

1998-1999-2000

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

VOTES AND PROCEEDINGS

No. 118

THURSDAY, 8 JUNE 2000

1 The House met, at 9.30 a.m., pursuant to adjournment. The Speaker (the Honourable Neil Andrew) took the Chair, and read Prayers.

2 **TAXATION LAWS AMENDMENT BILL (NO. 6) 2000**

The order of the day having been read for the resumption of the debate on the question—That the Bill be now read a second time—*And on the amendment moved thereto by Mr K. J. Thomson, viz.*—That all words after “That” be omitted with a view to substituting the following words:

“whilst not declining to give the bill a second reading, the House condemns the Government for:

- (1) its use of \$410 million to sell the GST to Australians whilst it could only spend \$200 per small business to provide real help in meeting the onerous compliance costs of small business; and
- (2) its continual amendment and complication of the tax system”—

Debate resumed.

Amendment negatived.

Question—That the Bill be now read a second time—put and passed—Bill read a second time.

Consideration in detail

Bill, by leave, taken as a whole.

Mr Slipper (Parliamentary Secretary to the Minister for Finance and Administration) moved the Government amendment.

Paper

Mr Slipper presented a supplementary explanatory memorandum to the Bill.

Amendment agreed to.

Bill, as amended, agreed to.

Consideration in detail concluded.

On the motion of Mr Slipper, by leave, the Bill was read a third time.

**3 HEALTH LEGISLATION AMENDMENT (GAP COVER SCHEMES) BILL 2000—
SENATE'S AMENDMENTS**

The order of the day having been read for the consideration of the amendments made by the Senate—

On the motion of Mr McGauran (Minister for the Arts and the Centenary of Federation), the amendments were agreed to.

4 NEW BUSINESS TAX SYSTEM (INTEGRITY MEASURES) BILL 2000

The order of the day having been read for the resumption of the debate on the question—That the Bill be now read a second time—

Debate resumed by Mr Kerr who moved, as an amendment—That all words after “That” be omitted with a view to substituting the following words:

“whilst not declining to give the Bill a second reading, the House condemns the Government for:

- (1) its lack of integrity for failing to tackle tax avoidance through the use of family trusts;
- (2) its unfair approach to taxation policy including the proposal in this bill to discriminate against artists;
- (3) the flawed implementation process of the various new taxation arrangements;
- (4) the scandalous waste of taxpayers money on the promotion of new taxation arrangements; and
- (5) the fundamental unfairness and complexity of so much of the new tax arrangements”.

Debate continued.

Closure

Mr Hockey (Minister for Financial Services and Regulation) moved—That the question be now put.

Question—That the question be now put—put and passed.

And the question—That the words proposed to be omitted stand part of the question—was put accordingly, and passed.

Question—That the Bill be now read a second time—put and passed—Bill read a second time.

Consideration in detail

Bill, by leave, taken as a whole.

On the motion of Mr Hockey, the Government amendment was made.

Bill, as amended, agreed to.

Consideration in detail concluded.

On the motion of Mr Hockey, by leave, the Bill was read a third time.

5 INDIRECT TAX LEGISLATION AMENDMENT BILL 2000

The order of the day having been read for the resumption of the debate on the question—That the Bill be now read a second time—

Debate resumed.

Closure

Mr Hockey (Minister for Financial Services and Regulation) moved—That the question be now put.

Question—That the question be now put—put and passed.

And the question—That the Bill be now read a second time—was put accordingly, and passed—Bill read a second time.

Messages from the Governor-General

The following messages from His Excellency the Governor-General were announced:

No. 202, 23 May 2000, recommending an appropriation for the purposes of the Bill; and

No. 203, 26 May 2000, recommending an appropriation for the purposes of amendments to the Bill.

Consideration in detail

Bill, by leave, taken as a whole.

Mr Hockey, by leave, moved Government amendments (1) to (66) together.

Debate continued.

Paper

Mr Hockey presented a supplementary explanatory memorandum to the Bill.

Debate continued.

Mr Rudd addressing the House—

Closure

Mr Hockey moved—That the question be now put.

Question—That the question be now put—put.

