUCAS (Queensland—Parliamentary Secretary for Disabilities and Carers and Parliamentary Secretary to the Prime Minister) (09:46): I am pleased to join the debate on this private senator's bill, the Health Insurance (Dental Services) Bill 2012 [No. 2]. It is a bill which I think is flawed and poorly focused, a bill that does nothing to redress some of the failings we do have in our dental services system in this country that Senator Boyce has just identified. But the problems that Senator Boyce has referred to will not be

fixed or even attended to by the passage of this bill through the parliament, and I certainly hope that does not occur.

This bill is not about providing better dental services to the thousands of people who need them, and let's just be clear about who are the needy when it comes to dental services in this country. We have identified—everyone knows this; it is not new information—that the people who are most in need of dental services are those who are on low incomes and those who live in regional, rural and remote areas. That is where we should be targeting our effort when it comes to dental services. This bill does not do that in any way, shape or form. In my view, this bill is a political stunt, but taking the opportunity to put on a little stunt with this bill actually proves what a poorly designed scheme the Chronic Disease Dental Scheme is.

The Chronic Disease Dental Scheme is deeply flawed. Firstly, it is not means tested. Let's have a look at who has the largest take-up of the CDDS. It is people on higher incomes. That means that people on very high incomes can get up to \$4,250 of free dental care. The scheme is not targeted, so that means those people highest in need, those on low incomes and those who live in regional, rural and remote areas, are not targeted through this program—and they are not taking up the scheme at the rate that their dental health would clearly indicate that they should. Patients can get cosmetic work done rather than the basic work that we know our community really needs, which is attendance at a dentist so that proper cleaning is done, particularly for young children, on a regular basis and work can be done when the first caries are identified. Instead, a lot of the money that this scheme has expended is at the cosmetic end, on crowns and caps that, whilst important, are often less important than what should be targeted.

We know that there have been more than a thousand complaints lodged about the CDDS. Misuse of the scheme includes ordering dentures that do not fit, unnecessary crowns—and there is a question there that should be investigated—and charging the full \$4,250 without completing the work. Let us go to some of the examples that we have seen of misuse of the scheme.

In one case a dentist has been ordered to repay more than \$700,000. In an initial self-assessment sample of 20 patients, the dentist admitted billing for services that were never provided. In my view, and I am not a lawyer, that sounds a lot like fraud. After a subsequent audit began, the dentist admitted incorrectly billing patients 293 times. This is not just an oversight or a mistake; this is systematic. The dentist also said she had no record of 112 services provided to patients that she billed to Medicare. After the audit began, the dentist voluntarily paid back \$25,000 for instances where she agreed services had not been provided to the

patient, but I think there is a lot more in that story. It just goes to show the way that some dentists, and I really do underline the word 'some', thought that this was a bucket of money that they could simply delve into. This reflects badly on the profession. I must say it is only a small number, but we have to tidy them up.

In another case, Medicare visited a dentist in 2009 who was providing no treatment plans, no quotes to patients and no copies of treatment plans to referring general practitioners. Clearly, that was part of what was expected under the plan. On a return visit in 2010, Medicare found that the dentist had not rectified those issues. In total, the dentist had claimed \$1.9 million that was potentially noncompliant with the scheme.

In another case, an audit of the dentist found that he had incorrectly claimed \$1.8 million. These are extraordinary figures. During the audit it was revealed that the dentist repeatedly failed to inform the referring GPs of the course of treatment he intended to carry out on their patients. The dental practitioner said this was because he did not use computers—not an excuse in my view. The final case is of a dentist who was reported to be going to aged care facilities to provide cosmetic dental work to aged care residents with dementia without the appropriate permission. I do hope that has been referred to the appropriate medical boards.

This is a scheme which does not work. It is untargeted, it is unfocused and it allows that small number of dentists who want to rort the system to do so. We have been able to identify a number through the audit and we will be able to fix those up. We know that anyone claiming funds from the Australian taxpayer has an obligation to do so according to the law, and dentists are no exception. The government has provided all known dentists with information about the requirements of the Chronic Disease Dental Scheme on nine separate occasions, and I refer here to a letter from a former Minister for Health and Ageing, Mr Tony Abbott, who writes, 'Dear Dental practitioner', and in paragraph 5 says, 'It will be a requirement that patients are informed about the cost of any recommended dental services before they commence a course of treatment.' We know in many cases that that did not occur. We know that in many cases the referring GP was not told of the course of treatment that was to be undertaken.

The requirements of the scheme are not onerous. It is not onerous, surely, for dentists to tell patients and their doctors what work they are doing. And it is not onerous to tell patients upfront what the cost will be. At the end of January 2012 around \$2.27 billion had been claimed under the scheme since it commenced in 2007. The Senate should remember that this scheme was meant to cost \$90 million a year when it was first

implemented. It is now costing around \$1 billion a year. It has blown out by that proportion.

On 29 May 2012 the Minister for Human Services, the honourable senator Kim Carr, issued a statement announcing the government's view that a retrospective change to the dental services determination is needed in relation to the Chronic Disease Dental Scheme. Senator Carr also reiterated the government's intention to close the scheme. The retrospective change to the determination would bring compliance arrangements for the scheme more closely in line with other Medicare program compliance arrangements. So that means that those dentists who have inadvertently erred in the delivery of services do have an opportunity to rectify the situation. But that does not mean that those dentists who have systematically, in my view, rorted the scheme can avoid their obligations. There is a full audit, but Senator Carr has indicated that there will be a retrospective change to the dental services determination in relation to CDDS. This change to the determination is not a free pass to practitioners to do what they want. The Minister for Health and the Minister for Human Services will ensure that. But, instead of trying to write off debts as this bill is trying to do, and amend a flawed scheme, our government is making meaningful investments in dental health services. Our government is making a targeted \$515.3 million over four years investment in oral health for Australians who are least able to afford dental care. We have a targeted approach to those people in Australia who are least able to afford or access dental care. The new spending will include funding of \$345.9 million for a public dental waiting list blitz, which would, according to the National Dental Advisory Council, address the current 400,000 people on waiting lists around the country. It is targeted to those most in need. The funding will be delivered through a national partnership agreement with the states and territories and, in addition, states and territories will be required to maintain their existing effort, including work with children and targeted dental services provided to Aboriginal and Torres Strait Islander Australians. That is targeted dental care, and that is the sort of approach I would suggest this bill goes nowhere near.

As part of that package, there is funding of \$10.5 million for oral health promotion and the development of a national oral health promotion plan and funding of \$35.7 million for an expansion to the voluntary dental graduate year program to offer 100 places per annum from 2016. This will increase the dental workforce to enable the delivery of more dental services through a national scheme. While I have this opportunity I would like to commend James Cook University dental school and the work that they are doing, particularly in rural and remote areas and particularly for low income people in the community of Cairns.

Funding also includes \$45.2 million for a graduate year program for oral health therapists to support 50 placements per annum from 2014 to increase service delivery capacity and create a more flexible dental workforce. It also includes funding of \$77.7 million for rural and remote infrastructure and relocation grants for dentists, and funding of \$450,000 to non-government organisations to coordinate further pro bono work by dentists for the most disadvantaged Australians across the country.

The Senate, I think, is well aware that the Chronic Disease Dental Scheme has been a failure on many fronts. It has been a failure in terms of targeting and fiscal blowout, and it is not targeted to people most in need. The government will not be supporting this bill.

Senator RONALDSON (Victoria) (09:59): It is with a great deal of pleasure that I rise today to talk on the extremely important Health Insurance (Dental Services) Bill 2012 [No. 2]. I just want to put a couple of things on the record before I speak more generally. The first point is that it is clear that the coalition is the only side of politics that has delivered a Medicare dental scheme that provides for treatment. The second point is I am indebted to my colleague Senator David Bushby, who authored this bill. I seek to refer to a speech he made in this place on 21 June. He said:

The coalition strongly supports a transparent and appropriate audit process to detect cases of fraud, the misuse of taxpayers' funds or the provision of inappropriate services. But we do not support Labor's tactic of using innocent and inadvertent administrative errors as a means to claw back funds from dentists, presumably to assist the government in their unattainable quest to achieve a budget surplus—something they have not done for over 20 years!

I quote further from the speech:

Upon commencing the audit process, officers from Medicare identified that many dentists had failed to comply with section 10 requirements of the scheme. Under section 10, dental practitioners were required to provide the patient's referring general practitioner with a dental treatment plan prior to undertaking any work on the patient. However, primarily due to a lack of education on those requirements many dentists were unaware of their administrative obligations and commenced treatment on the first appointment with a new patient prior to providing the necessary paperwork to the GP. Treating the oral health needs of a patient prior to fulfilling the administrative requirements of the scheme does not constitute fraud.

Let us go back and try and ascertain why the government might be pursuing the dentists and trying to destroy this scheme.

Why do you think the government might have tried to destroy the scheme that was clearly working and why would they possibly use dentists as the fall guys in this? I have a very strong view on this and I suspect that this has been done because of the author of the original scheme who happens to be the current Leader of the Opposition. I think this is a bloody-minded

attempt to destroy a scheme that was working because of the person who authored it. What does that mean? That means that destroying the scheme is not good policy. It is actually about bad politics. That is what has been driving this issue. The parliamentary secretary has not responded to a letter I sent her in relation to another matter the other day, which I hope was not an example of cheap politics but I look forward very much to receiving the response in relation to that matter.

The Labor government wanted to destroy this scheme from day one. In fact, their policy was to destroy the scheme. As part of that, they failed to have any educative process in place. They failed to provide education to a group of professionals for whom this was their first interaction with Medicare. There was no education for that group of professionals and, as a result of that, these administrative errors occurred. They were errors, not fraud. We do not support fraud but we do not support the actions that have been taken on these issues.

I will just go through the outcome of the Medicare Chronic Disease Dental Scheme which, as honourable senators know, provides up to \$4,250 in Medicare dental benefits over two years for eligible patients with a chronic health condition. Over 17 million services have been provided to approximately one million patients since 2007. What a remarkable policy outcome and yet the Labor Party in government has tried to destroy the scheme.

One of the other implications of this audit process involved veterans. Again, a knee-jerk reaction caused considerable angst amongst the veteran population because earlier this year, as a result of this audit, the Department of Veterans' Affairs advised dentists that services provided by dental hygienists were not covered by the gold card. Dental services provided by dental hygienists had always previously been covered but as a result of this audit, the implications of which were widespread, DVA stepped in to stop these services being covered. They had been covered under the gold card.

In February this year I received a number of emails from veterans in relation to the removal of the coverage of this service under the gold card. Apparently it had been removed without any consultation whatsoever—no consultation whatsoever—and there was no advice to veterans about why the services were to change. In Senate estimates this year, in February, I pursued this matter with the department, who at the time, remarkably, were unable to provide any reasons why the service was no longer being provided—no reasons whatsoever. Thankfully, common sense prevailed and the Repat Commission extended coverage of the gold card to dental hygiene services.

As always when you remove services like this, the group upon which the impact is most felt is those in rural and regional Australia. And the proposed changes were going to impact most severely on those in regional and rural areas because, as everyone in this place should know, dental services in regional and rural areas are extremely difficult to access. And those who do not know that clearly have no understanding of regional and rural Australia. These dental hygienists provide a valuable preventative health service assisting veterans and others in the community to avoid further health issues arising from poor dental health. Indeed, DVA's decision to stop treatment and not provide any information or advice to veterans caused unnecessary panic. I wonder, quite frankly, where the government's priorities are when they are creating that sort of angst amongst a group of Australians who have either served this nation or are the partners of someone who has served this nation. It was an ill-considered, knee-jerk reaction.

It is interesting to look at what the government has done in relation to dental health. Honourable senators would be aware that in 2008 the Labor Party proposed the Commonwealth Dental Health Program. It promised a million services by providing funding to the states and territories. But—surprise, surprise—the Labor Party did not assess the capacity of the public dental workforce to provide the services, and the number of services would have therefore been significantly less than had been promised. It was never delivered and it was finally scrapped in the 2012 budget. The much vaunted and promised Commonwealth Dental Health Program, which the Labor Party was running around the country lauding, was finally scrapped in this year's budget. It is interesting that, irrespective of whether it had been put in place, it would not have come anywhere near to matching the 17 million services that have been provided under the Medicare scheme—nowhere near that which has been provided under the Medicare scheme.

The Teen Dental Plan, which was introduced in 2008 by this government, provides only for a preventative check, and the Australian Dental Association quite rightly has argued the scheme provides no follow up care for those with dental issues and its focus is too narrow. The program has had low take-up, with only 429,000 services forecast for 2011 out of an eligible 1.3 million teenagers. The continuation of the Labor Party's rhetoric in relation to dental care was continued in this year's budget, but there was only \$60 million in new net funding announced in the budget. More promises have been made, but nothing substantial has been delivered.

It is interesting that any government funded dental scheme is going to require the participation and the cooperation of the dental professions. In one fell

swoop, the government has destroyed any trust between itself and the dental profession. This government led witch-hunt, following on from the section 10 investigation, has destroyed that relationship. And, quite rightly, why would any dentist again trust this government in relation to any publicly funded program in which they are required to participate? What an appalling outcome that is for those who require these services. What an appalling outcome that is for those in regional and rural Australia who already have enough difficulty accessing services. What an appalling outcome that is for those who believe, as we do, that there is a significant role for government in relation to the provision of services via Medicare.

In the time left open to me I will now go to some very, very interesting evidence given in the Community Affairs Senate estimates hearing on 30 May this year in relation to the Professional Services Review:

As I understand the current stories in the media around dentistry—and I am simply going on what I read in the media—I understand they are more to do with strict auditing processes, auditing of paperwork et cetera. That is not the sort of matter that comes to PSR—

the Professional Services Review—

We have had no formal notification from Medicare, although there has been some suggestion that there may be cases later this year. But we have had no formal indication from Medicare that they are referring a dentist to us for inappropriate practice which goes beyond, as I understand it, the sorts issues that have been in the media lately. As I said, they are more to do with auditing. Inappropriate practice in terms of the actual professional decisions being made by a dentist, which would be the type of matter that would be referred to PSR—we have not had any referrals and no formal notification.

Senator McLucas: But there might be some coming.

Senator RONALDSON: Oh, 'There might be some coming,' says the parliamentary secretary. When are they coming, Parliamentary Secretary? You have just said there might be some coming, through you, Mr Acting Deputy President. You have said there might be some coming, so when are they coming?

Senator McLucas: No, you said that.

Senator RONALDSON: When are we going to see them, Parliamentary Secretary? When are we going to see any justification for the government's actions in relation to this? There is nothing before the PSR. This is premised on the back of your attack on dentists for being unprofessional.

Senator McLucas: No.

Senator RONALDSON: That is what this is about: being unprofessional. The PSR has had no evidence before it of unprofessional behaviour, and yet you have

continued this witch-hunt against a group of people that you refuse to educate, who are having—

The ACTING DEPUTY PRESIDENT (Senator Marshall): Order! Parliamentary Secretary, I would ask you to stop interjecting. Senator Ronaldson, I would ask you to direct your remarks through the chair.

Senator RONALDSON: Thank you, Mr Acting Deputy President. I actually thought I had directed my comments through you, but if I had not then I humbly apologise and I will continue to do so. Through you, Mr Acting Deputy President, what we have heard from the parliamentary secretary is that there may be cases coming forward. This witch-hunt is premised on unprofessional practice, yet there have been no referrals at all from Medicare to the Professional Services Review. I think that says it all.

This is a policy that was designed to destroy something that was working but was set up by the Leader of the Opposition—cheap politics to destroy something that worked. If the Australian Labor Party, through you, Mr Acting Deputy President, had actually put in place something that was working or that would replace it then their bona fides might be a bit stronger. But, as we all know in this place, their much hyped up and much vaunted Commonwealth Dental Health Program failed. So the government has fallen at the first step in relation to their own program, while at the same time taking out of the system—or attempting to—something that is working. You did not educate the dentists because you thought you could destroy the scheme as soon as you got in, and by not being able to destroy the scheme as you wanted, you left it hanging out to dry. In doing so, you left hanging out to dry the very people that were going to be delivering this program, the dentists themselves.

We, under no circumstances, support fraudulent behaviour, but under no circumstances do we support what has been done by this government. This bill seeks to address that wrong, and it has my full and complete support.

Senator EGGLESTON (Western Australia) (10:19): This is a very important debate, because many elderly people in this country do have really severe oral health problems, and unfortunately very often they are not able to have those problems fixed because they simply cannot afford the cost of dental treatment. If you can imagine what it is like to live with rotten teeth, not being able to chew properly and with ulcers in your mouth, you would, I think, agree that the lot of such people—and they are the ones I am referring to—is pretty miserable.

The whole purpose of this scheme, which was introduced by the now Leader of the Opposition, the then Minister for Health, Tony Abbott, was to provide a means by which elderly people in the community

who needed dental and other oral health treatment could obtain that treatment through the Medicare system. I think it is quite outrageous that the government is seeking to stop this scheme and is alleging fraud against dentists when, in fact, it seems that the communication between the Department of Health and Ageing and the dental profession was very poor and that dentists very often innocently made mistakes for which they are now being charged with having created a fraud. This is just an absolute nonsense and I totally support the remarks of Senator Ronaldson in that regard.

The other thing I would say is that this government has a habit of curtailing debates on the health sector. For some reason the government feels very sensitive about health issues. Towards the end of the last sitting before the winter recess, I was to speak on the National Health Amendments (Pharmaceutical Benefits Scheme) Bill 2012. I say 'I was to speak' because I did not get the opportunity to do so. The government rudely guillotined the debate, preventing a number of my colleagues and me from making comments on that bill.

Today, we debate the Health Insurance (Dental Services) Bill 2012 [No.2] which is a bill based on a misconception that dentists were defrauding the scheme when, in fact, it seems the Department of Health and Ageing and the government were at fault for their failure to communicate the essential features and requirements of the scheme adequately to the dental profession.

This Chronic Disease Dental Scheme, introduced in the last months of the previous coalition government, allows eligible patients to claim up to \$4,250 in Medicare benefits for dental services in any two consecutive calendar years. Over 17 million services have been provided to approximately one million patients since 2007. That speaks for itself in quantifying the specific need for a scheme like this to ensure that the mostly elderly patients who are in this cohort are able to obtain dental treatment so that their quality of life can be improved.

Dental care items were introduced in the Medicare Benefits Schedule in 2004 for patients with chronic conditions and complex care needs under the former enhanced primary care arrangements—again, an initiative of the Howard government. Sadly, as I have said, the need for this kind of service remains but this government appears to be determined to curtail it as much as possible.

In May 2007, significant changes to the EPC program were announced in the budget, to take effect from 1 November in the same year. Eligible patients under that scheme, introduced by the Howard government, could then claim up to \$4,250 a year in Medicare benefits for dental services in any two

consecutive years. The scheme has been a great success, as I have said, despite two attempts by the Rudd government to shut it down for purely political reasons. One must really question the motivation, the principles and the sense of responsibility of those in the Rudd government who sought to shut down this scheme, and which, fortunately, were rejected twice by the Senate. So, the scheme remains in place.

In June 2010, Labor established an audit task force after its initial attempts to close the scheme failed. These audits are primarily focussed on 'incorrect claiming'—which has also been described as fraud and which it is not—associated with legislative requirements found in section 10 of the Health Insurance (Dental Services) Determination 2007. The coalition supports a transparent and appropriate audit process to detect cases of fraud, misuse of taxpayers' funds or the provision of inappropriate services. However, under Labor's audit processes, dentists have been found to be noncompliant and action has been pursued against them for minor technical mistakes with paperwork, which has been misrepresented as fraud. In most cases, the dentists caught by the audit process have provided appropriate services to patients in need but merely did not comply fully with the technical requirement to provide medical general practitioners with copies of treatment plans and quotations for services prior to commencing treatment.

Why, one might ask, would the dentist not provide these treatment plans if that was a requirement? It seems that a lot of the responsibility for this lies with the government. It seems that consultation with the dental profession as such was almost nonexistent. Instead of sitting down with the dentists, who are not used to working with Medicare in the same way that doctors are, the government did not sit down and consult with the dental profession and make a point of the fact that there was a need to provide the referring general practitioner with a treatment plan. Dentists are certainly well versed in the Department of Veterans' Affairs system and very conversant with its requirements, but they have not had the same degree of exposure to Medicare and its requirements as medical practitioners. So it is not really surprising that many dentists inadvertently did not send copies of their treatment plans to the referring doctors.

An interesting comment from the Australian Dental Association is that, from the doctors' point of view, they wrote to the Dental Association saying that they saw no point in dentists sending them treatment plans because the medical GPs were not dentists and the treatment plans actually meant very little to them. In effect, the government says the dentists were guilty of fraud because they did not send treatment plans to the general practitioners and it seems the general practitioners really did not think these were particularly

useful because they did not understand the treatments proposed.

More broadly, the education of the dental profession about this scheme was not comprehensive. When the CDDS was introduced, dentists did not in many cases pay due regard to the detailed requirements of this scheme. The only interaction between the profession was delivery of a letter, a copy of the Medicare benefits fee schedule and some reference to website information.

Clearly inadequate information was provided by the Department of Health and Ageing to the practitioners. As the Australian Dental Association noted, it was not until deficiencies in the education program provided by Medicare were recognised in early 2010 that any more detailed and clear information was provided. Since then, the Australian Dental Association have regularly updated its membership on compliance issues. Obviously, the ADA, as one would expect from a responsible, professional organisation, do not like to see its members accused of committing fraud, for very large amounts of money in some cases, when they were simply providing a much needed service to very needy patients under the Medicare system.

Some of the sums which have been stated to have been obtained by fraudulent means by some dentists under this scheme run into millions of dollars—extraordinary amounts of money. But I am advised by dental practitioners that the implication that individual dentists were charging these huge sums of money is quite wrong and that, in fact, these very large sums of money reflect the services provided by group dental practices, who naturally see a lot of patients and ran up very large accounts and submitted those to Medicare for payment, but not in any individual capacities. So they represent group practices—many dentists, not single dentists.

Again, I come back to this issue of the lack of communication between the department of health and Medicare and the dental profession. As I understand it, the dentists have now sought to inform the Australian Dental Association of the compliance requirements of reporting back to the referring practitioner. That is a development in recent times and I think, if anything, it underlines the good faith of the Australian dental profession in seeking to remedy the flaws which existed in the information provided by the health department to the dental profession in the way this scheme was to be run.

I think it is absolutely outrageous that the government have, in effect, sought to defame the dental profession for committing frauds within this scheme, when in fact the real faults were that there was very little consultation by Medicare with the profession and there was no attempt to hold educational seminars with dentists to explain the detailed reporting

requirements of this scheme. For the government to go from there to claiming that dentists who provided services to people who have a very real and, if you like, a sad need for improvements in their dental and oral health were engaged in fraud is quite outrageous. The people affected here are mostly elderly and mostly could not afford dental treatment. They went to the dentist in good faith, had their treatment provided in good faith, and now the dentists who provided that treatment are accused of roting the system.

The whole record of this Labor government has been to curtail medical services provided to the people of Australia through the Medicare system by restricting the listing of new drugs. Now we find they are trying to shut down a scheme which has provided a very important service to a very vulnerable group of people in our community. If I was on the Labor side of either the House of Representatives or the Senate, I would hold my head in shame. It is quite a disgusting thing from my point of view that the needs of these elderly people who have been provided with dental treatment under this dental services plan should now face the possibility that these services will be withdrawn.

I hope that the Senate makes sure that this legislation is passed and that the government are made to feel guilty and ashamed of their attempts to restrict the service. It is a very good service. The flaws lie with the government and government departments, as I have said, in failing to communicate the key reporting requirements to referring general practitioners. The dental profession have never had a requirement to do that in the past, and the fault very much lies with the government. Their opposition to this bill is very, very hypocritical.

Senator McKENZIE (Victoria) (10:35): I rise to speak on the Health Insurance (Dental Services) Bill 2012 [No.2]. The bill requires the Minister for Health, in conjunction with such other ministers as may be necessary, to redress past and future inequities that have arisen from the operation of section 10(2) of the Health Insurance (Dental Services) Determination 2007. The bill describes the inequalities imposed on dental practitioners by the operation of the section of the determination and specifies five courses of action which the minister can take to redress those inequities. It also establishes a time frame in which action is to be taken and it requires a report to be tabled in both houses of parliament detailing the actions taken.

I would like to make note that the bill before us ensures there are some accountability measures in both houses of parliament and that things are actually transparent, as opposed to some of the legislation that has been coming before us where we are being asked to make decisions and to formulate what those decisions are going to be about at a later stage, giving ministerial discretion a whole new definition.

That being said, the Medicare Chronic Disease Dental Scheme, introduced in 2007 by Tony Abbott as Minister for Health, provides \$4,250 in Medicare dental benefits over two years for eligible patients with a chronic health condition. Over 17 million services have been provided to almost a million patients since the scheme began. That sounds like a fantastic story, but following special Medicare audits since 2010, 46 dentists have been hit with bills for incorrect Medicare claims totalling \$21.5million—over small paperwork problems and issues relating to red tape, not to fraud.

Obviously where fraud is occurring, it is important to have it identified and dealt with appropriately. However, in these instances that does not seem to have been the case. An inquiry into this legislation revealed the depth of feeling across the community and within the profession, with 432 submissions received. Many, many dentists have contacted me and my colleagues right across the country to express their concern at the way this issue has been handled by the Labor government, a government which has been trying to do away with the Medicare Chronic Disease Dental Scheme for years, doing its best to undermine the only available option for those people who desperately need dental care but can least afford it.

It is astonishing to think that so many dentists stand accused of having done the wrong thing in relation to their Medicare claims. It seems dentists right across the country were effectively being persecuted as corrupt, as if involved in some vast conspiracy to defraud this scheme. Sixty-six out of 95 of the Medicare audits returned a non-compliant result, which surely suggests a structural or process issue rather than deliberate fraud. We know now that the great, great majority of these dentists were trying to do the right thing. They had made administrative errors as a result of being ill informed about correct process.

It seems education and information, rather than financial punishment, would be more appropriate actions for Medicare to take in relation to these matters. Explanation and understanding would have made a significant difference all round, and yet education, information, explanation and understanding are concepts that this government struggles with across a range of issues in dealing with subsectors of our communities with which the government is not familiar. I think particularly of the regions and our agricultural industries—and obviously the dental service industry.

These were not problems related to the standard of care or to unethical practice. Even the Professional Services Review Board has indicated that these problems were not related to professional misconduct, saying at the Community Affairs Committee's Senate estimates hearing on 30 May 2012:

We have had no formal indication from Medicare that they are referring a dentist to us for inappropriate practice which goes beyond those, as I understand the sorts of issues that have been in the media lately.

And so these dentists were left under severe stress as Medicare hit them with enormous bills and demanded back payment of their treated—and might I say, very happy—patients, because they had been able to access the key dental services that they required. As usual the dentists involved were just trying to help disadvantaged patients with their dental healthcare needs.

For example, a dentist in my electorate in Victoria contacted me expressing his 'grave concern at the action of the federal government in insisting that Medicare demand full repayment of rebates paid to dentists for paperwork errors, when in fact they provided necessary treatment to patients appropriately referred to them by medical practitioners'. This dentist went on to explain that, with the introduction of the scheme, many dentists had no experience with the bureaucratic demands associated with publicly funded care and said: 'People with chronic diseases often have more dental problems than healthy people. Some publicly funded patients have been waiting years for access to care, and it is not surprising that there has been high use of the Medicare scheme given this pent-up demand.'

This is exactly what we were talking about. This program worked and was addressing a pent-up need within the community of disadvantaged people's dental concerns. Clearly there was an issue around the understanding of the profession of how to document and process these claims. But it was not about fraud. That is just one example. Another dentist got in touch to tell me that: 'The audits have placed myself in the unenviable situation of severe financial distress, and I personally know of some dentists facing bankruptcy or insolvency. I have six employees who will be severely affected by the repayment of such a large sum of money. This is an extreme action on Medicare's part that will take its toll on our young practice and there will be community backlash as the public will suffer as a result of reduced access to quality dental care.' So the outcomes are possibly severe. Dentists have had their reputations ruined, some are facing bankruptcy and professional trust in government funded dental schemes is being destroyed as a result of this process. It was a first step in the right direction when the minister agreed to have the department take a fresh look at the cases of those 46 dentists that were ordered to repay a total of \$21.5 million.

But the minister has been awfully quiet on the issue since then. It may be suggested that he only acted when forced to—when this legislation was introduced by my good colleagues Senator Bushby and, in the other chamber, shadow minister the Hon. Peter Dutton. It is

designed to redress past and future inequities that have arisen from the operation of subsection 10(2) of the Health Insurance (Dental Services) Determination 2007.

Then, just two days before the coalition's private member's bill was expected to pass the House without government support, Senator Kim Carr tabled a statement in the Community Affairs Committee's estimates hearings that the government would issue a retrospective determination to remedy the case and the issues. The minister said:

This retrospective change to the Determination would bring the compliance arrangements more closely into line with other parts of Medicare, and would allow for a more educative approach to be used by the Department.

I am all for an educative approach to be used by departments; however, the timing and the tabling of this retrospective determination smacks of political expediency. I am not sure why the compliance arrangements were not already in line with other parts of Medicare.

The government's change of heart has come about after years of lobbying by dentists and long-term inaction by the Labor government. They have admitted that they want to scrap the scheme. They have tried and failed to scrap the scheme. They have done everything they can to push poor, hardworking, honest dentists out of the scheme. This is a scheme that has provided much needed treatment to nearly one million people with chronic disease and those who can ill afford the cost of private dental care. One million people—I doubt you could call that anything other than a success, and Labor really could not have done anything more to make it collapse.

Any government funded dental scheme is going to require the participation and cooperation of the dental profession. Labor has eroded the trust of the dental profession through its inexcusable actions on audits. In addition to undermining the existing successful Medicare dental program, Labor has failed to deliver on its own promises on dental health. The coalition is the only side of politics that has delivered a Medicare dental scheme that provides for treatment within the public system. I commend this bill to the Senate and hope that it restores some faith for the dentists in our community who work with those most desperately in need of good oral health.

As we debate this bill brought on by Senator Bushby, it gives me the opportunity to discuss the issues of rural health, with the launch yesterday of the Community Affairs References Committee's report into rural services and medical professions in rural areas. We heard, when we were in Albury for one of the committee hearings, from the dental profession within Victoria. We heard about the concerns they have about young dentists heading out into the regions

and setting up practice. The expense involved in the equipment to set up a dentistry practice is significant. Similarly, ensuring that young dentists have experience throughout their training of practice within rural and regional Australia is important. Those of us outside capital cities who love where we live and work still have teeth that need professional and considered care, and those disadvantaged among us need to be able to access a scheme which allows us to access the health care that we need in an appropriate way, and within our own communities. It is an issue that, I am sure, other speakers will address in their contributions, and I look forward to hearing about that.

Senator FAWCETT (South Australia) (10:49): I rise to address the Health Insurance (Dental Services) Bill 2012 [No.2] partly because of the importance of the dental health issue and partly because of the importance of the principles that underpin the approach that the current government takes to dealing with individuals versus their ideological aims.

By way of background, this bill was introduced by the coalition as an opportunity to provide dental services funded by Medicare for people who had chronic conditions. Some 966,000 people accessed the service. Some 17 million services were provided to people. Over 12,000 dental practitioners were involved—66 were found to be noncompliant in terms of some paperwork. As my colleagues have indicated their clearly throughout this debate, when that was investigated it became abundantly clear that the fault lay predominantly with a lack of education and awareness for the providers in terms of the kinds of paperwork and the sequence of things that were required. But, in fact, there was no fault with the quality of work or the fact that the services were delivered to people who needed them.

The issue here is not one of quality of service. It is not one of equity of access, because it was the people who had those chronic conditions and needed that support who were able to access it. The issue is about how the government chooses to prioritise its activities. Is it on service delivery? Is it on meeting the need? Or is it on the bureaucracy and the reporting? Is it about ideology?

Let us take ideology first. This current government was implacably opposed to the scheme when it was put forward by the current Leader of the Opposition, Mr Abbott, when he was the health minister.

They indicated that it was their desire to close the scheme down, and this provided a convenient excuse for them to do so. Commentators who consider the philosophical approach to life indicate that often when respect for the individual is diminished in the interests of the state then we are moving towards a more totalitarian or authoritarian regime. I think it is disappointing in the extreme that individuals have been

bankrupted in some cases, and some have had careers and reputations ruined because of an ideological pursuit by this government. It is interesting to note that none of the government's own proposed schemes have ever actually got off the ground and worked. I think we need to put on the record that this whole affair, which has ruined individual lives, has come about because of ideological and political purposes of the government. How do we rectify it?

The purpose of this bill is to make sure that the government puts in place appropriate remedies to recognise and address the inequity. The inequity is that dental practitioners who have legitimately provided a dental service and claimed a Medicare benefit as a payment have been required to repay the benefit when they did not provide a patient, before commencing treatment, with a written plan of their course of treatment and a written quotation or when they have failed to give copies of these documents to the referring doctor. The requirements this government has placed on providers introduces incredible inefficiencies in the system. Somebody comes in, they have got a chronic need, they have been referred by their doctor, the dentist looks at and knows what he needs to do—but what is he required to do? He must write a plan, give the person a quote, send it to the referring doctor, and then he can start treatment. Is it any wonder that around Australia, in capital cities and particularly in rural areas, there are waiting lists for people to access dental health care in the public system? Any approach which prioritises this kind of bureaucracy over the effective delivery of service is not effective use of taxpayers' money.

The Productivity Commission have looked at the area of private hospitals and have indicated that the private hospital sector provides more effective health care than the public sector, with a 12 per cent lower realised expected mortality rate. Why? Because of increased productivity and effective use of available assets and people—cutting down on the red tape.

I am a great supporter of the fact that we need to have both the private and the public sector. I do not think, in Australia's situation, we should aim to have just one. The two can complement each other. It is interesting to see that, in this very area of dental health, the private sector has actually come to the rescue of the public sector. In Victoria, for example, a company that is based here in Canberra, Aspen Medical, was contracted to go around all the rural schools and complete the dental health checks for children. They did it so efficiently that they had capacity at the end of the program to include other sites. The same company was contracted, in the Northern Sydney and Central Coast regions, by the area health service to look at reducing the waiting lists so that they could actually meet their targets, which they were failing to do. This private company used the same facilities that were

owned by the public purse, and they managed to reduce the waiting list by 1,500. Other health services were so impressed that around the state this company was taken on to reduce waiting lists and, by the end of their involvement, they had reduced the waiting lists by 5,500 people. We are not talking about a massive injection of new infrastructure; we are talking about efficient work practice, because the focus is on providing timely and effective service to the people who need it—not on the paperwork and the reporting—and particularly in a model and a method that makes the interaction between the clinician, the patient, the use of the facilities and the time so incredibly inefficient.

That is one of the reasons that the coalition, as we approach the coming election, are being very clear about the fact that we are making very deliberate efforts to reduce the red tape. It does not matter which sector you talk with, whether it is people in the community services sector or people in the aged-care sector, what consistently comes back to us is that people are spending increasing amounts of their time and resources in compliance reporting. When you chase those compliance reports back, quite often you cannot actually put your finger on anyone who uses those for a productive purpose. It appears that processes have been put in place that are absorbing more and more of people's productive time for no useful purpose in terms of good governance.

Shadow minister Kevin Andrews was interviewed this week by Lyndal Curtis, and there were articles in the paper yesterday, and he talked about the approach the coalition will be taking to try to reduce the paperwork burden on providers in multiple service sectors. We are looking for a cooperative engagement with the states so that we can reduce duplication, which means that in some cases we would be asking the states to trust the Commonwealth to look at compliance.

But in other cases, we would say that we are happy to accept the state's oversight, such that we reduce the burden on the people who are delivering the services. We owe it to the taxpayers of Australia to make sure that their money—their taxes—is not supporting systems that exist for the purpose of the system. We owe it to the taxpayers of Australia to make sure that their money is used for the effective delivery of high-quality services.

So when I look at this dental scheme I see a service that provided support to 966,000 people—some 17 million individual services provided. Then when I see a government wanting to tear it down and prevent that service being provided, because in a few cases the practitioners did not follow a bureaucratic system that required multiple handling of plans and copies to referring GPs before the service could be provided, I

think that government should hang its head in shame. We have a duty to the Australian people to be effective in our governance and in our use of the taxpayer dollar and, certainly, this is not an example of where that has occurred.

The government's predisposition to allow ideology to come in front of the benefit of individuals, or even sectors of the community, has been demonstrated again and again. I stand here as a senator for South Australia, the day after we have seen this government refuse to heed the warnings of BHP Billiton, one of Australia's largest companies, working extensively in iron ore and coal exports. It has been warning about the sovereign risk that has been introduced by this government in their ideological pursuit of penalising success and profit, in introducing a carbon tax purely because of their coalition with the Greens in an attempt to retain power and the flow-on effects that that is having for people in the community. Just like there were dentists harmed by their approach to this dental scheme, there are people across the sector in South Australia who are suffering now because of being laid off, or who are having contracts cancelled because of the lack of business confidence demonstrated by BHP Billiton in deciding that they could not build the business case to invest in South Australia.

Just last weekend I was speaking to a small business which employs draughtsmen supporting the construction and development of the mining industry. They were already having to lay off people because of the uncertainty. And now that this decision has come through the ramifications for individual people and their families in South Australia will be significant, and it was driven, in large part, by the ideological pursuits of this government.

Australians, thankfully, do not have that long to wait before they will have a chance to let their voices be known. I would encourage them when they cast their votes not to look at what is said but to look at what has been done, and to look to a side of politics—in this case, the coalition—which in the case of dental care actually put a plan in place. And it worked; it provided good services to many people. But it was cut down by this government, which has not been able to replace it with anything that has actually worked.

As the people of Australia make their choice, they need to look at the collapse in business confidence that has affected BHP Billiton and they need to look in South Australia at that other pillar of our economy, the defence industry, which has been curtailed, with many businesses on the brink of bankruptcy. In fact, there are some in Australia who have already closed their doors because of deferred and cancelled projects. They have made investments in infrastructure to support our national security endeavours, just to have the cash flow

essentially cut off by deferred or delayed defence projects.

There are many reasons—this dental situation being just one of them—why the Australian people should hold this government to account. I am pleased to support this bill put forward by my colleague Senator Bushby, which seeks to address the inequities and unfairness that has been levied against dentists in our country—the very people who either side of politics will need to engage with if we are to build a dental system, both public and private, that will provide for our community into the future.

Senator BACK (Western Australia—Deputy Opposition Whip in the Senate) (11:04): I rise to support the Health Insurance (Dental Services) Bill 2012 [No. 2], and I congratulate Senator Bushby for his generosity on behalf of the Australian people to help the Labor government out yet again from a hole that it has dug for itself.

Originally, the legislation for the Medicare Chronic Disease Dental Scheme was introduced by the coalition while in government by none other than the then very successful health minister—and probably last successful health minister we have had in this country—and that was Mr Tony Abbott. But what we have seen, as usual, is an effort by the Labor government to try and dismantle a scheme that was enormously successful, that was cost-effective for the Australian community and, amazingly enough, was not concentrated on bureaucrats and bureaucracy. It was actually concentrated on taxpayers with dental problems. But, needless to say, the efforts made by the Labor government to try and dismantle it—because it was ideologically driven, because it had been introduced by Mr Abbott—have come back to haunt them, and they have been unable to actually dismantle it.

That is why I congratulate Senator Bushby, because in this legislation he genuinely is helping the government out of a problem that they cannot get themselves out of. Needless to say, we see an analogy for this in the asylum seeker debacle that we see today, where the Labor government of today inherited a perfectly good solution to what had been a problem and, led by the now Prime Minister, they dismantled it only to find some years later that they have to go back and reinstitute what was a successful policy position. As others have said, we have a circumstance here where under this Medicare chronic disease dental scheme, initiated by then Health Minister Abbott, we had 17 million services delivered to one million people since 2007. Needless to say, it has been tremendously successful.

Now, I applaud the government for the move to want to audit public expenditure; only I wish that they would audit themselves when they misspend public

moneys, such as on pink batts, school halls and failed green schemes. But, nevertheless, like everybody in the chamber knows, it is the role of the parliament to ensure that funds are wisely spent, and to root out—excuse the pun in terms of dentistry!—where there is roting, where there is corruption and where there is failure.

But where there has not been roting or corruption, there is not a role for the audit process to vilify dentists, as of course has happened in this circumstance. What has failed is the commonsense approach. What we have seen is the effort of using a sledgehammer to crack a peanut and the failure to ask: did in fact the peanut, or those represented by it, fail in the first place? As Senator Bushby has eloquently said in his contribution to this debate, 'Therein lies the problem.'

I refer to correspondence and communication from a colleague of mine in Fremantle in Western Australia, a very senior member of the dentistry profession, a very, very credible man of great integrity. When I asked him about this he said, 'The disappointment, Chris, was that the government made no attempt to consult with the dental profession on this whole question.' This is not a man given to roting or to corruption. He simply made the point that as a profession 'we have not interacted with the Medicare system; we did not understand or know the rules of the Medicare system'. He said the disappointment now that this confusion has been created is that some of the very people who have been treated successfully under the scheme introduced by the coalition are now turning their backs on the chronic dental work that they so badly need.

He mentioned cases to me, and I am going to refer to a second and even more distressing case in a minute where a GP referred a patient to the dentist and the dentist failed to write back in time to the GP, the very person who referred the patient. This is a circumstance in which very often people are disadvantaged. Fremantle is an example and there are many other areas around urban and rural and regional Australia where low socio-economic families or individuals, young people living on their own, and Aboriginal people suffer disadvantaged. As my colleague said to me, 'Chris, not only is it difficult to get these people into the dental service to start addressing some of the chronic dental problems they have, the great difficulty is in being able to predict the amount of work required.'

This brings me to the second point: giving some sort of close indication, which you are then bound to, of what the costs of the treatment are going to be before you start the treatment. Any of us who have a clinical background would know—and particularly anyone from the dentistry profession where there is such an underservicing in this country and so many people who

have not visited a dentist for a long time—it would be very, very difficult for a dentist to be able to predict what sort of work is required.

Can it be audited? Is there a process in which an independent auditor or scrutineer could go back afterwards and see whether or not they think that dentist has rorted the scheme, has actually instituted treatments that the patient never needed? Of course there is a process, and of course it can happen—it happens every day of the week. It does not need a whopping bureaucracy from Canberra to determine it. My colleague and friend Dr Colgan said, 'Chris, get the system right and then worry about the money. But let us go back to the centrality of who this is all about and what the system is in place for. It is for those people who have fallen through the gaps in the dental treatment process.'

Let me give you an indication of the stupidity of this legislation as it was attempted to be introduced by the Labor government, and the consequences of this audit process. This is an actual case. A medical specialist referred a patient to a dental specialist, a periodontal surgeon. This particular person had a history of a renal transplant, was using immunosuppressive medications and had a very, very severe necrotising ulcerative gingivitis—and if Senator Farrell would like me to repeat that so that he can get it down and understand it, I will do so. In other words, this was an acute emergency—should I refer this to Minister Kim Carr—referred by the doctor. What do you think that dentist did? Heavens above, what they actually did was commence emergency treatment of this patient, a highly acute patient, a renal transplant patient, one who was on immunosuppressive medication, now presented by the doctor because of the urgency of the case.

But this dental specialist regrettably fell foul of the Labor-led audit process. Why? There are two reasons. Firstly, they did not seek in writing the permission of the doctor who had referred the case as an emergency. They failed to write to the doctor in the first place to say, 'I am about to treat this patient—would you like me to?' And, secondly, with this patient in tremendous distress, they failed to give some indication of what the cost might be. So foolishly, one would think, they actually went ahead with the treatment, only to find themselves foul of the system and being vilified—this being a highly-credentialed dental specialist in the city of Perth.

What do you think they did? The practice manager wrote to the authorities outlining the circumstances and asking whether they could review it and meet the payment. That was a letter from the practice manager of the dental specialist. Lo and behold, there was a second letter, on this occasion from the referring doctor, an associate professor, writing to support the application because of the treatment given to this

gentleman with necrotising ulcerative gingivitis. Where do you think it all went? It was refused because of the so-called failure of the bureaucratic process, which was doing nothing to help the patient who is surely the most important person in this triangle. So what was the endgame? The person was not paid. The dental specialist then was caused to reduce the account enormously so that they could at least get some of their cost back. This is the actual effect when you go and speak to people rather than trying to adopt a bureaucratic process or procedure.

What it does, Mr Acting Deputy President, as you and I well know, is that it destroys confidence from practitioners back to government back to the bureaucracy. And when that happens, what would be the next reaction by that dental specialist should they have a patient referred to them by that doctor in an emergency circumstance? How willing would they be to actually pick up their instruments, place the patient in their care and start treatment because they have not gone through these Sir Humphrey Appleby-like bureaucratic processes? So in May this year, a couple of days before this private senator's bill was to go through the house without government support, we had Senator Kim Carr, the minister, tabling a statement in the Community Affairs Legislation Committee estimates hearings that the government would issue a retrospective determination to remedy the issues, some of which I have explained here this morning and some of which of course go to Senator Bushby's recommendations in the first place.

In her contribution Senator McKenzie spoke of dental services in rural Australia. I heard Senator McLucas retort to a comment made by Senator Boyce that there was no relationship between this discussion today and rural and regional Australia. Well, let me tell Senator McLucas—through you, Mr Acting Deputy President—it goes straight to dental services in rural and regional Australia. It is hard enough now to get dentists to go to and stay in country towns without having this sort of threat of vilification in a circumstance where they may find themselves in default under the Medicare process. But what about patients under these circumstances? In the absence of a dentist in a country town, not only do we have the ultimate cost of dental services, but very often we have the cost of travel to get to the dentist and, if there is need for treatment over a couple of days, there are the overnight accommodation costs, often not just for the patient but for their carer or the person supporting them. And who are those most at risk in this circumstance, Mr Acting Deputy President? You guessed it: low socioeconomic people, singles very often, and members of our Aboriginal communities. It is vitally important that we have that level of confidence between government, the medical and dental associations and individual practitioners, and

this sort of activity does nothing to encourage that level of confidence.

In Senate estimates this year I asked the Director of the Professional Services Review what interaction, if any, he had had with cases referred to him by Medicare in the circumstance of possible corruption or roting. I will quote the words he said to me in estimates:

As I understand the current stories in the media around dentistry, and I am simply going on what I read in the media, I understand they are more to do with strict auditing processes, auditing of paperwork et cetera. That is not the sort of matter that comes to PSR. But we have found no formal notification from Medicare, although there have been some suggestions in the future there may be cases later this year—

So we have that threat hanging over their heads. The quote goes on:

But we have had no formal indication from Medicare that they are referring a dentist to us for inappropriate practice which goes beyond, as I understand it, the sort of issues that have been in the media lately. As I said, they are more to do with auditing. Inappropriate practice in terms of the actual professional decisions made by a dentist, which would be the type of matter that would be referred to PSR—we have not had any referrals and no formal notification.

I was very much a participant in a Professional Services Review Scheme review last year by a committee which I recall was chaired by Senator Siewert. We looked in great detail at the involvement of the PSR, its relationship with Medicare and its examination of doctors who, it was claimed, may have been roting the system. So PSR very much is an organisation that would be central to this circumstance, should there be the level of corruption that is claimed. This has unfairly vilified the dental profession and, of course, it has been in many instances the first time that dentists have ever interacted with the Medicare process. How much better would it have been to have spent some education money and to have sat down with the associations to get information out to the dentists to say that these are the circumstances, but that there must be occasions—such as the emergency I spoke about with the necrotising ulcerative gingivitis—where a dentist can go ahead with emergency treatment and be able to fill in the innumerable bits of paper afterwards.

What we have seen from the Labor government, in its attempts to replace the Abbott initiative, has failed. The Commonwealth Dental Health Program introduced in 2008 failed, as it would indeed have to do because it delivered so little that it was scrapped in the 2012 budget. We saw the Teen Dental Plan, which one hoped might have been successful, but regrettably less than a third of children who could have accessed this service have done so. I see children in the public area here today and I can only recommend to them that prevention is always better than cure. Whilst many of

us do not like attending the dentist, I do encourage them to get into the habit—which I myself have not done—of making sure that they have regular dental check-ups. Not only is the cost of prevention a lot less to your parents than treatment afterwards, it is also a lot less painful.

I come to the recommendations made by Senator Bushby in his contribution. Not only is his draft legislation spot on the money, but he went as far as to help the Labor government, because they need all the help they can get, with the options that they might take to try and redress the failure they have visited upon the dental profession and the Australian people. The first recommendation is that they should enact amendments, as laid out in schedule 1, which relate to quotations not being provided prior to treatment—and I will not labour that anymore because I have already given a very good example of why those amendments are necessary.

A second option is for the government to waive its right to repayment under the Medicare scheme to try to build confidence again with the dental profession. His third suggestion, if the first two cannot be enacted, is to make act-of-grace payments to redress the inequality that has been visited upon them or alternatively to provide for the inequity to be addressed through the income tax system—although I hope that would not happen, simply because many dentists, as Senator McKenzie has told us, are now facing financial ruin—or to take some other action which might redress it.

I am pleased to speak to this bill. I support it strongly, and I particularly look forward to the support of the Greens through Senator Di Natale, because we are fortunate now to have in Senator Di Natale a medical practitioner who has had a lot of involvement in rural, remote and Indigenous communities and who is well and truly across issues associated with dental health and the need for it to be improved in Australian communities, particularly those in which he has worked. I have heard him speak in this chamber about dental services, and I look forward to his strong support of this legislation to right a wrong, to put dentists back where they have always been—and that is at a level of high confidence in the community.

Senator SIEWERT (Western Australia—Australian Greens Whip) (11:23): Over the past year the Greens—and, in particular, Senator Di Natale—have been putting a lot of effort into reforming the nation's dental health services. We have made that one of our top priorities. In fact, as the former health spokesperson for the Greens, before being joined by my colleagues in the Senate, I worked very extensively on dental health as well. Through this process we have been fortunate to get to know many hardworking people in the dental profession.

Senator Di Natale, shortly after taking his seat in the Senate, was approached by some dental practitioners who were being audited for services provided through the Medicare Chronic Disease Dental Scheme. The more he learned about this situation and the more dentists he talked to and met who were expressing similar concerns and having similar issues, the more he became convinced that something was seriously wrong—as many other people have been articulating in this chamber.

The Chronic Disease Dental Scheme was the first step for most dentists into Medicare. What became apparent, as Senator Di Natale spoke to more dental practitioners and those who had taken part in the scheme, was that the entry into Medicare had not been managed well—and I think that has been very well highlighted in this debate. While the rest of the medical profession are, by and large, now of course very familiar with Medicare, this was not true for dentists and those involved in the dental profession. In those circumstances, the department had a responsibility—and we believe an ongoing responsibility—to make sure that these practitioners were properly educated. Over time we have been increasingly convinced that this was not done at all.

As a result, many dentists who, in good faith, took part in the scheme to ensure delivery of these services to eligible patients who, we must point out, were in urgent need of dental support and care—many of whom had not received it for many years, if in fact at all—have fallen foul of the administrative arrangements for the scheme. In subsequent audits, many of these well-intentioned practitioners were required to repay the entire amount of the benefit they received from Medicare, despite having already provided critical treatment to eligible patients and, in many cases, having spent considerable amounts of money in delivering these services and treatments. This has resulted in enormous stress and hardship for dentists and has in fact threatened the viability of otherwise thriving practices providing very necessary treatment to the community.

We have no sympathy for any medical practitioner who acts unethically and seeks to defraud the public—and I want to make that very clear. It is clear, however, that the vast majority of dental practitioners affected by these audits do not fall into this category. We have made repeated representations to government on behalf of the affected dentists, and we are pleased that we have finally seen some major progress on this front. During Senate estimates on 29 May this year, the Minister for Human Services, Senator Kim Carr, made the following statement:

It is our view that we need a retrospective change to the dental services determination within the near future that creates greater flexibility about the compliance arrangements, while still protecting important principles of

public policy. This retrospective change to the determination would bring the compliance arrangements more closely into line with other parts of Medicare and would allow for a more educative approach to be used by the department.

This means that the government are seeking to change the regulation that will enable them to revisit all the audits and change the determinations made in those cases where a significant injustice has been done. The Greens will support this through the parliament and ensure that all dentists who have delivered genuine services are assisted with education rather than the recovery of benefits paid for services that have already been delivered.

The bill that we are debating now, the Health Insurance (Dental Services) Bill 2012 [No. 2], which the coalition has brought into the parliament, would compel the minister to take action on this issue. Although we strongly support the intent of the bill, there are concerns that the bill is structured in a way that would not achieve its aims. In light of the minister's announcement and as a show of good faith we have been trying to talk to the government on their proposed solution. We understand that this is very close to a resolution and continue to believe that the government are acting in good faith on this issue. At the moment we are in the position where we believe that it is better to support the government in their ongoing resolution of this problem as we believe that they are very close to its resolution and we are in fact taking in good faith the government's commitment that they are very close to a resolution. If however they do not deliver this in the very near future, we believe that we will need to either revisit this bill with amendments so that it is structured correctly or in fact support the introduction of a new bill. This is putting the onus back on the government to resolve this issue in the very near future.

As we have always said, the Chronic Disease Dental Scheme is far from perfect.

However, we have voted in the past with the coalition to not support the destruction of this scheme and for the retention of this scheme because this has been the only scheme that has delivered dental services to the most vulnerable people in our community and has genuinely delivered change to people suffering from chronic disease. This is in some cases the first time these people have been able to access dental treatment. So we have very strongly demonstrated our commitment to this dental scheme and the support of the most vulnerable people in our community.

We have never said that this scheme is perfect. There have been some concerns with it. We remain committed to reform of dental care for Australians because, while this scheme was a step in the right direction, it has not gone to the full extent of the reform that is needed. We strongly believe that no

scheme will succeed unless the dental profession is properly consulted, fully engaged and strongly supportive of any new scheme. Finding a way to fix this problem with Medicare and the CDDS is critical to maintaining a good relationship with the dental health profession. Although this cannot make up for the terrible months of stress and uncertainty that those in the dental profession and dentists who have been subject to these audit processes have been through, we hope that the move that the government has underway will resolve the issue and allow dentists to get back to what they do best, which is providing the necessary treatment to our community. We will not be supporting the bill. That is on the understanding—and I am very strongly eyeballing the government—that the government is in the process of resolving this most stressful situation for our dentists.

Senator IAN MACDONALD (Queensland) (11:31): I am disappointed to hear that the Greens will not be supporting the Health Insurance (Dental Services) Bill 2012 [No. 2]. I do acknowledge that in the past the Greens have been on our side, which is the correct side when it comes to remedying some of the deficiencies in dental health servicing. It seems that the Greens support for the Labor-Greens alliance has overridden what I previously understood was the strong support of the Greens for this program, acknowledging that it is not perfect. It was the Greens who helped us implement this and I am very disappointed that political considerations by the Greens have now interfered and have caused them to indicate they will not be voting with us.

It seems that the reason the Labor Party are opposed to this is purely the fact that it was a great scheme introduced by Tony Abbott and heaven forbid that the Labor Party should ever agree with anything that Tony Abbott should do. It was good to see the Labor Party backing down humiliatingly and agreeing with Tony Abbott on offshore processing. I just wish they would do that in relation to this bill before the chamber.

There are a number of others from our side who want to speak on this bill but we are very keen to bring this debate to a close so we can get a vote. I know Senator Bushby, who introduced the bill, has some comments he wants to make. So regrettably my comments will be very brief. I did want to refer to the contribution made by my fellow Queenslander, Senator Jan McLucas from the Labor Party. There was one thing in Senator McLucas's speech that I agreed with. That was when she praised the James Cook University dental school in Cairns on the great work it is doing in providing the support and tuition for those who will go out and help.

Senator McLucas talked about fraud amongst the dentistry profession. The coalition have made it very clear that there have been perhaps a couple of genuine

cases but, as Senator Back has pointed out, there have been many cases where honest, god-fearing dentists who do a great job and make a great contribution towards their society have been penalised by an over-zealous Medicare police unit for things which—no matter which way you look at them—were simply minor omissions as to the red tape that Medicare imposes. Compare that with, for example, the four years that it took Fair Work Australia to investigate the member for Dobell. In that case, this government ensured that the investigation and prosecutions went on for years. Compare the alleged offences, the things that Fair Work Australia eventually found Mr Thomson had done, with some of the things that dentists have done—for example, the incident Senator Back raised. If Mr Thomson had been prosecuted with the same enthusiasm and vehemence as these dentists who have made some error in the clerical work, there would have been an election by now because Mr Thomson would have been out on his ear and a by-election would have meant that a full election was needed.

The duplicity of the Labor Party lies in how they treat prosecutions of almost innocent dentists on the one hand and how they deal with Mr Thomson's case on the other hand. Senator McLucas was accusing the dental profession of fraud. There were a couple of incidents but, if you go on that principle, do you say that Mr Thomson being a Labor Party MP has allegedly—according to Fair Work Australia—defrauded the country, defrauded his union? Does that mean that we should not allow into parliament any Labor Party parliamentarian who ever worked for a union? It is the same sort of convoluted logic that you get from this government. You talk about fraud. A dentist does not fill in the form properly and he is in real trouble with the authorities.

Ms Gillard gets up before Australians, promises to every Australian, 'You vote for me, you make me Prime Minister, and I will not bring in a carbon tax'. And you talk about fraud? What even the worst of the dentists have done cannot compare with that sort of fraudulent act. Again, last night Ms Gillard, in addressing the AMA, deliberately told untruths about breast screening and Queensland. Is that a worse offence than some dentist who does not fill in the forms correctly? The duplicity of the Labor Party in its approach to administration knows no bounds.

Mr Deputy President, I did have a lot of things I wanted to say on this bill, but unfortunately time has beaten me. I say on the record that I concur with all of the remarks made by colleagues on this side of the chamber, and I urge the chamber to support Senator Bushby's bill.

Senator BUSHBY (Tasmania—Deputy Opposition Whip in the Senate) (11:38): I start first by thanking senators on both sides of the chamber for their

contributions to the debate on the Health Insurance (Dental Services) Bill 2012 [No. 2], but I would like to express my disappointment at the contributions and the approach taken by both the government and the Greens on this matter. From the government's perspective, the minister himself has acknowledged that the treatment of some of the dentists involved under this scheme was unfair, and he has indicated as far back as during May estimates that he would be taking action to redress that. So there was a clear acknowledgement that there were problems, there were issues.

Presented today is a clear and easy way of fixing that. The fact that it has taken at least three months to try to address it in the way the minister is trying to do it, with still no resolution, no indication at all about how or what is going to occur, shows that the government is having some challenges in the approach it is taking to fix this. And yet here before us today we have the bill which will fix it. It will address the injustice that dentists across Australia have faced as a result of the appalling approach the government has taken to dealing with the minor transgressions that occurred in their administrative approach to the scheme.

From the Greens' perspective—Senator Di Natale has been a champion for these dentists. Here we have today an opportunity for the Greens to support a resolution that dentists around the country require urgently. There are dentists around the country who have faced issues that have led to them thinking about committing suicide. There are dentists around the country who have debts hanging over their heads, who are looking at bankruptcy, who are waiting for a resolution. They cannot sit around and wait for the government. As Senator Siewert has just said, they cannot take on faith that the government is going to do the right thing, because as of now the government has done absolutely nothing other than make a short statement through the medium of estimates. I am particularly disappointed that those on the other side of the chamber have used this debate as an opportunity to further perpetuate misinformation in relation to the Medicare Chronic Disease Dental Scheme. They have failed to acknowledge the essence of what this bill seeks to achieve, and instead hijacked the debate to suit their own political agenda.

I introduced this bill into the Senate to redress the injustice that the government has inflicted upon the nation's dental health professionals. When I introduced this bill, I did so because I wanted the parliament to examine the wrongdoings perpetrated by this government against the many dentists in this country who have acted in good faith and provided dental services to Australians under the Medicare Chronic Disease Dental Scheme. I did not introduce this bill seeking a debate on the pros or the cons of that scheme. Nor did I introduce this bill seeking a debate

on who in this parliament has the best dental scheme. This is an issue that is now well beyond grubby political point-scoring, and now is not the time for one-upmanship. Now is the time to address this issue and reach a conclusive solution, and the opportunity is here today if the Greens join with us to make that happen.

In fact, the intentions of this bill are not entirely removed from Minister Kim Carr's own announcement in May that retrospective change to the legislation is required to address the issues in relation to the audit processes. But Labor clearly does not want to take this opportunity to redress their own wrongdoings against Australian dentists who have been penalised for unwitting mistakes that they have made when working under this program. That is blatantly obvious from Labor's total inaction, as I mentioned, since Minister Kim Carr's announcement in May.

Instead, Labor's senators have used the time for this debate to stand up in this chamber to try to trash the Medicare Chronic Disease Dental Scheme and shamelessly promote their own dental policy. In her speech in this debate last sittings, Senator Urquhart went into great detail to outline the measures this government is planning to revolutionise publicly funded dental care, which would all be well and good if it were actually relevant to the issue we are here to discuss today—that is, their own incompetence and mismanagement of the Medicare Chronic Disease Dental Scheme. It is an issue that, if this government refuses to face up to it, will prove prohibitive to them implementing any further public dental schemes in the future.

The dental profession is rightly irate with this government over the handling of this scheme. Even Senator Moore conceded in her speech that dentists have withdrawn from practising under the scheme as a result of the audit process. If the Labor Party do not actively seek to engage with dentists now to address the profession's concerns and implement a legislative solution to this problem, they will struggle to find in future any dentist who will be willing to participate in any further government initiatives in this area.

But instead, during debate in the last sitting period, Labor senators spoke on anything but their own mismanagement of the scheme. Senator Bilyk said:

If we could free up the money for this flawed scheme, we could provide investment in dental services where it is really needed, because we all know that it is difficult for Australians in rural and remote areas to access dental services.

She went on to say that it was 'a scheme which is not targeted or means tested and which has not serviced Australians in need'.

This is not true. I urge Labor senators to check their facts. This scheme has been accessed by close to one million Australians. And as Senator Di Natale

informed the chamber when he spoke on this bill, 80 per cent of those one million patients are concession cardholders. This does not really stack up with Labor's claims that the scheme is being used by millionaires. In fact, many patients of the scheme, on hearing of this government's desperate attempt to claw back from dentists moneys under this scheme, wrote to and phoned their dentists out of concern. I have had patients of the scheme phoning my office to tell me how upset they are by the way that their dentist has been treated. And patients of the scheme even went as far as making submissions to the Senate inquiry, writing in to tell the committee how much of the dental care they received under the scheme assisted in improving their overall health and lifestyle. Senator Bilyk and her colleagues are wrong; the scheme is assisting Australians in need and Australians in regional and rural areas.

Tasmanian dentist Dr Wilma Johnson was practising under the Medicare Chronic Disease Dental Scheme in the Huon Valley region, a rural area just over 30 kilometres from Senator Bilyk's own electorate office. Dr Johnson was prepared to work in a rural area that is notoriously difficult to staff. She showed me before and after photos of some of the work she has conducted, and I can assure Senator Bilyk that her patients, Senator Bilyk's constituents, were definitely in need of the dental services she provided for them under the Medicare Chronic Disease Dental Scheme, dental services that undoubtedly contributed to the patients' greater overall health and less dependence on the public health system as a result, and services that the patients themselves would not have been able to fund. I am surprised that Senator Bilyk did not know this already and that she made those ill-informed statements in her speech last sittings, especially as that particular example is from her own constituency, less than a one-hour drive from her electorate office.

What has Dr Wilma Johnson received for her trouble and hard work? A bill from the Commonwealth in excess of \$24,000—just because she failed to fill in a form prior to conducting the treatment. The treatment provided was necessary and completed to a high standard. The patients are happy, they received the services and, in fact, some of Dr Johnson's patients called my office to tell me so. None of her patients were financially disadvantaged as a result of their treatment. Indeed, in some instances, Dr Johnson provided additional work on a pro bono basis. So why is it that this government has been so relentless in pursuing Dr Johnson for over \$24,000, a figure that represents more than three times her earnings as a part-time employee in a rural Tasmanian dental practice? There were hundreds of other cases just like this all over the country, and on each occasion the timing of the completion of paperwork has had no impact on patient care or financial outcomes. In the

overwhelming majority of cases, the dentists who were found non-compliant in the audit process have provided legitimate care to patients in need entirely in accordance with the terms of the scheme but for minor and incidental requirements.

Presented today is a bill which gives this place an opportunity to redress those injustices, an opportunity to ensure that dentists like Dr Wilma Johnson and hundreds of dentists in a similar position, right across Australia, can have the concern, the worry and the imposition that has been placed upon them by unfair bills to claw back the money paid for services that they did deliver. We are not talking here about cases of people who are defrauding the Commonwealth. We are talking about cases where they would legitimately be entitled to claim these funds if only they had dotted the 'i' or crossed the 't' properly for services that they actually did deliver. It is not a case of fraud; it is a case of minor administrative mistakes. As a result, these people are suffering. We have the opportunity today to redress that injustice and I urge the Senate to support the bill.

The PRESIDENT: The question is that this bill be now read a second time.

The Senate divided. [11:51]

(The President—Senator Hogg)

Ayes 28
 Noes 34
 Majority 6

AYES

Abetz, E	Back, CJ
Bernardi, C	Birmingham, SJ
Boyce, SK	Brandis, GH
Bushby, DC	Cash, MC
Colbeck, R	Edwards, S
Eggleston, A	Fawcett, DJ
Fierravanti-Wells, C	Fifield, MP
Heffernan, W	Humphries, G
Johnston, D	Joyce, B
Kroger, H (teller)	Macdonald, ID
Mason, B	McKenzie, B
Nash, F	Parry, S
Ronaldson, M	Ryan, SM
Scullion, NG	Smith, D

NOES

Bishop, TM	Brown, CL
Cameron, DN	Carr, KJ
Collins, JMA	Conroy, SM
Crossin, P	Di Natale, R
Farrell, D	Feeney, D
Furner, ML	Gallacher, AM
Hanson-Young, SC	Hogg, JJ
Ludlam, S	Lundy, KA
Marshall, GM	McEwen, A (teller)
McLucas, J	Milne, C
Moore, CM	Polley, H
Pratt, LC	Rhiannon, L
Siewert, R	Singh, LM
Stephens, U	Sterle, G

NOES

Thistlethwaite, M	Thorp, LE
Urquhart, AE	Waters, LJ
Whish-Wilson, PS	Wright, PL

PAIRS

Boswell, RLD	Carr, RJ
Cormann, M	Bilyk, CL
Payne, MA	Evans, C
Sinodinos, A	Ludwig, JW
Williams, JR	Wong, P

Question negated.

Senator Faulkner did not vote, to compensate for the vacancy caused by the resignation of Senator Fisher.

The PRESIDENT: The time for the debate on private senators' bills has now finished.

NOTICES

Presentation

Senator Wright to move:

That the Senate—

(a) notes that Monday, 10 September 2012 is World Suicide Prevention Day;

(b) recognises that:

(i) suicide is the leading cause of death in Australia for men under 44 years of age and women under 34 years of age,

(ii) the most recent data from the Australian Bureau of Statistics reports death due to suicide at 2 132 people per year, which amounts to 6 deaths by suicide a day or one every 4 hours, and

(iii) suicide remains underreported and estimates suggest that the total number of deaths could be as high as 2 500 a year; and

(c) calls on the Government to:

(i) promote increased awareness about the problem and complexity of suicide and the different ways individuals, organisations and communities can work together to reduce suicide rates and the incidence of suicidal behaviours, and

(ii) address impediments to the accurate collection of suicide data in Australia as recommended by the Community Affairs References Committee in its 2010 report, *The hidden toll: Suicide in Australia*.

Senator Siewert to move:

That Social Security (Administration) (Declared income management areas) Determination 2012, made under section 123TFA of the *Social Security (Administration) Act 1999*, be disallowed.

Senator Siewert to move:

That Social Security (Administration) (Vulnerable income management areas) Specification 2012, made under subsections 123UCA(3) and 123UGB(2) of the *Social Security (Administration) Act 1999*, be disallowed.

Senator Siewert to move:

That Social Security (Administration) (Vulnerable Welfare Payment Recipient) Principles 2012, made under subsection 123UGA(2) of the *Social Security (Administration) Act 1999*, be disallowed.

Senator Siewert to move:

That Social Security (Administration) (Specified income management Territory – Northern Territory) Specification 2012, made under subsections 123UCB(4) and 123UCC(4) of the *Social Security (Administration) Act 1999*, be disallowed.

Senator Siewert to move:

That Social Security (Administration) (Declared child protection State – New South Wales, Queensland, South Australia and Victoria) Determination 2012, made under section 123TF of the *Social Security (Administration) Act 1999*, be disallowed.

Senator Milne and Senator Xenophon to move:

That the following matter be referred to the Economics References Committee for inquiry and report by 27 November 2012:

Allegations of corruption, bribery and maladministration in respect of the conduct of Security International Ltd and Note Printing Australia, subsidiaries of the Reserve Bank of Australia (RBA), with particular reference to:

(a) the dates and level of knowledge of the RBA in respect of these allegations and their governance procedures for dealing with such allegations;

(b) the actions taken by the RBA once it was made aware of these allegations and whether the actions were appropriate and timely in the circumstances;

(c) the involvement of Austrade in the activities of Security International Ltd and Note Printing Australia;

(d) Austrade's knowledge of the allegations, including dates, and their actions thereto;

(e) the role of the Australian Securities and Investments Commission (ASIC) in investigating these allegations, and whether ASIC acted in a timely manner in relation to these matters; and

(f) any other related matters.

Senators Crossin, Brown, Marshall and Pratt to move:

That the following bill be introduced: A Bill for an Act to amend the *Marriage Act 1961* to establish marriage equality, and for related purposes.

COMMITTEES

Selection of Bills Committee

Report

Senator McEWEN (South Australia—Government Whip in the Senate) (11:55): I present the 10th report of 2012 of the Selection of Bills Committee and I seek leave to have the report incorporated in *Hansard*.

Leave granted.

Ordered that the report be adopted.

The report read as follows—

SELECTION OF BILLS COMMITTEE

REPORT NO. 10 OF 2012

1. The committee met in private session on Wednesday, 22 August 2012 at 7.01 pm.

2. The committee resolved to recommend—That—

(a) contingent upon their introduction in the House of Representatives, the *provisions* of the Australian Charities and Not-for-profits Commission Bill 2012, the Australian Charities and Not-for-profits Commission (Consequential and Transitional) Bill 2012 and the Tax Laws Amendment (Special Conditions for Not-for-profit Concessions) Bill 2012 be *referred immediately* to the Community Affairs Legislation Committee for inquiry and report by 12 September 2012 (see appendices 1 and 2 for statements of reasons for referral);

(b) the Fair Work Amendment (Small Business—Penalty Rates Exemption) Bill 2012 be *referred immediately* to the Education, Employment and Workplace Relations Legislation Committee for inquiry and report by 29 November 2012 (see appendix 3 for a statement of reasons for referral); and

(c) the *provisions* of the Protecting Local Jobs (Regulating Enterprise Migration Agreements) Bill 2012 be *referred immediately* to the Education, Employment and Workplace Relations Legislation Committee for inquiry and report by 29 October 2012 (see appendix 4 for a statement of reasons for referral).

3. The committee resolved to recommend—That the following bills *not* be referred to committees:

- • International Monetary Agreements Amendment (Loans) Bill 2012
- • Statute Law Revision Bill 2012.

The committee recommends accordingly.

4. The committee deferred consideration of the following bills to its next meeting:

- Aviation Legislation Amendment (Liability and Insurance) Bill 2012
- Broadcasting Services Amendment (Public Interest Test) Bill 2012
- Protecting Children from Junk Food Advertising (Broadcasting and Telecommunications Amendment) Bill 2011
- Special Broadcasting Service Amendment (Natural Program Breaks and Disruptive Advertising) Bill 2012.

BUSINESS

Leave of Absence

Senator KROGER (Victoria—Chief Opposition Whip in the Senate) (11:55): by leave—I move:

That leave of absence be granted to Senator Boswell for 23 August 2012 for personal reasons, and to Senator Williams for 23 August 2012 for parliamentary reasons.

Question agreed to.

Rearrangement

Senator JACINTA COLLINS (Victoria—Manager of Government Business in the Senate and Parliamentary Secretary for School Education and Workplace Relations) (11:56): I move:

That government business orders of the day Nos. 2 to 10 as listed under 12:45 pm on today's order of business relating to legislation to be considered at 12:45 pm as noncontroversial government business pursuant to the temporary order of 27 June 2012.

Question agreed to.

Senator JACINTA COLLINS (Victoria—Manager of Government Business in the Senate and Parliamentary Secretary for School Education and Workplace Relations) (11:56): I move:

That the order of general business for consideration today be as follows:

(a) general business order of the day no. 14—Marriage Equality Amendment Bill 2010; and

(b) orders of the day relating to government documents.

Question agreed to.

COMMITTEES

Community Affairs References Committee

Reporting Date

Senator McEWEN (South Australia—Government Whip in the Senate) (11:57): On behalf of Senator Siewert, I move:

That the time for the presentation of the report of the Community Affairs References Committee on palliative care in Australia be extended to 19 September 2012.

Question agreed to.

Meeting

Senator McEWEN (South Australia—Government Whip in the Senate) (11:57): On behalf of Senator Siewert, I move:

That the Community Affairs References Committee be authorised to hold a private meeting otherwise than in accordance with standing order 33(1) during the sitting of the Senate on Tuesday, 11 September 2012, from 12.30 pm.

Question agreed to.

Foreign Affairs, Defence and Trade References Committee

Reporting Date

Senator McEWEN (South Australia—Government Whip in the Senate) (11:57): On behalf of Senator Eggleston, I move:

That the time for the presentation of the report of the Foreign Affairs, Defence and Trade References Committee on the procurement procedures for defence capital projects be extended to 30 August 2012.

Question agreed to.

Rural and Regional Affairs and Transport References Committee

Meeting

Senator McEWEN (South Australia—Government Whip in the Senate) (11:57): On behalf of Senator Sterle, I move:

That the Rural and Regional Affairs and Transport References Committee be authorised to hold a public meeting during the sitting of the Senate on Thursday, 23 August 2012, from 4.30 pm, to take evidence for the committee's inquiry into the management of the Murray-Darling Basin.

Question agreed to.

Reporting Date

Senator McEWEN (South Australia—Government Whip in the Senate) (11:57): On behalf of Senator Sterle, I move:

That the time for the presentation of the report of the Rural and Regional Affairs and Transport References Committee on the management of the Murray-Darling Basin be extended to 1 November 2012.

Question agreed to.

MOTIONS

Fred Hollows Foundation

Senator CROSSIN (Northern Territory) (11:58): I, and also on behalf of Senators Moore, Boyce, Nash, Siewert and Xenophon, move:

That the Senate—

(a) notes that September 2012 marks the 20th anniversary of the Fred Hollows Foundation;

(b) recognises the work of the late Professor Fred Hollows, AC, and the clinicians, administrators and volunteers who have followed in his footsteps over the past 2 decades;

(c) commends the Fred Hollows Foundation for its achievements, including:

(i) producing millions of intraocular lenses at factories in Eritrea and Nepal and exporting those lenses to more than 75 countries,

(ii) training tens of thousands of clinical and support staff, including ophthalmologists, nurses and community workers,

(iii) building or renovating more than 100 health facilities, and

(iv) reducing the cost of cataract operations to just \$25 in many developing countries; and

(d) endorses the ongoing mission of the Fred Hollows Foundation to give local communities the skills and tools to eradicate avoidable blindness and improve lives in Australia and around the world.

Question agreed to.

International Black Ribbon Day

Senator KROGER (Victoria—Chief Opposition Whip in the Senate) (11:58): At the request of Senator Mason and Senator Cormann, I move:

That the Senate—

(a) notes that 23 August is the European Day of Remembrance for Victims of Stalinism and Nazism (also known as International Black Ribbon Day), which:

(i) commemorates the tens of millions of those who were murdered by fascist and communist totalitarianism in the 20th century, as well as those imprisoned, deported and persecuted by fascist and communist regimes,

(ii) is the anniversary of the Ribbentrop-Molotov Pact, the non-aggression treaty signed on 23 August 1939 by Nazi Germany and the Soviet Union, which partitioned Eastern Europe between them and gave a green light to the commencement of World War II,

(iii) was first held in 1986 as a day of protest and remembrance around the world, including in Australia, before spreading to the Baltic states where, in 1989, two million Latvians, Lithuanians and Estonians formed a human chain to protest the continuing Soviet occupation of their countries, and

(iv) was adopted by the European Parliament in 2009 and is commemorated in many European Union countries, including Great Britain, as well as in Canada and Georgia; and

(b) joins in remembering all the victims of Nazism and Stalinism.

Question agreed to.

Kimberley Girl Program

Senator SIEWERT (Western Australia—Australian Greens Whip) (11:59): I move:

That the Senate—

(a) notes the success of the Kimberley Girl Program in improving the lives of Aboriginal and Torres Strait Islander women, their families and communities;

(b) notes that:

(i) since Kimberley Girl commenced in 2004, the program has provided 219 young women with personal development training, including public speaking,

(ii) one-third of these participants have experienced five of the seven socio-economic disadvantage factors, 45 per cent have experienced four or more and 65 per cent have experienced three or more disadvantage factors,

(iii) 90 per cent of these women said that they benefitted from the skills acquired during the program and half said that their life is better now than it was before they did Kimberley Girl, and

(iv) due to the success of Kimberley Girl, there have been a number of requests to roll the program out to other regions of Australia;

(c) recognises the importance of long-term funding to support this and other programs for Aboriginal and Torres Strait Islander women, families and communities;

(d) welcomes the Government's support of \$479 000 for the Kimberley Girl Program since 2008; and

(e) calls on the Government to commit to funding the program over the next 3 to 5 years.

Question agreed to.

Hepatitis C

Senator PRATT (Western Australia) (11:59): I move:

That the Senate—

(a) notes that:

(i) 28 July was World Hepatitis Day,

(ii) the event is one of only 4 official world disease awareness days endorsed by the World Health Organization,

(iii) chronic hepatitis C is a large and growing health problem in Australia with more than 200 000 people living with the disease,

(iv) left untreated, hepatitis C can possibly lead to liver damage, cancer and death,

(v) hepatitis C has now eclipsed HIV/AIDS as the number one viral killer in Australia,

(vi) hepatitis C can be cured with the appropriate treatment,

(vii) needle and syringe programs have proven effective in relation to preventing transmission of hepatitis B and hepatitis C as well as HIV, and

(viii) hepatitis C disproportionately impacts on the Indigenous community with Indigenous people representing less than 3 per cent of the total Australian population but more than 8 per cent of the Australian population infected with hepatitis C; and

(b) welcomes scientific and treatment advances that greatly increase the chance of curing patients with the most common and hardest to treat strain of hepatitis C.

Senator PRATT: by leave—On behalf of the Parliamentary Liaison Group for HIV/AIDS, Blood Borne Viruses and Sexually Transmitted Infections, I am pleased to be moving this motion. Teresa Gambaro in the House of Representatives has moved a similar motion. July 28 was World Hepatitis Day and this motion places on record the more than 200,000 people who are living with hepatitis C and the impacts of this disease on their lives. We are welcoming scientific advances in this motion which will see great treatment advances for these many thousands of Australians who are affected by hepatitis C. It also acknowledges the effectiveness of needle and syringe programs, which have proven a great way of preventing the transmission of hepatitis C and HIV in this country.

Question agreed to.

Affordable Housing

Senator RHIANNON (New South Wales) (12:01): I, and also on behalf of, Senator Moore, move:

That the Senate:

(a) notes that:

(i) the impact of the lack of affordable housing is felt disproportionately by women due to the high number of women in low-paid jobs, women heading single parent families and higher rates of poverty among older women living alone,

(ii) research indicates that, in coming years, there will be a significant increase in older women facing homelessness, and

(iii) a key priority of the Australian Social Inclusion Board for 2012-13 is to provide advice to government on the best responses to the growing issue of older women and homelessness; and

(b) calls on the Government to:

(i) support continued efforts to include a gendered perspective in the development of affordable housing measures, and

(ii) publish information on how women are impacted by the affordable housing shortage, such as gender disaggregated data on the outcomes of the National Affordable Housing Agreement, National Partnership Agreements, National Rental Affordability Scheme and Social Housing Initiative.

Question agreed to.

DOCUMENTS

Carbon Permits

Order for the Production of Documents

Senator KROGER (Victoria—Chief Opposition Whip in the Senate) (12:02): At the request of Senator Cormann, I move:

That there be laid on the table by the Minister representing the Minister for Climate Change and Energy Efficiency, no later than noon on 10 September 2012, detail of how many Australian export businesses:

(a) have received free carbon permits since 1 July 2012; and

(b) are expected to receive free carbon permits in 2012-13, 2013-14, 2014-15 and 2015-16.

Question agreed to.

MOTIONS

Inequality

Senator WRIGHT (South Australia) (12:03): I move:

That the Senate—

(a) recognises that discrimination and inequality are alive and well in Australia, for example, in August 2010, women earned 16.9 per cent less than men on average per week, with the total earnings gap increasing to 34.8 per cent per week when taking into account part time and casual work; and

(b) calls on the Government to:

(i) seize the opportunity to introduce a stand-alone Federal Equality Act that adopts global best-practice standards and brings Australian law into line with our international human rights obligations, and

(ii) ensure that new equality legislation includes, among other things, a specific duty to promote equality and eliminate discrimination, prohibits discrimination in all areas of public life and removes arbitrary and blanket exemptions.

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

The Senate divided. [12:08]

(The President—Senator Hogg)

Ayes 9
 Noes 39
 Majority 30

AYES

Di Natale, R
 Ludlam, S
 Rhiannon, L
 Waters, LJ
 Wright, PL
 Hanson-Young, SC
 Milne, C
 Siewert, R (teller)
 Whish-Wilson, PS

NOES

Abetz, E
 Birmingham, SJ
 Brown, CL
 Colbeck, R
 Crossin, P
 Farrell, D
 Feeney, D
 Fifield, MP
 Gallacher, AM
 Kroger, H (teller)
 Lundy, KA
 Marshall, GM
 McKenzie, B
 Moore, CM
 Parry, S
 Pratt, LC
 Scullion, NG
 Smith, D
 Thistlethwaite, M
 Xenophon, N
 Bernardi, C
 Bishop, TM
 Cameron, DN
 Collins, JMA
 Edwards, S
 Fawcett, DJ
 Fierravanti-Wells, C
 Furner, ML
 Hogg, JJ
 Ludwig, JW
 Madigan, JJ
 McEwen, A
 McLucas, J
 Nash, F
 Polley, H
 Ryan, SM
 Singh, LM
 Sterle, G
 Thorp, LE

Question negatived.

DOCUMENTS

Reserve Bank of Australia

Order for the Production of Documents

Senator XENOPHON (South Australia) (12:10): I, and also on behalf of Senator Milne, move:

That there be laid on the table, no later than 17 September 2012:

(a) any documents or information from Securrency International Ltd and Note Printing Australia to the Reserve Bank of Australia (RBA) pertaining to allegations of corruption and bribery at these subsidiaries, prior to the exposure of the allegations in the media in May 2009;

(b) any internal RBA documents discussing the receipt of any documents or information pertaining to such allegations;

(c) any written advice or information provided to the Government by the RBA pertaining to these allegations;

(d) the Freehills report into Note Printing Australia's agency arrangements, including the terms of reference for this report and any information provided to Freehills; and

(e) the Note Printing Australia audit report into these allegations.

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

The Senate divided. [12:12]

(The President—Senator Hogg)

Ayes 11
 Noes 38
 Majority 27

AYES

Di Natale, R
 Ludlam, S
 Milne, C
 Siewert, R (teller)
 Whish-Wilson, PS
 Hanson-Young, SC
 Madigan, JJ
 Rhiannon, L
 Waters, LJ
 Wright, PL

AYES

Xenophon, N

NOES

Abetz, E	Back, CJ
Bernardi, C	Birmingham, SJ
Bishop, TM	Brown, CL
Cameron, DN	Colbeck, R
Collins, JMA	Crossin, P
Edwards, S	Farrell, D
Fawcett, DJ	Feeney, D
Fierravanti-Wells, C	Fifield, MP
Furner, ML	Gallacher, AM
Hogg, JJ	Kroger, H
Ludwig, JW	Lundy, KA
Marshall, GM	McEwen, A (teller)
McKenzie, B	McLucas, J
Moore, CM	Nash, F
Parry, S	Polley, H
Pratt, LC	Ryan, SM
Scullion, NG	Singh, LM
Smith, D	Sterle, G
Thistlethwaite, M	Thorp, LE

Question negatived.

MOTIONS

Goods and Services Tax

Senator CAROL BROWN (Tasmania—Deputy Government Whip in the Senate) (12:14): I seek leave to amend general business notice of motion No. 879 standing in my name relating to GST before asking that it be taken as a formal motion.

Leave not granted.

Senator CAROL BROWN: I move:

That the Senate—

(a) recognises the significance of goods and services tax (GST) receipts to state governments;

(b) acknowledges the commitment given by the Federal Labor Government to Horizontal Fiscal Equalisation (HFE);

(c) notes that:

(i) HFE is the distribution method that underpins the concept of federalism in this country and spreads Australia's wealth fairly across all states and territories,

(ii) HFE is vitally important to the Federation and this long-standing principle of equalisation has served Australia well, and that this has long been a bipartisan position of successive Labor and Liberal Commonwealth Governments, and

(iii) a move to per capita distribution of the GST would have disastrous consequences for the budgets of smaller states and territories in the Commonwealth, whose residents would consequently receive a significantly inferior level of key services such as health and education; and

(d) endorses HFE and calls on all sides of politics to support the principle that HFE be maintained into the future.

Question agreed to.

Senator ABETZ (Tasmania—Leader of the Opposition in the Senate) (12:15): by leave—The coalition has always supported horizontal fiscal equalisation of GST revenue. Indeed, without the coalition there would be no GST to distribute. That is not the issue. The issue for Labor is that its senators and ministers are voting in direct contradiction of its cabinet decision to hold a review of GST distribution—a review which, in paragraph 5 of their self-drafted terms of reference, countenances 'possible changes to the form of equalisation'. So Labor is either pre-empting its own review or defying cabinet solidarity by ruling out any changes.

The coalition, like Labor, is committed to horizontal fiscal equalisation. The coalition, unlike Labor, is committed to awaiting the outcome of Labor's own review.

Wind Farms

Senator MADIGAN (Victoria) (12:16): I seek leave to amend general business notice of motion No. 883 standing in my name, relating to the Bald Hills wind farm, by having the word 'reportedly' inserted after the word 'species' in (a)(ii), inserting the word 'potentially' after the words 'Bald Hills wind farm is' in (a)(iii), as well as some grammatical changes, before asking that it be taken as a formal motion.

Leave granted.

Senator MADIGAN: I move the motion as amended:

That the Senate—

(a) notes:

(i) that development of the Bald Hills wind farm in South Gippsland has been approved and will include construction of 52 wind turbines of up to 135 metres in height in the middle of a significant wetlands and flora conservation area on the South Gippsland coast;

(ii) that some 296 recorded bird species reportedly live around the area of the wind farm, of which:

(A) 21 are threatened species in the Cape Liptrap area;

(B) 31 are listed species under the Flora and Fauna Guarantee Act (FFGA);

(C) 97 are listed as migratory under the Environment Protection and Biodiversity Act (EPBA) or which 2 are listed as endangered including one critically endangered;

(D) 40 are listed under the Chinese-Australian Migratory Bird Agreement (CAMBA);

(E) 45 are listed under the Japanese-Australian Migratory Bird Agreement (JAMBA);

(F) 3 are listed under the Bonn Convention on Migratory Species;

(iii) that government approval of the Bald Hills wind farm is potentially causing Australia to breach the international obligations to protect migratory species listed under JAMBA, CAMBA and the Bonn Convention;

(iv) that objectors to the development of the Bald Hills wind farm have included hundreds of individuals as well as

over a dozen organizations including the National Trust of Australia; Victorian National Parks Association; Parks Victoria West Gippsland District, South Gippsland Conservation Society and the South Gippsland Shire Council

(b) calls on the Minister for Sustainability, Environment, Water, Population and Communities to remove Commonwealth approval for the construction of the Bald Hills wind farm and bring Australia into compliance with our international obligations.

Question negatived.

Senator MADIGAN (Victoria) (12:22): Mr President, I seek leave to make a short statement.

The PRESIDENT: Leave is granted for one minute.

Senator MADIGAN: Some people have put it about that I am against wind farms. As I have said numerous times, I am not against any form of renewable energy provided it is not a danger to the health of the local community, it is not a danger to the health of the environment, it is not a danger to the health of the economy, and it actually does what it claims to do. In the case of the Bald Hills wind farm, this is a clear and extreme danger to the environment. This is not just a local matter; this is an international matter. It blatantly breaches major international agreements on migratory birds, primarily the agreements we have with Japan, China and the Republic of Korea. This government constantly claims that we cannot do much for our manufacturers or our farmers because we are obliged to fulfil the requirements of our international agreements with other countries. We allow apples with fire blight into our country and we will soon allow potatoes with the devastating zebra chip disease in as well—all because, according to the government, we must comply with our international obligations. If that is the government's attitude, I looked forward to their support for this motion which has one intention and one only: to see us comply with the international agreements that they have insisted we must uphold.

COMMITTEES

Appointment

Senator JACINTA COLLINS (Victoria—Manager of Government Business in the Senate and Parliamentary Secretary for School Education and Workplace Relations) (12:24): At the request of Senator Wong, I move:

(1) That a select committee, to be known as the Select Committee on Electricity Prices be established to inquire into and report on:

(a) identification of the key causes of electricity price increases over recent years and those likely in the future;

(b) legislative and regulatory arrangements and drivers in relation to network transmission and distribution investment decision making and the consequent impacts on electricity bills, and on the long term interests of consumers;

(c) options to reduce peak demand and improve the productivity of the national electricity system;

(d) investigation of mechanisms that could assist households and business to reduce their energy costs, including:

(i) the identification of practical low cost energy efficiency opportunities to assist low income earners reduce their electricity costs,

(ii) the opportunities for improved customer advocacy and representation arrangements bringing together current diffuse consumer representation around the country,

(iii) the opportunities and possible mechanisms for the wider adoption of technologies to provide consumers with greater information to assist in managing their energy use,

(iv) the adequacy of current consumer information, choice, and protection measures, including the benefits to consumers and industry of uniform adoption of the National Energy Customer Framework,

(v) the arrangements to support and assist low income and vulnerable consumers with electricity pricing, in particular relating to the role and extent of dividend redistribution from electricity infrastructure,

(vi) the arrangements for network businesses to assist their customers to save energy and reduce peak demand as a more cost effective alternative to network infrastructure spending, and

(vii) the improved reporting by electricity businesses of their performance in assisting customers to save energy and reduce bills; and

(e) investigation of opportunities and barriers to the wider deployment of new and innovative technologies, including:

(i) direct load control and pricing incentives,

(ii) storage technology,

(iii) energy efficiency, and

(iv) distributed clean and renewable energy generation.

(2) That the committee present its final report on or before 1 November 2012.

(3) That the committee consist of 8 senators as follows:

(a) 4 to be nominated by the Leader of the Government in the Senate;

(b) 3 to be nominated by the Leader of the Opposition in the Senate;

(c) 1 to be nominated by the Leader of the Australian Greens in the Senate.

(4) That the committee may proceed to the dispatch of business notwithstanding that all members have not been duly nominated and appointed and notwithstanding any vacancy.

(5) That the committee elect as chair one of the members nominated by the Leader of the Government in the Senate.

(6) That, in the event of an equality of voting, the chair has a casting vote.

(7) That the committee has the power to send for and examine persons and documents, to move from place to place, to sit in public or in private, notwithstanding any prorogation of the Parliament or dissolution of the House of Representatives, and have leave to report from time to time

its proceedings and the evidence taken and such interim recommendations as it may deem fit.

(8) That the committee be provided with all necessary staff, facilities and resources and be empowered to appoint persons with specialist knowledge for the purposes of the committee with the approval of the President.

(9) That the committee be empowered to print from day to day such papers and evidence as may be ordered by it, and a daily Hansard be published of such proceedings as take place in public.

Senator XENOPHON (South Australia) (12:25): I seek leave to amend government business notice of motion No. 1 by replacing paragraph (3) with a new paragraph (3).

The PRESIDENT: That would change the current form. You may wish to seek to insert that after the paragraph.

Senator XENOPHON: I will do so. I thank you for your guidance. It was not the intention to substitute, but to allow for participating members as per the standard arrangement in select committees.

Leave granted.

Senator XENOPHON: I move the motion as amended:

After paragraph (3), insert:

(3A) That:

(a) participating members may be appointed to the committee on the nomination of the Leader of the Government in the Senate, the Leader of the Opposition in the Senate or any minority party or independent senator;

(b) participating members may participate in hearings of evidence and deliberations of the committee, and have all the rights of members of the committee, but may not vote on any questions before the committee; and

(c) a participating member shall be taken to be a member of the committee for the purpose of forming a quorum of the committee if a majority of members of the committee is not present.

Senator FIFIELD (Victoria—Manager of Opposition Business in the Senate) (12:26): I seek leave to move an amendment to the amended motion.

Leave granted.

Senator FIFIELD: I move the motion as amended:

After paragraph (1)(e), insert:

(f) any related matter.

Statement by leave: Senator Fifield, by leave, made a statement relating to the matter.

Senator FIFIELD: I also seek leave to make a short statement.

The PRESIDENT: Leave is granted for one minute.

Senator FIFIELD: I understand that the government will support this amendment. I think that is a good idea, because it would have been quite peculiar if in the context of this inquiry there had not been the

provision for any related matter, because that could well have given the Labor chair the opportunity to rule any questions in relation to a carbon tax as not being relevant to the terms of reference of the inquiry. That would have appeared, I think, as though the government was prepared to canvass each and every issue in relation to the cost of electricity except for the carbon tax. So I think it is a good thing the government is agreeing to support this. I will give them the benefit of the doubt that it was an oversight rather than a decision to consciously exclude discussion of the carbon tax.

Question agreed to.

The PRESIDENT: The question now is that the motion as amended be agreed to.

Question agreed to.

COMMITTEES

Publications Committee

Report

Senator McEWEN (South Australia—Government Whip in the Senate) (12:28): I present the 18th report of the Publications Committee.

Ordered that the report be adopted.

Education, Employment and Workplace Relations Legislation Committee

Finance and Public Administration Legislation Committee

Report

Senator McEWEN (South Australia—Government Whip in the Senate) (12:29): On behalf of the chairs of the respective committees, I present reports on legislation from the Education, Employment and Workplace Relations and the Finance and Public Administration legislation committees as listed at item 7 on today's *Order of Business*, together with the *Hansard* records of proceedings and documents presented to the committees, and I move:

That the reports be printed.

Question agreed to.

BUDGET

Consideration by Estimates Committees

Senator McEWEN (South Australia—Government Whip in the Senate) (12:29): On behalf of the chairs of the respective committees, I present additional information received by committees relating to estimates as listed at item 7 on today's order of business.

The list read as follows—

Economics Legislation Committee

Environment and Communications Legislation Committee

Finance and Public Administration Legislation Committee

Foreign Affairs, Defence and Trade Legislation Committee

BILLS

Customs Amendment (Smuggled Tobacco) Bill 2012

Tax Laws Amendment (2012 Measures No. 4) Bill 2012

First Reading

Bills received from the House of Representatives.

Senator FEENEY (Victoria—Parliamentary Secretary for Defence) (12:30): These bills are being introduced together. After debate on the motion for the second reading has been adjourned I shall move a motion to have the bills listed separately on the *Notice Paper*. 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 FEENEY (Victoria—Parliamentary Secretary for Defence) (12:31): I table a revised explanatory memorandum relating to the Tax Laws Amendment (2012 Measures No. 4) Bill 2012, and 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—

Customs Amendment (Smuggled Tobacco) Bill 2012

The Gillard government is proud of its world-leading action to combat smoking.

And as part of the government's package of measures to reduce smoking rates in Australia, I am pleased to introduce the Customs Amendment (Smuggled Tobacco) Bill. This bill amends the Customs Act 1901 to create new offences for smuggling tobacco products and for conveying or possessing smuggled tobacco products.

The bill also strengthens the penalties applicable to the illegal importation of tobacco by adding a maximum penalty of ten years imprisonment to the existing financial penalties.

I announced the government's intention to create these new offences on World No Tobacco Day last month. They are yet another step by this government towards combatting smoking on all fronts.

Tobacco is not like any other legal product. When used as intended, it kills people.

Australia recognised the malign influence of cigarettes early and has made significant progress in reducing the smoking rate. Over the years Australia has prohibited

advertising, removed sponsorships, restricted point of sale displays, and outlawed smoking in restaurants and many public places.

Thanks to these efforts, the proportion of Australians aged 14 years and over who smoke each day has fallen from 30 per cent in 1988 to 15 per cent today—one of the lowest in the world.

Despite Australia's success in reducing smoking rates over recent decades, tobacco remains one of the leading causes of preventable death and disease among Australians, killing over 15,000 Australians and costing the community over \$30 billion each and every year.

About three million Australians continue to smoke every day—so it is incumbent on government to do all it can to stamp smoking out.

Packets are the best, and in Australia, now the only way tobacco brands can differentiate themselves and attract users.

That is why the Gillard government has taken the world-first step to mandate that all cigarettes and other tobacco products be sold in plain, drab packs from 1 December this year.

This government believes that all children have the right to grow up healthy and free from addiction, without becoming the victims of a very calculated marketing campaign to hook a new generation of smokers.

Our government also increased taxation on tobacco by 25 per cent, which saw an immediate fall in the amount of tobacco sold.

We have introduced legislation to ban tobacco marketing on the internet; and

We have put nicotine replacement therapies on our Pharmaceutical Benefits Scheme—meaning these are cheaper for Australians to buy, particularly seniors and low income earners.

We have massively reduced duty free allowance—down to just 50 cigarettes (from 250).

But there is more we can do to continue that fight, such as taking action to ensure all tobacco consumed in this country is subject to mandated health pricing and packaging.

Illegal tobacco importations typically occur when an importer attempts to evade the duty payable on these imports. Given the high duty payable on tobacco, this generally occurs by misdeclaring the goods to the Australian Customs and Border Protection Service as non-tobacco products with a lower duty liability.

To date tobacco smuggling has not represented a major threat in Australia and Customs have been successful in intercepting hauls of illicit tobacco heading for Australia.

During 2010-11, Customs made 55 seizures of smuggled tobacco products in sea cargo, consisting of 82 million cigarettes and representing a potential revenue evasion of \$135 million plus GST. This is a large number, but should be seen in context: Australians smoke around 22 billion cigarettes a year.

However, we must ensure that when Customs do intercept illicit tobacco, there are significant penalties in place to deal with those responsible.

The penalties must provide a strong deterrent to criminals involved in this activity – as well as demonstrate the

seriousness with which the Government views such frauds against the Commonwealth, and harm against the community.

Currently smuggled tobacco is usually prosecuted under a general smuggling provision, with penalties ranging from two to five times the amount of duty evaded.

However, these pecuniary penalties for tobacco smuggling are not necessarily an effective deterrent, as many penalties currently imposed for tobacco smuggling are simply not paid.

The new offences in this bill clarify the law by creating specific offences in relation to tobacco smuggling. The bill creates an offence where a person imports tobacco with the intention of defrauding the revenue. It also creates an offence where a person conveys or possesses tobacco products which the person knows were imported with the intent to defraud the revenue.

A pecuniary penalty of up to five times the duty evaded will apply for both these offences.

In addition, the new offences attract a substantial maximum term of 10 years' imprisonment. A term of imprisonment is not currently available as a penalty for tobacco smuggling under the Customs Act. The new penalties will send a clear message to smugglers that they risk spending significant time in jail by bringing illegal tobacco into this country.

The introduction of this bill and the offences it creates reinforces my commitment, this government's commitment, to fight smoking on all fronts.

I commend the bill to the Senate.

Tax Laws Amendment (2012 Measure No. 4) Bill 2012

This bill amends various taxation laws to implement a range of improvements to Australia's tax laws.

Schedule 1 amends the tax laws to better target the tax concession for living-away-from-home allowances and benefits.

These reforms will better target the tax concession at people who are legitimately maintaining a home away from their actual home in Australia for an initial period.

The amendments implement the reforms that were announced as part of last year's Mid-Year Economic and Fiscal Outlook, and also the reforms in this year's budget.

Use of the tax concession for living-away-from-home allowances has dramatically increased over the past decade.

One of the issues raised at last year's successful Tax Forum was the increasing exploitation and misuse of this tax concession.

The current tax rules have a number of deficiencies.

Firstly, people are able to access the tax concession even if they are not maintaining another home in Australia. This means that people who have sold their old home, or are renting it out, can still access the tax concession.

Secondly, people are able to receive the tax concession in relation to cash payments in excess of the actual amount they spend on accommodation and food.

And thirdly, people are able to access what was meant to be a temporary tax concession for long periods—often three or four years or more.

In November last year, the government announced two reforms to the tax concession as part of the Mid-Year Economic and Fiscal Outlook.

Temporary residents will need to be maintaining a home for their own use in Australia that they are living away from for work to be able to access the tax concession.

And all individuals will need to substantiate their actual expenditure on accommodation and food.

We announced that these reforms would apply from 1 July this year.

We announced two new reforms to the tax concession in this year's budget.

Permanent residents will need to be maintaining a home in Australia for their immediate use and enjoyment at all times that they are required to live away from for work, to be able to access the tax concession.

And there will be a 12-month time limit on how long all people (other than fly-in fly-out and drive-in drive-out workers) can access the tax concession.

We announced that the reforms in the budget would apply from 1 July this year for arrangements entered into after Budget night, and from 1 July 2014 for arrangements entered into prior to that time.

The government held two extensive consultation processes in relation to these reforms.

In response to the submissions received, the government has taken the decision to defer the start date of the reforms from 1 July 2012 to 1 October 2012.

This deferral will give employers and employees more time to prepare for the new arrangements.

Some technical changes have also been made to the amendments in response to feedback on the exposure draft legislation.

The schedule moves the majority of a living-away-from-home allowance to the income tax system, so it is included in the assessable income of the employee.

Employees who satisfy the new requirements will be able to claim an income tax deduction for their accommodation and food expenses, so they pay no tax on the allowance.

Employees will be able to claim an income tax deduction for a maximum period of 12 months in respect of a particular work location.

The component of a living-away-from-home allowance that represents the 'ordinary weekly food and drink expenses' of an employee will remain in the fringe benefits tax system, in a similar way to the current treatment.

Employers who provide direct living-away-from-home benefits to their employees will be able to apply the otherwise deductible rule to reduce the taxable value of the benefits.

This will ensure the fringe benefits tax treatment mirrors the income tax treatment.

The government's reforms to the tax concession for living-away-from-home allowances and benefits will provide savings of \$1.9 billion over the forward estimates.

The tax concession will continue to support people who are bearing additional costs because they have to maintain a home away from their actual home in Australia for work purposes, for up to 12 months.

The reforms will not affect the tax concession for fly-in fly-out and drive-in drive-out arrangements, as these employees will not be subject to the 12-month time limit.

The reforms will not affect the tax concessions provided for 'remote area fringe benefits'.

And they will not affect the tax treatment of travel and meal allowances.

Schedule 2 amends the GST law to ensure that in circumstances where a representative of an incapacitated entity is a creditor of that entity, the correct provision of the GST Act applies.

This will ensure certainty for entities involved in the mortgage lending sector, as well as reduced compliance costs for these entities.

The amendments restore the intended operation of the GST law following previous amendments to the GST Act. As a result of the previous amendments, there are circumstances where two conflicting provisions of the GST Act can apply to a mortgagee or other holder of a security interest in possession or control of a corporation's property.

These amendments will apply from the first quarterly tax period after Royal Assent.

Schedule 3 amends schedule 3 to the Tax Laws Amendment (2012 Measures No. 2) Act 2012 so that no interest or penalties are payable if an overpayment of income tax arises, or if additional tax becomes payable, under the recent amendments to the consolidation regime for consolidation events before 30 March 2011.

This will ensure that taxpayers who get deductions as a result of those changes to the consolidation regime do not receive interest in respect of tax they had previously overpaid. However, where interest has already been received by a taxpayer, the taxpayer will not need to pay back the amount received in most cases.

In addition, taxpayers will not have to pay interest and penalties if additional tax becomes payable because a deduction is disallowed as a result of the recent amendments.

These changes were announced as an important part of the recent amendments to the consolidation regime.

Full details of the measures in this bill are contained in the explanatory memorandum.

I commend this bill to the Senate.

Senator FEENEY (Victoria—Parliamentary Secretary for Defence) (12:31): I move:

That the bills be listed on the *Notice Paper* as separate orders for the day.

Question agreed to.

Debate adjourned.

International Monetary Agreements Amendment (Loans) Bill 2012 Statute Law Revision Bill 2012

First Reading

Bills received from the House of Representatives

Senator FEENEY (Victoria—Parliamentary Secretary for Defence) (12:32): These bills are being introduced together. After debate on the motion for the second reading has been adjourned, I shall move a motion to have the bills listed separately on the *Notice Paper*. 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 FEENEY (Victoria—Parliamentary Secretary for Defence) (12:32): 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—

International Monetary Agreements Amendment (Loans) Bill 2012

The bill amends the International Monetary Agreements Act 1947 to allow Australia to accept two amendments to the terms and conditions of the New Arrangements to Borrow (NAB) of the International Monetary Fund (IMF), adopted by the IMF Executive Board on 16 November 2011 and 21 December 2011.

The NAB is a voluntary set of credit arrangements between the IMF and a number of its members. Australia has been a participant in the NAB since its inception in 1998.

The purpose of the NAB is to act as the backstop to the normal quota-based resources of the IMF, by providing the IMF with recourse to borrow from its members when supplementary resources are needed to forestall or cope with an impairment of the international monetary system, or to deal with a crisis that threatens the stability of the system.

In response to the turmoil of the global financial crisis, in April 2009, G20 Leaders in London committed to increase the size of the NAB to give the IMF the resources it needs to play its role in crisis prevention and resolution. Australia played its part in this global effort, and when the expanded NAB, currently totalling 370 billion special drawing rights (SDR), which is around \$530 billion, came into effect on 11 March 2011, Australia's NAB credit line increased from SDR 801 million, which is around \$1.2 billion, to around SDR 4.4 billion, which is around \$6.3 billion.

This increase in the NAB, whilst a timely and necessary measure, raised the IMF's reliance on voluntary borrowed resources to an unprecedented high level. In order to reduce the IMF's reliance on voluntary borrowed resources and to maintain the IMF as a quota-based institution, members of the IMF agreed on 15 December 2010 to a doubling of IMF

quota resources with a corresponding reduction in the size of NAB credit arrangements.

The increase in IMF quotas will come into effect when the necessary threshold of consents has been received by members. The quota increase will also enhance the legitimacy of the IMF by enabling a redistribution of quota and voting shares towards dynamically growing emerging economies, in particular those in the Asian region.

Accordingly, when Australia's IMF quota increase comes into effect, our NAB commitment will be reduced from its current level of SDR 4.37 billion to SDR 2.22 billion, around \$3.2 billion. The 2010 quota increase was included in the 2011-12 Budget, and will take effect when the required threshold of consents from IMF members is met.

In addition to decreasing the size of the NAB, this Bill will reflect agreed amendments to renew the NAB for a further five year period, commencing on 17 November 2012, and to facilitate the NAB rollback while avoiding the risk of a temporary negative impact on IMF liquidity.

Statute Law Revision Bill 2012

This government is doing what we need to do to make the Commonwealth statute book, simpler, clearer and easier to understand. Most recently we introduced legislation to substantially reduce redundant regulations through the Legislative instruments Act (Sunsetting Measures) Bill, in close consultation with affected industries.

This Statute Law Revision Bill is another small step towards that goal.

Statute Law Revision bills have been used for the last thirty years to improve the quality of Commonwealth legislation. The bills do not make substantive changes to law but still perform the important function of repairing minor errors in the Commonwealth statute books which accumulated across successive government amendments, and improving the accuracy and useability of consolidated versions of Commonwealth acts.

This continual process of statutory review complements the government's commitment to creating clearer Commonwealth laws. The review process undertaken in the preparation of this bill serves to ensure the statute book contains less clutter, in the form of outdated cross-references, and by repealing obsolete acts.

Schedules 1, 2, 6 and 7 of this bill achieve three main ends:

1. correcting minor and technical errors in acts, such as grammatical and numbering errors
2. correcting amendments or amending acts which are erroneous, misdescribed or redundant, and
3. repealing obsolete amending provisions and acts.

By removing or amending outdated or unclear legislative provisions this bill helps make the law clearer, more consistent and easier to access.

Schedule 3 removes specific references to the Civil Aviation Regulations, replacing them with references to 'regulations made under the Civil Aviation Act 1988'. This replaces specific references to regulations with references to the principal act, which are more generic and robust.

Current drafting practice is to avoid referring to particular regulations by name. This reduces the risk of reader

confusion and error in cases where the names of the regulations change or the contents of the regulations alter.

Schedule 4 makes amendments consequential on amendments to the Acts Interpretation Act 1901 and the enactment of the Legislative Instruments Act 2003.

The amendments repeal provisions relating to acting appointments that are redundant as they are now covered by section 33AB and 33A of the Acts Interpretation Act 1901. These items also add notes referring to the general acting appointment rules in the Acts Interpretation Act 1901.

The Schedule also includes an item which updates a reference from section 49A of the Acts Interpretation Act 1901 to section 14 of the Legislation Instruments Act 2003. This is necessary as the content of section 49A, which was repealed in 2003, is now replicated in section 14.

Schedule 5 of the bill amends a number of acts to ensure that

- Commonwealth Ministers are identified by reference to the administration of identified legislation rather than by specific name, and
- Commonwealth Departments are identified by reference to the minister administering identified legislation or a particular matter, rather than by specific name.

Currently, when the names of ministers or departments change, or when responsibility for particular legislation is transferred between ministers or departments, the Governor-General makes substituted reference orders under sections 19B and 19BA of the acts Interpretation Act 1901. The orders allow references to specific ministers or departments in legislation to be read as though they are references to the correct minister or department. This means that users of Commonwealth legislation have to read the legislation in conjunction with these orders.

The amendments contained in schedule 5 will greatly reduce reliance on section 19B and 19BA orders, and the need for such orders to be made in the future. This is because the amendments insert more generic references to ministers and departments in Commonwealth acts.

For example, instead of referring to the specific title of the "Minister for Finance", after these amendments have been passed, they will refer to the generic title of "Finance Minister". This will be defined as "the Minister administering the Financial Management and Accountability Act 1997". The new reference will remain accurate even if the specific title of the minister with that responsibility may change over time. This will improve the clarity and useability of Commonwealth Acts.

I thank the Office of Parliamentary Counsel, and officers across many government departments, for the significant time and effort that went into preparing this bill. This is just one demonstration of the OPC's drafting expertise, attention to detail, and commitment to ensuring that Commonwealth legislation is clear, accurate and effective.

I commend this bill to the Senate.

Senator FEENEY (Victoria—Parliamentary Secretary for Defence) (12:33): I move:

That the bills be listed on the *Notice Paper* as separate orders of the day.

Question agreed to.

The ACTING DEPUTY PRESIDENT (Senator Marshall): In accordance with standing order 111, further consideration of these bills is now adjourned to the first day of the next period of sittings, which commences in 2013.

REGULATIONS AND DETERMINATIONS

Small Pelagic Fishery Total Allowable Catch (Quota Species) Determination 2012

Disallowance

Debate resumed on the motion:

That the Small Pelagic Fishery Total Allowable Catch (Quota Species) Determination 2012, made under subsection 17(6)(aa) of the Fisheries Management Act 1991 and under section 17 of the Small Pelagic Fishery Management Plan 2009, be disallowed.

Senator COLBECK (Tasmania) (12:33): I continue the comments that I was making last night on the Greens disallowance motion for the TACs for the small pelagic fishery.

When I was speaking last night, the last issue that I was talking about was the press release that the Greens member in Tasmania, Mr Kim Booth, their primary industries spokesman, put out subsequent to the passing of a motion in the Tasmanian parliament, and the fact that that press release completely misrepresented the motion that was passed through the house. In fact, that press release completely omits item (3) of the motion that passed the house, which says:

(3) Recognises the need for a balanced approach between the needs of a sustainable commercial fishing industry, access for recreational fishers and appropriate marine conservation outcomes.

The key point was completely missed off the press release that Mr Booth put out. In fact, the press release is headed, 'Greens secure tripartisan support to oppose the trawler', and the word 'opposition' does not appear in the motion that was passed through the house at all, and again goes to show the lengths to which the Greens are prepared to go to misrepresent not only the circumstances as to this fishery but also what is happening in the Tasmanian parliament.

I might add that the Greens member, Mr Booth, came into the Tasmanian house later in the evening, after all the papers had been put to bed, to make a correction, so I will give him the credit for that. But I must note that on reading through the Hansard and listening to what was said that it was all a bit of a joke. 'Oh, sorry—we made a mistake!' Do Greens make mistakes? 'Oh, yes, occasionally we might make a mistake.' It was treated very light-heartedly by the Greens, very offhandedly. Yes, they made the correction but the spirit of that correction, I have to say, needs to be questioned. And, of course, what happens in the media this morning? The misrepresented facts in the original press release

appear in all the newspapers, because they had all been put to bed and stories had been written before the Greens came into the house during the adjournment last night—which they quite rightly did. Let us give them credit for that. They came into the house after the stories were written and the original press release was reported in all the newspapers in Tasmania this morning.

I go back to the concerns that I talked about that exist within the recreational fishing sector and the broader community in Tasmania. I said last night in my contribution that I did acknowledge those concerns. And one of the things that I think the government has completely failed to do is to talk to the community, provide some leadership and tell them how Australian fisheries management has changed in the last 10 or 15 years.

I spoke last night of the harvest strategies that have been put into place. One other thing that we need to consider is that those harvest strategies are subject to the conditions of the EPBC Act. We have a number of layers of protection for Australia's fisheries in Australia and a number of approaches to ensure that we do not mismanage Australia's fisheries because of the importance of seafood to our global food task. Twenty-five per cent of the globe's protein comes from fisheries. A full quarter of the protein that we consume around the globe comes from fisheries. If you were to replace that with grass-fed protein, you would have to cut down the globe's forests 22 times over to replace the protein that comes from the oceans. So it is an absolutely vital protein source. We need to make sure that we manage it properly and sustainably, and those approaches are built into the way that we manage our fisheries in Australia.

So we have the EPBC Act. We have an umbrella harvest strategy across all fisheries subject to the EPBC Act and then we have sub-harvest strategies for individual fisheries as part of that process to make sure that we take into account all of the provisions that we need to as part of the management of our fisheries. So as I said last night, in the small pelagic fishery the maximum that you can take with the latest possible data is 20 per cent of the biomass, remembering that the latest ling fish report published in April this year said that you could fish it down to 40 per cent of the biomass with good information.

Yet none of that is recognised and none of that has been put on the table by the government or the Greens. The Greens you would expect it from, but the government did not even put this information in front of the panel that was discussing with industry localised depletion. None of that information was put there. No wonder they walked out. They were asking for information and it was not made available to them. I really do not understand why the government has not

been prepared to go out and seek information and to actually allow the community to have a better understanding of where this overall fishery stands and the precautions that are in place to ensure that we do not overfish and to make sure that this vessel does not—and I do not believe it will—cause any grief to the fishery. Minister Burke has talked about issues around seals. This company has video of seals swimming into the net through the seal excluder device, having a feed of fish and then swimming back out again. So the seals have actually learned how to interact with the vessel, and there is video of that. None of that was put on the table. These conversations should have been undertaken by the government with industry, yet they were not.

That is why this process is where it is now. That is why there is such a high level of community concern. That is why it is possible for the Greens to whip up a frenzy, concern and fear, as they are doing in our community at home. The government has not provided the leadership required, and it was very pleasing to hear two of the scientists who were authors of the report that was discussed yesterday on radio in Tasmania starting to allay those fears.

Mr Acting Deputy President, it is a real tragedy that we have got to this stage. I am pleased to see that the minister is coming down to say something about this. That is important. But there is a lot of information available and for those who are concerned, those who would like to get some of that information, I have a number of these reports—everything that I have been able to get hold of is on my website—and I invite people to have a look at those to allay their concerns.

Senator LUDWIG (Queensland—Minister for Agriculture, Fisheries and Forestry and Minister Assisting on Queensland Floods Recovery) (12:40): I welcome the debate on Senator Whish-Wilson's motion to disallow the total allowable catch in the small pelagic fishery. I understand that there is significant community concern about this matter and some of that concern that has been raised does appear to be legitimate. Other concerns are informed by claims which are at best loosely connected to the facts and that is why I do welcome the debate on this matter. It is unfortunate that this debate is about disallowing the total allowable catch determined on advice from the Australian Fisheries Management Authority, yet we have hardly talked about the process AFMA undertook to get to that capped limit. For the benefit of the Senate, I intend to outline how our fisheries are managed and also I will take the opportunity to provide advice on some of the facts that have been missing from the contribution so far.

Australia has a world-class fisheries management system. Our fisheries are managed by independent experts and are based on the best scientific information

available. An independent agency, the Australian Fisheries Management Authority, is responsible for the day-to-day operation of our fisheries and it does so exceptionally well. AFMA was established in 1991 and is responsible for fulfilling several objectives concerning the ecologically sustainable management of Australian fisheries. In particular I take you to the management act itself, and it states that the minister and AFMA must ensure that the exploitation of fishery resources and the carrying out of any related activities are conducted in a manner consistent with the principles of ecologically sustainable development which include the exercise of the precautionary principle and in particular the need to have regard to the impact of our fishing activities on non-targeted and the long-term sustainability of the marine environment. Secondly, it goes on to say that it must ensure, through proper conservation and management measures, that the living resources of the Australian Fishing Zone are not endangered by overexploitation.

The AFMA Commission sets responsible and sustainable stock catch limits for 56 stocks across eight fisheries with another two still managed on effort. The commissioners are experts in the field and, by design, the commissioners cannot hold any executive position in a fishing industry association, neither can they have a controlling interest or executive role in any entity holding a Commonwealth fishery concession.

Enforcing and managing those fisheries is AFMA. From all reports and from the experience I have had with them over the two years, AFMA is a truly tough cop on the beat. They make tough decisions to support the sustainability of the Southern and Eastern Scalefish and Shark Fishery and they took the tough decision to respond to unacceptable bycatch of sea lions in the Gillnet Hook and Trap Fishery. I have had many conversations with the commercial fishers who tell me almost unanimously of the strictness of AFMA, who base their decision-making on the science that is available to them.

I have remarked before that the role that AFMA plays is invaluable but, equally, unenviable. Australian fisheries management is world class and it can benefit all Australians now and into the future. Sustainable catch limits provide more resources for more users over a longer period. Our fisheries are consistently rated as amongst the best internationally. This is a reputation that has been hard fought for over many years of successive ministers and successive governments. Dr Daniel Pauly of the University of British Columbia has recently ranked Australian fisheries second out of—

The ACTING DEPUTY PRESIDENT (Senator Marshall): Order! It being 12:45, time for this debate has now expired.

BILLS**Tax Laws Amendment (Investment Manager Regime) Bill 2012****Second Reading**

Debate resumed on the motion:

That this bill be now read a second time.

Senator CORMANN (Western Australia) (12:45): The coalition have long supported the establishment of an investment manager regime as recommended by the Johnson report into Australia as a financial centre, and we support this bill. This investment manager regime will help facilitate Australia's world-class financial services industry to grow the export of their services to overseas investors, especially in the Asia-Pacific region.

This Tax Laws Amendment (Investment Manager Regime) Bill 2012 establishes an investment manager regime that provides clarity on the tax treatment of income derived by widely held overseas based funds where those funds use an Australian based fund manager to invest in overseas based assets. Such income would not be subject to Australian taxation solely because the overseas based fund chose to use an Australian based fund manager to manage its investments where the actual investment is made outside Australia. These changes will apply from 2010-11 onwards.

This bill also clarifies the tax treatment of income received for 2010-11 and previous income years by foreign funds that have not lodged a tax return in Australia and that have not previously had an assessment made of their income tax liability. This change is required to assist overseas funds to comply with the unintended consequences of recent changes to US accounting rules known as FIN 48. Without these changes the application of these US rules would create a potential tax liability in Australia for overseas based funds on income that was previously not considered to be taxable and had not been taxed in Australia.

This bill will provide clarity and certainty on the tax treatment of portfolio investment income of overseas managed funds. The changes will enhance Australia's attractiveness as an investment destination and will benefit Australian financial services businesses. These changes have some retrospective effect; however, the retrospectivity on this occasion is beneficial to the taxpayers concerned.

This bill introduces two elements of an investment manager regime in Australia. The third element required to fully establish the investment manager regime has yet to be announced by the government. The establishment of this investment manager regime was, as I said, one of the centrepieces of the Johnson report recommendations on Australia as a financial centre released in January 2010. The coalition has

supported the recommendations made by the Johnson report, including the establishment of this investment manager regime.

Minister Shorten first announced that he would legislate to introduce this investment manager regime back in December 2010 and again in January 2011. It has taken some time, but we do congratulate the government for having finally brought this legislation forward, because for the past 18 months Australian fund managers have continuously told the government that overseas investors will only invest in Australia once this legislation has passed the parliament. The Johnson report highlighted that the sooner we act the sooner we will empower our financial services sector to access the growing markets on our doorstep and establish Australia as a genuinely world-class financial services hub.

The establishment of an investment manager regime is also strongly supported by Australia's financial services industry and, in particular, the Financial Services Council. It will be particularly beneficial to smaller, specialised and 'boutique' Australian fund managers. In the past, larger fund managers have been able to establish offshore operations in other financial centres such as New York, Luxembourg, Singapore or Hong Kong to get around export barriers of Australia's tax system. However, this has never been a cost-effective option for smaller yet highly sophisticated and very talented Australian fund managers. These smaller players will now be able to compete more effectively against both larger locally based competitors and overseas competitors, which of course will enhance choice and competition in the Australian market.

The coalition is very supportive of ongoing efforts to make Australia into a genuine financial services hub in the Asia-Pacific region. This is a very good step forward, but there is still much work to be done. The Johnson report did provide a very clear and positive road map for the way forward. I do hope that the government, in the time that is left between now and the election, will start prioritising the implementation of some of the other recommendations in that report. Having quite a high-quality, world-class financial services sector here in Australia, we are not fully tapping into that potential because we do actually have comparatively low levels of cross-border transactions and comparatively low levels of exports in financial services when compared to similar nations. These are the sorts of initiatives that will be required in order to grow that particular sector of the economy more strongly and, in the process, help to strengthen our economy moving forward. With those few words I commend this bill to the Senate.

Senator FEENEY (Victoria—Parliamentary Secretary for Defence) (12:51): I thank Senator

Cormann for his participation in this debate and I commend the bill to the Senate.

Question agreed to.

Bill read a second time.

Third Reading

Senator FEENEY (Victoria—Parliamentary Secretary for Defence) (12:51): I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

Corporations Legislation Amendment (Financial Reporting Panel) Bill 2012

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Senator CORMANN (Western Australia) (12:51): The coalition does not oppose the Corporations Legislation Amendment (Financial Reporting Panel) Bill 2012. Through this bill the government seeks to abolish the Financial Reporting Panel. The Financial Reporting Panel was established in 2006 to resolve disputes between ASIC and companies over accounting standards and financial reporting. We are advised that only five cases have been referred to the panel since its inception and none since August 2010.

Relevant stakeholders, including the main accounting bodies, the Australian Institute of Company Directors and accounting firms, support the retention of this panel; however, the lack of referrals to the panel makes the cost associated with its continuing existence hard to justify. However, if at a future time a need for a similar body does raise its head again, the coalition in government would of course reconsider an appropriate way forward. But, at this point in time, on the basis of the advice we have received about the lack of activity by this particular panel, we do not oppose this bill.

Senator FEENEY (Victoria—Parliamentary Secretary for Defence) (12:52): I thank Senator Cormann for his contribution to this debate on the Corporations Legislation Amendment (Financial Reporting Panel) Bill 2012. I now commend the bill to the Senate.

Question agreed to.

Bill read a second time.

Third Reading

Senator FEENEY (Victoria—Parliamentary Secretary for Defence) (12:53): I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

Navigation Bill 2012

Navigation (Consequential Amendments) Bill 2012

Marine Safety (Domestic Commercial Vessel) National Law (Consequential Amendments) Bill 2012

Marine Safety (Domestic Commercial Vessel) National Law Bill 2012

Debate resumed on the motion:

That these bills be now read a second time.

Senator JOYCE (Queensland—Leader of The Nationals in the Senate) (12:53): The purpose of this noncontroversial package of four bills—with two sets of bills for amendment and the four to be cognate—is to rewrite in plain language the original Navigation Act 1912 and repeal one of the oldest laws, the Lighthouses Act 1911—with some provisions of the Navigation Act included in laws and provisions from the 18th century. The legislation reflects current industry conditions and practices in the shipping industry, enables the industry to keep pace with international standards and removes out-dated provisions. The legislation also enhances protection of the marine environment and safety for Australian and foreign vessels. Most importantly, the legislation provides confidence and certainty for the industry.

When we talk about confidence and certainty for the industry, it is very pertinent today, especially when we consider what is happening currently in South Australia with the Olympic Dam—and confidence and certainty in the industry, which this legislation provides, is obviously something that they do not have. It is no good crying over the brick going through the window. After that has happened, everyone just walks away and says, 'Well, it's done and there's nothing we can do about it.' That seems to be the case with what has happened with the Olympic Dam.

What we can say is that if you keep putting up further imposts, further caveats and reasons to not do something, reasons to mitigate something and reasons to shut things down, in the end you are successful—you do shut things down; things do come to a grinding halt. That is quite obviously what this legislation is trying to avoid, but what has not been avoided are the carbon tax, the mining tax and all the other imposts that are part of the reason—it is not an either/or argument, but a part of the reason—that we have the situation that has brought about one of the greatest financial hits to South Australia ever. So far it is one of the biggest investment projects South Australia has ever had and it has been knocked on the head. I think it is worth noting, in line with this, that we should always be trying to make things smoother and make it so things actually work—take away impediments and realise the world we are living in. If we can do that we

can keep our head financially above water. If we create a whole range of mechanisms for things not to happen, we will end up succeeding—they will not happen.

Senator FEENEY (Victoria—Parliamentary Secretary for Defence) (12:56): I table a replacement explanatory memorandum for the Marine Safety (Domestic Commercial Vessel) National Law Bill 2012 on behalf of the Minister for Infrastructure and Transport, the Hon. Anthony Albanese, MP. The amendments to the explanatory memorandum include additional information requested by the Senate Standing Committee for the Scrutiny of Bills, the inclusion of an overview of the bill section in the statement of compatibility with human rights and some minor editorial changes.

I thank senators for their contributions to this debate and commend these four bills to the Senate.

Question agreed to.

Bills read a second time.

Third Reading

Senator FEENEY (Victoria—Parliamentary Secretary for Defence) (12:57): I move:

That these bills be now read a third time.

Question agreed to.

Bills read a third time.

Migration (Visa Evidence) Charge Bill 2012

Migration (Visa Evidence) Charge (Consequential Amendments) Bill 2012

Second Reading

Debate resumed on the motion:

That these bills be now read a second time.

Senator CASH (Western Australia) (12:57): On behalf of the coalition I rise to speak on the Migration (Visa Evidence) Charge Bill 2012 and the Migration (Visa Evidence) Charge (Consequential Amendments) Bill 2012 and to indicate the coalition will not be opposing these bills.

These bills were referred to the Joint Standing Committee on Migration by the House of Representatives Selection Committee on 10 May 2012, because the coalition had some real concerns about the modelling that had been used and the lack of detail provided by the government to explain the modelling. We also required clarification about whether there would be any unintended consequences in relation to access to education and Medicare entitlements to visa holders.

The committee, of which I am a member, has now completed its report, which largely addressed the issues that the coalition had raised. As set out in the tabled report, the Selection Committee and members of the Migration Committee questioned the scale of the proposed charges, the projected revenue to be raised

and whether the electronic Visa Entitlement Verification Online, VEVO, system would effectively replace the need for hardcopy evidence of visas.

The committee conducted its inquiry by seeking formal responses to a number of questions on notice to the Department of Immigration and Citizenship. The list of questions asked is contained in the appendix to the committee's report and generally dealt with issues such as the following. Given that the Migration (Visa Evidence) Charge Bill 2012 imposes a visa evidence charge, we were keen to understand the current process for the issuing of hardcopy visa evidence and the nature of the evidence that is to be provided on request. We were also keen to better understand the functions of the VEVO system and the current rate of access by visa holders and third parties.

The committee also sought additional information about the objectives of visa pricing transformation in the context of the department's broader transformation program and the shift to label free travel mentioned in the explanatory memoranda. In relation to visa evidence requests, the committee also noted there were 1.3 million visa labels requested in 2011, with 455,000 of these made onshore. We sought further particulars about these statistics because Australia already utilises the VEVO system. As hardcopy visa evidence is not required by law, we wanted to better understand why the number of onshore requests for visa labels was so high.

In relation to the over 900,000 requests which were made offshore, the committee asked for information concerning what types of institutions or organisations in Australia and overseas might require hardcopy visa evidence and for what purpose. Would schools or educational institutions require such evidence? We also sought further evidence on why the business process based initiatives employed by the department have not been successful in encouraging more clients to use the online visa validation system. The committee also wanted to know whether the department had conducted an impact assessment in Australia and overseas to identify and address potential barriers to participation for particular sectors such as education under the shift to online visa validation. We also sought further information on the factors that influenced the government in arriving at a proposed maximum charge of \$250 for a visa label.

In relation to costs and revenue projections, the explanatory memoranda for these bills state that their financial impact will be high with revenue in the order of \$90 million to be generated over three years. The committee sought an explanation as to the economic modeling used to arrive at this revenue forecast and whether cost recovery is a major driver for the introduction of the new visa charge. The committee also sought additional information on a range of

charges for different categories of visas and clarification on which classes of visa will be exempted and which will attract nil fees.

The committee was satisfied with the department's overall responses. The committee accepted that the main justification for introducing the fees is to encourage visa holders and registered organisations to accept electronic verification alone. This is part of a global transition towards visa label free travel and electronic confirmation of visas. It should be noted that, whilst the committee recommended that the legislation be passed, the committee does believe that the associated explanatory memoranda should be more comprehensive. Accordingly, the committee recommended that the explanatory memoranda be expanded to more clearly explain the policy rationale and costing methodology underpinning the measures contained in these bills and be re-tabled.

The coalition was satisfied with the department's reassurances that the impact on visa holders' access to services will not be compromised. We were pleased to note that humanitarian entrants and some others will be exempt from the fee completely. There will be a differentiated fee structure in place to allow for upward adjustments of the introductory flat fee of \$70.

As set out in the explanatory memorandum for the bill, the Migration (Visa Evidence) Charge Bill 2012 imposes a charge in relation to requests for evidence of visas. The bill will enable a charge to be payable for the production of prescribed evidence of a visa. The visa evidence charge is designed to encourage clients to reconsider their need to have visa evidence. The visa evidence charge also allows for greater cost recovery in respect of immigration processing and generates additional revenue.

Related measures are contained in the Migration (Visa Evidence) Charge (Consequential Amendments) Bill 2012, which will commence on the same day as this bill. The Migration (Visa Evidence) Charge (Consequential Amendments) Bill 2012 makes consequential amendments to the Migration Act 1958 to implement the visa evidence charge and provide a framework within which the visa evidence charge will operate. Further, this bill amends the Migration Act to insert regulation making powers for the Migration Regulations 1994 to prescribe the amount of visa evidence charge that will be payable for each request for evidence of a visa, as well as regulations about matters relating to the visa evidence charge.

The coalition supports a shift in favour of electronic visa handling. In fact, we had a record of this in government. We are pleased to see that the department is actively engaged in plans to promote the uptake of the VEVO and is working with other countries to clarify Australia's visa requirements. The moves are important if the purpose of these bills is to be realised,

and the coalition support these plans. We are pleased the government have signalled that the Department of Immigration and Citizenship will be moving closer toward a user-pays model with respect to these matters and, on the face of it, that seems to be a sensible approach.

This bill will impose a \$250 charge limit for request for visa labels to be inserted into a visa holder's passport. As noted earlier, the introductory flat fee will be \$70 and some visa classes will be exempt from the fee. Importantly, the bill will allow for future increases in that fee if a stronger price disincentive is required to further discourage requests for visa labels. The intent here is to discourage reliance on visa labels and the increased use of electronic systems to validate a noncitizen's right to enter Australia.

The coalition is supportive of the concept of ensuring greater efficiency within the department through the promotion of an online mechanism. These bills signpost an important shift in thinking within the immigration portfolio from hard copy, paper based applications to more sophisticated, more efficient and more effective online management.

According to the government's figures, a total of 1.365 million visa labels were issued over the calendar year 2011. By any measure, this represents an incredibly high volume of service undertaken at immigration counters in Australia and our missions overseas. The electronic lodgement of visa applications in particular correlates very strongly with achieving border management objectives by streamlining entry processes, significantly reducing the cost of border management while at the same time providing the tools to better manage our borders from a national security perspective. In Australia at present, excluding the electronic travel authority, around 30 per cent of visa applications are submitted electronically from offshore. The rest are done in the old-fashioned way by paper and snail mail. This is not a figure that the government or this parliament should be proud of.

For many visa categories there is no option to apply electronically. Applications must be done by hard copy. I understand why on specific occasions that is necessary, particularly in terms of verification. However, maximising the use of electronic lodgements, backed up by effective risk profiling, is a way forward for border security, efficiency and fiscal responsibility. This approach will yield significant benefits not only for the department but for other agencies as well.

While the coalition supports these measures and the move towards a user-pays model is undoubtedly important, it is a great shame that the revenue raised will be simply overwhelmed by the department's rising costs, courtesy of the government's border protection failures. It would also be remiss of me not to remind

senators that the alleged \$90 million raised from this measure in the three years will be spent in just 90 days to pay for the already budgeted blow-outs for the 2012-13 year in this portfolio.

If we look at Labor's 2011-12 billion dollar budget for asylum seekers, this figure was based on just 750 boat arrivals for this financial year, a rather ambitious target given that since the election of the Labor government in November 2007, as a direct result of winding back the former Howard government's proven border protection policies, 23,128 people have arrived on 398 boats. On top of that, I do not think I need to remind the Senate that the Australian public recently witnessed one of the greatest political backflips of all time with the Labor government adopting the coalition's policy of offshore processing for asylum seekers.

Labor's mismanagement of the border protection portfolio is a catastrophic policy failure on so many levels, but in particular given the impact on Labor's so-called budget surplus. So while the coalition does support these bills, the reality therefore is that the revenue raised in this measure before us today will be swallowed up in less than 90 days, even though that revenue will be raised over three years, because of the failures of the government's border protection policies.

Senator FEENEY (Victoria—Parliamentary Secretary for Defence) (13:08): I thank Senator Cash for her enthusiastic support of these bills. I commend the bills to the Senate.

Question agreed to.

Bills read a second time.

Third Reading

Senator FEENEY (Victoria—Parliamentary Secretary for Defence) (13:08): I move:

That these bills be now read a third time.

Question agreed to.

Bills read a third time.

Australian Citizenship Amendment (Defence Families) Bill 2012

Second Reading

Debate resumed on the motion:

That these bills be now read a second time.

Senator RONALDSON (Victoria) (13:09): I want to make some comments today on the Australian Citizenship Amendment (Defence Families) Bill 2012. This is a piece of legislation that we do support, and that of course is why it is in non-contro. But I do want to go back and look at the history of this matter. This is a carbon copy of the Australian Citizenship Amendment (Defence Service Requirements) Bill 2012, which was presented by this side of the chamber earlier this year. The records show the government refused to support the coalition's bill. They said at the

time that their yet to be presented bill was fairer, but instead of putting forward amendments, which would have resolved it straight away, they chose to vote down our bill and then 24 hours later introduce their own. This matter could have been dealt with three or four months ago. And I do not quite understand what the rationale for this was. One can only assume that, rather than amend it, the government thought they could take credit for the measures in this bill by knocking ours down and bringing their own back.

Let us have a look at what the differences are. This bill does extend the provisions of our bill beyond spouses and dependent children to any dependant and drops the fast-track citizenship criterion of relevant defence experience for reserve service from six months to 90 days. Surely matters are that either of these could have been done by agreement or by an amendment. For the life of me, I just cannot understand why that was not done at the time. I think it was churlish and this matter should have been dealt with well before now. We are prepared to take a bipartisan approach in relation to this matter. We support these extensions on to our bill, so we are the ones who are showing true bipartisanship. We are the ones who are being positive about this matter, and the government are the ones who are being negative.

If we look at negativity, we only need to look at the actions yesterday in relation to the amendment to a veterans' affairs bill, which would have forced the government to introduce fair indexation legislation. At every single opportunity, on every single occasion when the government could have addressed a complete and utter inequity they have failed to do so. There was another opportunity to do so yesterday, and we had another opportunist showing his true colours yesterday—that is, the man with no spine, the member for Lyne. We saw him yesterday refusing to even go into the chamber and vote on this bill and the amendment. He refused to go in and vote on this amendment. What a gutless action that was. What a gutless action from the member for Lyne, not even going in to vote on this matter.

But enough about him. How about we look at what the Labor Party could have done yesterday in relation to fair indexation if they chose to do so and what the Labor Party could have done yesterday to address the inequity that everyone in this chamber knows—acknowledged by the member for Eden-Monaro, acknowledged by the Minister for Sport, but where are they when these matters come on for debate? Where are they in relation to the people they are alleging to represent? I have looked at some of the speech of Mike Kelly, the member for Eden-Monaro. In relation to this amendment, Mike Kelly, who I actually had some respect for, let himself down in his contribution by misquoting me from the RSL congress in Victoria.

Indeed, Mike Kelly, the member for Eden-Monaro, knows full well—

Senator Feeney: Good man!

Senator RONALDSON: I actually might not have disagreed with that 36 hours ago, but I express my bitter disappointment. The member for Eden-Monaro knew full well that I recommitted the coalition again to fair indexation but then went on to talk about what we could or could not do in the context of what the Australian Labor Party has done to this economy. I talked about a whole range of things. I talked about indexation for TPI, and every single veteran in this country knows that we see the indexation of DFRDB and DFRB as the first step.

Senator Feeney: And when are you going to do that?

Senator RONALDSON: Well, you know exactly when we will do it but I am very happy to repeat it. I will take the interjection with great pleasure. As you well know, we are committed to doing this in our first budget. No buts; it will be delivered. You wander around and the member for Eden-Monaro wanders around, and you go into little huddles to the veterans and say, 'Oh, look, we're going to do something about this.' As soon as they are given the opportunity to do something about it they scurry off again and are not prepared to put their policy where their mouth is, and we saw that again the other day.

The shadow minister for defence science and personnel challenged Mike Kelly, the member for Eden-Monaro, to back up what he had been telling the veterans in his own community: that he was going to do something about it. He was challenged and he failed the challenge. He was challenged and he failed again. I can assure the parliamentary secretary that, while the Labor Party refuses to acknowledge the inequity of the indexation method for DFRDB and DFRB, that is indeed their issue.

Senator Feeney interjecting—

Senator RONALDSON: If Australian Labor Party policy is going to be driven by conservatives from elsewhere then you are welcome to do so, but I can tell you that we will be delivering it. You do not like to hear that we will be delivering it, but you know that we are committed to it.

So the great challenge is: are you going to match our commitment? There will be the opportunity when veterans' affairs legislation comes through again to do something about that fair indexation. But you cannot run around this country, getting the small veterans' groups in your electorate and saying one thing and then not having the intestinal fortitude to do something about it when you are given the opportunity in the other place. How deceitful is that? How deceitful is it to raise people's hopes in small groups in electorates

and then, when given the opportunity to do something about, to not do it?

The member for Lyne is no better than the Australian Labor Party in relation to this matter. He is all talk, but when he had the opportunity to walk the walk, where was he? He was not even in the chamber. As I have said before, no spine has the member for Lyne. He is a disgrace and nothing he says or does from now on will be taken with any semblance of bone fides by the veteran community. Can you imagine—talking publicly about fair indexation and then not even coming into the chamber to vote!

Senator Joyce interjecting—

Senator RONALDSON: Absolutely! He refused to come in and vote. It was quite extraordinary.

Senator Cash also wants to make a contribution in relation to this matter. I know that Senator Johnston also wants to do so. We do support this bill. We are disappointed that an appropriate amount of bipartisanship did not follow the introduction of our bill in relation to this matter, the Australian Citizenship Amendment (Defence Service Requirement) Bill. It could have been dealt with. It was not. I think that is an indication—and the Australian community can see this—of a coalition that is prepared, in a bipartisan way, to get through important legislation, and a government that simply wants to take credit for legislation when they have had the opportunity to do something well beforehand.

Senator CASH (Western Australia) (13:20): I too rise to contribute to the debate on the Australian Citizenship Amendment (Defence Families) Bill 2012. The purpose of this bill is to amend the Australian Citizenship Act 2007 to enable certain family members of current and future overseas lateral recruits to the Australian Defence Force to satisfy the relevant defence service residence requirement and be eligible for conferral of Australian citizenship at the same time as the enlisted Australian Defence Force members.

As Senator Ronaldson has rightly pointed out, I say at the outset that the coalition support this bill. We support this bill because it is our bill. On 28 May 2012 the member for Fadden, Mr Stuart Robert, introduced a private member's bill, the Australian Citizenship Amendment (Defence Service Requirement) Bill, into the House of Representatives. It was indeed the government who voted against that bill when the vote was put in the House of Representatives. They instead introduced their own bill into the parliament the very next day, and that is the bill that we are currently debating in the Senate—an exact carbon copy of the coalition's proposal that the family members of lateral recruits to the Australian Defence Force be given eligibility for Australian citizenship at the same time as the lateral recruit.

For those who are not familiar with this bill, lateral transfer members of the Australian Defence Force are members who are transferring from other nations' militaries to move to Australia to join the men and women of our Royal Australian Navy, Royal Australian Air Force and Australian Army. They come from such countries as New Zealand, South Africa, Canada, Fiji, India, PNG and the United States, but by far the largest source country for lateral transfers to the ADF is the United Kingdom. In October 2010 the UK Ministry of Defence announced in response to the 2010 Strategic Defence and Security review that the UK plans to reduce its military workforce by 17,000 by 2015.

In January 2012, United States Defense Secretary Leon Panetta announced the US defence spending priorities in which he called for a reduction in the number of US soldiers by 72,000 and marines by 20,000 over the next five years. In contrast, the latest Australian government budget portfolio budget statements for defence detail plans to increase the number of Australian uniformed personnel by almost 3,000 by the financial year 2015-16. This is an excellent opportunity for Australia to laterally recruit trained personnel from foreign militaries. Under the Australian Citizenship Act as it currently stands, lateral recruits have a reduced residence requirement that enables them to apply for Australian citizenship after completing relevant defence service. That means that, after serving 90 days as a full-time ADF member of six months as a reservist, lateral recruits are able to apply for Australian citizenship. This reduced residence requirement does not extend to the lateral recruit's spouse or family members over the age of 16. In real terms, this means that the partner of a lateral recruit would not be able to apply for residence at the same time as their partner; rather, they would have to satisfy the four-year lawful residents' requirement.

The coalition, by introducing the private member's bill, sought to redress this situation. The government voted down the private member's bill for one reason and one reason only. They did not think of it first and they could not possibly support a coalition policy. This is yet another example where the coalition, despite having the limited resources available in opposition, has identified a policy shortfall and attempted to rectify it, only to have the government vote it down and adopt it as their own.

It is important to revisit some history in relation to this debate. The member for Fadden, Mr Stuart Robert, in his capacity as shadow minister for defence, science, technology and personnel, put forward his private member's bill after extensive consultation with the sector in relation to this issue. The Labor government claimed there were broader considerations that needed to be included in the bill, but rather than introduce their amendments to the bill, as is common practice, or

voice their concerns with the member for Fadden, which would have demonstrated a bipartisan show of support for Defence families, the Labor government voted against the private member's bill.

Some 18 months ago, in February 2011, the Minister for Defence Science and Personnel, Mr Warren Snowdon, contacted the Minister for Immigration and Citizenship, Mr Chris Bowen, querying the capacity to make these legislative changes. Some 87 days later, Minister Bowen responded to Minister Snowdon and his response was: 'I do not consider it necessary to amend the citizenship legislation.'

So just over 12 months ago, Minister Bowen did not consider it necessary to amend the citizenship legislation, yet here we are today, debating a change to the citizenship legislation that Labor seeks to introduce. The question that needs to be asked is: what has changed between now and then? The answer is actually 'nothing', apart from the fact that the member for Fadden—a member of the coalition—introduced a private member's bill to fill a policy gap that will make a difference to around 90 per cent of lateral recruits who have family members to which this amendment will apply. Nobody in this chamber believes we would be debating this legislation today were it not for the coalition's private member's bill. This is good policy and the coalition has a strong track record of creating and being supportive of good policy for defence families, unlike this government, which continues to punish ADF personnel for its reckless spending and ongoing waste and mismanagement.

Labor's 2012-13 budget cut \$5.5 billion from the defence budget over the forward estimates. This cut is in addition to the more than \$17 billion in cuts and deferrals since 2009 and takes Australia's defence spending as a proportion of GDP to its lowest level since 1938. As part of the 2012-13 federal budget, Labor also saw fit to scrap the recreational leave travel entitlement for single ADF members aged over 21. This cut will affect approximately 23,000 ADF members and will save \$15 million per annum out of an annual defence budget of more than \$24 billion. Those ADF personnel in the Army and the RAAF will lose their current entitlement to one flight home to their next of kin each year. For those ADF personnel in the RAN, they will lose their current entitlement to two trips home to their next of kin each year.

The Labor government has effectively penalised single ADF personnel over the age of 21 for its own reckless spending, waste and mismanagement. Labor has also failed to outline what effect these cuts will have on recruitment and retention. Minister Snowdon not only defended these defence cuts but he also gave no assurances that further cuts to ADF entitlements would not be made.

The shadow minister for defence, Senator David Johnston, has called on the Minister for Defence to immediately release the government's response to DLA Piper's *Report of the review of allegations of sexual and other forms of abuse in Defence*. The Minister for Defence announced an external review of allegations of sexual and other forms of abuse that were raised following the Australian Defence Force Academy Skype scandal in April 2011, and the former ADF personnel who have made very serious allegations have been waiting for more than a year for an outcome. They are none the wiser as to how the government is going to offer redress, and this is simply not good enough. It is yet another example of this Labor government failing the men and women of our Defence Force.

As I have already stated, the bill before us today is good news for the lateral transfer members of the Australian Defence Force and their families. It is just a shame that the Labor government has resorted to petty politics and political posturing by voting down the coalition's private member's bill and introducing a carbon copy of it as their own. It is said that 'imitation is the best form of flattery'. Well, as a coalition senator I am flattered that the Labor government has finally seen fit to introduce yet another coalition policy onto the floor of this chamber.

The coalition fully supports this bill because the coalition supports defence families. But let us be very clear about Labor's motivation for introducing this bill. The only reason Labor has introduced this bill is because the coalition introduced a bill and Labor did not want to have to vote for the coalition's widely-supported legislation. Labor is only willing to take action if it help them cling to power. The coalition introduced its bill because it saw a glaring gap in the current legislation and wanted to provide defence families with peace of mind. Labor introduced its bill—this bill—because it saw a glaring gap in its own political survival. How else can you explain the remarkable about face in its policy position?

Senator FAWCETT (South Australia) (13:28): I rise to also address and support the Australian Citizenship Amendment (Defence Families) Bill 2002. I wish to address, firstly, the value it brings to defence and, secondly, the politics of it. On the value it brings to defence, I talk as somebody who has spent nearly 30 years in the defence organisation as a regular serviceman, reserve and contractor. Very soon the Senate Foreign Affairs, Defence and Trade References Committee will be tabling an inquiry into defence procurement. One of the consistent themes the committee heard during that inquiry is the fact that we need skilled people in the ADF to assist with the acquisition and operation of equipment. Those skills do not come easily. You cannot just put somebody through a TAFE course or a university course, give

them a qualification and say they are skilled. Competence is a combination of skills and relevant experience.

One of the really valuable things that lateral recruits bring to the Australian defence organisation is competence. In my own area of aerospace, I can look at a number of people who have come as operational pilots, weapons systems officers, or particularly experimental test pilots from the flight test world. The kinds of skills and experience that those people bring literally cost millions of dollars and a number of years for the Australian Defence Force to obtain. They also bring the perspective of another service, another way of doing things, to provide context and checks and balances to help our Defence Force reach best practice.

The fact that we invited people to come here and to serve—in some cases, put their lives on the line; in many cases, serve and provide technical advice in our Defence Force—means that we should also be looking after their families. The cost of doing so is minuscule in comparison with the first order value they bring through their competence and the second order value they bring by filling a gap—therefore, fewer failures in our projects, more efficiency in our projects and operational capability, and not needing to train other people to do the task. This does not relieve the government and the services of the obligation to provide adequate funding for the training of our people. It does not relieve the defence organisation of the obligation to consider not just qualifications but competence and competence that is specific to the task in question. It provides us with another avenue to obtain the skills, the competence and the experience that we need to make sure that our Defence Force is effective and efficient.

The cost of supporting families is minuscule in comparison. It is also a moral obligation. If we are expecting somebody to up-stumps and come here, whether it be from Canada, the United States, the UK or other parts of the world, it is not fair to then expect that their families will not receive the support that other service people's families receive. We have a moral obligation and a duty of care to that person. If his or her mind is going to be fully on the job, they need to have the same certainty that their families will receive the care that they need to be fully functioning members of our community. The bill before us today finally goes towards making that a possibility.

I will quickly address the politics of it. Former speakers have mentioned, and I will mention again, that the coalition saw this gap, took action and put forward a bill to address this. Given that the government have now put in a practically identical bill to address the issue, one has to ask: on what grounds—what logical grounds, what moral grounds, what grounds at all—could they have voted down the

coalition's bill that would achieve the same purpose? One can only be left with the conclusion that it was political. Given that we are talking yet again about the effectiveness of our Defence Force, a national security issue about the duty of care and the loyalty that we owe to the people who serve us, to put off a measure like this for purely political reasons is really dealing in the gutter. Again, it is not moral, fair or effective to allow issues like this to be dealt with on the basis of politics as opposed to the real issues at hand. I am happy to support the bill. I am disappointed that the government was not prepared to support the coalition's bill which was delivered in a spirit of meeting a real need for our Defence Force service men and women and their families. I commend the bill to the Senate.

Senator CONROY (Victoria—Minister for Broadband, Communications and the Digital Economy, Deputy Leader of the Government in the Senate and Minister Assisting the Prime Minister on Digital Productivity) (13:34): I would like to thank all of those who have been involved in the debate and look forward to the support of the chamber.

Question agreed to.

Bill read a second time.

Third Reading

The ACTING DEPUTY PRESIDENT (Senator Stephens) (13:34): No amendments to the bill have been circulated. Before I call the minister to move the third reading, does any senator wish to have a committee stage on the bill to ask further questions or clarify further issues? If not, I call the minister.

Senator CONROY (Victoria—Minister for Broadband, Communications and the Digital Economy, Deputy Leader of the Government in the Senate and Minister Assisting the Prime Minister on Digital Productivity) (13:34): I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

Maritime Legislation Amendment Bill 2012

Second Reading

Debate resumed on the motion:

That the bill be now read a second time.

Senator JOYCE (Queensland—Leader of The Nationals in the Senate) (13:35): The Maritime Legislation Amendment Bill 2012 is a non-controversial bill. It prevents pollution at sea. Obviously it is an issue a lot of Australian ships do not have to worry about because they are already compliant within these regulations. The legislation is to stop people pouring sewage, garbage and other filth into the ocean. I think it stands to reason. The amendments within the bill go to the 1983 act and will activate amendments to three annexes to the

international convention, better known as MARPOL. It clarifies the roll-back provisions, which define areas of the ocean over which each level of government has responsibility. It abolishes the stevedoring levy, which had ceased to operate since May 2006—a legacy of the 1988 waterfront dispute.

It is interesting to be talking about travel by sea because there has been a big issue lately in regard to the movement of people by sea, especially the asylum seeker/refugee issue. It is also interesting to note that today Mr Clive Palmer will no longer be pursuing a career in politics because he does not agree with the coalition's position on asylum seekers. However, this is not the position of the Labor Left; they agree with the former Howard government's position on asylum seekers. They are strongly in support of it—supported by such people as Senator Wong, Senator Evans, Senator Cameron and Senator Marshall.

They were obviously strongly in support of a position that Clive Palmer cannot support. Politics is an interesting thing when the Labor Left find it within their power to support a position that, to be honest, we could not possibly have got through our own side of politics.

We would not have been able to get through a position that could bang people up for 10 years, or an indeterminate time. I could not have done that, so I want to congratulate you that you were able to do it. I do not know how you did it. In fact, it was such an onerous position that Clive Palmer gave up politics because of that position. But it is something that the Labor Left believe in. That is very interesting. I think there needs to be a big congratulatory message to you, Senator Conroy, for your work in the Labor Right managing to completely and utterly walk over the doormat otherwise known as the Labor Left. I think you are to be commended. You have done an excellent job.

The ACTING DEPUTY PRESIDENT (Senator Stephens): Order! Senator Joyce, can I bring you back to the legislation that is before us.

Senator JOYCE: Yes, thank you very much, Madam Acting Deputy President. I note the legislation is about ships and boats that come by sea. We should note that they are trying to stop pollution and the Labor Left have managed to stop the sewage and the rubbish that would come on boats from Indonesia, because they do not believe in it. The Labor Left believe that they should be locked up and never let out. What I like about the Labor Left is that you can always rely on them if you lose your doormat: they will be around somewhere. And I can always rely on Senator Conroy to walk over them. That is what is so good about them. I can always rely on the Labor Right to walk straight over the Labor Left, because that is what the Labor Left is there for.

It is surprising that even Clive Palmer could not get himself to that position, but the Labor Left did. Only the Labor Left could endorse the Howard position in the way they did. The Labor Left are to be commended for their strong support of John Howard's position. I think the Labor Left are to be commended on managing to get through—especially with the intense lobbying work by Senator Wong, Senator Carr and Senator Evans—a position where people can be locked up for an indeterminate period of time. That is incredible, something we on our side of politics could not possibly have done. But they managed to do it, and they are to be commended—especially the Prime Minister.

The Prime Minister is definitely to be congratulated, because everybody deserves an epiphany. I am not suggesting for one moment that the Prime Minister is not consistent. I am not suggesting for one moment that you could doubt her word. Not for one moment would I suggest that she might have said sometime in the past that she did not agree with this position, but then she took that position to the election. I would not suggest for one moment that she completely backflipped on the position that she took to the Australian people at the last election, this time on boatpeople. I would not suggest that for a moment, because she is such a consistent person. She is totally reliable, totally trustworthy. Everything about her is completely and utterly trustworthy!

I would like to thank the Labor Left for their consistency, because they are the stalwarts! They are strong and they stand up for what they believe in. If anybody is going to stop sewage and rubbish from being thrown into the sea by boats coming from Indonesia, it is the Labor Left. They will do that and I would like to thank Senator Conroy for his ability to walk right over the Labor Left. I want to thank him for his strong position. I would like to thank the Labor Party for the fact that the show is now run by Senator Conroy. I would also like to thank Senator Evans for stepping aside. I would especially like to thank Senator Kim Carr. He might look a bit abrupt in a three-piece suit and a big beard. But he is not—he is a softy and he likes to step aside. He likes to step aside when he is asked to. He likes to lie down on the ground and he likes to have the word 'welcome' written on his back, so everybody can wander across as they endorse the Howard government's position of not letting these people in.

Senator Bernardi and I know we could not possibly have got a decision through to bang people up for an indeterminate period of time on Nauru and Manus Island. We tried, but never could get there. We could not get it through. I do not know why—it was something to do with a conscience and they did not want it. I do not know what happened, but Labor Left

did it. They managed to get them banged up and they did an excellent job. They are to be congratulated.

Senator Carol Brown definitely does not want any sewage or rubbish being thrown into the sea by these boats coming to Australia. She wants them stopped. She said, 'Lock them up and throw away the key.' She supports that position. Senator Louise Pratt said: 'I am not having a bar of it. These people are going straight to Nauru. Do not pass go.' That is what I like about Senator Louise Pratt. You can rely on her to be tough and to stand up. And that is what I like about Senator Douglas Cameron. He is a man of exceptional character, because we tried to get Howard's policies in place but we could not. But Senator Douglas Cameron could. He managed to get them in, and I thought all this time that what he was saying at the front door was his position, that he did not want them to go to Nauru. I was so misled! I did not realise that his position actually was that he wanted them—

The ACTING DEPUTY PRESIDENT: Senator Joyce, can I call you to order again and ask you to be relevant to the legislation. What you have been discussing has nothing to do with the legislation.

Senator JOYCE: It is about maritime stuff.

The ACTING DEPUTY PRESIDENT: That is a very, very long bow.

Senator JOYCE: I understand exactly what you are saying, Madam Acting Deputy President, and as Daniel came to judgement I should clearly spell out what the relationship is. This is about not having sewage, garbage and pollution from ships. Of course, if we are talking about ships, we are talking about boats. If we are talking about ships and boats, we are talking about ships and boats that may or may not be carrying refugees coming from Indonesia and trying to get into Australia. We do not want any sewage or rubbish to be thrown off these boats. It is also important to say what things have changed in maritime policy lately. The big one is that the Labor Left have decided that people can get banged up for ever.

Let us talk about another lot of ships and boats that the Labor Party in general have stopped. These are boats carrying produce from Australia—they do not believe in them either. They are excessively bad. What they do in that instance is create a whole heap of impost and caveats—the carbon tax, the mining tax, excessive and onerous nuances from the EPBC Act and these actually stop us from mining, and so we stop those boats as well.

This is a vastly indirect but extremely efficient way to stop any garbage and sewage coming off ships—you just stop the ships! If you stop the ships you do not have to worry about garbage or sewage. You do not have to worry about making any money—you go broke. We are seeing signs of this all around: the \$20 million worth of port extensions in Western Australia

have been canned; Olympic Dam has been canned; Dysart has been canned; and the Minister for Resources, Energy and Tourism, Martin Ferguson, is now saying the mining boom is over.

Now, Senator Wong is another strong person. She stood up and made sure those people could get locked up in Nauru and Manus Island. She especially needs to be congratulated. A special garland of flowers is to be thrown at her feet for the work she has done to implement the Howard government's policy. She needs a special thank you. She also needs to be thanked for the work that has been done in stopping these other ships coming in or going out. There is no doubt that when it comes to maritime shipping policy in the Labor Party they do not believe in ships coming or going—they just believe that if we can shut everything down we will somehow survive as an economy.

It is very important that when we are looking at this bill we understand that it is all part and parcel of trying to clean things up. We do not want any mess. We do not want any pollution or sewage, and we need to be compliant in making sure that the oceans and the seas are clean. The best way to clean things up is to stop ships being on the seas entirely, and the way you do that is to make it completely impossible for us to export, and completely unviable for industry and for commodities such as iron ore and coal to operate in Australia. Stop them and you can stop the ships—no more sewage, no more ships! It all makes sense! Of course, if you want to stop them from the other direction you reintroduce the Howard policies—that stops the refugee boats coming in and it is working well.

So Labor is stopping ships in both directions and it is doing a fine job of cleaning up the sea. Unfortunately, the ramifications are that has shown that the Labor Left is basically soulless and has no philosophical purpose anymore—

Senator Conroy: You mean Richard Torbay, don't you?

Senator JOYCE: Senator Conroy is to be congratulated on his factional alliance with Senator Carr and for the marvellous work that Senator Conroy has done in managing to walk over the Labor Left, to walk onto the Labor Left, and to jump up and down on the Labor Left. He is to be congratulated for it. It is an inspiration. These jelly-backed lefties must be stopped! And thank goodness that we have Senator Conroy here because we could not have possibly got that through our side of parliament—he seems to do it with consummate ease, and he is to be congratulated for being tough. May they all polish his boots—the ones that go all the way up to the knees. Senator Conroy has done an exceptionally good job at walking completely and utterly over his colleagues. The good thing is, they seem to be happy about it; they feel comfortable.

Senator Bernardi: Robert Ray would be proud.

Senator JOYCE: Yes, Robert Ray would be proud of the work that has been done. Sooner or later we will all be able to go around to have a drink and maybe have a wake—they probably have herbal tea, or something—and it will be the final burying of the Labor Left by the Labor Right. Let us commend Senator Conroy for the work he has done.

It is very important that we maintain our capacity to stop the ships coming in—which the Labor Left has done by reintroducing the Howard government's policies. They are to be commended for that. We now have the Labor Right and the Labor Left working together as a team to stop the ships going out. We can stop the ships going out by introducing ridiculous policies such as the mining tax and the carbon tax. We can see the effects of those happening right now, whether we like it or not. As if one would suggest for one second that a new tax is not a consideration as to whether a person makes a decision to invest in this country! You would have to be completely and utterly out of your tree to think that with a tax that can vary between \$23 and \$350 anyone would come and invest—and, of course, they are not! How, after Labor has cleaned up the sea, they are going to clean up their debt I am not quite sure—

Senator Conroy: Gross debt or net debt?

Senator JOYCE: It's both, and they are both getting bigger. When the debt could really go through the roof is if you were wacky enough to try to build yourselves another telephone company. It can only bring on—what was it?—six clients a week! A \$60 billion investment and six clients a week! What a return! What a genius! What a financial wizard!

Every time I think of Senator Conroy I remember that wonderful picture where he had all the optic fibres festooned all over him, walking around like a Christmas decoration on the front of one of those magazines. The day that Senator Conroy looks like a Christmas decoration—that is how we will remember him. That is the sort of acumen that we can talk about.

I commend this bill for cleaning up the sea, and I commend the people who have done such an exceptional job of cleaning it up thus far by stopping the ships both coming in and going out!

Senator RHIANNON (New South Wales) (13:51): The Greens support the Maritime Legislation Amendment Bill 2012 and the work that the government and many others have put into improving our national oceans law framework. I put on the record my concern about the comments of the previous speaker, Senator Joyce. He has again disgraced himself, his party and his coalition partners with vile language about people who have every right to seek refuge here.

Misusing this piece of quite important legislation in that way has been a low point in my time in this chamber.

Senator Bernardi interjecting—

Senator Joyce interjecting—

Senator RHIANNON: I acknowledge the interjections. There is still much scope for reform to better integrate planning for ecologically sustainable development and marine ecosystem management. This legislation, if enacted, hopefully will make a real difference to the health of our oceans, the richness of the biodiversity of our marine environment and also our own health.

This legislation implements amendments to annexes of the International Convention for the Prevention of Pollution from Ships. I note that this convention came down in 1973 and it did come out of the first great global environmental movement that was raising concerns about the effects of pollution on all aspects of our environment. It is important now and a little bit overdue, but it is good that it has happened. Now we have these amendments that cover many aspects, as do the regulations for the prevention of pollution by oil, noxious liquid substances in bulk, harmful substances carried by sea in packaged form and the sewage, garbage and air pollution that come directly from so many of the ships that ply our oceans.

One aspect that really did mean a great deal to me, as I am a very keen birdwatcher, is that hopefully it will make a real difference to the plastic pollution which is causing so much harm in our oceans. The United Nations Environment Program has estimated that around 13,000 pieces of plastic litter are found in every square kilometre of sea, with the problem being particularly bad in the North Pacific. For those who have watched marine birds when they fly across our oceans, it is often said that they 'vacuum' up food from the surface. That means that they are actually swallowing huge amounts of plastic. There have been a number of studies carried out about how damaging this is. Some birds have been found to have 15 per cent of their body weight made up of plastic pollutants. It has been found that these plastics concentrate toxic pollution within the ocean. Because of the design of the birds' gizzard in terms of how they digest the small marine animals, the plastics get embedded and make it difficult to eat. This disrupts their own hormonal systems and their breeding patterns can be thrown out. There has been a 75 per cent drop in number of a number of marine birds—attributed to this global pollution. That issue is addressed in this legislation and it is most important that it is followed through.

I was also pleased to see that the legislation does cover the pollution that comes directly from many of the ships—not just the garbage but also the sewage and the air pollution. When I was very young I had the

opportunity to go on a cruise, and I remember being quite shocked as a little girl watching all the garbage being thrown overboard. We have now come to realise how damaging that is. There is also huge potential with regard to energy efficiency measures. An energy efficiency design and management plan will now be mandatory for ships with gross tonnage over 400 tonnes that are involved in international trade.

The pollution aspects very much need to be dealt with. I note one example that I dug out when I was reading about this legislation. The Baltic Sea, a fairly enclosed sea, has about 350 cruise ships each year, with thousands of port calls. That is really putting a burden on the Baltic Sea as well as the surrounding area, with a huge tonnage of nutrients going into that sea from the sewage and other pollution that is put in there. It is estimated that about 113 tons of nitrogen and 38 tons of phosphorous go into the sea, and this throws out the balance in our ecosystems and results in many species getting close to extinction.

There is also some very important work being done under the international convention that this legislation picks up, covering energy efficiency and the all-important issue of reducing greenhouse gas emissions. It has been estimated that shipping emits more than 1,000 million tonnes of carbon dioxide, and this was in 2007. That corresponds to about 3.3 per cent of the global emissions. Now, with the Ship Energy Efficiency Management Plan, that should change. If implemented, it is estimated that these measures could increase efficiency and reduce emissions by 25 per cent to 75 per cent below the current level. When you consider the increase in the shipping trade, every effort needs to be made to reduce emissions and pollution from our ships. That is very relevant to Australia, because with the resources industry there is a huge increase in shipping along our coasts. So we need those measures in place.

We have had some damaging developments in Australia with regard to our own environment. In 2010 the bulk coal carrier *Shen Neng 1* sliced into the reef off Gladstone in Queensland and damaged three kilometres of coral reef—which could take 20 years to restore. It is another reminder of why, with the marine highway that is developing along the northern east coast of Australia, we need these measures in place to ensure that protection of the environment and reduction in the pollution that goes into our oceans is given a top priority. With the Marine Legislation Amendment Bill 2012, we are getting closer to achieving that. I look forward to the government tightening the regulations surrounding the discharge of so much of the pollution that goes into our oceans.

Debate interrupted.

QUESTIONS WITHOUT NOTICE

Mining

Senator BRANDIS (Queensland—Deputy Leader of the Opposition in the Senate) (14:00): My question is to Senator Wong, the Minister representing the Minister for Climate Change and Energy Efficiency. I refer the minister to the repeated warnings of BHP Billiton about the effect on the viability of the Olympic Dam project of the government's policies and, in particular, the warning from the chairman of BHP Billiton, Mr Jacques Nasser, who said on 16 May:

I cannot overstate how the level of certainty about Australia's tax system is generating negative investor reaction. People don't know where they are going.

Given the government failed to heed the warnings about the disastrous impact of its mining tax and carbon tax on Olympic Dam, will the minister now apologise to the people of South Australia for costing them a \$30 billion mining investment, the most significant in the state's history, and costing South Australia over 13,000 new jobs?

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:01): I am asked about Olympic Dam. As a South Australian I am very happy to talk about Olympic Dam. I am somewhat surprised that no South Australian Liberal senator wanted to ask me about Olympic Dam. We have a Queenslander asking. I am also asked about uncertainty. Let us be very clear that any uncertainty that is created in relation to the investment environment is because Mr Abbott is making clear he wants to remove a mining tax that the miners are prepared to pay.

But I want to go precisely to the issue of Olympic Dam because I, like every other South Australian, except perhaps some in the Greens, was deeply disappointed with the decision of BHP Billiton to defer investment. The only people who are cheering that decision are those opposite and Mr Abbott—a disgraceful attempt to use this decision to fuel their dishonest fear campaign.

Opposition senators interjecting—

The PRESIDENT: Senator Wong, resume your seat. When there is silence on both sides we will proceed.

Senator WONG: I refer the good senator to the statement released by BHP Billiton in relation to this decision, the statement his leader could not be bothered reading before he stood up at a press conference with South Australians to talk about how dreadful it was that everything else had stopped Olympic Dam. The press release from BHP Billiton—a statement to investors, to shareholders and to the market; a statement that can be believed—says that:

... current market conditions, including subdued commodity prices and higher capital costs, has led to this decision.

There is no mention of the carbon price, no mention of the mining tax, which, if those opposite paid any attention, they would know does not apply to the output of Olympic Dam. Those opposite should be ashamed of the way they have dealt with— (*Time expired*)

Senator BRANDIS (Queensland—Deputy Leader of the Opposition in the Senate) (14:04): Mr President, I ask a supplementary question. I refer the minister to comments made by the resources minister, Mr Martin Ferguson, on *AM* this morning when he said:

You've got to understand, the resources boom is over.

I also refer the minister to her own statement when asked on ABC News 24 this morning about the mining boom when she said:

No, I think the mining boom still has a long way to run.

Who are Australians to believe—Minister Ferguson or you, Minister Wong?

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:05): Australians are certainly not to believe the Leader of the Opposition on this issue. But I am very happy to answer the question about the mining boom. Minister Ferguson is absolutely right when he says the mining boom, in terms of the commodity prices that we have seen, is over, which is why the government have factored that assumption into our budget. That is why the budget assumes the terms of trade will step down—because we understand that the elevated prices that we have seen for Australia's commodities over these last few years cannot continue. That is why we have factored that into the budget.

There is no suggestion that the investment pipeline is somehow turned off. We have half a trillion dollars of investment in the pipeline in the resources sector in this country. Over 50 per cent of that is at the advanced stage. The opposition do not want to hear that. They want to talk down the economy. They want to talk down South Australia. They do not like to defend Australian jobs. (*Time expired*)

Senator BRANDIS (Queensland—Deputy Leader of the Opposition in the Senate) (14:06): Mr President, I ask a further supplementary question. Given this government's addiction to new taxes, such as the carbon tax and the mining tax, ongoing division at the highest levels of the government and contradictory statements by senior ministers about the future of the resources boom, what confidence can the Australian people have that the suspension of Olympic Dam will not be the first of many resources projects to be lost because of the uncertainty created, as Mr Nasser warned, by this high-taxing, confused and dysfunctional government?

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:06): The addiction

which is problematic here is the addiction to negativity of the Leader of the Opposition and those opposite. I am surprised. There was a time when the opposition had some senior members who represented South Australia and tried to represent our state responsibly. I did not always agree with Senator Minchin, but he did try to represent South Australia responsibly. What we see now are the members and senators from South Australia jumping on board what can only be called a disgraceful, self-interested scare campaign.

They are saying to people: 'Ignore what BHP has said'—

Opposition senators interjecting—

The PRESIDENT: Order! When there is silence we will continue.

Senator WONG: The position of the opposition is this: 'Please ignore what BHP has told the market. Please ignore what BHP has told its shareholders. Please ignore what BHP has told investors. Instead believe what Tony Abbott said on *The 7.30 Report*.' That is what the position of the opposition is.

The PRESIDENT: You need to refer to people in the other place by their correct title.

Mobile Phone Services

Senator SINGH (Tasmania) (14:08): My question is to the Minister for Broadband, Communications and the Digital Economy, Senator Conroy. Can the minister provide advice to the Senate on the charges for using international mobile roaming services? Does the minister have any examples of how these have affected Australian consumers?

Senator CONROY (Victoria—Minister for Broadband, Communications and the Digital Economy, Deputy Leader of the Government in the Senate and Minister Assisting the Prime Minister on Digital Productivity) (14:08): Unfortunately, I do not know whether or not French Telecom has any mobile services, though Malcolm has shares in them. But I want to thank the senator for her question and for her interest in Australian consumers.

This morning I released a draft report with the Hon. Amy Adams, the New Zealand Minister for Communications and Information Technology, into the prices paid for international roaming between our countries. The draft report makes clear that consumers have been ripped off when using their mobile phones when travelling between our countries. The prices that people have to pay when they make a phone call, send a text or go online when they travel are frankly obscene. This draft report shows that margins made by telcos have been higher than 1,000 per cent. Since the Australian and New Zealand governments announced this investigation, not surprisingly, the margins have come down, but they remain unprecedentedly high, at 300 per cent.

The senator asked whether I am aware of any specific examples and can I say there are some shocking examples highlighted in today's papers. A mother who is a primary carer for her daughter with a long-term illness received a phone bill of \$4,800 after a holiday in—

Senator Cameron interjecting—

Senator Ian Macdonald interjecting—

The PRESIDENT: Order! Senators on my right and my left!

Senator CONROY: She received a bill of \$4,800 after a holiday in New Zealand. She used her phone simply to stay in contact with the doctors, specialists and social workers during her holiday and she had no idea that when she got home her phone bill would be so ridiculously high. Another example is a student who asked for global roaming for her phone for a holiday to Malaysia and she was not informed of the cost when she connected. She got stung for— (*Time expired*)

Senator SINGH (Tasmania) (14:10): Mr President, I ask a supplementary question. Can the minister advise what actions the government is proposing to take to improve the situation for trans-Tasman roaming?

Senator CONROY (Victoria—Minister for Broadband, Communications and the Digital Economy, Deputy Leader of the Government in the Senate and Minister Assisting the Prime Minister on Digital Productivity) (00:00): The draft report has undertaken detailed modelling to understand the costs faced by mobile operators in providing these roaming services. As I said, the draft report finds that margins have been as high as 1,000 per cent and are at 300 per cent. For this reason the draft report recommends actions by our respective governments. There are options for action including legislation and regulation by both our countries, including the introduction of wholesale and retail price caps. We have released the draft to obtain views from users of roaming services and the telecommunications industry. Once submissions have been considered, the two governments will agree on a joint course of action. The mobile operators should be under no illusion: the New Zealand and Australian governments are determined to end this rort.

Senator SINGH (Tasmania) (14:12): Mr President, I ask a further supplementary question. Can the minister provide advice on any initiatives to improve the situation for Australians travelling to other countries?

Senator Ian Macdonald: And why's it taken you so long, Stephen?

Senator CONROY (Victoria—Minister for Broadband, Communications and the Digital Economy, Deputy Leader of the Government in the Senate and Minister Assisting the Prime Minister on Digital

Productivity) (14:12): Unfortunately, Australians are getting stung when they use their phones overseas, not just when they go to New Zealand. To address markets where we are not able to introduce coordinated regulation, Senator Macdonald, I am also directing the ACMA to make an industry standard. This standard will ensure that Australians receive an alert on their mobile phones when they land overseas. This will allow consumers to find out how much they will be charged when they make a call, when they send a text or when they go online. This standard will protect all Australians, including Mr Turnbull on his trips to Paris to check out how the fibre-to-the-home network is going and how his investment is. This will protect all Australians, including by allowing them to not take the service. You will be able to opt out. (*Time expired*)

Carbon Pricing

Senator CORMANN (Western Australia) (14:13): My question is to the Minister representing the Minister for Climate Change and Energy Efficiency, Senator Wong. Does the minister agree that as a direct result of the introduction of Labor's carbon tax the Australian mining and metals production sectors will experience a significant decline in rates of return by 2020, reflecting lower demand and lower profitability?

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:14): There are a great many things which affect the mining sector and primary amongst those are the prices paid by the world for commodities. We have seen very high prices for the commodities Australia exports. That has obviously been a good thing for this nation but, as this government has made clear, the peak of the commodities price boom has passed, which is why we are doing two things.

The first, in a budgetary context, is to ensure that the budget reflects the stepping down of the terms of trade, which it does. The second is to ensure that you plan for beyond the boom and that you invest the boom proceeds wisely, recognising that you have to plan for beyond it. For this reason, as you know, the government has a range of investments in place. Some of those have been in the tax reform space and include, for example, the company tax cut that Senator Cormann opposed but also things like the loss carry back regime, which will assist small business in particular, as well as the instant asset write-off.

Senator Cormann: Mr President, a point of order in relation to the requirement for the minister to be directly relevant: there was a very specific question as to whether the minister agreed or disagreed that the carbon tax would lead to significant declines in rates of return. In order to assist the minister to be directly relevant, she might want to refer to page 152 of the

government's own Treasury modelling of the carbon tax, where that exact point is made.

The PRESIDENT: That is debating the issue. There is no point of order at this stage. The minister has 51 seconds remaining in which to answer the question.

Senator WONG: In terms of the point of order, I think that Senator Cormann is now saying that we should rely on the Treasury modelling. Is that right? This is the same Treasury modelling that he has been saying for months and months we should not rely on. Now he is saying we should rely on it. It is a little bit like his position on the mining tax, which he says, on the one hand, will not raise any money, but, on the other hand, will kill investment.

Senator Brandis: Mr President, on a point of order: you chastised Senator Cormann for debating the issue in his point of order, but the minister is now debating the question. A statement was put to her. Senator Cormann helpfully provided the source of the statement. She is merely being asked whether she agrees or disagrees with that statement. You should bring her to the question in the time remaining.

The PRESIDENT: There is no point of order. The minister has 26 seconds remaining in which to answer the question.

Senator WONG: Again, I would say that one of the primary drivers of investment in the resources sector in this country is what is occurring in global markets. If policy issues such as the mining tax or the price on carbon have the effect that the opposition says, one wonders why it is we have continued to see climbing investment in the resources sector in this country since they were announced. (*Time expired*)

Senator CORMANN (Western Australia) (14:17): Mr President, I ask a supplementary question. Isn't it true to say that, consistent with the government's own Treasury modelling, the government fully expected that its carbon price would cause 'a significant decline in rates of return' by 2020 for Australian mining and metals production? Isn't it true that the same Treasury modelling of Labor's carbon price forecasts a reduction of investment in coal mining of 12.8 per cent, a decline of investment in manufacturing of 3.1 per cent and a decline of two per cent in investment in other mining by 2020?

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:18): Unlike Senator Cormann, I do not decide to adopt Treasury modelling one day and then discard it the next. It is fascinating: he is seeking to pin me down with a tricky question by saying, 'Do you agree with this modelling that I've been saying for two years is wrong and is not worth the paper it's printed on?' I would like to provide you with all the *Hansards* where you have said that.

What I would say is this: we have seen unprecedented growth in investment in resources in this country. We have about half a trillion dollars worth of investment in the resources pipeline. Over 50 per cent of that investment is at the advanced or committed stage. There is no doubt that we will shift from an investment phase to a production phase in terms of the mining boom. The Minerals Council itself says that. But, unlike those opposite, we will deal with the facts and we will not deal with a disgraceful scare campaign. (*Time expired*)

Senator CORMANN (Western Australia) (14:19): Mr President, I ask a further supplementary question. Why is the government so surprised that, in the wake of significant increases in the cost of doing business in Australia as a result of the carbon tax, the mining tax, a plethora of other new or increased taxes and more than 18,000 regulations, businesses like BHP Billiton decide to reduce their investments in Australia, such as at Olympic Dam? Is the government really so out of touch that it thinks that no amount of additional taxation and red tape will have an impact on our economic fortunes and our cost of living?

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:19): I am happy to take a question from a Western Australian senator about the Olympic Dam expansion—not a South Australian, of course. The South Australian Liberal senators are clearly not interested in the expansion of Olympic Dam, which is an important project for Australia.

Senator Cormann: Mr President, a point of order in relation to the requirement to be directly relevant: how can the minister's abuse on this issue in response to the question be directly relevant to the question?

The PRESIDENT: I do draw the minister's attention to the question. The minister has 45 seconds remaining.

Senator WONG: I am very happy to talk about Olympic Dam. As I said in answer to the question from a Queensland senator, Senator Brandis, BHP Billiton has made very clear the reasons for the shelving of the expansion. Unlike those opposite, we are deeply disappointed by that decision. Whilst this may not be an issue for Senator Cormann, it is an issue for South Australians. We do not thank people trying to make a political game out of this issue. We do not thank the Leader of the Opposition for engaging in a self-interested, dishonest and disgraceful scare campaign around this issue. We want to get on with the job of working with BHP to seek to ensure that this expansion can go ahead.

Asylum Seekers

Senator RHIANNON (New South Wales) (14:21): I direct my question to the Minister for Foreign Affairs, Senator Bob Carr. Is the minister aware that, during the Howard government's Pacific solution,

former Labor shadow minister for international development assistance Bob McMullan heavily criticised the then government for spending \$27 million in aid money on detention centres on Nauru and Manus Island? Does the minister agree that spending aid money on offshore processing is inappropriate and distorts the aid budget away from the key objectives of poverty alleviation and achieving the Millennium Development Goals?

Senator BOB CARR (New South Wales—Minister for Foreign Affairs) (14:21): The guide for the government on the appropriate use of aid money is the OECD. The OECD work on this lays down guidelines about what areas of expenditure assisting asylum seekers would be appropriately funded from an aid budget, and the government will adhere to the OECD guidelines. It could well be that there are areas of support for asylum seekers where, according to the international tests, that is considered appropriate and other areas where it would not be appropriate. We will be absolutely transparent about this and, as the government's plans develop, I look forward to sharing with the Senate any expenditure of Australian aid money on any aspects related to the government's solution.

Bear in mind that the report of the Expert Panel on Asylum Seekers vindicates the government's approach to the whole aspect of seeking offshore processing that is humane, in that it provides a disincentive to the work of people smugglers, and that is efficient in wrecking the business model for people smugglers and providing a disincentive for people to risk their lives on the high seas. That expert panel report in fact vindicates the government's approach, including the Malaysian arrangement, and is the basis of the government also proceeding to expedite the establishment of processing centres on Manus Island and Nauru. The Prime Minister said this and addressed these concerns when she spoke on Tuesday, 14 August. I might mention that reconnaissance teams have completed visits to Nauru and Manus Island. As recently as last week, they provided advice on logistics and other administrative and organisational issues. Senior officials— (*Time expired*)

Senator RHIANNON (New South Wales) (14:23): Mr President, I ask a supplementary question. Under the OECD guidelines, Minister, what aspects of the work on the detention centres on Nauru and Manus Island can be undertaken? Are they construction, staffing or implementation? Could you provide information on how that money can be spent; and, if the money is spent on the detention centres, will you publicly reveal the figures at the time the money is committed rather than waiting until the 2013-14 budget?

Senator BOB CARR (New South Wales—Minister for Foreign Affairs) (14:24): These are legitimate questions, and I can give the senator an assurance that I will share with her and the rest of the Senate the government contribution from the aid budget to anything related to this package of measures to achieve a more satisfactory resolution of the whole issue of people-smuggling and asylum-seeking—of irregular maritime arrivals. We will be guided by the OECD guidelines. We are consulting the OECD at the present time.

I would just underline the fact that work on this is still proceeding. The consultations by our task forces with the government of Nauru have a way to run. Senior officials are undertaking discussions this week with Foreign Minister Keke on the details of a memorandum of understanding. Officials will be working as quickly as possible to conclude negotiations and agree—*(Time expired)*

Senator RHIANNON (New South Wales) (14:25): Mr President, I ask a further supplementary question. Minister, have you had any discussions with AusAID or the Department of Immigration and Citizenship about aid money going to Manus Island or PNG or to offshore processing as a result of the recent agreement? Will you reveal what the advice from the OECD is with regard to whether aid money can be spent on these detention centres; and, if so, what aspects of the detention centres it can be spent on?

Senator BOB CARR (New South Wales—Minister for Foreign Affairs) (14:26): My short answer is yes. It is still to be clarified how OECD guidelines on the classification of aid money would have any bearing on this. I would expect it to be tangential to the major government investment required to establish these facilities. As I said earlier, senior officials were undertaking discussions as recently as a few days ago with the government in Nauru, working towards the details of a memorandum of understanding, and they will be working as quickly as possible to conclude negotiations and agree on the details of arrangements with Nauru and Papua New Guinea. These are legitimate concerns, and I will be happy to be forthcoming when we have nailed down the details. Again, I am happy to share them with the house and the senator before the budget.

Mining

Senator BIRMINGHAM (South Australia) (14:27): My question is to Minister Wong, the Minister representing the Minister for Climate Change and Energy Efficiency. I refer the minister to the comments of BHP Billiton CEO Marius Kloppers in his speech to the Perth business breakfast just 11 weeks ago, on 6 June this year, in which he was reported as saying:

... increased operating costs, the carbon tax and other imposts had 'conspired' to turn Australia from a low-cost environment—

and, therefore, competitive—

into a higher-cost environment.

I ask the minister: has the application of the carbon tax created a higher cost environment, as Mr Kloppers says, for a company like BHP Billiton?

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:28): I thank Senator Birmingham, who is a South Australian, for asking a question that is tangentially related to Olympic Dam—

Senator Birmingham: I haven't seen any of your South Australian senators asking questions, Penny!

Senator WONG: so third time lucky, Senator—third time lucky! It shows how important South Australia is in the tactics room! I am happy to discuss what Dr Kloppers has said. The first quote I will give you is this: the South Australian government, the federal government and all of the agencies that have worked with us to make this a reality have been absolutely wonderful partners to have, and I cannot put that in any stronger terms. The second point I would make is, again, that the MRRT does not apply to the output from Olympic Dam—

Senator Birmingham: I didn't ask about that.

Senator WONG: Well, perhaps you should let Tony Abbott know that, Senator. Perhaps you should let Tony Abbott know that, because he is the one—

The PRESIDENT: Order! Minister Wong, you need to refer to people in the other place by their correct titles.

Senator WONG: I apologise, Mr President: Mr Abbott. If the senator knows it does not apply, why does he stand next to the Leader of the Opposition while the Leader of the Opposition blames, amongst other things, the mining tax for the shelving of the Olympic Dam expansion? If you know it, why is it that you just stand by while he says things which are blatantly untrue? I am not surprised you are standing up.

Senator Birmingham interjecting—

The PRESIDENT: Order! You will get the call when there is silence.

Senator Birmingham: Mr President, I rise on a point of order. There was one question only for a matter of direct relevance to this—one question only in the question I asked—and that was whether the application of the carbon tax had, as Mr Kloppers had indicated previously, created a higher cost environment for a company like BHP Billiton. The minister has not yet come close to the carbon tax and I would ask you to draw her to the direct relevance of the question.

Senator Chris Evans: Mr President, I rise on a point of order. The senator referred to Mr Kloppers' public comments and referred to the context of the investment environment in Australia. Senator Wong has been responding to that directly by referring to other public comments of Mr Kloppers and referring to the investment environment, which is constantly being raised by those opposite, which involves also the MRRT. So Senator Wong is perfectly relevant to the question and is providing a comprehensive answer to that put by the senator.

The PRESIDENT: There is no point of order.

Senator WONG: I again refer Senator Birmingham to the statement that the Leader of the Opposition declined to read, which was the announcement by Olympic Dam of this decision in which the reasons for the decision were referenced. I would also refer the senator to Mr Kloppers' statement in his teleconference where he indicated that the decision was almost wholly associated with, in the first instance, capital costs, which are not only an Australian issue. He also went on to describe the fact that the MRRT does not apply to the output of Olympic Dam, despite the fact that the opposition, including the senator, continue to put this out in the public arena. If the senator really was concerned about this issue, he should get on Adelaide radio and contradict the Leader of the Opposition.

Senator BIRMINGHAM (South Australia) (14:32): Mr President, I ask a supplementary question. I refer the minister to the published NGRS data, which indicates that the different operating entities of BHP Billiton reported more than 9.5 million tonnes of direct emissions in 2010-11, a figure which could only have gone up had the Olympic Dam expansion proceeded. Even after the application of so-called free permits, wouldn't BHP Billiton face a carbon tax liability of tens, if not hundreds, of millions of dollars each and every year?

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:32): Self-evidently, the Olympic Dam extension cannot be included in the figures that the senator has just put to me.

Senator Brandis: That is because it is not going to happen.

Senator WONG: Well, what Senator Brandis and Senator Birmingham are asking Australians to do is to ignore the statement from BHP to the market, to the Stock Exchange, to shareholders and to investors about the reasons for this and to believe their baseless, disgraceful fear campaign. That is what you are asking Australians to do. I am deeply disappointed by the decision not to proceed at this stage with the expansion of Olympic Dam—deeply disappointed. Those opposite are the only ones who are cheerful about this.

Those opposite are the only ones who are gleeful about this.

Senator BIRMINGHAM (South Australia) (14:33): Mr President, I ask a further supplementary question. I now refer the minister to the email to staff from Dean Dalla Valle, President of Uranium for BHP, in which he described the cost of doing business in Australia as having reached a record high. Will the minister and the government accept any responsibility—any at all—for the record high cost of doing business in Australia, which is impeding projects like the Olympic Dam expansion?

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:34): If the opposition are advocating for lower wages and conditions, they should be honest enough to come out and tell people they are. What I would say to the opposition is this—

Opposition senators interjecting—

Senator WONG: You do not like the truth, do you?

The PRESIDENT: Order! Senator Wong, resume your seat.

Honourable senators interjecting—

The PRESIDENT: I remind honourable senators that the time to debate the issue is after question time at three o'clock. Those on both sides wishing to debate it can save their debating until then.

Senator WONG: Again I say: if the opposition are planning, are seeking, are advocating the reduction of wages and conditions as one of the cost inputs, they should be big enough to say so. But I note they always run away when this issue is raised and I predict they will now. I am also asked about the effect on investment. Planned mining investment in 2012-13 is around \$119 billion—that is 2½ times the actual investment in 2010-11. If the investment environment is so bad, how can they explain that sort of ramp-up in investment? The only answer is that it is because it is in their political interests to talk down the economy. *(Time expired)*

Support for Women

Senator PRATT (Western Australia) (14:36): My question is to the Minister for Foreign Affairs, Senator Bob Carr. Can the minister please update the Senate on Australian government efforts to support women and girls in developing countries around the world?

Senator BOB CARR (New South Wales—Minister for Foreign Affairs) (14:36): I acknowledge the visit of the Executive Director of UN Women, Under-Secretary-General of the UN Ms Michelle Bachelet. She was the first woman President of Chile—indeed, the first woman ever elected head of state in any South American country. She now leads the UN's effort to promote gender equality and empower women. Australia, I am proud to say, and all senators should be

proud to acknowledge, is the fifth largest donor to UN Women and we are on track to be the second largest donor by 2016—and we should be.

In its 2012 world development report, the World Bank found that, by eliminating discrimination against female workers, global productivity per worker could be increased by up to 40 per cent. That is why in Indonesia we are creating over 330,000 new primary school places, of which half will be for girls. That is why in Sri Lanka we are assisting over 2,000 women in rural areas to access training and obtain small-business loans to improve their lives. That is why in Papua New Guinea we have improved access to justice for women by increasing the number of female magistrates in the village court systems of that country from just over 10 seven years ago to over 600 today. This is a terrific example of Australian aid at work promoting the position of women in a developing country, in this case PNG. In Uruzgan province, Afghanistan, Australian aid has provided basic health and hygiene education to 8,000 primary school students, 34 per cent of them girls. In Fiji we have supported a new electronic welfare payment system that has assisted 17,000 people, 63 per cent of them women. *(Time expired)*

Senator PRATT (Western Australia) (14:39): Mr President, I ask a supplementary question. Can the minister further update the Senate on Australian government support for UN Women?

Senator BOB CARR (New South Wales—Minister for Foreign Affairs) (14:39): Australia is a committed supporter of UN Women. Today I announced a further Australian contribution of \$6.7 million to support the work of this body. This is specifically targeted at funding refuges, counselling and legal support for women driven from their homes by domestic violence. It will support women in Cambodia and Uganda who have suffered from revenge crimes like acid attacks for perceived slights. It includes counselling and support for women who are sexually assaulted in conflict zones, including in Liberia, where there is evidence of rape being used as a weapon of war during the civil uprising. It builds on other Australian initiatives, including doubling funding for family planning services in developing countries to \$50 million a year by 2016 to prevent unwanted pregnancies and save an estimated 200,000 lives. *(Time expired)*

Senator PRATT (Western Australia) (14:40): Mr President, I ask a further supplementary question. Can the minister update the Senate on Australia's efforts to stop violence against women in developing countries?

Senator BOB CARR (New South Wales—Minister for Foreign Affairs) (14:40): The Australian community has zero tolerance of violence against women. AusAID is working with our partner countries to eliminate violence against women. In Papua New Guinea we have established family support centres in

11 hospitals, offering treatment, counselling and referral services for women and children subjected to violence. In Fiji we have recently provided counselling and support services through the Fiji Women's Crisis Centre to more than 3,700 women who have been subjected to violence. In Cambodia we have helped train more than 20,000 people to take part in community crime prevention activities, and that includes awareness of violence against women. The Australian government will continue to focus on ending violence against women and girls in developing countries. I might say what a great pleasure it was today to discuss these matters with Michelle Bachelet, a great champion of women's rights. *(Time expired)*

Olympic Dam

Senator BERNARDI (South Australia) (14:41): My question is to Senator Wong, the Minister representing the Minister for Climate Change and Energy Efficiency. I also refer the minister to the decision by BHP Billiton to indefinitely defer the \$30 billion Olympic Dam expansion, which sees 13,000 potential new job opportunities in South Australia indefinitely deferred. Given that this is a devastating blow to South Australia, can the minister categorically rule out the carbon tax, the mining tax, increased union militancy or the axing of the promised company tax cuts as playing any role in making the Olympic Dam expansion a less attractive proposition than would otherwise have been the case?

The PRESIDENT: The minister can answer that part of the question that refers to her portfolio.

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:42): If you ever wanted an indication of a whole range of conspiracy theories from Senator Bernardi, you have seen them. He claims in that question that the mining tax is to blame—the mining tax that does not apply to the resources that are being mined at Olympic Dam. I would have thought that as a South Australian he would know that. But never let the truth get in the way of a good scare campaign when it comes to the Right of the coalition, the Right of the Liberal Party! I also note his reference to union militancy. I have no idea what he is talking about other than perhaps the agenda from the coalition which they refuse to confess to, which is that they want a reduction in wages and conditions. That is what they are really talking about when they come into here and talk about union militancy.

Senator Bernardi: Mr President, I raise a point of order on relevance. I asked if the minister could categorically rule out any number of factors in determining BHP's decision. In respect to union militancy, might I remind the senator that her storming the gates of Parliament House before she was a senator is the sort of unattractive union activity that we do not like.

The PRESIDENT: There is no point of order. The minister is addressing the question. The minister has one minute and 11 seconds remaining.

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:44): The decision to shelve the Olympic Dam expansion was for reasons known to the BHP board, and the reasons that they have advised the market are the ones to which I have referred to on numerous occasions already in this question time. If the senator does care about job opportunities in South Australia he should get up and support the investment in Holden, which his party opposes, and the investment in the submarines—the largest defence project in Australia's history—which Mr Hockey says he does not want to build in Adelaide. He is not interested in putting them in Adelaide. And the senator should get up and oppose the per capita GST distribution, which would cost our state a billion dollars, and which Mr Abbott says that he thinks is a sensible way to go. That is what the senator should do if he really cares about the economy of his home state of South Australia. (*Time expired*)

Senator BERNARDI (South Australia) (14:45): Mr President, I ask a supplementary question. I refer the minister to the statement issued yesterday by BHP Billiton in which CEO Marius Kloppers is quoted as saying:

... all investment options are scrutinised as they move through our approvals process—

Honourable senators interjecting—

The PRESIDENT: Order! Senator Bernardi, just wait a minute. You are entitled to be heard in silence.

Senator BERNARDI: Mr President, would you like me to start again?

The PRESIDENT: No, you just continue.

Senator BERNARDI: He continued by saying: and our highest returning projects are prioritised.

Does the minister accept that the higher operating costs in Australia, including as a result of government policies like the carbon tax, make projects like the Olympic Dam expansion less likely to be prioritised for investment compared with the many other investment options that exist worldwide?

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:46): I congratulate Senator Bernardi on reading the statement that his leader declined to bother reading before standing up publicly to engage in the scare campaign. At least he had—

Honourable senators interjecting—

The PRESIDENT: Order! Senator Wong, I cannot hear a word you are saying because of the conversation that is taking place across the front of the chamber.

Senator WONG: I was congratulating Senator Bernardi, in fact, I was—

Senator Ian Macdonald: She's not answering the question so it doesn't matter.

Senator Chris Evans: Enough of your bullyboy tactics!

Senator WONG: It's all right, I do not mind.

The PRESIDENT: Order! Senator Wong.

Senator WONG: I was, in fact, congratulating Senator Bernardi for actually reading the statement, and I would refer him to the two paragraphs prior to the one he read out in which Mr Kloppers said:

... current market conditions, including subdued commodity prices and higher capital costs, had led to the decision ...

So I would invite the senator to consider the possibility that the Australian people should trust what BHP has told the market, not what his leader is seeking to tell Australians when he stands up as part of this scare campaign.

Senator BERNARDI (South Australia) (14:48): Mr President, I ask a further supplementary question. Will the minister simply confirm whether the carbon tax makes it cheaper for BHP Billiton to pursue the Olympic Dam expansion or more expensive?

Honourable senators interjecting—

The PRESIDENT: Order! When there is silence we will proceed.

Senator WONG (South Australia—Minister for Finance and Deregulation) (14:48): Thank you, Mr President. The implication of the question is quite clearly again the same position that has been put by coalition senators—

Honourable senators interjecting—

The PRESIDENT: Order! Minister, continue.

Senator WONG: It is the same proposition that the coalition has continued with in this question time as they have—

Honourable senators interjecting—

The PRESIDENT: Order! Minister, ignore the interjections. They are disorderly. Order!

Senator Chris Evans: Mr President, I just make the point that calling on the minister to ignore the interjections is difficult when they are persistent, loud and made by a whole number of senators on the coalition side. I think it is fair for the minister to pause until she can hear herself and the rest of the chamber can hear her over the shouting. I suggest that the minister is entitled to pause until there is some order in the chamber.

The PRESIDENT: The minister is given a—

Senator Cameron: It's because that lot is such a rabble!

The PRESIDENT: Order! The problem that we have, Senator Cameron, is that the interjections come from both sides and they are disorderly on both sides. The minister will be heard in silence. The minister is entitled to be heard in silence, and if you wish to debate the issue the time to debate it is after question time.

Senator WONG: Thank you, Mr President. I again refer the Senate, and Senator Bernardi, to the statements issued by BHP Billiton to the market, shareholders and investors, which put very clearly the reasons they have chosen to shelve this expansion.

Senator Birmingham: Some of the reasons!

Senator WONG: Senator Birmingham desperately interjects, saying, 'Some of the reasons'. What he is actually saying is, 'Ignore what BHP is saying and listen to me,' as is Senator Bernardi. Since the carbon price and mining tax were announced we have seen continued and— *(Time expired)*.

Honourable senators interjecting—

The PRESIDENT: Order! If you wish to debate the issue, as I have said before, the time is after three o'clock.

South Australia: Private Hospital Funding

Senator XENOPHON (South Australia) (14:51): My question is to the Minister representing the Minister for Health, Senator Ludwig. It is common practice for private health funds to pay less to private hospitals in South Australia than they pay for the same procedures elsewhere in Australia. The Private Hospital Data Bureau annual report 2010-11 reveals that, if all the care undertaken in South Australian private hospitals had been priced at the national rates, the revenue returned to South Australian private hospitals would have been 17 per cent or \$75 million higher. Is the minister aware of this and, if so, can the minister provide information on any action the government has taken or is planning to take to address this apparent disparity and the immense pressure it is placing on South Australian private hospitals?

Senator LUDWIG (Queensland—Minister for Agriculture, Fisheries and Forestry and Minister Assisting on Queensland Floods Recovery) (14:52): I thank Senator Xenophon for his question in relation to private hospitals in South Australia. I understand that Minister Plibersek is aware of this issue and I understand that she has been and is corresponding in respect of it. As to the second question, the Commonwealth does not regulate private hospital charges.

Honourable senators interjecting—

The PRESIDENT: Order! Wait a minute, Senator Ludwig. Senator Xenophon is entitled to hear the answer to his question and not have people immediately to his left and right debating other matters

across the chamber. It is completely disorderly. Senator Ludwig, continue.

Senator LUDWIG: The Commonwealth does not regulate private hospital charges; the Commonwealth does regulate private health insurance benefits. Private hospitals are free to set their own charges. Private health insurers and private hospitals commonly contract for the provision of services and accommodation and these are commercial decisions negotiated between the parties. The government does not have any regulatory power to force the parties to agree to particular levels of benefits payable. Hospital case-mix protocol data shows that about 98.1 per cent of private hospital episodes and about 92 per cent of day surgery episodes were contracted, so the vast majority of these are contracted directly.

With regard to South Australia, it can be noted that the data released by the Private Health Insurance Administrative Council indicated that out-of-pocket costs are lower in South Australia for a hospital episode than in any other state. At June 2012, the percentage of services with no medical gap is higher in South Australia—at about 93.2 per cent—compared with other states and territories which range variously from 77 per cent right up to the 90 per cent mark. Additionally, South Australia has the lowest average gap payment across all services. In South Australia the average is about \$5.33, while in other states it ranges from as high as \$67— *(Time expired)*

Senator XENOPHON (South Australia) (14:54): Mr President, I ask a supplementary question. Does the minister concede that whilst the government does not have the power to regulate private hospital charges, it does have the power to regulate disputes between private hospitals and health funds? Does the government consider that there is a discrepancy in terms of the 17 per cent figure quoted and that this does disadvantage South Australian private hospitals given what private hospitals have told me about the pressure that it is putting on them?

Senator LUDWIG (Queensland—Minister for Agriculture, Fisheries and Forestry and Minister Assisting on Queensland Floods Recovery) (14:55): I thank Senator Xenophon for his supplementary question. One of the areas of course—and I will go to it again—is that, as previously noted, it is a matter that private hospitals are free to set their own charges. There is no role for the Commonwealth in that area. The Commonwealth only regulates the private health insurance benefits, but any contracted level of benefits that a private health insurer will pay to a hospital for an episode of treatment is and remains a commercial matter between the parties.

It should be noted for the purposes of private health legislation though, that each state and territory is, and is regarded as, a separate risk equalisation jurisdiction.

In Australia private health insurance is not risk rated like most forms of insurance. Instead, the government requires all insurers to offer community rated policies to ensure that premiums paid by consumers— (*Time expired*)

Senator XENOPHON (South Australia) (14:56): Mr President, I ask another supplementary question. Does the minister not concede that private hospital charges are in part related to the amount of funding they get from private health funds? Can the minister provide payments information on whether there is a discrepancy between Medibank Private to South Australian private hospitals and what Medibank Private pays to other private hospitals in the rest of the Commonwealth?

Senator LUDWIG (Queensland—Minister for Agriculture, Fisheries and Forestry and Minister Assisting on Queensland Floods Recovery) (14:56): I thank Senator Xenophon for his second supplementary question. If we do go to Medibank Private, I can remind Senator Xenophon and the Senate that they would be commercial arrangements that Medibank Private would have with the relevant hospitals. Medibank Private is a government-owned enterprise but as a commercial entity it does operate—and I am sure that Senator Xenophon would be familiar with this—at arm's length from government, ensuring that there is a level playing field with other private health insurers. However I do understand that Medibank has offered to brief Senator Xenophon about these operations and I will certainly take any part of that question today to Minister Plibersek in respect of this matter for her to see if she wants to provide any additional information in answer to it. (*Time expired*)

Union of Agricultural Work Committees

Senator ABETZ (Tasmania—Leader of the Opposition in the Senate) (14:57): My question is to the Minister for Foreign Affairs, Senator Bob Carr. I refer the minister to coalition questioning by Senators Ronaldson and Kroger at Senate estimates on 31 May about AusAID funding paid to the Union of Agricultural Work Committees, an organisation which has been accused of having links with a prescribed terrorist organisation, the Popular Front for the Liberation of Palestine. In particular, I refer the minister to his insistence that this organisation is registered in Israel as a not-for-profit organisation, a registration he pointed to as having been renewed on 5 March 2012. What due diligence was undertaken and by whom to confirm the true identity of the organisation repeatedly referred to by the minister as being registered in Israel as a not-for-profit?

Senator BOB CARR (New South Wales—Minister for Foreign Affairs) (14:58): Mr President, I am very happy to research that and provide the Senate with further information. But I am in a position to say to the

Senate that in Israel a little over a week ago I had a meeting with the President. I met with the Prime Minister in the Knesset for over an hour. I met the defence minister for over an hour. I met the leader of the Labor Party in the Knesset. I met several other members of the Knesset and I met senior people in intelligence.

So concerned are they with the matter you raised that not one of them even made a passing reference to Australian aid going, allegedly, to an organisation tainted with terrorist support.

I met a prominent Australian Israeli citizen. I met at his home another minister in the government. I met columnists and commentators. And nowhere during this visit was this suggestion made that Australia has somehow done the wrong thing in providing a bit of aid to an organisation that, in the impoverished Gaza, provides Palestinian families with seedlings so they can grow their own vegetables. That is what this maligned organisation does. And who heads the Australian organisation through which this support is provided? Who heads it?

Senator Cameron: Tell us.

Senator BOB CARR: I will give you a clue: an eminent Christian, his brother was for a time the Treasurer of the Commonwealth— (*Time expired*)

Government senators interjecting—

The PRESIDENT: Order! When there is silence we will proceed. Senator Abetz is entitled to be heard in silence.

Senator ABETZ (Tasmania—Leader of the Opposition in the Senate) (15:01): Mr President, I assume the minister has taken the question on notice because he did not answer any aspect of it. I have a supplementary question. I refer the minister to the registration renewal purportedly for the Union of Agricultural Work Committees which AusAID has now released under freedom of information. Is the minister fully satisfied that the Union of Agricultural Work Committees and the organisation to which the minister referred, registered with the Israeli not-for-profit registry, are actually one and the same?

Senator BOB CARR (New South Wales—Minister for Foreign Affairs) (15:02): So the proposition of the opposition is that we should withdraw aid from an organisation that is allowed to exist and function in Israel—

The PRESIDENT: Senator Bob Carr, you need to come to the question.

Senator BOB CARR: Mr President, I am addressing the question. Putting this information in context, it is highly relevant that the same charity, the UAWC, is supported by that hotbed of terrorism, the government of the United Kingdom, by Italy and Belgium, by the government of Japan and by the

European Union. They all provide funding to the same charity which provides foodstuffs and seedlings to families in Gaza. So all those countries, the European Union—

Senator Brandis: Mr President, I raise a point of order. You did draw the minister's attention to the question. He did ignore you. With eight seconds to go he should be drawn once again to the question, which was whether the minister was satisfied that two similarly named organisations were one and the same. That is the only thing Senator Abetz asked.

Senator Chris Evans: Mr President, on the point of order: there is no point of order. Senator Bob Carr in his first statement on the primary question indicated that he would attempt to respond to any of the detail in the senator's question, but then set out some context about the particular organisation and Australia's relationship with that. In this supplementary answer he is providing further information as to what other countries are providing support to this organisation, which is directly relevant to the question that Senator Abetz asked.

The PRESIDENT: There is no point of order. Minister, you have eight seconds remaining.

Senator BOB CARR: In that context, therefore, I have confidence in the advice supplied to me about the status of this organisation.

Senator ABETZ (Tasmania—Leader of the Opposition in the Senate) (15:04): Mr President, I have a further supplementary question. This is a serious matter. No accusations are being made and genuine information is being sought. I again refer—

Senator Chris Evans interjecting—

Senator ABETZ: That clearly should be withdrawn by the Leader of the Government.

The PRESIDENT: I must say, because of what has been going on, I did not hear that comment. You may well have heard it directly across the table. I did not.

Senator ABETZ: If he is not man enough to withdraw I will continue. I again refer the minister to the registration renewal purportedly for the Union of Agricultural Work Committees. Who provided this registration to the government? Was it accompanied by a translation? If so, by whom was it translated? If the minister does not have this information can he expeditiously provide it?

Honourable senators interjecting—

The PRESIDENT: When there is silence we will proceed. The minister.

Senator BOB CARR (New South Wales—Minister for Foreign Affairs) (15:06): I will not only do that; I will also go further—I will have the Arabic material and the translation tabled in the chamber. I will do that after reminding the Senate that the Australian Federal

Police investigated this allegation; that AusAID itself found no evidence of any UN Charter Act violation; and that there has been extensive consultation about this allegation with DFAT, the AFP, ASIO, the Australian Government Solicitor, foreign governments and international aid organisations.

I underline this point: you will not have a secure peace in the Middle East, you will not have security for the state of Israel and you will not have an end to the accumulated decades of suffering while keeping the people of Palestine trapped in poverty and without schools and without medical aid. We all want a two-state solution, and this is part of that. (*Time expired*)

Senator Chris Evans: Mr President, I ask that further questions be place on the *Notice Paper*.

QUESTIONS WITHOUT NOTICE: TAKE NOTE OF ANSWERS

Mining: Olympic Dam

Senator BERNARDI (South Australia) (15:07): I move:

That the Senate take note of answers given by the Minister for Finance and Deregulation, Senator Wong, to questions asked by Senators Brandis, Cormann, Birmingham and Bernardi in question time today relating to the Olympic Dam project.

There are times when one can be slightly embarrassed for their fellow senators—and today was one of those times for many South Australians. That is because during Minister Wong's bilious diatribe against the coalition side, who asked some genuine and probing questions with regard to Olympic Dam and the decision by BHP Billiton to delay or to stop any further investment in an expansion of that, she mocked and derided the fact that only two South Australian senators asked her questions about it. Well, let me just say this: not one, single Labor or Greens senator asked any questions about perhaps the most profound economic decision by a single company in my state's history.

Senator Edwards: In Australia's.

Senator BERNARDI: Probably in Australia's, as Senator Edwards said. You can perhaps excuse the Greens on some level because yesterday, as a \$30 billion investment in South Australia—which would have generated hundreds of millions of dollars worth of proceeds to government and led to tens of thousands of jobs and 100 years of economic prosperity, according to the former Labor Premier of South Australia—the Greens cheered. They cheered at the delay of it. They cheered because it was not proceeding. It was one of the most nauseatingly self-serving cheers that I have ever heard in this place—followed only by Senator Wong's triumphant sneering that South Australians on this side of the chamber were not asking questions. Well, not one Labor senator did

either—and that is a shameful fact for all South Australian senators on the other side of the chamber. I know there are two of them sitting here now ready to defend their minister—about whom they can secretly only be embarrassed about, as the rest of us are. And the embarrassment is compounded by the complete lack of a coherent, thoughtful or considered response by Minister Wong.

We on this side of the chamber have had four years worth of experience as Minister Wong has plodded through a number of portfolios—without distinction—but today was shameful. I asked a very simple question. I asked: will the minister simply confirm whether the carbon tax makes it cheaper for BHP Billiton to pursue the Olympic Dam expansion or more expensive? I only met with abuse. I only met with abuse because Senator Wong was not prepared to answer the question. This should concern all of us, because not only is this chamber meant to get answers to very straightforward and simple questions; it was a question that the minister has spent four years preparing herself for.

She went to Copenhagen as the climate change minister. She stood by as her Prime Minister told an abject and wilful lie to the Australian people before the last election and she defended the breaking of that promise that was made before the election. She scrapped the citizens assembly, the cash for clunkers and everything else. She stood by and celebrated as the head of the Australian Workers Union, Paul Howse, said that not one single job will be lost because of this carbon tax—and he put his house on the line. But we know all about houses and the Australian Workers Union, don't we, Mr Deputy President? We know all about that. It would not be his house; some poor flunky who has been paying his union dues for all these years would have been subsidising his house through one of these slush funds—and, according to the Prime Minister, whom I might say was young and naive when she said it, all union bosses have slush funds for their re-election. And we are about to hear from a couple in a moment. For a start, Senator Farrell, is going to get up. Maybe he can enlighten us about that and his credit card usage.

Senator Edwards interjecting—

Senator BERNARDI: That is exactly right: Senator Farrell, have you ever had Bill the Greek come and do a fence for you? That is what we would like to know.

This is perhaps the most significant thing that has happened in South Australia. A lot of South Australians have got behind this project. But it was dismissed in such a cavalier manner, when this is so clearly an impact of Australia becoming a high-cost jurisdiction. No matter how polite BHP Billiton may want to be because they are scared of the retribution of

this vindictive and nasty government, the fact is that if wage costs are going up and the cost of capital is going up and if you have got additional taxes, mineral resource rent taxes and carbon taxes, being imposed, the cost of the Olympic Dam expansion is going to go up as well. They have simply made a decision, with a limited amount of capital, and said: 'We will invest it where we will get the best return.' Unfortunately for all South Australians it is now going offshore thanks to this government.

Senator FARRELL (South Australia—Parliamentary Secretary for Sustainability and Urban Water) (15:12): I will just deal with that last point first—the high costs of mining that Senator Bernardi refers to in Australia. The fact of the matter is that the reason that wages have gone up in the mining industry is that there has been a mining boom. That is what has pushed up the cost of labour in the mining industry. We have had the largest mining boom in our history. That has been good for the country, but it does have an impact—and, of course, it has had some impact on the Olympic Dam development. What I am concerned about is the delight that Senator Bernardi appears to exhibit in the fact that this particular development has not been proceeded with at this stage.

He says that as a South Australian senator I should be embarrassed about the performance of Senator Wong. I have never been embarrassed about the performance of Senator Wong, and I certainly was not embarrassed about her performance today. She is a great minister.

Senator Bernardi: That says a lot about you!

Senator FARRELL: It does say a lot about me. If I were Senator Bernardi and Mr Abbott was my leader, I can tell you that I would have been significantly embarrassed about the performance that he delivered on the 7.30 program last evening.

Opposition senators interjecting—

Senator FARRELL: If anybody is going to be embarrassed in this debate, Senator Bernardi, it is going to be you and your party about Mr Abbott's performance. Let us go back to yesterday afternoon. What did Mr Kloppers say was the reason for not proceeding at this stage with Olympic Dam?

Senator Bernardi interjecting—

Senator FARRELL: The fact that Senator Bernardi continues to interrupt—

The DEPUTY PRESIDENT: Order, Senator Bernardi. You have had your turn. Senator Farrell, you have the call.

Senator FARRELL: Thank you for that protection, Mr Deputy President. What did Mr Kloppers say was the reason? He talked about current market conditions including subdued market prices. One of the things he did not talk about as the impetus

for not proceeding was the mining tax. The reason he did not talk about the mining tax was that he knew what Mr Abbott did not know when he gave that 7.30 interview last night. What sort of mine is Olympic Dam? It is not a coalmine, it is not an iron ore mine

Senator Abetz: It is not a mine at all, thanks to you.

Senator FARRELL: I absolutely reject that. Olympic Dam is a great project in South Australia. It continues to be a great project and one of these days that project will continue to expand. The fact is that Olympic Dam continues to employ people in South Australia, it continues to pay royalties to South Australia and it will be one of Australia's great projects. What I do not understand—after what Mr Kloppers said very clearly yesterday afternoon—is why Mr Abbott went on 7.30 last night and when asked a very clear question if he had actually read BHP's statement, he said, 'No, I haven't.' Mr Abbott goes on national television last night to exploit the fact that we have had this disappointing news—

Senator Birmingham: Mr Deputy President, on a point of order: I think Senator Farrell is at serious risk of misleading the chamber by very selectively quoting the Leader of the Opposition's answer to questions he was asked last night.

The DEPUTY PRESIDENT: There is no point of order. That is debating the issue.

Senator FARRELL: I will respond to that, Deputy President. I will read out the entire quote from last night:

LEIGH SALES: I'm going on the facts that Marius Kloppers said today when he was directly asked if the decision on Olympic Dam was affected by Australia's tax situation and I'm going on the facts that are outlined in their results statement that they've issued. Have you actually read BHP's statement?

TONY ABBOTT: No ...

(Time expired)

Senator FAWCETT (South Australia) (15:18): I rise to take note of the answers by Senator Wong to questions from Senators Brandis, Cormann, Birmingham and Bernardi. There has been a lot of talk about who said what and who has read what. I think it is important that we get some of the facts on the table. It is a fact that Marius Kloppers said that the government has created a higher cost environment. It is a fact that BHP in their statement yesterday said that one of the reasons for the pullback was the weaker outlook for commodity prices and rising costs. On 16 May Jac Nasser said, 'I cannot overstate the level of uncertainty regarding tax.' In the statement on 22 August regarding results, BHP said that development and construction costs had surged by some \$2.7 billion and a third of that was the result of labour and industrial action.

As one of my colleagues highlighted, some 3,500 BHP workers on strike contributed to that. What that says to people looking at investment is risk. You have to price risk into your business plan. It is instructive to note what other people in the same sectors—copper and gold—are looking at. PanAust, an Australian company, has copper operations around the world. It has statements on its website looking at the feasibility of a program in Chile. The No. 2 factor that they list is the cost of electricity. They say the development of the Inca de Oro project depends on competitively priced power and water.

South Australia, as we all know, currently has the world's highest electricity prices and before members opposite jump up and say, 'That is all to do with infrastructure,' the Essential Services Commission of South Australia has said that 25 per cent of the price rise is due to the carbon tax. Importantly, that is currently at \$23 a tonne. The government's own modelling, which BHP is well aware of, says that the carbon tax is going to increase to \$350 a tonne. So if we currently have the world's highest electricity prices with a carbon tax of \$23 a tonne that has driven 25 per cent of the increase and that tax is going up to \$350 a tonne over the life of the project which is the kind of time frame that BHP will be looking at, then is it any wonder that they say the project was canned because of rising costs. The article in the *Australian Financial Review* says:

... the federal government should understand that mining "super profits" are not guaranteed. Australia is in a competition with other resource-rich countries, and the BHP decision is a timely warning that we have allowed our cost base to increase too far and too fast thanks to our overregulated labour market and overbearing environmental regulations.

BHP Chairman Jac Nasser warned earlier this year that uncertainty surrounding our tax regime could deter investment.

As BHP looks at the life of this program, it looks at the fact that we already have the world's highest electricity prices here and we see from other players in the global market that power costs are its No. 2 consideration in the feasibility of projects. Is it any wonder that BHP, in its statement, quoted rising costs as one of the reasons that that project would be canned when this government is on track to raise the price per tonne of carbon from \$23 to \$350 in the future? It is a shame that this government does not think more about the future of South Australia, about the future of our children and their jobs and our economy than it does about the future of their current parliamentary term in coalition with their alliance partners, the Greens.

Senator GALLACHER (South Australia) (15:23): I would like to point out one fact: I am in agreement with Senator Bernardi about the contribution from Senator Ludlam last night—exulting in the fact that

this proposal will mean there will be less uranium mined and exported from Australia. But that is probably the only point of agreement.

Those who know South Australia realise that copper is in its DNA. If you go to the formative days of the state, the copper mines of Burra underpinned the economy—Moonta, Wallaroo, the copper coast. The simple facts are—and I visit these places—Pirie, Port Augusta, Whyalla and Roxby are vibrant communities whose mines are very valuable contributors to the South Australian economy. There are more than 600 kids at primary school in Roxby. There are more than 4,000 people living there. It is one of the highest postcode earners of South Australia. It is a vibrant and continuous contributor to the South Australian economy.

The fact that it was going to undergo a tremendous multiyear development stage was highly anticipated by all of the surrounding communities and all of the people in South Australia. To my view, it was a bipartisan project with the total support of all South Australians. And to see today people playing politics and trying to get a political advantage over what is a disappointing decision, something that is going to delay the further development of our great state, is quite dissatisfying. I see people taking a short-term political advantage over what should be a bipartisan approach to get this project up and over the line. The development phase was four years. It took four years to dig down up to 500 metres to expose the ore burden.

I suppose it is worth putting on the record some of the things that have been said. It is really important that BHP has recognised that the South Australian government has been fully supportive of the Olympic Dam project and has created an environment that is highly conducive to business investment. We have been very much encouraged by their attitude to business development and the Olympic Dam expansion project. I know that Tom Koutsantonis and Premier Weatherill made every effort and moved every obstacle in the path of BHP's decision. Let us be fair dinkum about this: this is about the future of South Australia. Let us be fair dinkum: there is not a politician representing South Australia who would not do anything in their power to make this project go ahead.

But if iron ore is US\$113 a tonne and it used to be US\$180 a tonne, if BHP has had a 34 per cent reduction in profit, if they have made some decision worldwide which has cast into doubt their ability to expand \$80 billion worth of capital around this country and the world, then don't be coming in here and saying, 'It's Minister Wong's fault'. Don't be coming in here and saying, 'It's all the Labor Party's fault.' This is a global, multinational business that, quite frankly, makes its decisions independently and irrespective of most of the governments it deals with. It has a

responsibility to its stakeholders and shareholders to define its longer term development plans. This is a unique, world-class ore body.

As I said at the outset, copper particularly is in South Australia's DNA. Burra mines underpinned the development of the state. They stopped it from going bankrupt at one stage. It is my view that this BHP decision is a dramatic setback, but it is not the end of the journey. The ore body is still there. It is world class. The statements about industrial problems are absolutely ludicrous. There have been no impediments to a 24-hours-a-day, seven-days-a-week efficient operation at Olympic Dam.

Senator EDWARDS (South Australia) (15:28): I rise to support the motion to take note of answers given by Senator Wong to questions asked by Senators Brandis, Cormann, Birmingham and Bernardi. Don't go, Senator Gallacher, as I want to refer to your comments about the Burra mine saving South Australia from bankruptcy. I hope those words are not prophetic about the current state of affairs because, as you well know, South Australia has a \$13 billion debt. I am sure that Senator Farrell has now run out to ring up Peter Malinauskas to start giving him his riding instructions for the Premier and the Treasurer of South Australia about how they are going to recast their budget in light of this decision, which for some reason has come as some complete shock until yesterday.

This has been the worst kept secret in South Australia. I refer you to a breakfast radio program on FIVEaa this morning with Keith Conlon and John Kenneally. A note from a caller:

I work up at Roxby on the expansion—

And, to all the people out there listening, Roxby is where Olympic Dam is—

My crew was demobbed on 21 July. That's about a month now, and we were told that BHP are delaying the expansion. I tried to contact the local federal ALP member, Nick Champion, but his office fobbed me off and claimed that I didn't know what I was talking about; it was just speculation. I told the guy there, 'This was real. I was working there. I was happy there. I did nothing wrong and now I am unemployed.'

That is the sentiment of what we are hearing now. As you say, Senator Gallacher, you travel around South Australia, as I do, and I am hearing, as are you, that there have been 600 jobs lost in Roxby Downs over the last two months.

I must refer to Senator Farrell's comments. He talked about the cost of mining in this country—that the high costs have driven BHP away from this decision. As we know, profits are up, which has driven wages growth, so what is going to happen now? We have profits up and wages up. The scenario that Senator Farrell put to us is that that is what has driven BHP away from this project. What is next? Profits

down; wages down? I do not think so. And what do we have? As Senator Fawcett and Birmingham raised earlier, we had 3,500 BHP workers on strike in the Bowen Basin as recently as May this year. You have to understand that this has been the worst-kept secret in corporate Australia.

The BHP share price, up until two weeks ago, was sliding down and down, until such time as the corporate market realised: 'Well, they're not going to go ahead with this. They've given us a nod and a wink in the marketplace that they are going to announce at this time that they're not going to go ahead.' What has happened to the share price since? It has gone up. Again, today, the share price of BHP has risen on the strength of this announcement. What you on the other side have to understand is that you have carbon pricing—we call it a carbon tax—going out from \$23 to \$350 in the longer term. What do you think these companies think when they are doing their forward planning? Do they have that in Chile, in Russia, or in all these other places where they have these business opportunities? No, they do not, and you wonder why the capital shifts.

The other reason they cannot do it is the cost of capital. Why? Because if they borrow money in Australia they are competing with the Australian government to borrow funds. The cost of capital has gone up, which is also putting pressure on other businesses. You cannot consider Olympic Dam in the silo of BHP. BHP pays carbon tax all across its business in this country. Just to single it out and say, 'Well, they won't be paying carbon tax there,' is like trying to say, 'I'll sell milk bottles and snakes in my confectionery store and we will put all those in a profit silo each.' You just cannot do it. You take the money out of the till at the end of the day and that is what it is all about.

I do not know how Premier Weatherill is now going to task this debt that he has got. I am sure that he will be calling on his Labor colleagues now. He should have done that well before now and he should have told all of you South Australian Labor senators that this tax is not sustainable and it is going to continue to bring down our economy.

Question agreed to.

Asylum Seekers

Senator RHIANNON (New South Wales) (15:33):
I move:

That the Senate take note of the answers given by the Minister for Foreign Affairs (Senator Bob Carr) to questions without notice I asked today relating to asylum seekers.

The response from the Minister for Foreign Affairs to the question that I put about whether aid money will be used in any way for the detention centres that are earmarked for Manus Island and Nauru certainly left open that possibility. The way his response was

phrased, talking about the tangential use of the money, I did find concerning. The foreign aid budget is a very important part of our budget, and it is clearly earmarked to relieve world poverty and also very specifically to address the Millennium Development Goals. This is an area where there is so much work to be done.

I believe that the majority of Australians understand that money will be used by the government in partnership with governments in low-income countries, various international finance institutions and multilateral development agencies such as the Asian Development Bank, the Food and Agricultural Organization, and many other bodies. I believe the public would expect that the money is being used directly by Australia or with such bodies to assist people. Sometimes aid projects may have a bit of a question mark over them, but that is what is set out. The foreign aid budget is about assisting people and the environment in low-income countries, and that is how that money should be spent.

To divert that money to build the detention centres on Nauru and Manus Island is, I think, a betrayal of the trust of the Australian people and their understanding of how government processes work. Yes, the government has been successful because it was able to work it out with the coalition and come forward with this very damaging legislation about refugees, but to now misuse money in the aid budget really furthers the damaging aspects of the legislation that was passed a couple of weeks ago.

Papua New Guinea itself is one of the countries with the highest rates of AIDS and malaria and where violence against women is extreme. Just on the past two mornings in this place we have had breakfast with people working in the aid area who are doing fine work, and what constantly comes up when you talk to them is the need for there to be greater allocation of money from the budget of a country like Australia to meeting our obligations.

It was back in the 1990s, when former Prime Minister John Howard was in office, that he gave the commitment to the Millennium Development Goals, which were clearly linked to Australia reaching 0.7 per cent of GDP to be allocated to its aid budget.

That still, to this day, has not been achieved. We saw that the Australian government in the most recent budget further backed off from increasing the aid allocation, so it will increase at a much slower rate than we expected. The 0.5 per cent allocation expected by 2015 now has blown out by a number of years.

That money is so important to address health, education and water sanitation issues for people, particularly in developing countries in our own region. It is also important for greater female participation to assist these countries to improve their democratic

processes. We are losing some of the budget—so important for those programs—to detention centres that are just so damaging to the people who attempt to escape very oppressive, difficult lives. They have a right to come to this country. Now, they are going to be forced to go to detention centres and so we are misusing our aid budget. I found the response from the minister very troubling.

Question agreed to.

QUESTIONS WITHOUT NOTICE: ADDITIONAL ANSWERS

Wind Farms

Senator LUDWIG (Queensland—Minister for Agriculture, Fisheries and Forestry and Minister Assisting on Queensland Floods Recovery) (15:38): by leave—I incorporate an answer from Senator Conroy to a question without notice from Senator Madigan.

The answer read as follows--

SENATOR CONROY: On 22 August 2012 during question time, Senator Madigan asked me three questions as Minister representing the Minister for Sustainability, Environment, Water, Population and Communities concerning the Bald Hills Wind Farm, Victoria.

QUESTIONS

Question 1

In light of the fact that there is Commonwealth approval for the construction of the Bald Hills wind farm in the midst of a high conservation value bird sanctuary and wetlands area, home to 296 species of birds, 45 of which are listed in the Japan-Australia Migratory Bird Agreement, 40 of which are listed in the China-Australia Migratory Bird Agreement and three listed in the Bonn convention, this means that Australia is now in breach of our international obligations to protect those birds, their environment and habitats as per the relevant articles in those agreements. Will the minister advise what actions are being taken to call in this project, remove Commonwealth approval and bring Australia into compliance with our international obligations?

Question 2

As the conditions of approval agreed to by the Commonwealth in 2006 focus on locating and counting birds killed by the turbines and require the stopping of the turbines and taking mitigation measures to prevent future kills if just three of the listed bird species are killed, what mitigation measures does the minister believe could realistically be taken to stop bird mortality by turbines located in the midst of a bird sanctuary, flyway and migration route other than not building the wind farm?

Question 3

Mr President, I ask a further supplementary question. Considering that the research underpinning the Commonwealth's approval was so bad that the 2004 Victorian assessment panel found:

... at this stage insufficient information to allow proper assessment against the criteria of no impact on species listed

under the Environment Protection and Biodiversity Conservation Act or the Flora and Fauna Guarantee Act.

on what basis does the Commonwealth continue to uphold its 2006 approval?

RESPONSE:

Question 1

- Responsibility for wind farm approvals rests primarily with state and local governments. The Commonwealth is involved only where wind farm proposals impact on matters of national environmental significance.
- The Bald Hills Wind Farm was approved by the then Minister, Senator Ian Campbell, under the Environment Protection and Biodiversity Conservation Act 1999 on 21 December 2006.
- While construction of turbines has commenced, the wind farm is not yet operational. There have been no bird mortalities as a result of this wind farm and consequently no action is required.

Question 2

- In accordance with the conditions of approval for this project, a Bat and Avifauna Management Plan was approved on 17 July 2012.
- The aim of the approved Bat and Avifauna Management Plan is to ensure that the operation of the Bald Hills Wind Farm will not prejudice the survival of populations of bat and bird species of concern.
- The Bat and Avifauna Management Plan utilises an adaptive management framework that includes:
- Reporting impacts to listed species
- Investigation, evaluation and risk assessment of behaviour and the likelihood of further collisions.
- Mitigation strategies such as habitat modification, bird deterrence measures, and temporary turbine shutdown for high risk periods and locations.
- A copy of the Bat and Avifauna Management Plan is available from Minister Burke's office.

Question 3

- The conditions of approval contain strict conditions relating to bird mortality, and the monitoring and mitigation of impacts to avifauna that must be carried out after operations commence.
- There have been no bird mortalities as a result of this wind farm.

Senator LUDWIG: by leave—In addition, I table the Bald Hills Wind Farm bat and avifauna management plan.

COMMITTEES

Appropriations and Staffing Committee Report

The ACTING DEPUTY PRESIDENT (Senator Furner) (15:39): On behalf of the President, I present the annual report of 2011-12 of the Standing Committee on Appropriations and Staffing.

Ordered that the report be printed.

DELEGATION REPORTS

Australian Parliamentary Delegation to the United States of America

The **ACTING DEPUTY PRESIDENT (Senator Furner)** (15:39): On behalf of the President, I present the report of the Australian Parliamentary Delegation to the United States of America, the visit taking place from 27 September to 29 October 2011.

Peru

The **ACTING DEPUTY PRESIDENT (Senator Furner)** (15:39): I also present a report of my official visit to Peru which took place from 24 September to 26 September 2011.

DOCUMENTS

Australia-Vietnam Human Rights Dialogue

Tabling

The **ACTING DEPUTY PRESIDENT (Senator Furner)** (15:40): I present a response from the Minister for Foreign Affairs (Senator Bob Carr) to a resolution of the Senate of 21 June 2012 concerning the Australia-Vietnam human rights dialogue.

BILLS

Legislative Instruments Amendment (Sunsetting Measures) Bill 2012

Explanatory Memorandum

Senator LUDWIG (Queensland—Minister for Agriculture, Fisheries and Forestry and Minister Assisting on Queensland Floods Recovery) (15:40): I table a correction to the explanatory memorandum relating to the Legislative Instruments Amendment (Sunsetting Measures) Bill 2012.

COMMITTEES

Public Accounts and Audit Committee

Report

Senator McEWEN (South Australia—Government Whip in the Senate) (15:40): On behalf of the Joint Committee on Public Accounts and Audit I present two reports of the committee, as well as the executive minutes on various reports. I seek leave to move a motion in relation to the reports.

Leave granted.

Senator McEWEN: I move:

That the Senate take note of the reports.

Question agreed to.

Finance and Public Administration Legislation Committee

Report

Senator McEWEN (South Australia—Government Whip in the Senate) (15:41): On behalf of Senator Polley I present a corrigendum to the report of the

Finance and Public Administration Legislation Committee on the Government Investment Funds Amendment (Ethical Investment) Bill 2011 tabled today. I move:

That the document be printed.

Question agreed to.

Membership

The **ACTING DEPUTY PRESIDENT (Senator Furner)**: I have received letters from a party leader seeking variations to the membership of committees.

Senator LUDWIG (Queensland—Minister for Agriculture, Fisheries and Forestry and Minister Assisting on Queensland Floods Recovery) (15:42): by leave—I move:

Senator Milne appointed to the Select Committee on Electricity Prices and Senator Siewert to the Parliamentary Joint Committee on Corporations and Financial Services

Question agreed to.

REGULATIONS AND DETERMINATIONS

Small Pelagic Fishery Total Allowable Catch (Quota Species) Determination 2012

Disallowance

Debate resumed on the motion:

That the Small Pelagic Fishery Total Allowable Catch (Quota Species) Determination 2012, made under subsection 17(6)(aa) of the Fisheries Management Act 1991 and under section 17 of the Small Pelagic Fishery Management Plan 2009, be disallowed.

Senator LUDWIG (Queensland—Minister for Agriculture, Fisheries and Forestry and Minister Assisting on Queensland Floods Recovery) (15:42): As I was saying, Dr Daniel Pauly of the University of British Columbia has recently ranked Australian fisheries second out of 53 countries for environmental sustainability. A report by the United Nations Food and Agriculture Organisation also recognised Australia's effective fishing management, particularly our actions to rebuild overfished stocks. Australian fisheries are not the fisheries of Europe or of Africa, or even of those of New Zealand. Some of the comparisons that have been raised in this debate between the proposal of an Australian business and an Australian independent fisheries management with statutory obligation are, frankly, unnecessary and, to some degree, alarmist.

The Australian Bureau of Agricultural Resource Economics and Science—ABARES—in a 2010 fisheries status report shows the results of a continuous effort we have taken to guarantee we have healthy fish stocks. The report shows that in 2005 24 stocks were classified as overfished and/or subject to overfishing. In 2010 that number had fallen to just 13 stocks. In addition, the proportion of stocks whose status is uncertain has nearly halved since 2007 as a direct result of the policies of this Gillard Labor government.

I turn now to the small pelagic fishery, which seems to have raised people's concerns. This is the fishery where Seafish Tasmania has said it intends to exercise its fishing entitlements. The setting of catch limits in the small pelagic fishery are based on strong precautionary principle. Under the harvest strategy for this fishery, the catch limit is capped at a maximum of 20 per cent of the estimated available biomass, which takes into consideration both the species' productivity and the broader ecosystem impacts. This is a very conservative limit when compared to similar stocks in international fisheries. Even with that cap, the current management plan sets the quota to less than 10 per cent of spawning biomass estimates, leaving 90 per cent in the ocean. These stock limits are based on science and assessed by the experts. The arrangements meet or exceed the most rigorous scientific requirements for an ecologically sustainable fishery of this kind and take the precautionary principle to the appropriate level.

Many speakers in this debate have noted a paper released this week by some of Australia's top fisheries scientists—from the Institute for Marine and Antarctic Studies, the South Australian Research and Development Corporation and the CSIRO Wealth from Oceans Research Flagship. In this report, the scientists make it clear that the settings in the small pelagic fishery are conservative by world standards and sustainable for the environment. For the issue of localised depletion, the report states that the measures in place in the fishery:

.. taken together give confidence that food-web impacts of the SPF on predators and the SPF species themselves, including through localised depletion, are unlikely.

AFMA manages fisheries in real time and AFMA has the powers to take immediate action if and when required. As I have already stated, I am frequently reminded by commercial fishers how seriously AFMA takes its responsibilities in all fisheries.

I turn now to the issue of the proposed mid-water trawler, the FV *Margiris*. It is helpful if the Senate understands that there are a number of steps involved in bringing a fishing vessel into Australia and using it in an Australian fishery. In the first instance, a ship must be recognised as an Australian vessel. Presently, Seafish Tasmania has begun an application with the Australian Marine Safety Authority for the FV *Margiris* to be flagged as an Australian vessel. There are a range of steps that AMSA is required to undertake to grant that status. Next, every Australian fishing vessel seeking to operate in Commonwealth fisheries is required to be approved by AFMA. To date, AFMA has not received an application from the company, Seafish Tasmania, for that vessel to operate in a Commonwealth fishery.

The FV *Margiris* would, should it ask, be required to adhere to the strict management arrangements of the

SPF, including carrying AFMA observers on board to monitor fishing activities; and using bycatch mitigation equipment, such as seal-excluder devices, logbook reporting, satellite vessel monitoring systems and mandatory reporting of any interactions with protected species. Obviously, there are other regulations that apply to fishing in Australian waters, one being the enforcement of the Commonwealth's marine reserve regime.

The disallowance motion being moved by the Greens is misplaced and could harm fisheries across Australian Commonwealth waters. Last night, Senator Siewert stated that she could not remember a time when recreational fishers stood side by side with her on an issue. For the record, there was a time when the Greens and NGOs stood for output controls and a move away from gear restrictions in fisheries management. They wanted to move to ensuring that we had output controls—the controls that we now have in place which determine total allowable catches for fishers based on independent expert advice—rather than gear restrictions: the size of a boat, the gear it uses and the effort. Everyone recognised that that type of operation where you regulate the gear was no longer relevant for today.

This disallowance motion is a message that the Greens political party do not support sustainable catch limits based on science. It is a message that says the Greens want fisheries managed by politics, not qualified fisheries managers. And it says that the Greens do not support the commercial operators who fish in some of the world's best managed fisheries. That message should be well understood, because I have no doubt that the same disregard for the science and management of our commercial fisheries will be extended to the legitimate pursuit of recreational fishing. As minister for fisheries, I will not allow the emotive politics of the Greens political party to run fisheries management policy in this country. We will ensure that the Australian Fisheries Management Authority is independent, that it makes independent decisions based on the science through its expert commissioners and on the facts that are presented to them. They will continue to make decisions based on sound judgement to ensure that fisheries are sustainable and meet all the ecological requirements—and, moreover, predicated on the precautionary principle so often espoused by the Greens. Why? Because AFMA will continue to apply sound policy to ensure that we will have sustainable fisheries now and into the future. For those reasons, the government oppose this motion.

Senator ABETZ (Tasmania—Leader of the Opposition in the Senate) (15:51): As my colleagues Senator Richard Colbeck and Senator Nigel Scullion had enunciated, the coalition also opposes this disallowance motion. There would be hardly any

senators in this chamber with a greater knowledge of matters fisheries than Senator Scullion, who was involved in that industry professionally, and Senator Colbeck, who was the coalition's spokesman on matters fisheries.

Those that are genuinely interested in the science around the small pelagic fisheries should go to the website richardcolbeck.com.au and they will find on that website postings of scientific papers by people such as professors Colin Buxton and Keith Sainsbury, individuals that I had the great pleasure of working with at close quarters whilst I was, amongst other things, Minister for Fisheries, Forestry and Conservation in the Howard government. If there is one thing Australia can be proud of, it is the international reputation and the high regard in which these gentlemen are held worldwide. They have worldwide recognition. Their science and analysis are recognised worldwide. Yet here we have the Australian Greens yet again coming into this place and trashing the reputation of these highly qualified, highly recognised home-grown scientists for their own political purposes.

In relation to the science, I particularly refer honourable senators to the paper the 'Commonwealth small pelagic fishery: General background to the scientific issues', which is co-authored by no fewer than seven highly respected scientists from IMAS, SARDI and the CSIRO. Of course, some of them are involved with TAFI, the Tasmanian Aquaculture and Fisheries Institute which is associated with the University of Tasmania. These people are recognised worldwide. But their science is just thrown out the window and trashed in a bid for a political campaign. That should not surprise us. The Australian Greens do it each and every day in relation to forestry, in relation to tourism ventures, in relation to aquaculture extensions—you name it, they are in the business of denying economic viability to Australians and, in particular, my home state of Tasmania.

It would be fair to say that there are genuine concerns by many people, because it is quite confronting to see a large fishing vessel heading into local waters. It is right that questions are asked by people as to what all this actually means. Will fish stocks be decimated? I was able to build on the good work of my predecessors in the fisheries ministry whilst I was there, and my successors in title have also built on that good work to ensure that we have if not the most highly regarded then the second-most highly regarded harvest strategy in the world. Indeed, the Australian Fisheries Management Authority have been exceptionally conservative in relation to the take that they would allow.

The global standard for fishing is that you can fish down to 20 per cent of the biomass of a particular

fishery—that is, harvesting 80 per cent. Lenfest Ocean Program, which is a group of about 13 globally recognised scientists, have said that the current situation should be catching down to 40 per cent—that is, harvesting 60 per cent. What is the harvest strategy for Australia? It is to go down to 80 per cent, which means you are only harvesting 20 per cent of the actual biomass, the exact opposite figures of the global standard. The global standard is you can harvest 80 per cent and leave 20 per cent. The Australian standard is harvest 20 per cent and leave 80 per cent. Despite such conservative parameters we have the Australian Greens telling us that is not good enough. One wonders, if you cannot take 20 per cent, where would the Greens actually draw the line? Would it be 19 per cent? Would it be 18 per cent? Would it be 10 per cent? I will tell you where it is drawn—zero per cent. That is where they would draw the line. That is their attitude to forestry in my home state and that is their attitude to every resource based industry.

But the Australian Greens have been somewhat clever in trying to get people concerned about the catch of the trawler that is coming to Australia, the *FV Margiris*. I would have thought that those that are genuinely concerned about pollution would be interested in ensuring that if you go out fishing you try and get the fish in one go with one boat rather than having, let us say, six boats going out with smaller nets trying to catch the same amount of fish. Make no mistake, the total allowable catch that the science fully supports will be caught irrespective of the size of the ship, other than for one reason—that is, the economies of scale. That is why the harvest strategy signed off in 2009 by the minister included this very important clause:

... there are considerable economies of scale in the fishery and the most efficient way to fish may include large scale factory freezer vessels.

This was contemplated three years ago and it is not surprising it has taken some time for industry and others to get the wherewithal to undertake the mission of obtaining a large-scale factory freezer vessel, because unless you have those economies of scale in this particular fishery it will not be viable.

Let us ask another question: where is the product destined? This product will be providing vital fish protein at a relatively cheap price to the people of Africa. If you make it nonviable either the price of fish in Africa will increase or the people of Africa will be denied this vital access to this important dietary supplement. Those that seek to preach social justice day after day have to look at the consequences of some of the manic green positions, because it will impact not only a couple of dozen fishermen in Tasmania who will lose their jobs—in fact, about four dozen—but also the people of Africa.

It is a wonderful thing that we can harness the bounties of nature to ensure that we have such a low catch rate of only 20 per cent, leaving 80 per cent of the biomass in the oceans; create jobs and wealth for Australians; and at the same time provide a cheap source of fish protein to the people of Africa. Surely, that is a triple bottom line that we should all be proud of, celebrate and seek to encourage. But no—the Australian Greens want to ensure that does not happen for Africa, for Australian fishermen and for the environment.

One of the arguments and furbies that has been thrown into this debate is that where this vessel or vessels of this nature have been the fisheries have been depleted. That may or may not be the case. What I say is this: whether a fishery is depleted or not is not dependent on the boat but on the management of the fishery itself. Australia has, by any world standard, the best management arrangements—I correct myself, I think we have the second-best, as in the country where I was born they do not even allow catch and release fishing anymore, and supposedly they have a higher standard. Apart from that, Australia has the second-highest standard. We should be proud of that and promoting our product accordingly.

But why does it not surprise me that the Greens and their fellow travellers celebrated the fact that they were able to stop Ta Ann timber from being used at the London Olympics? They celebrated the fact that regrowth and plantation forest product could not be used at the London Olympics because they had run a campaign against it. And do you know, Madam Acting Deputy President McKenzie, what was used instead of that Tasmanian product? Rainforest from Indonesia! In Australia our forest estate is growing; in Indonesia they are still deforesting at the rate of three million hectares per annum. Congratulations to the Australian Greens and their fellow travellers for providing a world market to Indonesian rainforests, which are being decimated at the rate of three million hectares per annum, instead of to regrowth timber from Tasmania where the forest estate is actually growing.

This is the result of manic Greens ideology which does not look to the outcomes of their policy and their determinations. Just as much as rainforests in Indonesia become the victims of green policy, so the people of Africa and the workers of Tasmania will become the victims of this sort of extreme green policy. This disallowance motion would seek to disallow the whole entitlement for small pelagic fisheries Australia-wide. There are small pelagic fisheries other than the one that the FV *Margiris* would be getting into and, as a result, other fishermen in areas where there is a sustainable small pelagic fishery would also be put out of business. Senator Scullion outlined this in his earlier contribution about the waters of South Australia. The Australian Greens never seek

to just adjust a wing nut—they use a scorched earth policy to ensure that nothing is allowed to take place that might actually be sustainable or that might actually be profitable.

I say to the recreational fishing community in particular: be very careful when you join forces with the Australian Greens. If you reject the science for emotive reasons then you will undo the one strength that you have in opposition to the manic determination to have marine parks all over the place. I was involved in establishing the Commonwealth marine park around our home state of Tasmania, and I was able to achieve it with the support of green groups, recreational fishers and commercial fishers. It was a win for everybody. You can have sensible conservation, sensible recreational fishing and sensible commercial fishing all cohabiting if you set the policies right. And, with the south-east marine park that I was involved in, we achieved that result.

But the Australian Greens sought to determine, in the state waters of my home state, a marine park for all of D'Entrecasteaux Channel, right around Bruny Island, right through to Port Arthur—and it was the science and the nonsense of that that finally won out for the recreational fishers, as it should have done. But if you start getting into the business of rejecting the science just because you want a particular outcome, I say: be very careful in circumstances where that can then be replayed on the recreational fishers, and then marine parks of the sort that the Greens sought to impose on Tasmanians in southern Tasmania might occur. So be very careful who you play with and who you associate with in relation to these matters.

I am delighted that, when I was able to provide this most impressive scientific document from seven of the world's scientific fishing experts, people have said, 'That genuinely allays my concerns and my fears', because some of the matters raised by the Greens and promoted in the media have been able to be debunked. In particular, I refer to a paragraph on page 15 of the document. It is about the localised depletion, which is a matter of concern and which recreational fishers should be talking about and asking questions. Here are the answers that the Greens do not want to hear:

Localised depletion is evaluated as unlikely with the proposed harvesting fractions applied in the SPF because most small pelagic species, and their predators, are highly mobile and local areas replenish quickly provided the overall stocks are not depleted. This has been the experience with small pelagic fisheries that have been similarly managed in Australia.

However given uncertainties about detailed movement patterns of several of the species targeted in the SPF, it would be prudent to distribute catches to minimise the chance of local depletion. This is consistent with global scientific advice on best practice for managing such species.

As I understand the situation, the *FV Margiris* and the company behind it would be fully agreeable to a condition of being moved on. This is how you come to sensible conclusions: you raise a genuine concern, you go to the company or the individual concerned, you raise it, and a sensible person would say, 'That's a fair enough concern. Why not have a move-on policy?' How can that move-on policy be enforced? As we heard from the minister, AFMA observers would be on board.

I remember when I was minister and I was trying to get fishermen to agree to have a satellite system, a GPS system, fitted to their boats so that their movements could be monitored at all times, so AFMA knew exactly how long they would stay in any particular bit of water. Of course, if they were in one bit of water for three days on end, very close at all times, it would be fair to say that they were not engaging in the move-on policy, that they were throwing their net in time and time again in the same place. All these things are managed and when you explain them, people's genuine concerns are able to be genuinely relieved.

This is another way that the Greens do business. The only thing I say to those opposite is: what on earth are you doing in alliance with the Australian Greens? They are not your friends; they are not Australia's friends.

Senator MILNE (Tasmania—Leader of the Australian Greens) (16:11): I rise today to support the disallowance motion put forward by my colleague Senator Whish-Wilson. I note with interest that the federal Liberals from Tasmania are now completely out of step with their Tasmanian counterparts. I note that the motion that was passed in the Tasmanian House of Assembly was supported by all three parties, and I particularly want to put on the record the statement of Mr Brooks, who is a Liberal member of parliament in Tasmania. He said: 'We, the Tasmanian Liberals, fully support recreational fishing, and that is why we wrote to the minister. That is why we heard the community concerns and we continue to stand up here and support this amendment. That is why it is going through: because the Tasmanian Liberals fully understand the needs that are being addressed.' The Tasmanian Liberals supported the motion that was put through the Tasmanian parliament, and the motion spells out very clearly at point 5 that both the Tasmanian Greens and the Tasmanian Liberal Party supported it.

The people that, just a moment ago, Senator Abetz suggested that no-one should have anything to do with, the Greens in Tasmania, had to do with the Liberal Party and they have publicly voiced their respective opposition to this proposed supertrawler with the shared concern that the federal Labor minister, Senator Joe Ludwig, has failed to demonstrate that this commercial fishery activity will be sustainable and will

not cause localised depletion off Tasmania. So the Tasmanian Liberals now obviously disown Senator Abetz and his other Tasmanian colleague, Senator Colbeck, or they do not—one way or the other. You cannot walk both sides of the street and have your Tasmanian Liberal members in the Tasmanian House of Assembly absolutely standing there saying that they are in unison with the Greens and saying that Minister Ludwig has failed to address the issues of local depletion and then have your federal counterparts here saying something entirely different.

The fact of the matter is: if there are people in the Liberal Party who represent the scorched earth policy that is being talked about, it is people like Senator Abetz, who wants to see that scorched earth policy; it is what he has supported for years. He talked for a moment or two about the forest industry and I have to say that in Tasmania, if there was anyone who was responsible for manic maladministration in the forest industry in Tasmania, it occurred during the Tasmanian Community Forest Agreement when Senator Abetz was the federal minister. To this day that is on the record at the National Audit Office.

We have had a lot being said by Senator Ludwig about the science, and we have had a bit of a spiel from Senator Abetz on that. Let me quote specifically what the scientific report had to say in relation to localised depletion. What has been left out and not repeated in this chamber of what the scientists said in the context of localised depletion was:

However given uncertainties about detailed movement patterns of several of the species targeted in the SPF, it would be prudent to distribute catches to minimise the chance of local depletion. This is consistent with global scientific advice on best practice for managing such species.

There is nothing that the minister has said that actually gives anybody any comfort—scientists or fishermen and fishing communities—at all on localised depletion because there is no answer on the issue of localised depletion.

There is no answer because there is no management plan; there is nothing that says how you are going to stop this supertrawler, the *FV Margiris*, from actually sucking out the entire fishery in very specific places and depleting that fishery into collapse. There is no management plan. So if the minister and Senator Abetz are so confident that they have this under control, where is the management plan that addresses localised depletion?

What is more, where is the scientific research vessel that is going to go out and do the testing? I will tell you: the Tasmanians were so broke that they sold it and they got a whole \$280,000 for it. It is in some bank account, and now they are wringing their hands saying, 'We don't have a vessel to do the scientific research. Instead, we have to contractually engage one for

specific tasks.' This is ridiculous. If you are going to bring a supertrawler into Australian waters, you had better have a better argument than just saying, 'We just expect local depletion not to occur,' because the local depletion will occur.

As for Senator Abetz suggesting that on the basis of social justice one ought to allow depletion of the fisheries somewhere around the world to feed West Africa, the reason that the fish stocks collapsed off West Africa is because of supertrawlers. That is why we have a global campaign being run by several organisations against supertrawlers, because they have had such massive impacts. If you want to talk about social justice the tragedy now is that as a result of those supertrawlers having overfished the waters off West Africa, local fishing people and villagers who depend on those fisheries for their protein requirements are now being forced to buy frozen fish on the world market because they have lost their local sustainability. That is a tragedy, and it is a cruel irony that this has occurred. It should not be allowed to continue. What we are now going to see is this supertrawler hitting Australian waters; the minister does not have a management plan which addresses local depletion, he does not have a monitoring capacity which actually gives anyone confidence about local depletion and we have had some cherry picking of the science here today, which actually does not give anybody any confidence because the scientists have said that there is uncertainty about detailed movement patterns of several of the species targeted and therefore it would be prudent to distribute catches to minimise the chance of local depletion. That is what everybody has been saying.

And as for this suggestion that somehow the distress in Tasmania has been in some way orchestrated by the Greens, that is not so. I can tell you that all around Tasmania people are very concerned about this supertrawler turning up in Tasmanian waters and engaging in this fishery, because people are asking the significant question: why was the quota increased to facilitate the supertrawler? Why? Why did you need to increase the quota if it was not just to facilitate the supertrawler? Also in relation to this, one has to ask: what level of subsidies are being paid for this supertrawler to operate in Australian waters? I can tell you that the fees and costs in relation to fuel, in particular, for such supertrawlers are very, very substantial.

But when I come back to this issue of 'social justice', I note the idea that you would expect African communities who have lost their resource to now buy fish out of Tasmanian waters, and would somehow suggest allowing local depletion in these fisheries here in order to catch up with the smashing of the local fisheries in West Africa, is an absolute disgrace.

What we have here is the fact that the federal Liberal senators, the federal Liberal members and, indeed, the federal Labor members it seems are completely out of step. It is interesting that they are out of step with their Tasmanian counterparts, because in the House of Assembly the government, the Greens and the Liberals all said that they did not have confidence in this process, they did not have confidence in the minister, Senator Ludwig, and they did not have confidence that there was a management plan that was able to address this issue of local depletion, and that stands.

What I am interested in today is that the minister is saying that the Tasmanian government actually has the power to stop this supertrawler docking in Tasmania by closing the ports to it and not giving it port access. So now we will come back and see the extent to which the Tasmanian parliament actually will act on this. But, as for this business of walking both sides of the street, of pretending that it is okay to stand up at a public meeting and say, 'I am really worried about it; I am going to go and talk to the minister about it,' and of people on both the Labor and Liberal back benches who might have been talking to the minister, the fact is that the minister has decided that he is going to allow this and drive this. The coalition are going to support it and so, ultimately, the issue here is that all that talk of concern about localised depletion counts for nothing if you are not actually prepared to vote on it.

This is a serious issue because fisheries around the world are in a state of collapse; we are seeing it all over the place. And as for the suggestion that Australia has some sort of fabulous record for sustainability, you only have to have lived in Tasmania at the time when the orange roughy fishery was first brought on to note the excitement over this big commercial deal and then to see the total collapse that then followed not long after.

I can tell you, there is no proud record in terms of fisheries depletion, and around the world this is really a very serious issue. If you are serious, Madam Acting Deputy President McKenzie, about maintaining fisheries, then you support marine parks as nurseries and you act on global warming, because the increased global temperature is leading to higher levels of acidification and reduced nutrient levels. The warm current coming down Tasmania's east coast is nutrient poor compared with the Antarctic upwelling which is nutrient rich, and all those in the coalition who continue to try to reject acting on global warming had better think about the impact on the onshore fisheries and the recreational fishery that they talk about, because those global warming changes are making a significant difference in the marine ecosystems.

But the Greens stand absolutely to say that this should be disallowed, that the science has not stood up

in terms of this issue. More particularly, the minister has not explained the increased quota. Neither has he explained how he is going to address local depletion or where the management plan is to address that local depletion, and he had better do that before we get to this issue of what to do on disallowance.

Senator IAN MACDONALD (Queensland) (16:23): If evidence were needed, you have just heard with the previous speaker on this motion just how the Greens political party will stop at nothing to advance some of the ideas which they, for their own purposes—and I can never quite understand this—want to put onto the Australian public.

I must say that Australia had the most sustainable forestry industry in the world. It provided jobs and wealth for Tasmania, but the Greens over a period of time have ensured that that industry has just about collapsed and so we are left to import our timber from countries around the world that have nowhere near the sustainable management practices that had been implemented in Tasmania. I can only think that the Tasmanian Greens want to see the day when that lovely state of Tasmania is economically bankrupt and is only held together by federal and state government grants and federal and state government workers. Every single enterprise that could make Tasmania the great state it once used to be seems to be in the sights of the Greens political party. It just distresses me as an Australian to see the most sustainable forestry industry in the world now on its knees. The Greens think that is pretty good. They do not mind about all the people out of work. They do not mind about the fact that the Tasmanian economy continues to fail and falter. They are able then to roam around the world with all their other leftist greenie mates and say, 'Look how good we are in Tasmania. We have shut down every private business. We have made Tasmania totally dependent upon government funding.'

Senator Whish-Wilson: What about the wineries?

Senator IAN MACDONALD: Give the wineries a little time, Senator Whish-Wilson. You will regret the day when the Greens, having succeeded in shutting down the forestry industry and having succeeded in shutting down the fisheries industry, look elsewhere. What will they turn on next? Can I suggest to you that it will probably be the winery industry, 'Look, it is allowing too many sediments,' or 'They have got to use some chemicals that will destroy some made up creature.' Mark my words, Senator, I anticipate that your former industry will be the subject of the next Greens campaign.

The disallowance of the Small Pelagic Fishery Total Allowable Catch (Quota Species) Determination 2012 motion is about fisheries, but I cannot talk about that easily. I really get quite emotional about the forestry industry in Tasmania because it was a great industry; it

was the most sustainably managed in the world and now it is just finished. I have to say that I played a part in it. I, along with the CFMEU and eventually the support of the Labor Party in 2004, had that plan well documented, supported by the voters of Tasmania. I was followed as the minister by Senator Abetz who carried through the arrangements that had been made with the CFMEU, the Labor Party, the Tasmanian government, and it looked like we had a bright future again for the timber industry in Tasmania.

But no, the Greens never give up. As is often said: give them 15 per cent and they will accept that this week, but next week they will want 20 per cent, and the year after they will want 50 per cent, and they will keep going until they shut the industry down. This is about a fisheries disallowance, but I get emotional whenever I think about the beautiful state of Tasmania, a state that had so much to offer as part of Australia's economy. To see it now on its knees—thanks to the work of the Greens political party, initiated by their former leader who, thankfully, has moved on from this place, and some of the ideas that through persistence they have continued to impose upon the Tasmanian people—makes me feel very emotional. But if they want to ruin their own state of Tasmania, I guess that is for them.

But now they come up to the Coral Sea, a fishery which only had a few hundred tonnes of fish ever taken out of it, and suddenly, thanks to the Greens political party and their influence on a weak and divided Labor Party, they are going to shut down the whole Coral Sea—for what purpose, I do not know. What is the purpose? There was never any substantial fishing there. The only fishing there was by the marlin boats that would go out and catch some marlin, tag them so you could get a bit of scientific data, throw them back and move on. It created jobs and wealth and international tourist numbers into Cairns and Port Douglas and the Coral Sea.

Thanks to the Greens now, there is another industry in my state that is on its knees because of the work of the Greens political party. Don't worry about what support you have; if you say it often enough the Greens will get some loony group around the world—Pew or someone else like that—to fund them and keep funding them until they do it.

Senator Whish-Wilson interjecting—

Senator IAN MACDONALD: I hear the question: where is the science? I was just about to talk about that. I was just going to quote from Professor Keith Sainsbury from the Institute of Marine and Antarctic Studies. This report of 6 July 2012 is well known to everybody, including to the Greens, but they will not talk about it because they do not want to quote anybody who has some scientific knowledge.

In my four years as the fisheries minister in the Howard government I came to respect the science, the expertise and the commitment of the Australian Fisheries Management Authority. It is recognised, world wide, as one of the best fisheries management authorities. That is why, as Senator Ludwig quoted earlier, Australian fisheries are seen as one of the best managed in the world. We have nothing to be ashamed of; in fact, we have everything to be proud of given the way the Australian Fisheries Management Authority has managed our fisheries.

I might say that it was the coalition government that had Australia's first-ever oceans policy. As a result of that, we decided to have marine bioregions, and the very first one was in the south-east of Australia. Through consultation that went over many months between conservationists, the fishing industry, the recreational industry—all the stakeholders—we eventually came to a plan which has worked in the south-east. It allows for recreational fishing, it allows for commercial fishing, it allows for conservation zones; it allows for the restoration of the orange roughy fishery, which was mentioned by the previous speaker. This is what you can do with good science and goodwill and an arrangement that works with all relevant stakeholders.

The Greens do not want to look at the scientific reports, and if I have time I will read some of these into the record. The Greens political party follow the Julia Gillard approach to life: promise something, make an untruth about it and then you can get away with it. So Senator Milne, the previous speaker, attacked Senator Abetz for quoting from a report by saying: 'However, he left out this crucial bit,' which she then quoted. If Senator Milne has a look at *Hansard* she will see that Senator Abetz actually did say that. But she got up straight after him and said he did not do it. That incident in itself means little, except that it shows the approach and the tactics of the Greens political party: don't worry about the truth, don't worry about scientific evidence, just keep ranting your left-wing, loony mantra and eventually you will succeed. Regrettably, they have succeeded, practically shutting down the forestry industry and being well on the way to doing the same for the fisheries industry here.

Need I bring a discordant note into this debate by actually quoting from the scientists about this fishery? Professor Sainsbury says:

I have no doubt that this fishery is an example of world's best practice and it meets or exceeds the most rigorous scientific requirements for an ecologically sustainable fishery on forage fish.

This is the one that the Greens say is about to be decimated by an arrangement that has been approved by the Australian Fisheries Management Authority. Professor Sainsbury went on to say:

These requirements are designed to be ecologically safe, especially in relation to dependent predators in the food web, for all the known food webs in the world.

I could read on, but this is publicly available. The Greens know it is there—but that is Professor Sainsbury, he is a scientist, he actually knows what he is talking about, and that does not count when you come to Senator Milne, who dismisses people like Professor Sainsbury and brings her version of good science to this chamber. It is the same sort of thing as we saw with Senator Milne's good friend Professor Flannery, the guy who told us six-metre tidal increases were going to inundate coastal parts of Australia and then went out and bought a property on the banks of a river just north of Sydney.

Senator Milne interjecting—

Senator IAN MACDONALD: You say, 'What's that got to do with the price of eggs?' I am saying he has the same sort of approach as the Greens political party, and Senator Milne in particular. I do not know some of the newer Greens senators and I often say Senator Siewert is the only genuine environmentalist in the Greens political party, but Senator Milne is just a political warrior. I congratulate you, Senator Milne, as you have been very effective in both the Tasmanian parliament and this parliament in shutting down the timber industry and in making Tasmania a completely mendicant state, and you are well on your way to doing it with the fisheries industry.

Fortunately, I have to say, the Labor Party understand about jobs in Tasmania and initially were with us on the forestry. They have wobbled a bit in recent times, but I am pleased to say the government on this occasion is recognising just what loony approaches you get from the ultra-left-wing political ideology driven group that call themselves the Greens political party.

In this instance I am delighted that Senator Ludwig has had the backbone and the fortitude to go with the science and ignore those who keep his government in power.

The mistruths peddled by the Greens in this particular debate even make Ms Gillard's promise that 'There will be no carbon tax under a government that I lead,' almost look truthful. The Greens tell you that this is a Dutch boat that is going to do it. The fact is that it is an Australian flagged vessel.

Senator Milne: No, it is not.

Senator IAN MACDONALD: The vessel is to be operated by Seafish Tasmania, a business that has been catching and processing jack mackerel since the early 1980s.

Senator Milne: Madam Acting Deputy President, I rise on a point of order. It is a Lithuanian flagged vessel.

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

Senator IAN MACDONALD: The vessel is to be based in Devonport, Tasmania. The crew will be principally Australian. It will fish outside the three-mile state limits and the catch is going to be frozen on board—which makes the whole exercise more productive. I do not say this in a scientific way, but my understanding is that the licences that were there for several fishing operations have been combined and are now being worked off this one vessel because it is more efficient and it is more ecologically sustainable. One of the owners said:

We are extremely confident our fishing operation will result in long-term employment and economic benefits for Devonport and the North-West Coast of Tasmania.

But why bother saying that to the Greens political party? The things they are least interested in are employment and economic benefits for Devonport, the north-west coast of Tasmania or indeed anywhere in Australia.

The fish targeted—redbait, jack mackerel and blue mackerel—live near the surface of the water column, not at the bottom of the water column. They continuously swim in open water and they tend to be nomadic. It is managed, as I said before, by AFMA under a statutory management place.

I heard Senator Milne talk about what I loosely describe as a 'move on' provision. As Senator Milne well knows, the operators of this boat, the Australians who make a living sustainably catching fish in this small pelagic fishery, have said that they are happy to do this. So I would have thought that Senator Milne would have been congratulating them for their agreement to do this—even though they are not required to and even though AFMA and the scientists say that it is not necessary. But, if there is a concern with the local recreational fishing people, they are very happy to do that, because they want to work with others.

Senator Milne indicates that only the Greens are interested in the recreational fishing industry. Well, anyone that knows anything about recreational fishing knows that the political party that has most helped recreational fishing in Australia over many, many years is of course the Liberal-National party. I remind senators—although you should not need reminding—that it was the Howard government that introduced a \$15 million program to actually put some money into helping the recreational fishing industry.

In North Queensland and the Coral Sea, we understand what the recreational fishing industry is about. We understand how, as environmental managers, they are perhaps as good as the scientists and the fishery managers. Most recreational fishermen understand what it is all about—as do the commercial

fishermen. When the recreational fishing people in the north, in the Coral Sea, are willing to string up any Green that they can find, it is interesting to hear Senator Milne say how the Greens are looking after recreational fishermen in Tasmania. I suggest that they should get the Tasmanians to have a talk to the North Queensland brethren, and they will realise that they are being duped by the words that flow out of the mouths of the Greens in Tasmania.

I conclude my remarks on this subject by again saying that the Australian Fisheries Management Authority has an enviable worldwide record for proper management of fisheries.

Senator Milne: What about the orange roughy?

Senator IAN MACDONALD: The orange roughy is coming back, Senator, and I mentioned that. But this is typical—as was the case with Senator Abetz. He quotes something and you get up and accuse him of not even mentioning it. As I said before, the orange roughy fishery is coming back because of good fisheries management. A problem occurred and good fisheries management puts it back together. But you will never hear that from the Greens political party. You will hear from them all of the lies and all of the misrepresentation of facts—anything to pursue their whacky left-wing agenda that should be exposed to the people of Australia.

If it comes to proper management and proper science, do you believe the Professor Sainburys of the world, do you believe AFMA or do you believe a politician of the reputation of Senator Milne? I know where I will go for my science—and I know what the people of Australia will ultimately recognise about the Greens approach to these areas. All I can say is trust the scientists, look at the scientific approach to management of fisheries and go with the professional fisheries management people and you cannot go wrong.

Senator BOYCE (Queensland) (16:43): I will freely admit that a month ago I would not have had a clue what a pelagic fishery was. If anyone had asked me I would have said that it perhaps had something to do with fossils and an archaeological dig. But, because of a number of actions that have occurred in the recent past, I have certainly come to understand a lot more about the fishing industry across Australia—and particularly in relation to my home state of Queensland. I have readily admitted to everyone I have discussed this issue with that I am by no means an expert on fishing or the fishing industry.

In fact, most of my attempts at being a recreational fisher have ended in failure at the very least to catch a fish.

I rise today to speak because I would like to ask the Greens to reconsider the position that they have adopted in this motion they are putting with regard to

the *Margiris*. As a number of speakers have already pointed out, we have extremely well-managed fisheries. The *Margiris* will have a quota. They will take 20 per cent of the catch from the areas they fish when it has been recommended that up to 80 per cent would continue to be sustainable. There should be no concerns about the work that is being undertaken by the *Margiris*.

There is a quote from yesterday by Senator Whish-Wilson in today's papers where he says:

We've done it—

meaning the disallowance motion—

as a last-ditch attempt to have Parliament debate the issue and to get support for the members of the public who say the super trawler should not be allowed in Australian fisheries until key concerns have been addressed ...

I am very pleased that Greens want key concerns addressed and I wish they would adopt that view in terms of the federal government's current move to massively extend marine parks throughout Australia.

Senator Whish-Wilson has talked about getting support from members of the public. This is an excellent thing to do, but only if the members of the public are properly informed. In my view, this is not what is happening. On this issue and the issue of more than doubling the number of marine parks in Australia, there is disinformation being spread by environmental groups, presumably with the full support of the Greens.

I draw to your attention, Madam Acting Deputy President, a very glossy little brochure that came into a mailbox recently with a very cute little clownfish on the front. Who would not want to save a cute little clownfish? Everyone would want to save a cute little clownfish. But the information in here could only be described as extremely selective. They paint a beautiful picture of the marine treasures in the Coral Sea: 'the tropical waters are home to threatened sea turtles, manta rays, dolphins and more than 25 colourful reefs teeming with marine life.' Of course, everybody would want to save something like that.

The fact that it currently exists and is teeming with marine life apparently is not any reason to think that what is happening currently is sufficient. What it requires is a whole new regime to protect this. They can go on with motherhood statements and soft little stories about clownfish as much as they like. But the one thing that I find somewhat concerning about this brochure is that it went into every letterbox in the federal electorate of Brisbane and it has on it, 'No stamp required if posted in Australia'. It also went into the letterboxes of numerous other electorates around the Brisbane area.

When you look at the cost of this campaign, we are not talking about some small group that is surviving on the work of volunteers and the smell of oily rags. We are talking about a campaign that is better funded than

any campaign by the fishing industry itself to maintain the excellent fishery management system that we currently have. This brochure is produced by a group called protectourcoralsea.org. It has about 20 members, all of whom are environmental groups including Greenpeace, the Wilderness Society and the World Wildlife Fund for Nature and a number of other Queensland organisations. By suggesting to people that somehow not declaring massive areas of Queensland as marine parks will decimate the fish populations, these groups are attempting to trick and manipulate the public into supporting their campaigns. They even have campaigns to encourage recreational fishers to support their work by making the suggestion that there will not be fish there to catch if their plans are not allowed to proceed.

To give you one idea of the manipulation of information that goes on, I was interested to see a media release from Greenpeace which was published on 21 February this year. It says:

Lets make history: 3 days left to protect Coral Sea

That is clearly wrong. Last time I looked the Coral Sea was still there and it was still functioning. It is protected by our fisheries management systems. It does not need the protection that these groups would have you put in place to undertake decent fisheries management. We do not need the number of marine parks in Australia increased from 27 to 60 without proper scientific and independent evaluation. The Liberal-National Party, as Senator Macdonald pointed out, have a very strong and proud history of creating national marine parks. The vast majority that currently exist were created by this government and when we are returned to government we will no doubt create more but only after independent scientific evaluation and after consultation with stakeholders.

I continue to be amazed at the attitude of some the green groups to the very legitimate concerns raised by the fishing industry regarding the Coral Sea and the expansions right along the Queensland coast of highly restricted areas for fishermen. They seem to take the attitude that the fishing industry should just read their propaganda, not have their own views, and just accept that the green groups know best.

It is pompous at the very least.

The fishing industry is concerned because it was not adequately consulted by the minister when the Coral Sea programs were announced. I would imagine that the same concerns around the *Margiris* are based on the fact of lack of consultation, but then again it is something that this government is famous for. Someone recently referred to what was allegedly a consultation process as 'Well, they came and did show and tell, but they didn't consult us'. This is something this government is quite famous for—that is, its ability

to do show and tell and claim it has undertaken consultation.

One of the groups backing Protect Our Coral Sea is a group known as the Ocean Elders. I find the Ocean Elders somewhat offensive as a title for a group of what appears to be overseas billionaires. We have the likes of singers Neil Young and Jackson Browne and that wonderful saviour of the world Richard Branson. The Ocean Elders come from every country but one in the world—all except Australia. But there they are, being very pleased that Australia is locking up its fisheries in marine parks—not their own fisheries, but locking up our own. You can see that because none of them rely on fishing or the fishing industry, they are quite happy about this.

One of the things that upset me about this was the fact that this group, clearly encouraged by the Protect Our Coral Sea organisation and the alliance of green groups in that, has taken on that term 'elders'—suggesting that in some way it is the protector of our fisheries, our seas, our lands. We can very easily turn to our own elders if we want to talk about managing the oceans and seas around Australia. The Indigenous elders of Australia, from the Torres Strait right around the entire coast, have been doing this for thousands of years. I was lucky enough that one of my staff was able to speak to Phil Rist, who is the executive officer of the Girringun Aboriginal Corporation, which is at Cardwell. Cardwell is halfway between Townsville and Cairns and has the Coral Sea on its doorstep. The Girringun corporation represents six saltwater tribal groups: the Djiru, the Gulnay, the Girramay, the Bandjin, the Warrgamay and the Nywaigi. It was the first Indigenous group established in the country in partnership with the Great Barrier Reef Marine Park Authority and the Queensland Parks and Wildlife Service to develop a traditional use of marine resources agreement—known as TUMRA.

Under the agreement, there are steering committees being set up with elders from the six saltwater tribal groups. These groups are startled—I suppose that would be the best word—and dismayed at the idea that others would choose to call themselves the Ocean Elders and to give the impression that they are somehow the custodians of our seas and the custodians of the fish and the sea life that live in those seas. Our elders have done a brilliant job of managing their resources, as have our fishing industries. I continue to be very, very concerned about the fact that many of the groups involved in the Protect Our Coral Sea organisation or alliance continue to try to mislead recreational fishers into thinking that somehow they should be different, they should see the commercial fishers as an opponent and not as an ally.

In fact what is going to happen throughout Queensland will be the loss of thousands of jobs. The

Cairns Regional Council recently decided to make a submission on Minister Tony Burke's proposal around the marine parks, and 10 September is the deadline for doing this. It has decided to make a submission based on an independent assessment that it had done which suggests that the cost of the changes Minister Burke is suggesting to Cairns and to the Far North Queensland area will be \$1 billion. The environment department has decided that all it will cost the Cairns economy would be \$1.1 million. But the Cairns council, which I would suggest knows Cairns a little better than the department of the environment, has looked not only at the effects on the Cairns local area, but also at the effects on the areas around Cairns and at the effects on the flow-on businesses.

This is something that I think in almost every circumstance we have had a lot of trouble getting this government to understand. It still does not appear to understand the cumulative effect of the carbon tax on small business and on others when, time after time, the price of everything, every input that you have in your small business is affected—sometimes incrementally; sometimes seriously. Those are the costs that drive people out of business and that is what is going to happen across the fishing industry.

It will not just be the commercial fishermen who will be affected; it will not just be recreational fishermen who will be affected. It will be boat manufacturers, outboard motor distributors and manufacturers. It will be the bait and tackle shops. It will be the chandleries that create the anchors—and the list will go on, right through from fish and chip shops to the Australian consumer in the end. Right now, 72 to 75 per cent of our seafood in Australia is imported. That figure will rise if the government goes ahead with its plan, with Greens support, on the development of these marine parks.

We must do better in this area. We must use scientific evaluation. Senator Whish-Wilson wants to have key concerns addressed and evaluation carried out on the *Margiris*, because that is something that the Greens do not want. But, when we come to a proposal such as the marine parks, which will wipe out vast numbers of businesses that are related to and are in the fishing industry, the Greens do not want to know a thing about key concerns or about scientific evaluation. They simply want to produce pretty little brochures with clownfish on them. Of course everyone wants to protect them, but in this case they are dishonestly giving the impression that clownfish will be endangered if we do not go ahead with the marine parks—a complete and utter nonsense.

What is endangered and threatened—and this was mentioned at a rally that I organised in Brisbane two weekends ago to protest about Minister Burke's proposal—is a very, very successful business that has

been established out of Cairns, collecting and selling 'Nemos'. This business has been established with the support and approval of the Great Barrier Reef Marine Park Authority, the Fisheries Management Authority and others. It is a completely sustainable business and it is providing clownfish—'Nemos', as most people now call them—to aquariums worldwide. The business plan for this company was based on the view that they would be able to continue to collect clownfish in what was an approved and sustainable way. That now changes for them.

It is not just this one company that will be affected. It is dozens and dozens of companies up and down the Queensland coast, some of whom have even had calls from their bank managers, telling these companies that they want to reassess their risk profile on the basis of this. So I would really like to ask the Greens to be a little consistent here. If they want to not go ahead with the *Margiris* until it can be scientifically evaluated and until key concerns can be addressed, surely they should be applying exactly the same argument to the marine park proposal from Minister Tony Burke. We cannot just use pretty pictures and say that, because one is done by a company that is catching quite unattractive fish, they somehow are a lesser industry.

Senator WHISH-WILSON (Tasmania) (17:03): I rise to wrap up the debate on this motion for disallowance of the Small Pelagic Fishery Total Allowable Catch (Quota Species) Determination 2012. Yesterday we saw something historic happen here. I tabled a motion from the Tasmanian lower house, where all three parties got together and consistently said, in a unified voice, that they did not support the entrance of the supertrawler to Australian waters and they wanted the supertrawler stopped until key risks could be addressed. We have had the debate. Everyone is watching. Tasmania is watching; Australia is watching. Federal Labor and federal Liberal senators have turned their backs on their state counterparts and they have turned their backs on the Tasmanian people.

We have heard a lot about Professor Keith Sainsbury and the scientists at AFMA. We have considerable respect for the scientists. We have never questioned the veracity of their science or the good work that they have done. We have simply said that they have clearly said and acknowledged in their report, *Commonwealth small pelagic fishery: general background to the scientific issues*, which has been quoted ad nauseum by the Liberals today, that the idea of local depletion needs to be managed. The Greens moved this motion because we wanted to see a plan in place for that. It is easy to denigrate the debate, which is exactly what has happened today, and as a new senator to this chamber I would like to express my disappointment that what was a very genuine motion to address a problem has slipped into vitriol and negativity. That is exactly what people outside this

chamber do not want to see from their elected representatives.

I would like to quote from a media release put out by TARfish, the key recreational fishing group in Tasmania, as to why they walked away from a working group with the government on this issue of local depletion:

... TARFish has come to the conclusion that there is a lack of detailed scientific knowledge surrounding;

1. the extent and rates of movement of each species of small pelagic fish
2. the amount of time it would take for local populations of small pelagic fish to recover from intensive localized fishing and
3. the size of the resident population of Jack Mackerel on the East Coast of Tasmania.

These are not the rabid, left-wing, loony Greens that the Liberals would have you believe are behind this fearmongering on the entrance of one of the world's biggest supertrawlers, which, like it or not, has been dogged with controversy everywhere it has gone. It is a fair thing to question the risks that this supertrawler poses without criticising the scientists.

We have never had a supertrawler in Australian waters before. It is a fair thing to question this and that is exactly what our disallowance motion has done today. It gave us the chance to support the lower House in Tasmania—Greens, Liberals and Labor—in an effort to step back until the checks and balances have been put in place. We have heard lots of noise about the science. From my understanding, and my meetings with Professor Keith Sainsbury, and my friends who work in the same areas as he does in Tasmania, he has done considerable work on the science behind marine protected areas. It is also my understanding that he is in favour of marine protected areas as one tool in the fisheries management box.

Opposition senators interjecting—

Senator WHISH-WILSON: I am looking forward to you rolling out his science on this issue, just like you have on his very good work in the report that was released yesterday. Considering it is the only thing you have in your chest of ammunition, let us make it very clear once again that this report clearly says that world best fisheries practice is to manage local depletion issues.

Senator Colbeck: Don't misrepresent!

Senator WHISH-WILSON: I will read it word for word exactly from the report. It is the final part of a paragraph in the conclusion of the report:

However, given uncertainties about detailed movement patterns of several of the species targeted in the small pelagic fisheries it would be prudent to distribute catches to minimise the chance of local depletion. This is consistent with global scientific advice on best practice for managing such species.

So, we all agree on the science. We have a chance here tonight in front of the Tasmanian people to stand up for them. I would still urge coalition senators and Labor senators to support our disallowance motion, to take the time to get this right.

The ACTING DEPUTY PRESIDENT (Senator Mark Bishop): The question is that the motion for disallowance be agreed to. I am advised that we cannot have a division. I remind honourable senators that if a division is called on Thursday after 4:30 pm the matter before the Senate shall be adjourned pursuant to standing order 57(3) until the next day of sitting at a time to be fixed by the Senate. Accordingly, the matter is adjourned.

BILLS

Marriage Equality Amendment Bill 2010

Second Reading

Debate resumed on the motion:

That this bill be now read a second time.

Senator HANSON-YOUNG (South Australia) (17:10): I rise today to speak in favour of the Marriage Equality Amendment Bill 2010. I also point out to the senators in the chamber and, of course, to those who may be listening to this debate that this also includes amendments that have been circulated since this bill went through a very thorough Senate inquiry. The report of that inquiry determined, in order to put at ease some of the concerns in relation to religious freedom, that the bill be strengthened in that area. That would ensure that for those who want to make sure churches and religious groups can continue to marry those whom they feel they would best like to be able to do so without being impinged upon by any of the changes that this bill would inflict on the Marriage Act. The ability has always been there for religious organisations to determine who they marry and who they do not. We have churches making that decision on a daily basis. The circulated amendments suggest that there is no doubt that that is the case under this bill.

The main purpose of this marriage equality bill is to remove the current discrimination in the Marriage Act so as to clearly allow for two people, regardless of their gender, regardless of their sexuality, the legal right to marry. This is a campaign for true equality within the Australian law. It is something that has been fought long and hard, not just here in Australia but also around the world. We know that country after country continues to take up this very, very important cause, putting truth behind the belief for equality for all.

If this parliament were to agree to this bill and to pass it into law, we could take advantage of the strong opportunity that we know exists for same-sex couples in the Australian community who desperately want the right to marry under law. The parliament could take the opportunity by both hands to make a reform that the

majority of Australians believe in. The majority of Australians now agree that marriage equality's time has come. Poll after poll has proven that there has been a shift in the mindset of the Australian community to accept that true equality must include the amendments to the Marriage Act to allow equality to reign in love. That is what this bill proposes to do.

I spent this morning with the Hinton family, a local family here in Canberra. Ivan Hinton and Christian Teoh desperately want their love and their relationship recognised under law. This lovely couple, surrounded by their mums and dads, their brothers and sisters, and even their aunts, were in Parliament House today advocating for their right to have their marriage legally recognised under Australian law. They had to go to Canada to marry and when they arrived back in Australia their marriage was no longer valid. They would have loved to have been able to marry in the country that they love, but because of the current discrimination another couple have had to go overseas to be accepted for who they are. This is the reason that we need to amend the Marriage Act.

I had someone send me a message this morning. They asked: 'Why is this even a matter of debate? This should be a matter of love. This should be a matter of equality. Why is it that in 2012 we are still debating the true essence of equality?' A very good question. The answer is that this place has taken so long to catch up with the will, the compassion and the desire for equality that already exists in the Australian community. The key in this debate is this: how would allowing same-sex couples the same rights as everybody else diminish the institution of marriage? Clearly it would do nothing to diminish the institution of marriage. In fact, if anything it would strengthen the institution of marriage. When we see such questions from opponents of true equality who point to what this would do and how this would undermine people's marriages, the truth is that it will not do that, will it? This is about allowing couples to marry each other, to have their love recognised under federal law and to ensure that our parliament and our federal legislation treat all people equally. Cupid does not discriminate and neither should the law.

Marriage is about two people in a committed and loving, lifelong relationship that has nothing to do with their sexual orientation or their gender identity. It is now time for this parliament to recognise that removing this discrimination that currently exists is not just long overdue but inevitable. We know that the Leader of the Opposition, Mr Abbott, continues to block his members from having a free vote on this matter. I hope that in the weeks and months to come, those within the Liberal-National coalition who I know support removing this discrimination will be able to have their voices heard and their desires for equality

realised, and be able to voice the opinions of their constituents.

We also know that the Prime Minister, despite her own party's policy on this, continues to lag behind and sit on the wrong side of history, despite the fact that other world leaders have taken the great step to accept that it is time for marriage equality to be realised. We have seen it with the Conservative Party in the United Kingdom. Prime Minister David Cameron says that he supports marriage equality, that he wants to see the love and relationship of a committed couple recognised in his country's law. He says that he supports marriage equality not despite being a Conservative but because he is a Conservative. He believes that the strength of the institution of marriage, the strength that it gives and the importance that it gives to community must be something that is inclusive of all couples.

We have seen Barack Obama, the President of United States, who was once a staunch opponent of marriage equality, change his view. He has seen the desire of the community and the acceptance of the next generation to ensuring that equality for all must be real. You cannot just pretend it exists; you must deliver it. Barack Obama has been very open and upfront about the fact that his view has changed. That is the type of leadership that we should be seeing from our leaders here in Australia.

Rather than being left on the wrong side of history, rather than lining up with the Tea Party of America, Tony Abbott should line up with members of his own party in supporting marriage equality. Julia Gillard has the opportunity to show what a progressive leader in this country looks like. She has the opportunity to not be the last Prime Minister in Australia to block such an important social reform. Marriage equality is inevitable. It is simply a matter of time. Those of us in this place and outside this place who have fought long and hard for these reforms would prefer not to have to waste more time because our leaders are so staunch in their opposition to marriage equality and so blinded by the desire for change from our communities. I am reminded of the very serious and harmful message that is sent to the young people in our communities when the Prime Minister and the Leader of the Opposition say that because of someone's sexuality they are second-class citizens. That is the reality of the message that is being sent.

Every time our Prime Minister is on national television saying that marriage is between a man and woman, her view will not change and everybody else should get over it, that negative message comes through. But that message is wrong and should not be allowed to exist in 2012, in modern Australia. It is time we got rid of it. What is most important is that as elected representatives in this place, the custodians of justice under the law, we fight for equal rights

regardless of who a young man or woman happens to love. The message that we need from our leaders is that young gay and lesbian Australians' love is equal. They are equal under the law, and their families understand that they are considered just as everybody else is. These are young people, older people and in-between people who defend our country, who care for us, who clean for us, who teach us, who entertain us, who pay the same amount of tax as the rest of us, and yet this piece of law as it currently stands says that they are not equal.

I put it to the Senate that it is time we rid Australia of his outdated and archaic discrimination. There are 12 countries in the world which have moved to take hold of this important reform and there are many more soon to follow: the United Kingdom, Brazil, France, even our Kiwi brothers and sisters in New Zealand. The Conservative Prime Minister of New Zealand, John Key, said that he backs marriage equality and it will become law in New Zealand.

I want to remind us of a little bit of history. In the 1960s in the United States, a brave black woman appropriately named Mildred Loving and her white husband, Richard, launched a class action against the state of Virginia. Mr and Mrs Loving had been tried for and convicted of inter-racial marriage and they decided to take a stand. The case went to the US Supreme Court, and in 1967 the court ruled that the laws were discriminatory. They were overturned, and Mildred's and Richard's prison sentences were overturned.

It is little known that in Australia we had very similar laws where we discriminated against the love of two people because of their race. Victoria, Western Australia and Queensland once had Aboriginal protection acts that included provisions allowing state officials to determine who Aboriginal people could marry and who they could not. On 13 August 1959, in the midst of debating Australia's first national Marriage Act, the House of Representatives erupted in furore at the news that an Aboriginal woman had been denied permission to marry. In Darwin, the Protector of Aborigines had refused Gladys permission to marry her fiancé who was white—his name was Mick. In response to questions from the opposition, the Menzies government promised that such discrimination would never be written into Australia's federal marriage law.

We have been here before. We have seen reform properly legislated for in this place and an acceptance of and trust in and compassion for and belief in the strength of love. This is a chance to do it all again for the right reasons, to rid legislation of discrimination that does exist and to allow people in Australia, regardless of their sexuality, their gender or their cultural background, the right to marry the person they love. We know that we can move on from the dark days of history and we can correct mistakes of the past.

This is an opportunity to take the things we know are right and put them into practice. The Australian community overwhelmingly supports this reform. Senators in this place and MPs in the other place have been inundated with letters, phone calls, emails and visits from many, many Australians—those who are in homosexual relationships, those who are in heterosexual relationships, those who are mums and dads of adult children and who want to have their sons' and daughters' rights recognised in law.

There is huge support for marriage equality in Australia, and the parliament that gets it right, the parliament that can take hold of this need and desire for and belief in equality, will be a parliament that the Australian public congratulates wholeheartedly. We know that support for this reform crosses all boundaries—cities, suburbs, regional areas, the bush, as well as the various political parties. The majority of coalition voters support marriage equality. The majority of Christian Australians support marriage equality. We have had representatives from various religious organisations and churches walk the halls of this place asking us to give all Australians a fair go by ensuring that the institution of marriage can be strengthened for evermore and that the strength that marriage gives families can be recognised by this parliament.

The importance of allowing two people's relationship to be understood and defined by the universal language of marriage and love is something that MPs in this place should grab hold of; they should stand tall and accept that we are doing a good thing. The majority of Australians believe that this is the right thing to do, and more and more people agree that this change should happen.

The fight for marriage equality is not going to be won and lost in this place; it has already been won out there in the Australian community. It is now up to this place to recognise that, unlike some issues, where we are leading the way, in this one, unfortunately, we are following. But we can turn that around and accept that if Cupid does not discriminate neither should the law. Love is love and equality does matter.

Senator BRANDIS (Queensland—Deputy Leader of the Opposition in the Senate) (17:31): Let me very briefly state to the Senate the coalition's position on the Marriage Equality Amendment Bill 2010. The coalition made an undertaking to the Australian people at the 2010 election that we would support the existing definition of marriage and, having made that undertaking to the Australian people, we are not going to act at variance to it. The Labor Party has changed its position, because Julia Gillard gave a similar undertaking to the Australian people at the 2010 election but subsequently facilitated arrangements within the Labor Party to allow that undertaking to be

vacated. When we in the coalition give an undertaking to the public we stick by it, whether it be on the carbon tax, private health insurance, or any issue, and this is one such issue.

After listening to Senator Sarah Hanson-Young's speech I am bound to say that one would have thought there was only one available view. Senator Hanson-Young, I have to tell you that yours is not the only view. Much as those who advocate your view do so, I am sure, in good faith, you will not win this argument by seeking to silence alternative views. People are entitled to have their own views about marriage, as you have yours. People who have a more conservative view than yours about marriage are as much within their rights as you are.

To me, your bill is a bill about marriage but it is not a bill about equality. Equality for same-sex people was won in this parliament, in this Senate, with the support of all parties, including mine, by the amendments that were made to a suite of Commonwealth statutes in 2008. I said at the time that it had been too long in coming. I had myself, within the Howard government, been agitating for that for years, as many of my colleagues had been. But after those bills were passed with the support of all parties there was no Commonwealth law which treated same-sex people in relationships any differently than opposite-sex people in a relationship.

But your bill is not about equality, Senator Hanson-Young, even though you claim that it is; it is about marriage. Marriage is an institution defined by custom, religion and law, or at least by some of those things. For you to have discovered that an institution which has been understood to mean one particular thing for the entire history of humanity is, all of a sudden, a fundamentally unjust institution, as it is understood according to its traditional conception, is an extraordinary impertinence. When you use the phrase, 'Let us put behind us the dark pages of history,' do you really think, Senator Sarah Hanson-Young, that history began with you? Do you seriously think that the human conscience began with you? Or do you not allow for the fact that, just as you have your views, which I am sure are held in good faith, other people have their views which are also held in good faith. Those views reflect the entire understanding and the entire course of human history of what a marriage is, and you should, if I may say so, pay a little more respect to those who do not agree with you.

The ACTING DEPUTY PRESIDENT (Senator Mark Bishop) (17:35): I remind all senators who are participating in this and other debates to address their remarks through the chair.

Senator URQUHART (Tasmania) (17:35): I stand in this place as one of many strong supporters for marriage equality in the Labor Party. Marriage equality

for many in our party fits with our values of fairness, equality, family and compassion, as well as reason, logic and progress. Values of fairness include fairness to all in our community, fairness for all those in our society who are doing it tough for many reasons, fairness to those who have a disability, fairness to those who are less fortunate, and fairness to have the opportunity to succeed regardless of circumstance. Values of equality include equality to all those in our society regardless of gender, religion, race, sexual orientation and age; and equality for those in our society about how they live their lives and the opportunities they should receive.

Values of family stand whatever the make-up of that family is. Families today are very different to what history would define a family to be. Regardless of how a family is made up, the support from a family unit is now as important to individuals and to the community as ever.

A close, caring, loving, respectful family network is something that we should all support and foster regardless of what a family's makeup is. It is about values of compassion, respect and tolerance. If a friend or a stranger stumbles in the street, we do our best to help them out but we always respect their choices and decisions—not prejudging people for whatever reason. I believe in respecting people for what and who they are, not what others like them to be. I respect people based on their actions unto others and values of reason, logic and progression. I endeavour to approach issues with reason and logic. Prejudice consistently results in poor outcomes. Attempting to use reason and logic to progress our society for the betterment of our grandchildren and their grandchildren is at my core.

Australians now overwhelmingly want our parliament to amend the Marriage Act: to allow any two adults, regardless of sex, sexuality or gender identity, the honour and privilege of standing in front of their family and friends and making a commitment to each other; to allow the children of people in same-sex relationships the stability of knowing that their family is just as special as all other families; to allow the community to celebrate the love and commitment of two Australians who are no doubt good citizens who pay their taxes and abide by the law of the land.

I read for senators a motion passed at the 2009 Tasmanian state Labor conference supporting marriage equality:

This Tasmanian state Labor conference believes that all couples who have mutual commitment to a shared life should have their relationships treated equally and without discrimination on the basis of their sexual orientation. The conference believes in equal access to marriage under Australian law, regardless of the sex of the parties. The government should reform the Marriage Act to allow same-sex couples the right to marry, therefore fully recognising their relationship and removing discrimination. The

conference believes the government should recognise the change in the community attitudes regarding this issue and bring full equality to the law.

That motion was passed in 2009. It was the first of its kind from a state Labor conference. Tasmania, a state that in 1997 amended its criminal code to remove homosexuality, is also the first state where a major party clearly voted in favour of marriage equality. It is testament to the values of our Labor members in Tasmania that they wanted to continue the long and proud history of delivering change—a proud history of giving effect to the principle of equality and ensuring that inequality is not sewn into the fabric of our community. It was Labor governments that introduced the first land rights legislation, introduced the Racial Discrimination Act, recognised native title through the Mabo legislation, enacted the Sex Discrimination Act, repealed the ban on gays and lesbians serving in our armed forces, introduced the Disability Discrimination Act, and will soon amend the Equal Opportunity for Women in the Workplace Agency to become the improved and more encompassing Workplace Gender Equality Agency.

Tasmanian Labor has led the nation with progressive change, upholding values of equality and fairness. Tasmania is the only state to provide compensation to the stolen generations and was one of the first states to apologise. It is the state with the most progressive anti-discrimination laws in the country, it was the first state to introduce a relationship register, and it was the first state to recognise same-sex marriages recognised in other jurisdictions. Just recently, at our state Labor conference, Premier Lara Giddings passionately moved a motion, and I quote:

This state Labor conference believes that in the event the federal parliament fails to end discrimination in the Federal Marriage Act, the state of Tasmania should step in to do the right thing and pass a state based gender-neutral marriage act. The conference believes that this will provide fair and equitable access to marriage to all Tasmanians and urges the Tasmanian government to act immediately to draft legislation in the event a vote to change the Marriage Act fails in the federal parliament.

The conference believes the state of Tasmania should allow marriage licenses to be granted to couples outside of Tasmania and notes the economic boon this would provide to the state.

In just three years, our state went from being the first to support national marriage equality to being the first to support state based marriage equality. I congratulate Premier Giddings for her courage in taking on this challenge and I urge all members of the Tasmanian parliament to support fairness and marriage equality.

I thank the Rainbow Labor Network in Tasmania for their phenomenal lobbying work to put marriage equality on the agenda in Tasmania; to keep us, as a state branch of the ALP, reaffirming our commitment

to marriage equality; and to push for state based marriage equality in the event of failure at a federal level, because marriage equality marries so well with so many Labor values.

At last year's Tasmanian state conference, there was a contribution in support of marriage equality from a man who formerly looked upon homosexuality as wrong. He spoke of his struggle when his son 'came out'. It was a struggle to comprehend his son's sexuality that soon turned to how he could best support his son. As his son is now in a loving relationship, he spoke of his wish for his son to be able to marry the partner that he loves in front of his family and friends. The tide has turned in Tasmania. A survey conducted by Senator Carol Brown in 2011 of over 1,000 Tasmanians, a clear majority of 55 per cent supported marriage equality.

In 2008, in one of our first actions as a new government, Labor amended over 85 pieces of Commonwealth legislation to remove discrimination against same-sex de facto couples. These amendments provide financial equality, assisting with the day-to-day financial security issues that were faced by same-sex de facto couples in Australia. Some Labor state governments have also provided fair access to assisted and reproductive technology such as IVF and have made same-sex couples eligible for adoption. These are great achievements.

We must celebrate Labor achievements that have comprehensively removed discrimination towards same-sex de facto couples, making their day-to-day lives easier and opening opportunities that all Australians should have the right to access.

I follow the logic that if we can recognise and accept a couple as a couple and provide all couples with equal access to legal and financial benefits then we must also be able to support the symbolic and ceremonial recognition of same-sex couples by amending the Marriage Act. With regard to relationship recognition, the key issue here is no longer the ability to access legal or financial benefits; it is primarily a symbolic issue and is, as can be seen from the fierce debate it elicits, an extremely important one.

Same-sex couples want the same public, symbolic and ceremonial recognition of their commitment to each other. For those who say there can be state based registers—and I clarify that I mean those who say state based registers and not marriage—most relationship registers are intended as a non-ceremonial certification of same-sex couples. This fails to encompass one of the most important elements of relationship recognition. We can see this evidenced in Queensland, where the newly elected Liberal National government watered down the relationship register to such a degree that some marriage equality advocates have described it as like registering a pet or a car. To do anything but amend the Marriage Act continues to deny rights to

members of our community and says to our community at large that same-sex couples are not equal. It says to our community that their relationships are of lesser value. It says to some young Australians that they are lesser members of our community—and for no good reason. Same-sex couples are not looking for any special treatment. They are not looking for anything more than anyone else. They are just asking for the same rights and to be treated as everyone else. They are just asking for their kids to have a fair go.

A child in my home town does not tell his friends about his mum's relationship. Although this nine-year-old boy should be worried about the games he will play with his mates and how to pass his tests at school, he is burdened with a fear that he will be bullied if his mates find out about his mum, who is in a loving relationship and does everything for him. Not being able to marry is very sad for her, but what is sadder is that her son cannot tell his peers about her relationship, because even at his young age he realises that he will be bullied. He does so many amazing and exciting things with them like camping, birdwatching, hiking and boating, just like any family, but it concerns him that he has to censor his life. It is so sad that a little boy already knows and has to live with discrimination.

Marriage equality can help to put an end to this for this boy and many others in the same situation. He is a boy whose childhood should be about instilling in him the skills and dreams that will see him become a good Australian. He is a boy who should be worried about the games to play with his friends, about what he needs to do for his next school assignment and about whether he got a few kicks in his last footy game—a boy who should not be burdened with the fear of bullying if he shares stories of his weekend with his mum and her partner.

Opponents of marriage equality use the pretence of protecting children as one of their major arguments. I challenge them to look a child like this brave boy in the eyes and say that the current laws are protecting him. I challenge them to move beyond their belief of what they see as a traditional family unit to accept that our society comprises so many family structures and that we must enshrine in our laws a safe environment for all of them.

Changing the Marriage Act will give us a future where all people are treated equally with dignity and respect, but it needs to be amended in a comprehensive and thorough fashion. There are currently a number of bills before the parliament on this issue. Labor members have moved to co-sponsor a comprehensive marriage equality amendment bill that addresses some technical concerns with this bill before us today. I understand that the bill will be given substantial time for debate during the September sitting period. I will support that bill when it comes to this place. It reflects

that the party with the majority of supporters for marriage equality in this place should be the party that introduces the bill. It reflects that this bill as it stands will need to be amended, as all votes on marriage equality bills are the subject of conscience votes as lobbied so vigorously for by the Greens.

The Labor Party has a different value set from that of the Greens political party—values built over the past 200 years from our working-class base, values built through the trade union movement, values that stem from a base that reflects all that we are and all that we do. The Greens political party say they support action on climate change but twice voted against the Carbon Pollution Reduction Scheme. They say they support refugees but they oppose population growth. They say they support science and fact based policy but with a sniff of opportunity jump straight on the fear bandwagon. What if we could look to transparency? No, the Greens political party conferences are all done behind closed doors. What about democratic internal party structures? Senator Thorp was elected by a vote of hundreds of rank-and-file members of the Tasmanian Labor Party. As far as I am aware, rank-and-file members of the Greens political party do not have the same opportunity. When many in the Labor Party were calling for a binding caucus vote on marriage equality, where were the Greens political party? They were out there demanding a conscience vote that would highlight divisions in the two major parties for political purposes. Today they have brought forward debate on this bill. What for? To pass it through parliament today. The Greens party must be judged by their actions on this issue.

I will share the story of a transsexual Tasmanian. If this woman were not honest with herself, she would be allowed to marry. She told me that twice she has been in love—once as a man and once since transitioning as a woman. Both relationships were exactly the same: both had highs and lows and both were founded on love. The first of these relationships was able to be celebrated publicly. They married, and the relationship thus gained society's blessing. After the death of his wife, who was the only person he had previously told of his struggles with his gender, he decided to transition. Since transitioning she has found love again, and again with a woman. But, no matter how this relationship is valued by her family, friends, colleagues and community, it is somehow less valued.

She explained that she is still the same person she was when she was married many years ago but that she is now more honest with herself and with her community. If the first relationship deserved recognition as a marriage it is only just that the second one does too. The only difference is her gender. In her current life, she has chosen to be more honest with society about who she is. Remarkably, if she had not undergone transitioning therapy and legally changed her sex she

would be legally allowed to marry. This great country rewards people for their honesty. We must remove this barrier that prevents decent people from being fully honest with themselves and their community.

As Australians we pride ourselves on our ability on the sporting field. I have learned of the discrimination that a Tasmanian couple faced at their local golf club—a club that is always looking for new members—when they decided to join as partners. One was a successful golfer, and her new partner was keen to join as she knew quite a number of the members and thought it would be fun. The behaviour from some of the club members who had previously known her partner when she was a married straight woman was extremely hurtful to them both. Although they acted no differently to any other couple at the club, her partner was never welcomed as a new member. The club has a membership discount for married couples but, of course, these women could not qualify for that discount. They told me that it was not the money that hurt; it was the attitude that they were lesser members of the club. Even though one had been a club champion many times and the other was known and liked by many members outside of this setting, as you might expect, the burden of continual exclusion and snide remarks resulted in the women resigning from the club. This provides another example of how continuing to deny marriage equality instils discrimination within our society.

But attitudes change with time. Polls consistently show there is a majority support for marriage equality, and many countries around the world have recognised same-sex relationships. In Australian law there has always been a clear distinction between civil and religious marriages. People are able to be wed in a civil ceremony and a religious body is able to choose not to wed a couple and should remain free to have this choice. People of different religions are able to be wed and not all forms of marriage are permissible under law, even if they are allowed in a religious context. In recent years, two-thirds of marriages have been conducted in a civil ceremony with no involvement or mention of religion.

However, people are currently not free to have a wedding without discrimination. A marriage celebrant must, regardless of the wishes of the bride and groom, include in the monitum the Marriage Act's current definition of marriage. Without these words a marriage cannot be solemnised. A marriage celebrant highlighted to me the growing dissatisfaction from brides and grooms that these words must be used on their special day. That a phrase which a majority of our society feel is discriminatory and should be repealed must be recited in order for a marriage to be solemnised is so unfortunate. Is it not enough that same-sex attracted people are prohibited from marriage in this country? I acknowledge that this debate is

difficult, that the community is divided and that, for many, overcoming long-held prejudices is tough. That is why I approach this debate with my Labor values at the fore, using values I derive from our Labor base. One of the Labor Party's great strengths is in fighting to promote equality, fairness and dignity for all. We must comprehensively move to end all legislated discrimination in this country.

The ACTING DEPUTY PRESIDENT (Senator Mark Bishop): Before you commence, Senator Waters, I advise you that debate on this bill this evening will conclude at 6 pm.

Senator WATERS (Queensland) (17:55): Thank you, Mr Acting Deputy President. It is an honour to have the opportunity to be debating whether to amend legislation that is blatantly discriminatory, whether to take the radical stance that all citizens deserve the same rights. Freedom of sexuality and gender identity are fundamental human rights, and the acceptance and celebration of diversity are essential for social justice and real equality in our society. I am proud to stand with my Greens colleagues as a member of a party that has been fighting for equality for two decades. It is time that other senators face the fact that, when it comes to equality, there is no room for compromise.

I would like to congratulate the tireless activists who have been taking their case to the public, holding rallies, speaking at forums and talking to their neighbours. Their perseverance and patience in the face of an uphill battle has paid off. Polling has consistently shown that a majority of Australians, now 64 per cent of people, support the rights of same-sex couples to marry. In 2004, this chamber passed an amendment to the Marriage Act, making specific the implied discrimination that marriage is between one man and one woman. Greens and Democrats senators sat on one side of the chamber while Labor and coalition senators sat on the other. Only eight short years ago, each and every vote cast by the two old parties was cast in favour of entrenching discrimination. It is fantastic to see that, now, some senators have recently become champions for same-sex marriage within their parties and within their communities. The Greens and the LGBTI community and their friends and families have been waiting for the big parties to catch up, and it is really good to finally have you on board. Thank you for standing up for what is right.

It is important that this legislation passes the Senate. The Greens Marriage Equality Amendment Bill has the strongest cross-party support and the Senate inquiry reported back with a clear recommendation that the law should be changed. This report was endorsed by senators from all sides in this chamber. Whilst the leaders of the two old parties are busy loudly opposing same-sex marriage, with references to 'tradition' and

'the way it's always been', the community has slowly but surely been changing their mind. A quiet desire for improvement to the law is now a full-throated cry for complete equality. I join my fellow Greens senators and the LGBTI community in calling on the Prime Minister and the Leader of the Opposition to make a choice: get on board, or get out of the way. It is not acceptable for the Prime Minister and the opposition leader to impose their views on the entire Australian community and ride roughshod over both their voters and their parties. Prime Minister Gillard, let your members champion a reform they support. Mr Abbott, with polls now showing that 52 per cent of coalition voters support marriage equality, it is time to allow a conscience vote.

It is now up to senators to choose. Have they bought the line that same-sex marriage will destroy the institution of marriage? Will senators maintain their position that the definition of marriage is fixed? It used to be that the wife was the chattel, the human property of the husband, but, thankfully, long ago the community's perception of that being acceptable changed. That is the point: as a community's values change so do its social institutions.

Will senators stand up for Australia's reputation as a country where a fair go and equality before the law are valued? Or will they tarnish our reputation as a tolerant and accepting country?

Will senators demonstrate their belief in the importance of marriage by extending its benefits to all couples who love each other or demean the value of the institution of marriage by using it as a vehicle for prejudice and discrimination? Will senators turn down the \$161 million—and that is a conservative estimate—that marriage equality would generate through expanding the profitable marriage economy to everyone?

The DEPUTY PRESIDENT: Order! The time allotted for this debate has expired.

DOCUMENTS

Consideration

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

Australian Meat and Live-stock Industry Act 1997—Live-stock mortalities during exports by sea—Report for the period 1 January to 30 June 2011 [Replacement for document previously tabled on 16 August 2011]. Motion of Senator Williams to take note of document agreed to.

Wet Tropics Management Authority and State of the Wet Tropics—Reports for 2010-11. Motion of Senator McLucas to take note of document called on. Debate was adjourned till Thursday at general business, Senator Bushby in continuation.

Australian Institute of Marine Science—Report for 2010-11. Motion of Senator McLucas to take note of document

called on. Debate was adjourned till Thursday at general business, Senator Bushby in continuation.

Tourism Australia—Report for 2010-11. Motion of Senator Macdonald to take note of document agreed to.

Torres Strait Regional Authority—Report for 2010-11. Motion of Senator Bushby to take note of document called on. Debate was adjourned till Thursday at general business, Senator Bushby in continuation

Australian Fisheries Management Authority—Report for 2010-11. Motion of Senator Bushby to take note of document called on. Debate was adjourned till Thursday at general business, Senator Bushby in continuation.

Great Barrier Reef Marine Park Authority—Report for 2010-11. Motion of Senator Bushby to take note of document called on. Debate was adjourned till Thursday at general business, Senator Bushby in continuation.

Australian Customs and Border Protection Service—Report for 2010-11—Correction. Motion of Senator Macdonald to take note of document agreed to.

Commonwealth Grants Commission—Report on GST revenue sharing relativities—2012 update. Motion of Senator Cash to take note of document agreed to.

National Water Commission Act 2004—COAG Review of the National Water Commission—Report by Dr David Rosalky, dated 6 December 2011. Motion of Senator McKenzie to take note of document agreed to.

Australian Law Reform Commission—Report no. 118—Classification – Content regulation and convergent media: Summary report, dated February 2012. Motion to take note of document moved by Senator Bushby. Debate was adjourned till Thursday at general business, Senator Bushby in continuation.

Australian Meat and Live-stock Industry Act 1997—Live-stock mortalities during exports by sea—Report for the period 1 July to 31 December 2011. Motion of Senator Back to take note of document agreed to.

Australian Postal Corporation (Australia Post)—Statement of corporate intent 2011-12 to 2013-14. Motion to take note of document moved by Senator Bushby. Debate was adjourned till Thursday at general business, Senator Bushby in continuation.

Northern Land Council—Report for 2010-11. Motion to take note of document moved by Senator Bushby. Debate was adjourned till Thursday at general business, Senator Bushby in continuation.

Australian Institute of Health and Welfare—Australia's health 2012—Thirteenth biennial report. Motion to take note of document moved by Senator Boyce. Debate was adjourned till Thursday at general business, Senator Boyce in continuation.

Department of Defence—Special purpose flights—Schedule for the period 1 July to 31 December 2011. Motion to take note of document moved by Senator Bushby. Debate was adjourned till Thursday at general business, Senator Bushby in continuation.

General business orders of the day nos 11 to 14, 18 to 20, 22 to 54, 56 to 59 and 61 to 63 relating to government documents were called on but no motion was moved.

COMMITTEES

Membership

The DEPUTY PRESIDENT: Order! The President has received a letter from a party leader requesting changes in the membership of a committee.

Senator FARRELL (South Australia—Parliamentary Secretary for Sustainability and Urban Water) (18:02): by leave—I move:

Community Affairs Legislation Committee—
Substituted—

Senator Polley to replace Senator Furner on Tuesday, 4 September 2012

Senator Bilyk to replace Senator Furner on Friday, 19 October 201

Electricity Prices—Select Committee

Appointed—

Senators Gallacher, McEwen, Thistlethwaite and Thorp

Participating members: Bilyk, Bishop, Brown, Cameron, Crossin, Faulkner, Furner, Marshall, Moore, Polley, Pratt, Stephens, Sterle and Urquhart

Question agreed to.

Corporations and Financial Services Committee

Report

Debate resumed on the motion:

That the Senate take note of the report.

Senator BOYCE (Queensland) (18:03): I rise to take note of document No. 1. This is the tabling speech which I had been hoping to present earlier this week when the report of the Parliamentary Joint Committee on Corporations and Financial Services into the activities of the Australian Securities Investment Commission was tabled.

The Joint Committee on Corporations and Financial Services continually scrutinises the activities of ASIC. We are responsible, as senators would be aware, under section 243 of the ASIC Act, to inquire into and report on ASIC's activities and to bring those to the attention of parliament. To fulfil this statutory duty, the committee now holds four oversight hearings a year and routinely directs matters of interest for parliament's attention. So, as deputy chair of the committee, I am very pleased to report on our most recent inquiry into ASIC.

Our report starts with the regulatory response to the collapse of Trio Capital. Notably, the hearing provided the committee with the opportunity to formally inquire into the commission's activities in response to our inquiry into the collapse of Trio Capital. We had tabled our report on the collapse of Trio in May this year. While the government's response to the report has not yet been tabled, the committee obtained an overview of ASIC's ongoing response in relation to the lessons of Trio Capital.

The Trio Capital inquiry highlighted the need for effective communication between all regulatory agencies supervising Australia's financial market. We were in fact less than impressed with the rigour of the pursuit of the alleged fraudsters involved in the Trio Capital scam. We were highly critical of communication gaps between ASIC and the Australian Prudential Regulation Authority. I would like to report that we believe both ASIC and APRA have taken the committee's concerns seriously.

We were certainly surprised by the lack of rigour in some cases in exploring options to actively pursue people who had defrauded hundreds of Australians of billions of dollars. The committee learned that ASIC and APRA were both exploring options to improve the information sharing between the two agencies. We will continue to monitor the coordination between ASIC and APRA and look forward to getting a more detailed overview of the measures that the regulators are going to take to improve communication.

The adequacy of the threshold requirements regulating access to an Australian financial service licence, which is issued by ASIC, is a recurring topic of committee discussion with the financial services regulators. It was raised again at our June oversight hearing. ASIC has advised that a person banned from holding an Australian financial services licence can still meet the requirements to be qualified to act as the director of a financial services company, a rather strange situation in the view of the committee. There appears to be a marked disconnect between the qualifications required to be an adviser in a company providing financial advice and the qualifications required to be a director of that same company. I draw the Senate's attention to the comments by the ASIC chair, Mr Greg Medcraft:

An ordinary person would probably think that if somebody is banned from financial services they ought to be banned from being a director of financial services company.

The committee would agree with any ordinary person who held that view. We note that the duties applying to Australian financial service licence holders under Australia's Corporations Law include an obligation to:

... do all things necessary to ensure that the financial services covered by the licence are provided efficiently, honestly and fairly ...

This, of course, is not only a legal requirement but a very reasonable community expectation.

Having considered the circumstances surrounding the collapse of Trio Capital as outlined in our report, the committee concluded that there appeared to be a strong case to establish a register of employee representatives from the financial services industry. We look forward to the tabling of the government's response to our report into the collapse of Trio, and we will continue to monitor ASIC's activities addressing

the pressure points in Australia's financial services system as identified in the Trio Capital inquiry.

I would also like to bring the Senate's attention to ASIC's advice regarding the pressures and potential risks associated with the continuing growth of Australia's superannuation pool. ASIC advised that the continuing growth of superannuation is a key pressure area for Australia's financial markets over the coming 12 months and, indeed, the coming decade. Of course, ASIC does not oversee industry super funds, but ASIC told us that the pressures are particularly acute with regard to the growth of self-managed superannuation funds and increasing SMSF investment in managed investment schemes.

The collapse of Trio Capital highlighted the areas of potential weakness within Australia's superannuation industry. I would suggest that there are others, particularly in the industry super fund area, but we are talking here about the self-managed area. Many investors who suffered losses as part of the Trio Capital collapse were self-managed superannuation fund investors. Further, they have not been eligible for compensation. The committee is pleased that ASIC have advised that this is an area of high focus for them. Given its significance to the wellbeing of Australians, particularly Australians approaching retirement, the committee will continue to closely monitor ASIC's activities in this area and will draw relevant matters to parliament's attention.

One other area of concern to the committee is the level of resources available to our sick and the level and effectiveness of ASIC's expenditures. They continue to be a strong focus for the committee. In response to the committee's questions, the commission did not provide an assessment of the adequacy of current budgetary appropriations and own-source revenue. However, we were advised that the commission seeks to optimally use all available resources. We would note that ASIC's areas of responsibility have been very significantly expanded in recent years, and we would be concerned if the expansion of the commission's responsibilities resulted in a reduction in the quality of regulatory service that ASIC provide because they are not being adequately funded or resourced to undertake this work. In fact, in almost every instance that I am aware of where ASIC's responsibilities have been expanded, their funding has not been expanded.

The committee was also advised that the commission is committed to proactive engagement with the market and that this commitment is a key driver in the allocation of its resources. I have been critical in the past of the development of literate consumers and have said that financial education is a requirement of ASIC, but ASIC have certainly developed strongly in the past five or six years a

commitment to proactive engagement with Australia's financial markets and with consumers. The committee also considers that it is appropriate for ASIC, when prioritising its resource allocations, to consider not only the current but the emerging needs of Australia's financial markets. We will continue to monitor ASIC's resources.

In concluding, I would very much like to thank the secretariat, as always, for their assistance in putting this report together. I notify the Senate that our next oversight hearing will be held on 12 September this year, and we will be focusing on market integrity issues.

Question agreed to.

Australia's Food Processing Sector Committee Report

Debate resumed on the motion:

That the Senate take note of the report.

Senator McKENZIE (Victoria) (18:15): I was fortunate enough to participate in the inquiry into Australia's food-processing sector and I take this opportunity to thank the committee members, the secretariat staff and all those who submitted to or appeared before the inquiry for their input, particularly the chair of the select committee, Senator Richard Colbeck, who drove this inquiry and ensured that it was a comprehensive report taking into account the views of all areas concerned with food processing.

In 2010-11 food and liquor retailing comprised over one-half of Australia's total retailing and generated over \$130 billion in revenue. There are an estimated 939,000 jobs in the food supply chain, so this is an issue that impacts upon not only a large section of our economy but also many, many people. You can see that the magnitude of this issue is right up there with mining and other types of manufacturing. As a Victorian senator with a concern about regional Victoria, it is an area of particular interest for me. One of the public hearings took place in the heart of the food-processing industry in Victoria, in Shepparton in the Goulburn Valley. We heard from representatives of Greater Shepparton City Council, who said:

... for us it is not just a discussion around food manufacturing; it is about the viability of our entire economy, because we are still very much underpinned by that layer of agriculture.

The Goulburn Valley is home to iconic brands in food products.

One thing that became evident over the course of the inquiry is that there has actually been little done to improve the situation. One of the issues was that our food-labelling system is complicated and confusing. People want to buy Australian to assist our industry and, obviously, consume fantastic products. They view local product as supporting local jobs and also as

fresher, cleaner and greener. Consumers are also becoming more aware of issues like food miles and trying to minimise their impact on the environment by buying local produce. But it is difficult at the moment to know which products to buy. For example, who knows the difference between 'Product of Australia' and 'Made in Australia'? Most people do not. So the report has a section detailing the changes that are required to country of origin labelling. We received many suggestions on how the new system could work. Some of this work has already been done and I hope we have an outcome soon to clarify for consumers how they can buy local and support our local industry.

Another key issue brought up by the food-processing industry was the impact of red tape and taxes. Food production is an energy intensive industry. It can produce a lot of by-product. Carbon tax implications and ensuring adherence to increasingly complex environmental regulations that vary from state to state can hit producers and processors hard. Of course, they are all trying to do the right thing, but, again, there is just this additional cost burden of regulation and taxes when they are trying to keep people employed in the regions and get our local product to market.

The Lakes Entrance Fishermen's Co-operative Society highlighted an example where licensed fishers on either side of the New South Wales-Victorian border at Eden and Lakes Entrance work alongside one another in the same waters, yet when:

They both catch 500kg of Octopus working alongside each other as incidental by-catch from normal fishing operations, the operator returning to Eden is free to retain the 500kg yet the operator returning to Lakes Entrance—

to the south—

is only permitted to retain 50kg and forced to discard perfectly good Octopus ...

There are other issues, including payroll tax and an inflexible industrial relations environment, where factories cannot work as many shifts as would otherwise be practical, particularly when dealing with seasonal produce, as they do in the Goulburn Valley. When you have to pick the pears and the peaches and can them, you cannot wait for clock-on, clock-off arrangements. There is also the as yet unknown impact of the Murray-Darling Basin Plan upon Australia's food bowl. We heard again about that issue in Shepparton:

Our producers, manufacturers and community have dealt with, in the last 10 years, long-term drought and now floods.

Obviously that hearing occurred near where the big floods took place in northern Victoria.

We also have the Basin Plan and its uncertainty at the current time, and now carbon pricing will start on 1 July. They are very weary. They are uncertain of their future.

Indeed, right now we are waiting for the changes that Minister Burke will, hopefully, in the coming weeks make in the next iteration of the Murray-Darling Basin Plan, but that is a topic for another time.

The need for supermarkets to work with suppliers, rather than against them, in order to create a sustainable marketplace is imperative. Woolworths and Coles sell 70 per cent of Australia's groceries and 50 per cent of total fresh product, truly dominating the local market. Private labels, such as Home Brand or the Woolworths Select range, are up from 15 per cent of sales in 2003 to 25 per cent today, obviously reflecting a lot of issues in our domestic economy. Yet the manufacturers of the branded labels that compete with Woolworths and Coles private labels need to sustain 50 per cent more turnover to make the same profit. This is because of all the extra costs incurred for research and development, marketing et cetera. Some suppliers feel they are being squeezed out of the market or pushed to the wall by the demands of Coles and Woolworths, and this is being noticed. Now is the time for food processors to present their concerns to the ACCC for investigation.

But working more effectively with Coles and Woolworths is not the only answer. Battling imports in an emotive way may not lead to a successful long-term industry. Australian producers seek to increase their exports to other countries and develop new markets, especially with our 'clean, safe, high-quality' image. Obviously we need support to do that. Other countries respond to good marketing, and certainly New Zealand's Pure campaign is a great example.

We heard evidence from John Millington of Luv-a-Duck in Nhill, with the Australia dollar at a \$1.05 or \$1.07, it is difficult for us. While we have very good quality product, certainly value added, and we have a good market share, nevertheless, to export our prime duck meat is very difficult.

That is because of the other issues that our food processors and producers have to deal with in the economy.

There is a role for government, through AQIS and Austrade in particular, to provide more assistance. To get our product overseas costs money. Transport costs are also an issue, particularly if you are in Nhill, and that is facing not just our food processors. One-half of Australia's truck movements are food and grocery. Transport costs are also faced by the building and construction, manufacturing, and retailing industries—all of our non-service based industries. Throughout the inquiry we heard from a Hobart based firm that 32 per cent of their cost of shipping a product to Antwerp—that is, on the other side of the world—was for the portion across the Bass Strait. We have huge issues, and that was discussed earlier in the week.

Many of our rail transport networks are run down. I have had local governments such as Buloke Shire

sharing the impact that the grain trucks are having on their local infrastructure and the impact that has on their local government budgetary constraints.

I talked earlier about the almost one million people employed in the food supply chain. You would think that, with all the doom and gloom talk, the industry has been going backwards. In some places it has, but, thanks to the innovativeness of our producers and the hard work that goes on out there in regional Australia, where so much of our food is grown and processed, food manufacturing has bucked the trend. Whilst employment in manufacturing has decreased overall, food manufacturing has increased jobs by 6.7 per cent—that is, 12,200 new jobs in the five years to August 2011. Skilled labour shortages have created the problem of accessing qualified staff. We considered these types of issues similarly in the Senate Education, Employment and Workplace Relations References Committee's report into agricultural education and career pathways. The food-processing industry is also keen to see access to skilled and unskilled labour from overseas.

I would particularly like to briefly mention the Karen people from Burma. There is the local food-processing leader, Hazeldene's, in Lockwood. Mr John Hazeldene noted that much of his company's workforce is drawn from non-English-speaking background communities located around Bendigo.

Finally, there is a role for government in helping to advance the food processing industry as an innovative, vibrant and thriving industry, particularly when we look at our food needs going forward, when 70 per cent of our food will be imported by 2050. We need the federal governments to work together to do this. It is time for the government to consider the future of our food-processing industry in a holistic fashion. (*Time expired*)

Question agreed to.

Gambling Reform Committee

Report

Senator IAN MACDONALD (Queensland)
(18:26): I move:

That the Senate take note of the document.

The first report of the joint committee was *The design and implementation of a mandatory pre-commitment system for electronic gaming machines*. I refer to the government response to that particular report. I simply want to draw the attention of the Senate to the government's complete confusion over gambling. You will recall that, to achieve office, Ms Gillard made certain promises to a Tasmanian House of Representatives member who had a particular interest in gambling reform. As a result of Ms Gillard's promises, this particular member of the lower house, an Independent member, decided to support the Gillard

government and Ms Gillard became Prime Minister after the last election.

Why this particular member continues to support Ms Gillard as Prime Minister and the Labor Party as the government of our country I cannot follow, because this particular member, if I might use the vernacular, was shafted by the Labor Party when their proposals received such enormous backlash from the community. The government response to this first report does not really address why there was the backdown. I do not know how the particular member of the lower house in Tasmania could possibly look himself in the mirror having promised that he would only support Ms Gillard if she introduced his proposals for what he called 'gambling reform'. That did not happen and he was lied to. It did not happen. One would have thought he would have withdrawn his support, but, for some reason, that did not happen. It did not happen because, as those listening to this broadcast will know, there was such an enormous community backlash to the proposals of Ms Gillard to 'reform' the gambling arrangements that applied. Club after club, who use gambling revenue to do all sorts of very good community work, campaigned actively against the Labor Party and Ms Gillard.

I do not want to say too much on the government response except to highlight that the response again clearly shows the government's absolute confusion and duplicity when it comes to these matters—in this instance, gambling reform. Promises were made; people changed their actions because of those promises. Because of those promises, we are burdened with a Labor government. Those promises were broken as easily as the promise that there would be no carbon tax under a government Ms Gillard led. I simply say to senators and to those who might be listening that this gambling reform incident demonstrates, as does the there-will-be-no-carbon tax promise, that this is a Prime Minister and leader of the Labor Party you simply cannot trust. You cannot believe anything that she says. This whole gambling reform fiasco is yet another demonstration of how our current Prime Minister is, I regret to say, completely untrustworthy when it comes to honouring her word. I seek leave to continue my remarks later.

Leave granted.

National Broadband Network Committee Report

Debate resumed on the motion:

That the Senate take note of the report.

Senator IAN MACDONALD (Queensland) (18:31): This is the Joint Committee on the National Broadband Network's second report and the government response. Again, the whole fiasco of the National Broadband Network is something that would

be funny if it were not so serious. I have always said that, regardless of Senator Conroy's protestations about imaginary figures, this was at least a \$55 billion scheme. The government response, while it is fine in its what I might call weasel words, cannot hide the fact that the cost of the NBN has already blown out to \$44 billion. That does not take into account the \$10 billion in budget interest payments on the borrowed money being used to fund the network. It also does not take into account the enormous amount of money paid to Telstra to convert its copper line over.

The fibre network is now forecast to reach only one in four of the households that were originally expected to be able to connect to it by mid-2013. The new corporate plan from the NBN Co. simply shows yet again the thing that we all knew—that it is proceeding not on budget and not on time. The rollout is much smaller than was originally forecast and the costs are increasing all the time.

Every Australian and certainly the coalition wants fast broadband in our country. Indeed, that is what the coalition promised at the last election and at the previous election too. Had we been elected in 2007, every Australian would today have access to fast broadband comprised of fibre to the node, wireless and satellite, depending on where they were. But it would have been up and running now at a price which at the time we estimated would be well under \$5 billion. Even if you double that—say, it was \$10 billion—it would still have been only a fraction of the cost of what the Labor Party has already spent on this fibre-to-the-home proposal that is proceeding at a snail's pace, that people are not interested in and, quite frankly, that most Australians will never be able to afford.

You will recall that when Senator Conroy and Mr Rudd made this great announcement about this NBN it was going to make a profit in a few years and it was going to be sold off to private interests. As I have often said, I will not be alive when the NBN makes a profit. For that reason, it will be impossible to sell it off to private interests.

I will give some figures. In the original corporate plan, the revenue anticipated for the period from 2010 to 2013 was \$205 million. The revised corporate plan—that is, the current one—shows that revenue is expected to be \$20 million. That is a bit of a comedown. It is 10 per cent of what Senator Conroy and the then Prime Minister, Mr Rudd, told us they would get in this period from 2010 to 2013.

In the original plan, premises passed by fibre by 2013 were predicted to be 1.268 million. The revised plan has scaled that back to 341,000, about a third of what was originally promised by Mr Rudd and Senator Conroy. The actual premises connected to fibre by 2013 was originally shouted from the rooftops to be 511,000. The revised plan is for 54,000 by 2013.

The original corporate plan—you could not really call it a corporate plan; perhaps they should have called it a fairy story—predicted that there would be a take-up rate of 33 per cent. The new plan much more realistically suggests 14 per cent. The total number of customers in the original plan was predicted to be 566,000, whereas the revised one—again, much more realistically—shows a drop of some 84 per cent from that down to 92,000 customers.

This shows that the whole process of the NBN under Senator Conroy's administration has just been one con after another. I think Senator Conroy sometimes believes what he says, but I have to tell him: nobody else does. The whole network is grossly in arrears at the moment, but the government has said that the delays can be made up. The NBN's fibre network, as I mentioned before, is now forecast to reach only one in four of the households originally expected to be able to connect to it by mid-2013. The government said it could make that up. I ask the Senate and those who might be listening to consider this. Since the first user switched to the fibre network in mid-2010, the NBN has connected new customers at the rate of six per working day. Can I just repeat that: it has connected new customers at the rate of six per working day.

Senator Smith: Is that six as in after five but before seven?

Senator IAN MACDONALD: Yes, that is right, Senator Smith—six as in after five, before seven. Six per day. But Senator Conroy says we can make up the delay. So to meet the target set by the new corporate plan they have to connect 6,000 customers per working day. The record is six; to get us up to date they have to connect 6,000 per working day. As I said earlier, if this were not so serious it would be funny. The whole thing has become a joke. It is an unaffordable joke that most Australians will never be able to afford. The only way people will connect up to the NBN is if the government heavily subsidises the operation.

Of course, the government never has any money. The government only uses taxpayers' money, so taxpayers will have to subsidise themselves if anyone is going to connect up to this white elephant. I just hope for Australia's sake that there is a change of government within the next couple of months so that we could, even at this late stage, introduce a more rational approach to the creation of a national broadband network. It can be done. It can be done much more cheaply, much more quickly, much more efficiently and without imposing this never-ending financial burden on the Australian taxpayer. I seek leave to continue my remarks.

Leave granted; debate adjourned.

AUDITOR-GENERAL'S REPORTS

Report No. 48 of 2010-11

Senator SMITH (Western Australia) (18:41): I move:

That the Senate take note of the document.

Audit report No. 48 addresses the administration of mental health initiatives to support younger veterans. To those who have worked hard to protect our nation by serving in our armed forces we owe a profound duty of care. It is a sad reality that we live in a dangerous world, and this has been brought home to Australians again over the last decade, ever since the terrorist attacks of 11 September 2001. The need to respond to those attacks and to fight terrorism in other places has meant that we now have a whole generation of service personnel who have been exposed to the horrors of armed conflict. Of course, that is part of the job and part of the risk that anyone takes when they join the RAAF, the Navy or the Australian Army.

The psychological impact of war has always been there. For too long it was an unmentionable subject and generations of returned servicemen suffered in silence. That point was made very, very clear to me and others who attended the Battle of Long Tan commemorative ceremony in Albany last weekend. Mr Peter Aspinall, a very distinguished member of the Albany RSL, said that all wars extract a psychological price from all who are involved.

During the 20th century those who served in the military and were confronted by the psychological barrier were variously labelled as 'lacking moral fortitude' or suffering 'shell shock' or, later, 'battle fatigue'. Summary capital punishment was not an infrequent consequence, but the stigma and shame associated with these labels effectively swept the sufferers under the carpet once the war was over. It was in the aftermath of the Vietnam War and, regrettably, far too long after the return of the last service men and women that the condition now known as post-traumatic stress disorder was recognised as the truly terrible condition that it is—a condition that can affect anyone confronted by severe trauma, not just war related.

Thankfully, since the end of the Vietnam conflict our society has been more willing to acknowledge that not all war wounds are physical and we need to pay more attention to the mental health of those serving in our armed forces. Regrettably, although we may have had the best of intentions, this report makes it clear that when it comes to delivery we are falling well short. The report finds that the Department of Veterans' Affairs has over the last decade offered 'a small suite of disparate mental health programs'. It also finds that these have been 'of limited effectiveness'. Younger veterans are either not aware of the programs or

disinclined to use them as they are currently designed. The Department of Veterans' Affairs 2010 survey of younger veterans found only 41 per cent of eligible veterans had accessed the transition management service.

Of course, not everyone needs the same level of assistance when moving back into civilian life. But the fact that almost 60 per cent of veterans are not getting and not seeking assistance should be troubling.

Forty per cent of service related disabilities relate to mental health. Fifty-four per cent of ADF members report experiencing some form of mental health disorder at some point. If almost 60 per cent are not accessing services there clearly must be a gap. The report also finds that the availability of support services is being inadequately communicated to younger service personnel, with no mention made of the transition management service on the ADF's transition website or in its handbook.

This report makes it plain that our younger veterans are not getting the support they need and deserve. Given the stigma attached to mental health issues, which is still more of a problem in the ADF than it is in the general community, far more attention must be paid to ensuring service personnel are made aware that help is available.

More worrying still, the report found that younger veterans forced to leave the service for mental health reasons feel that they are discharged with unseemly haste and ultimately abandoned by the Australian Defence Force. We owe far, far better to those who have risked their lives in the service of our nation and we owe better to their families.

This report makes it clear that we have a long way to go in ensuring that younger veterans get the mental health support services to which they are entitled. I urge the government and the ADF to pay close attention to the report's recommendations and to act quickly to implement them.

Question agreed to.

COMMITTEES

Consideration

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

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

Australian Meat and Live-stock Industry Act 1997—Live-stock mortalities during exports by sea—Report for the period 1 January to 30 June 2011 [Replacement for document previously tabled on 16 August 2011]. Motion of Senator Williams to take note of document agreed to.

Wet Tropics Management Authority and State of the Wet Tropics—Reports for 2010-11. Motion of Senator McLucas to take note of document called on. Debate was adjourned till

Thursday at general business, Senator Bushby in continuation.

Australian Institute of Marine Science—Report for 2010-11. Motion of Senator McLucas to take note of document called on. Debate was adjourned till Thursday at general business, Senator Bushby in continuation.

Tourism Australia—Report for 2010-11. Motion of Senator Macdonald to take note of document agreed to.

Torres Strait Regional Authority—Report for 2010-11. Motion of Senator Bushby to take note of document called on. Debate was adjourned till Thursday at general business, Senator Bushby in continuation.

Australian Fisheries Management Authority—Report for 2010-11. Motion of Senator Bushby to take note of document called on. Debate was adjourned till Thursday at general business, Senator Bushby in continuation.

Great Barrier Reef Marine Park Authority—Report for 2010-11. Motion of Senator Bushby to take note of document called on. Debate was adjourned till Thursday at general business, Senator Bushby in continuation.

Australian Customs and Border Protection Service—Report for 2010-11—Correction. Motion of Senator Macdonald to take note of document agreed to.

Commonwealth Grants Commission—Report on GST revenue sharing relativities—2012 update. Motion of Senator Cash to take note of document agreed to.

National Water Commission Act 2004—COAG Review of the National Water Commission—Report by Dr David Rosalky, dated 6 December 2011. Motion of Senator McKenzie to take note of document agreed to.

Australian Law Reform Commission—Report no. 118—Classification – Content regulation and convergent media: Summary report, dated February 2012. Motion to take note of document moved by Senator Bushby. Debate was adjourned till Thursday at general business, Senator Bushby in continuation.

Australian Meat and Live-stock Industry Act 1997—Live-stock mortalities during exports by sea—Report for the period 1 July to 31 December 2011. Motion of Senator Back to take note of document agreed to.

Australian Postal Corporation (Australia Post)—Statement of corporate intent 2011-12 to 2013-14. Motion to take note of document moved by Senator Bushby. Debate was adjourned till Thursday at general business, Senator Bushby in continuation.

Northern Land Council—Report for 2010-11. Motion to take note of document moved by Senator Bushby. Debate was adjourned till Thursday at general business, Senator Bushby in continuation.

Australian Institute of Health and Welfare—Australia's health 2012—Thirteenth biennial report. Motion to take note of document moved by Senator Boyce. Debate was adjourned till Thursday at general business, Senator Boyce in continuation.

Department of Defence—Special purpose flights—Schedule for the period 1 July to 31 December 2011. Motion to take note of document moved by Senator Bushby. Debate was adjourned till Thursday at general business, Senator Bushby in continuation.

General business orders of the day nos 11 to 14, 18 to 20, 22 to 54, 56 to 59 and 61 to 63 relating to government documents were called on but no motion was moved.

AUDITOR-GENERAL'S REPORTS

Consideration

The following orders of the day relating to reports of the Auditor-General were considered:

Auditor-General—Performance audit—Audit reports nos—

28 of 2011-12—Quality on line control for Centrelink payments—Department of Human Services

29 of 2011-12—Administration of the Australia Network tender process—Department of Foreign Affairs and Trade; Department of Broadband, Communications and the Digital Economy; Department of the Prime Minister and Cabinet

30 of 2011-12—Fighting terrorism at its source—Australian Federal Police

31 of 2011-12—Establishment and use of procurement panels—Australian Securities and Investments Commission; Department of Broadband, Communications and the Digital Economy; Department of Foreign Affairs and Trade

32 of 2011-12—Management of complaints and other feedback by the Department of Veterans' Affairs—Department of Veterans' Affairs

—Motion of Senator Macdonald to take note of documents agreed to.

Auditor-General—Audit report no. 44 of 2011-12—Performance audit—Administration of the Primary Care Infrastructure Grants program—Department of Health and Ageing. Motion of Senator Kroger to take note of document agreed to.

Auditor-General—Performance audit—Audit reports nos—

45 of 2011-12—Administration of the Health and Hospitals Fund—Department of Health and Ageing

46 of 2011-12—Administration of the Northern Australia Quarantine Strategy—Department of Agriculture, Fisheries and Forestry

—Motion of Senator Williams to take note of documents agreed to.

Auditor-General—Audit report no. 48 of 2011-12—Performance audit—Administration of Mental Health Initiatives to Support Younger Veterans—Department of Veterans' Affairs. Motion to take note of document moved by Senator Smith and agreed to.

Auditor-General—Audit report no. 52 of 2011-12—Performance audit—Gate reviews for defence capital acquisition projects—Department of Defence. Motion of Senator Fawcett to take note of document agreed to.

Orders of the day nos 2 to 13, 16, 18 to 20 and 22 to 25 relating to reports of the Auditor-General were called on but no motion was moved.

ADJOURNMENT

The DEPUTY PRESIDENT (18:46): Order! I propose the question:

That the Senate do now adjourn.

Abilities For All Program

Senator GALLACHER (South Australia) (18:46): I rise tonight to speak about a wonderful program, run by the Bedford group in South Australia, entitled Abilities for All. The Bedford group supports 4,000 people across South Australia who are living with disability or disadvantage. Further, the Bedford group employs over 800 people with disability in our state. Abilities for All is a jobseekers program. Led by Bedford and funded by the South Australian Department of Further Education, Employment, Science and Technology, the program negotiates the use of community centres directly with the centres and forms partnership agreements with them.

Across a number of community centres throughout the state, training at Certificate II level is available to Abilities for All participants in business, customer contact, community services, horticulture and retail. In June this year, I was lucky enough to have been invited to attend the Abilities for All graduation ceremony. I was able to see firsthand the pride these graduates had in their achievements. The ceremony was attended by their trainers, mentors, families and friends.

I was eager to arrange a meeting with one of the Abilities for All trainers and mentors, Tricia Murphy, to learn more about the program and her role there. Tricia works from the Taperoo Community Centre. She currently teaches a class in community services, which has 19 people enrolled in it, and a Certificate II in business, with 17 enrolments. She spent 14 years working part time in community services, running her own literacy programs within other community centres, before she was offered a position at Bedford training. She has been an Abilities for All trainer and mentor since January 2009.

The Abilities for All Program aims to provide a very important pathway for jobseekers living with disadvantage or disability. It targets individuals who are currently disengaged from school or work. The age range of the participants is 16 to 60. The role of a trainer and mentor can be challenging, but it is often a very rewarding role. One of the biggest rewards, in Tricia's own words, is: 'Actually seeing people change. They turn their lives around 360 degrees from the beginning of the training to the end.' Through this program some people who may have lost all direction find their way again. That is an invaluable gift that Abilities for All gives them.

Of the challenges of being a mentor, Tricia notes that what they do often goes above and beyond their job descriptions, simply because it has to. Many of the participants need that extra bit of support at the end of their training. Unfortunately, the program is not funded for this. Tricia says that this is obviously a problem, because a lot of these people come from a background

where they have had absolutely no support and they come into the program with a lot of personal issues. They come into the program needing to develop their motivation and to develop trust in and a rapport with their trainer. They then need the training; often they require follow up once they have finished the official part of the program. That is quite a lot to fit into a course which lasts between 14 and 16 weeks.

Many of Tricia's graduates from the program will call her for extra support at the end of the program. She will often receive phone calls from past participants who have questions about how to fix up their resumes or for advice on what to say at a job interview. She often spends half an hour or more on phone calls like this. Alternatively, some past participants will arrange a time to come and see Tricia at the community centre. With these kinds of meetings she can spend up to an hour helping them with job applications, resumes, cover letters and interview tips, face to face. Tricia believes that the link with the community centre is what has seen the program run so well. Tricia says:

We find that it's a link with the community that participants make. It just works so well. People connect with each other and they make friends.

In Tricia's classes in the last year, she says that approximately 80 per cent completed their Certificate II and about 85 per cent went on to further study. Very importantly, around 60 per cent went on to find part-time employment. Around 85 per cent do an educational work placement and Tricia says that aspect of it is an essential part of the program because, quite often, that may be the only thing that they have to put on their resume. It gives them that push that many of them so desperately need.

The Abilities for All graduation ceremony is held every June and is a very big deal for the participants, their families, friends, trainers and mentors. Tricia says it is a big deal because there are a lot of people with disability and disadvantage who have never completed anything in their whole lives. So for them to be able to participate in such a ceremony is an absolutely huge thing, and they feel so proud of themselves that they bring their family and their friends. It is huge. It is all over Facebook the next day.

Taperoo Community Centre is a welcoming place. Many of the people who visit there feel safe and as though they belong. A lot of the students stay around at the centre even when they have finished class for the day and sometimes on days when they do not even have classes. That is really saying something about how the place makes people feel. The centre started out as a shell but has been transformed into a thriving and welcoming place thanks to a lot of hard work put into it by workers and volunteers—who are often ex-participants of Abilities for All—and of course current participants get involved as well. The gardens have

been transformed. There are murals, mosaics and an array of other artworks by participants and volunteers inside the building. It has become a vibrant and colourful place.

I would like to read parts of a case study of a graduate of the Abilities for All program. Daron's story has been told in the Bedford newsletter this month:

My name is Daron and I am a 43 year old father. Before starting my Certificate II in Community Services I was not sure what direction my life was going. I have been suffering several health problems in recent years and have been homeless for the past two years.

I was getting more and more depressed with life in general and had visited some very dark places in myself I didn't know existed. I had no home, my health was getting worse, I couldn't take my kids for access and had no qualifications. A future for me was not something I could see at this time...well not a good future anyway.

After talking with my job network, my case manager arranged for me to meet with Tricia at the Taperoo Community Centre. My transformation had begun and I enrolled in the Abilities for All course. I wasn't sure what to expect from it and was a little nervous about whether this was for me. Turns out my concerns were soon eradicated by the welcome I received from the TCC family.

I have renewed faith in my outlook towards the future for myself and my family and I'm hoping that I can do a Certificate III in Community Services next. I am still Daron, a 43 year old father but now I have faith, more confidence, a new sense of hope and know I will have a future my family and I can be proud of. I am now a volunteer mentor at Taperoo Community Centre. Without the Bedford Abilities for All Program I would be still standing on the station watching the train go past. Now I'm on the train and excited about the journey.

Abilities for All is a program which should be celebrated and encouraged. I applaud Bedford, the organisers of the program, and the many trainers and mentors like Tricia who work hard and go above and beyond their job descriptions to make this program work and to make each and every one involved in this program feel that they can make something of their lives, no matter what their background or setbacks up until now.

Aged Care

Senator SMITH (Western Australia) (18:55): The American writer Pearl S Buck wrote:

... our society must make it right and possible for old people not to fear the young or be deserted by them, for the test of a civilization is in the way that it cares for its helpless members.

What is a test of a civilisation must always then, by extension, be a test of its government. By Pearl Buck's measure, this government has failed miserably.

It is so typically Labor, so typical of this government, to produce a nice glossy document called *Living Longer. Living Better.* with nice pictures of smiling seniors and warm, fuzzy language. All the

while, they are hoping that no-one notices that what the minister has actually done is rip \$500 million out of the sector over the next financial year. According to Leading Age Services Australia, this equates to a five to 10 per cent cut for every aged-care provider.

Stephen Kolbeke, Chief Executive Officer of Aged & Community Services Western Australia, says the government's funding cuts are going to have a devastating impact in my home state, especially in regional Western Australia. Grant Thornton Australia, who are respected analysts in the aged-care field, examined 25,000 cases across Australia and found the government's reforms would engender likely funding cuts of between eight and 15 per cent compared to subsidies achieved using the funding instrument in its previous form.

These cuts have been slammed by a wide range of aged-care providers and community groups, but one of the most eloquent, I thought, came from aged-care providers Amana Living in the *Anglican Messenger* in Western Australia, which generally speaking is not a political publication. I quote directly from the article:

"Imagine then our amazement and consternation when the Minister for Ageing, Mark Butler, announced in mid June that the Gillard Government was slashing \$500 million from subsidies for residential aged care."

At around the same time, the Government found \$400 million of unbudgeted funds to support the health system and rail yards in Tasmania, where the Government needs to shore up the vote of independent MP, Andrew Wilkie.

That is the low ebb to which trust in the Gillard government has now fallen, where a generally non-political publication is openly exposing this government's rank opportunism and has hit the nail on the head: the government has administered a swift kick to elderly, vulnerable Australians so it can shore up its own support in the House of Representatives. The same article includes a moving case study which, again, I quote from:

Enid (not her real name) is a 78-year-old lady in residential care, with a range of conditions, including lung disease and osteoporosis. She has difficulties attending to her personal care needs and requires assistance whenever she needs to move from one place to another, or attend to her personal care, including washing and dressing herself. ...

Previously, Enid was entitled to \$121.50 a day to subsidise the cost of her care—already at an unacceptably low level, only covering a fraction of the real cost of care. Now, if Enid goes to hospital and returns to her residential care home, she will be reassessed at the new level of funding, which means her entitlement can be slashed by more than 50% to \$59.43 to provide the same care.

Sadly, Enid's is not a theoretical or isolated example. There will be thousands and thousands of elderly Australians right around the country who find themselves in a similar position. I am especially concerned for those who need quality care in the towns

and communities across Western Australia's Great Southern region. How does this government propose elderly Australians pay for their care needs?

In early August in Perth, a large gathering brought together a variety of aged care home providers to talk about Labor's funding cuts. They came together to discuss what they could do in the face of these cuts from the Gillard government. A number of those attending were from facilities operating in Western Australia's Great Southern region. Julie Christensen, who operates Narrogin Cottage Homes, said at the rally:

... most rural providers have no spare money, so there's nothing in the coffers to back up when things happen, as they have this year, with the cuts from the Commonwealth directly affecting them.

So right now, right today, we've got small facilities that have cut hours which means you're cutting the ability to care for the people that we provide services to.

Penny Flett, from the Bridgewater Group, says that this government's cuts 'are going to make the difference for the whole industry between viability and non-viability'. Stephen Kolbeke, chief executive of Aged & Community Services Western Australia, to whom I referred earlier, has noted the particularly harsh impact these cuts will have on Western Australia. He says it is a particularly challenging operating environment in WA already because of the workforce shortages and relative isolation. Mr Kolbeke told the meeting that there are:

... things they'll—

meaning aged care providers—

start to look at; WA providers are deeply concerned about their ability to operate, or in fact their desire to do so. They want to look after older people but they've got to have the tools.

I would add to the concerns I have already raised the concerns shared with me in correspondence just today by the state member for Southern River who said that the federal government's one-size-fits-all approach greatly disadvantages Western Australia, and added that the cuts particularly harm WA because of the number of small and remote community providers, workforce shortages and building cuts.

We know these cuts are having a crippling impact on the sector. Since the government's announcement, the Grant Thornton report found that 'over \$3.5 billion in planned aged care development projects have been shelved', because of the subsidy cuts and uncertainty about capital. This industry, the aged care sector, was already suffering from declining investment levels. We know we have an ageing population and we know that we need to plan for it. Yet this government elects to rip \$500 million from the sector because it needs to shore up its own political support with the Independents and

allow this deceitful and incompetent rabble to cling to office for a little bit longer.

Meanwhile, those who need certainty and quality care in the autumn years of their life are paying a very dear price indeed. This is another example of short-sighted decision making from a government that first lost its way, then lost its majority and has now lost the trust of the people of Australia.

I am pleased the coalition has a plan to better provide for the care of ageing Australians. The coalition is committed to the delivery of a high-quality, affordable and accessible aged care system that meets the needs of older Australians. There needs to be structural reform, which is why we believe our proposed four-year provider agreement, negotiated and entered into in partnership with the sector, will provide the much needed certainty that the aged care sector deserves.

Palestine

Senator XENOPHON (South Australia) (19:03): I rise to speak tonight about the ongoing conflict between Israel and Palestine. If this were a simple issue with a straightforward answer, I would not be discussing it. And Mr President, I wish that were the case. The human cost of this conflict has been horrific. As well as creating millions of refugees, many thousands of people have been killed and injured.

According to the United Nations Relief and Works Agency, as of January this year there are more than one million registered refugees in the Gaza Strip and there are more than 700,000 in the West Bank. Registered refugees in surrounding Jordan, Lebanon and Syria totalled close to three million. According to the United Nations, since 2007 when the blockade in Gaza intensified, Israeli forces have killed more than 2,000 Palestinians and injured almost 8,000. More than a quarter of these were women and children. During the same period, more than 170 Palestinian civilians have died working in the tunnels between Gaza and Egypt and more than 300 have been injured. Attacks launched from Gaza have killed 37 Israelis and injured 380.

This week, I met a group of people who have a passionate interest in this issue. They were able to give me some insight about what it is like to live in these areas. Jessica Morrison, the Australian Palestine Advocacy Network's executive officer, told me about her visit to Jerusalem in January last year and her dismay when she came face to face with the Israel separation barrier. In some places, this wall, which surrounds the West Bank, is eight metres high. I urge the chamber to consider for a moment the Berlin Wall. At its highest, the Berlin Wall was 3.6 metres tall. We are talking about a concrete barrier all around the West Bank which in some places is twice as high as the Berlin Wall. It is indeed hard to imagine. Ms Morrison explained to me her absolute dismay when she came

face to face with this wall and the emotional turmoil it stirred up in her. She told me:

The concrete towered over my head. I just wept. It represents the biggest failure of humanity.

This week I also met Micha Kurz, a bright young Israeli man advocating for a solution to the conflict. As part of his compulsory service with the Israeli army, he manned checkpoints. He told me:

Israelis stand at checkpoints and decide if Palestinians get to go to school or work that day, whether or not they will get to cross through to go to the shop or see their family.

It did not sit well with him. He and a group of friends founded an organisation they called Breaking the Silence. It aims to give Israeli army veterans a voice and to create an understanding of the realities of controlling a civilian population.

Sahar Vardi, a 22-year-old Israeli woman, was also kind enough to meet with me this week. Ms Vardi spent two months in prison and three months in detention for refusing to complete compulsory military service. She said she felt too strongly against what the Israeli army was doing to participate in it. Ms Vardi was born and raised in Jerusalem and became an activist when she was just 13.

So how does a 13-year-old girl advocate for peace in a region in such deep turmoil? She said she mainly did it by escorting Palestinian farmers to their land which they otherwise could not reach because of settler violence. You may be wondering the same thing I did: how on earth does a 13-year-old get to do this? The answer, Mr President, is simple—with words. Ms Vardi explained that the presence of an Israeli who could speak with the Israeli soldiers in Hebrew to let them know the farmers had every legal right to access these lands they owned was usually enough. This demonstrates just how powerful dialogue can be.

It is widely agreed that dialogue is an important part—in fact the key part—of finding a lasting solution to the Palestine-Israel conflict. I agree with Harold Zwier, who I met with as well. Mr Zwier works with the Australian Jewish Democratic Society based in Melbourne. He said to me, 'There is a general, though not universal, view that engaging with the complex issues which underlie the conflict means moving beyond the rhetoric, slogans, anger, blame and propaganda towards dialogue.' Getting to that point is proving difficult, to say the least. Mr Zwier raised legitimate concerns about the Palestinian Authority negotiating on behalf of residents of Gaza and the West Bank for a solution that the majority of Palestinians would be comfortable with.

There is much discussion about the Israeli settlements. Palestinian advocates understandably want to focus on the fact that these settlements are illegal. I believe that the most important thing to focus on, however, is the consequences these settlements are

having. Most significantly, these settlements are undermining the possibility of working towards a two-state solution. In the words of UK Foreign Secretary William Hague, 'It makes it increasingly difficult for Israel's international friends to defend the Israeli government's actions'. The Australian government is a friend to Israel and will always be a friend to Israel, as will the Australian people. But sometimes friends need to tell each other the truth. I note that Senator Carr, the Foreign Minister, made this point today in question time, and I agree with him. I like to think that all of us could agree with him. In response to a series of questions he said:

I underline this point: you will not have a secure peace in the Middle East, you will not have security for the state of Israel and you will not have an end to the accumulated decades of suffering while keeping the people of Palestine trapped in poverty and without schools and without medical aid. We all want a two-state solution, and this is part of that.

That related to AusAID assisting in terms of schools, in terms of medical aid, in terms of lifting those people of Palestine out of their extreme poverty. The truth in my mind is that the creation of new settlements and the expansion of existing settlements is preventing any possibility of working towards a solution. It is time for a settlement freeze. The complex issue of settlements for me was best summed up by Reverend Jim Barr, who was also part of the group I met. He is president of the Australia Palestine Advocacy Network and he said, 'If Israel won't dismantle the settlements, the settlements will ultimately dismantle Israel.'

This issue is so complex and multifaceted it is impossible to break it down into all its parts tonight, but I do also want to touch on demolition orders. I am talking about the government of Israel demolishing Palestinian homes and property. According to the United Nations, in 2011 more than 1,000 Palestinians—at least half of them children—were displaced because of these demolitions. In 2011, Israeli forces destroyed 222 Palestinian owned homes, two classrooms and two mosques. And I am advised that there are currently demolition orders on nine villages in the area of the South Mount Hebron hills, including Susiya. I am told one of these villages is home to an Australian government funded clinic. I believe these demolitions have to stop. However, what I have real reservations about is boycotts. I think they distract from the real issues, and I note a report in the *Australian* yesterday on the front page about anti-Semitic anger and hatred. I repudiate that completely. I think we need to move away from a dialogue that leads to anger and hatred and stirs up sentiment on both sides. That is negative and destructive. Boycotting Israeli chocolate shop Max Brenner, I believe in my mind, does not achieve anything useful. It just creates more anger and more hatred and it simply distracts from the real issues.

There are lots of different possibilities to moving forward on this issue. I was very impressed with the group of people I met with earlier this week. I feel there are some important first steps after speaking with them. I believe the wall needs to fall, just as the Berlin Wall did over 20 years ago. I believe that new settlements have to stop. And, most importantly, dialogue has to start. Quite frankly, it is impossible to articulate the complexity of this conflict in such a short time, but the key is we must not give up. People like Micha Kurz, Sahar Vardi, Harold Zwier, Reverend Jim Barr and Jessica Morrison must not give up. And the Australian government must not give up on playing its part to working towards a lasting peaceful solution.

National Bilby Day

Senator BOYCE (Queensland) (19:12): Tonight I would like to speak on the topic of unintended consequences, or perhaps I should say more correctly collateral damage. I imagine that most senators would remember that on 10 July this year the Australian owned company Darrell Lea went into voluntary administration because its directors had concerns about Darrell Lea's ability to meet its ongoing financial obligations. As all proper chocolate-eating Australians would know, Darrell Lea produced bilbies at Easter time—the Easter bilby—and in September also produced bilbies. They were the only official chocolate and confectionery company that did so. They raised over \$350,000 for the Save the Bilby Fund as a result of producing those very edible chocolate bilbies.

This source of funds has now dried up for the Save the Bilby Fund. Tonight I would like to remind senators that the second Sunday in September, which this year is 9 September, is National Bilby Day. We will currently celebrate it without chocolate bilbies. This would be a minor inconvenience if it was not such a serious representation of the issues affecting the real bilbies. The name 'bilby' comes from the Yuwaalaraay people of northern New South Wales. Bilbies have been important for thousands of years to Aboriginal culture and were a common food resource.

There were two species of bilby: the greater bilby and the lesser bilby. The lesser bilby has not been seen for 70 years and is believed to be extinct. The greater bilby, which is the largest member of the bandicoot family, continues to survive—but only survive; it does not prosper. The bilby is listed as endangered in Queensland and vulnerable nationally, and it is the only surviving member of the subfamily of marsupials which once had six bandicoot species of this type surviving in the arid and semi-arid areas of Queensland.

Bilby numbers have declined because of predation by introduced species such as feral cats and foxes; because of competition from farming animals such as sheep and cattle, who destroy the bilby habitat and

compact the soil so that it is difficult for the bilbies to re-dig burrows; and, of course, because of the introduction of the European rabbit. It is not just a lot of other industries like grazing that have problems with the rabbit; the rabbit competes with the native bilby for burrows and food.

In the wild bilbies survive for six to seven years; in captivity, for 11 years. Like koalas, they do not actually drink water regularly; they get most of their moisture from their food. They are omnivorous. Like many of our native animals, bilbies are marsupials. Unlike a lot of them, the bilbies have a pouch that actually faces backwards so that it cannot be filled with earth while the bilbies are digging their burrow—very clever. They live in grasslands and mulga shrub land in the hot, dry, arid and semi-arid areas of Australia. They build multiple burrows: one for living in and others for fooling predators. Bilbies once occupied 70 per cent of Australia, and now we can find them only in very small areas in the Northern Territory, in Western Australia and in south-west Queensland. The Queensland bilby population—Mr President, I know you will find this concerning—is the most threatened and genetically distinct population in Australia. It has declined radically in range over the past 10 years and is continuing to do so.

Western Australia has had quite a lot of success with releasing hand raised bilbies back into the 13,000-hectare Dryandra Woodland. They seem to be coping with their predators. One of the very clever things about the Western Australian bilbies is that they survive by eating a local plant which has a selective poison that does not affect the native animals but does affect introduced species. The poison bush—*Gastrolobium microcarpum*—occurs throughout the south-west of Western Australia, and native mammals are tolerant of that poison.

There has been another interesting project—the Arid Recovery project—in the area around Roxby Downs which sought to train bilbies to avoid feral cats, which are, of course, one of their great predators. You will appreciate that there are very few bilbies being born in the wild now. The majority are coming from captive breeding programs designed to try to eventually re-establish populations in the wild.

Most of the bilbies that were released in Roxby Downs died; they were killed by feral cats. So the bilbies have been trained to change their behaviour if they encounter cat scents and droppings, and it is wonderful that it is succeeding. Their behaviour has changed. They hide immediately if they smell a cat, they change burrows more frequently and they build burrows with more entrances than they did in the past—all of which will assist them to do this.

I had the privilege to meet one of the two men who established the Save the Bilby Fund, Frank Manthey,

recently. He was awarded an OAM in the recent honours list for his work. He also brought along a bilby, and I must admit that I fell for the bilby. They are so soft. They are very cute. They are highly nocturnal, so this animal was not at all impressed with meeting me, but I was very impressed with meeting it. I point out that Frank Manthey and Peter McRae are responsible for the establishment of the bilby fence at Currawinya National Park, in Queensland. This is a 25-square-kilometre electrified predator proof fence. It was set up at a cost of \$500,000 so that captive-bred bilbies re-released into this community can survive.

As I said earlier, the Queensland bilby population is the most threatened and the most genetically distinct population in Australia, yet its numbers are dropping drastically. The bilby fence at Currawinya National Park was officially opened in 2003, and the first bilby release was in 2005. There was a subsequent release in May 2010. The fence is a massive undertaking—a 400-millimetre wire netting skirt at the base to stop creatures burrowing under the fence, springy wires across the top to stop foxes and cats climbing over it, 5,000 volts of electricity pulsing through it to stop emus and kangaroos from crashing into it and damaging the net, two million staples, 4,100 steel pegs and 240 kilometres of plain high-tensile wire were used in this fence. The biggest concern is that the lack of chocolate bilbies, the subsidy from sale of chocolate bilbies through Darrell Lea, means that there is a strong danger that this fence will fall into disrepair. So I would like to urge everyone (a) to observe National Bilby Day on 9 September and (b) to send funds if they can to the Save the Bilby Fund to protect this gorgeous little creature and to support a very worthwhile conservation effort.

Senate adjourned at 19:22

DOCUMENTS

Tabling

The following documents were tabled by the Clerk:

[Legislative instruments are identified by a Federal Register of Legislative Instruments (FRLI) number. An explanatory statement is tabled with an instrument unless otherwise indicated by an asterisk.]

Civil Aviation Act—

Civil Aviation Regulations—Civil Aviation Order 20.18 Amendment Instrument 2012 (No. 1).

Civil Aviation Safety Regulations—

Instrument No. CASA EX123/12—Exemption – from Circular Error of Position Tolerance 7NM for RNAV GNSS, RNP APCH and RNP AR APCH; Exemption – Airservices Australia Operations Manual.

Airworthiness Directive—AD/SA-TP/23 Amdt 2—Structural Components Fatigue Lives.

Commonwealth Inscribed Stock Act—Direction relating to Commonwealth borrowing, dated 9 August 2012.

Corporations Act—ASIC Class Order.

Defence Act—Determination under section 58B—Defence Determination 2012/45, Post indexes – amendment.

Financial Management and Accountability Act—Select Legislative Instrument 2012 No. 206—Financial Management and Accountability Amendment Regulation 2012 (No. 6).

Higher Education Support Act—Higher Education Provider Approval No. 7 of 2012—Le Cordon Bleu Australia Pty. Limited.

Judiciary Act—High Court of Australia—Rule of Court, dated 20 August 2012.

Lands Acquisition Act—Statement describing property acquired by agreement for specified purposes under section 125.

National Greenhouse and Energy Reporting Act—National Greenhouse and Energy Reporting (Audit) Amendment Determination (No. 1).

National Health Act—Instruments Nos PB—

58 of 2012—National Health (Weighted average disclosed price – interim supplementary disclosure cycle) Determination 2012.

63 of 2012—Amendment determination – conditions.

66 of 2012—National Health (Growth Hormone Program) Special Arrangement Amendment Instrument 2012 (No. 2).

69 of 2012—Amendment determination – pharmaceutical benefits – early supply.

Departmental and Agency Contracts

The following document was tabled pursuant to the order of the Senate of 20 June 2001, as amended:

Departmental and agency contracts for 2011-12—Letter of advice—Treasury portfolio.

QUESTIONS ON NOTICE

The following answers to questions were circulated:

Australian Securities and Investments Commission

(Question No. 1503)

Senator Cormann asked the Minister representing the Minister for Financial Services and Superannuation, upon notice, on 16 January 2012:

With reference to the Australian Securities and Investments Commission (ASIC) and Goldsmith and Associates Pty Ltd (Goldsmiths), on what date did ASIC first:

- (a) become aware that Goldsmiths were operating in Australia and seeking investments from the general public;
- (b) receive a complaint from any individual or organisation in relation to Goldsmiths' operations in Australia, and what was the nature of this complaint and how was it communicated to ASIC;
- (c) become aware that Goldsmiths was not a holder of an Australian Financial Services licence;
- (d) commence action to restrict or stop Goldsmiths from operating in Australia, and what was the nature of this action; and
- (e) communicate to the Australian public that it was concerned about Goldsmiths' operations in Australia, and what was the nature of this communication.

Senator Wong: The Minister for Financial Services and Superannuation has provided the following answer to the Honourable Senator's question:

(a) and (b) ASIC first became aware that Goldsmiths might be cold calling the public on 3 October 2011. As a result of specific actions within the subsequent investigation, further complainants contacted ASIC in mid-December. The complaints were received via telephone and email.

(c) ASIC became aware that Goldsmiths did not have a financial services licence soon after the first complaint was raised.

(d) ASIC commenced ex-parte action against Goldsmith in the Federal Court to preserve investor funds and prevent further funds being obtained. These orders were obtained on 13 December 2011 and restrained the company from carrying on a financial services business via its website, and from transferring or disposing of any funds in connection to the advertised financial services or products. ASIC also obtained orders that the website, and any related websites of Goldsmiths, be deactivated until a court determination.

(e) ASIC issued a media release highlighting its actions and reminding consumers about scams and the importance of remaining vigilant when investing money on 21 December 2011, following further Court orders. ASIC also wrote to the complainants on this day, enclosing a copy of the media release. Further contact has been made with the complainants as part of ASIC's investigation.

Australian Taxation Office

(Question No. 1868)

Senator Cormann asked the Minister representing the Treasurer, upon notice, on 31 May 2012 –

What is the amount of contingent liabilities for tax in dispute with the Australian Taxation Office for each of the following financial years: (a) 2005-06; (b) 2006-07; (c) 2007-08; (d) 2008-09; and (e) 2009-10.

Senator Wong: The Treasurer has provided the following answer to the Honourable Senator's question:

Please refer to the response to BET 15 from the June 2012 Budget Estimates hearing which was submitted to the Senate Standing Committee on Economics on 1 August 2012.

Prime Minister

(Question No. 1880)

Senator Abetz asked the Minister representing the Prime Minister, upon notice, on 12 June 2012:

With reference to the evening of 3 April 2012, and the assertion that the Prime Minister was not able to be contacted:

- (1) Where was the Prime Minister.
- (2) Why was the Prime Minister unreachable.
- (3) Was an Acting Prime Minister appointed.
- (4) Did the Prime Minister have contact with her office from 5 pm on this date.

Senator Chris Evans: The Prime Minister has provided the following answer to the honourable senator's question:

The Prime Minister undertook a range of official duties on 3 April 2012. No Acting Prime Minister was appointed.

Prime Minister**(Question No. 1885)**

Senator Abetz asked the Minister representing the Prime Minister, upon notice, on 14 June 2012:

With reference to question on notice no. 1518, which asked: What have been the precise dates of the Prime Ministers: (a) weekly; and (b) ad hoc, meetings with the [former] Leader of the Australian Greens, Senator Brown, since the signing of the Labor Greens agreement, and given that Senate procedure requires answers to be directly relevant to the question, can the requested information be provided.

Senator Chris Evans: The Prime Minister has provided the following answer to the honourable senator's question:

Please refer to the answer to question on notice no. 1518.

Health Services Union**(Question No. 1909)**

Senator Abetz asked the Minister representing the Minister for Employment and Workplace Relations, upon notice, on 25 June 2012:

- (1) Why did the Minister decide to intervene in the Health Services Union.
- (2) When was advice first sought to do so.
- (3) Which stakeholders did the Minister liaise with prior to making the decision.

Senator Ludwig: The Minister for Employment and Workplace Relations has provided the following answer to the honourable senator's question:

1. The Government intervened in the Federal Court proceeding concerning the Health Services Union (HSU) because it was concerned that the interests of HSU members across Victoria, New South Wales and the ACT were not being properly served due to the evident dysfunction within the HSU East Branch, and to ensure the broader public interest in working Australians having effective and accountable union representation is not undermined.

2. Advice was first sought on 27 March 2012.

3. The Government liaised with, and the Government's intervention was supported by, the National Office of the HSU, the ACTU, UnionsNSW and other branches and individual members of the HSU.

Health: Auditor-General Hospital Report**(Question No. 1977)**

Senator Humphries asked the Minister representing the Minister for Health, upon notice, on 1 August 2012:

(1) Is the Minister aware of newspaper reports, and a report from the Australian Capital Territory Auditor-General that records that up to 11 700 emergency department presentations in the Australian Capital Territory may have been manipulated between 2009 and 2012, so that the length of time patients spent in hospital and the timeliness of their treatment were altered.

(2) Has the Minister received any information that suggests false data may have been provided by the Australian Capital Territory Government; if so, what action has been taken.

(3) Have any reward payments from any Council of Australian Governments agreements, or any other reward payments been made to the Australian Capital Territory based on data found to be false; if so: (a) how much and when were the payments made; and (b) what action has been taken.

(4) Will the Minister ask her department to conduct a review of funding provided to the Australian Capital Territory's hospital system as a result of data found to be false; if not, why not.

(5) Has the Minister had any discussions with the Australian Capital Territory's Minister for Health in relation to this matter; if so, can details of those discussions be provided.

Senator Ludwig: The Minister for Health has provided the following answer to the honourable senator's question:

(1) Yes, the Minister is aware of these reports.

(2) The Australian Capital Territory provided false data to the Australian Institute of Health and Welfare (AIHW). The AIHW is working with the ACT to rectify and resubmit affected data.

(3) No.

(4) No. No funding has been provided to the ACT as a result of data found to be false.

(5) The Minister and the ACT Chief Minister have met to discuss this matter. Discussions focussed on the changes the ACT Government has initiated to ensure ongoing data integrity and the significant efforts it has undertaken to meet the National Emergency Access Target.