The House divided (the Deputy Speaker, Mr Nehl, in the Chair)—

AYES, 71

Mr Abbott	Mr Entsch	Mr Lawler	Mr St Clair
Mr Anderson	Mr Fahey	Mr Lieberman	Mr Scott
Mr K. J. Andrews	Mr Fischer	Mr Lindsay	Mr Secker
Mr Anthony	Mr Forrest*	Mr Lloyd	Mr Slipper
Fran Bailey	Mrs Gallus	Mr McArthur*	Mr Somlyay
Mr Baird	Ms Gambaro	Mr I. E. Macfarlane	Dr Southcott
Mr Barresi	Mrs Gash	Mr McGauran	Dr Stone
Mr Bartlett	Mr Georgiou	Mrs May	Mrs Sullivan
Mr Billson	Mr Haase	Mr Moore	Mr C. P. Thompson
Mrs B. K. Bishop	Mr Hardgrave	Mrs Moylan	Mr Truss
Mr Brough	Mr Hawker	Mr Nairn	Mr Tuckey
Mr Cadman	Mr Hockey	Dr Nelson	Mrs D. S. Vale
Mr Cameron	Mrs Hull	Mr Neville	Mr Wakelin
Mr Causley	Mr Jull	Mr Nugent	Dr Washer
Mr Charles	Mr Katter	Mr Prosser	Mr Williams
Mr Costello	Mrs D. M. Kelly	Mr Pyne	Dr Wooldridge
Mrs Draper	Jackie Kelly	Mr Reith	Ms Worth
Mrs Elson	Dr Kemp	Mr Ronaldson	

NOES, 62

Mr Adams	Mr Fitzgibbon	Mr Lee	Mr Quick
Mr Albanese	Ms Gerick	Ms Livermore	Mr Ripoll
Mr Bevis	Mr Gibbons	Mr McClelland	Ms Roxon
Mr Breerton	Ms Gillard	Ms J. S. McFarlane	Mr Rudd
Ms Burke	Mr Griffin	Ms Macklin	Mr Sawford*
Mr Byrne	Ms Hall	Mr McLeay	Mr Sciacca
Mr Cox	Mr Hatton	Mr McMullan	Mr Sercombe*
Mr Crean	Ms Hoare	Mr Melham	Mr Sidebottom
Mrs Crosio	Mr Hollis	Mr Morris	Mr Smith
Mr Danby	Mr Horne	Mr Mossfield	Mr Swan
Mr Edwards	Mrs Irwin	Mr Murphy	Mr Tanner
Ms Ellis	Mr Jenkins	Ms O'Byrne	Mr K. J. Thomson
Mr Emerson	Ms Kernot	Mr O'Connor	Mr Wilkie
Mr M. J. Evans	Mr Kerr	Mr O'Keefe	Mr Zahra
Mr L. D. T. Ferguson	Mr Latham	Ms Plibersek	
Mr M. J. Ferguson	Dr Lawrence	Mr Price	

* Tellers

Pairs

Mr Howard	Mr Beazley
Mr Downer	Mr Wilton

And so it was resolved in the affirmative.

And the question—That the amendments be agreed to—was put accordingly, and passed.

Bill, as amended, agreed to.

Consideration in detail concluded.

On the motion of Mr Hockey, by leave, the Bill was read a third time.

6 QUESTIONS

Questions without notice being asked—

Member ordered to withdraw

At 2.15 p.m. the Member for Bruce (Mr Griffin) was ordered, under standing order 304A, to withdraw from the House for one hour for continuing to interject after a warning had been given from the Chair, and he accordingly withdrew from the Chamber.

Questions without notice continuing—

Paper

Mr Tuckey (Minister for Forestry and Conservation) presented the following paper:

Queensland energy policy: A cleaner, smarter plan for the future—Copies of advertisements published in the—

Courier-Mail, 29 May 2000.

Weekend Australian, 3-4 June 2000.

Questions without notice continued.

7 PAPERS

The following papers were presented:

Department of Finance and Administration—Parliamentarians' travel paid by the department for the period July to December 1999—Report, June 2000.

Environment and Heritage—House of Representatives Standing Committee—Report—Review of the Department of the Environment's Annual Report for 1997-98—Government response, April 2000.

Human Rights and Equal Opportunity Commission—Report—Accessibility of electronic commerce and new service and information technologies for older Australians and people with a disability, March 2000.

Public Service Act—Requirements for annual reports, May 2000.

Retailing Sector—Joint Select Committee—Report—Fair market or market failure? A review of Australia's retailing sector—Government response, December 1999.

8 RETAILING SECTOR—JOINT SELECT COMMITTEE—REPORT—GOVERNMENT RESPONSE—MOTION TO TAKE NOTE OF PAPER

Mr Reith (Leader of the House) moved—That the House take note of the following paper:

Retailing Sector—Joint Select Committee—Report—Fair market or market failure? A review of Australia's retailing sector—Government response, December 1999.

Debate adjourned (Mr McMullan), and the resumption of the debate made an order of the day for the next sitting.

9 SPECIAL ADJOURNMENT

Mr Reith (Leader of the House) moved—That the House, at its rising, adjourn until Monday, 19 June 2000, at 12.30 p.m., unless the Speaker or, in the event of the Speaker being unavailable, the Deputy Speaker, fixes an alternative day or hour of meeting.

Question—put and passed.

10 DISCUSSION OF MATTER OF PUBLIC IMPORTANCE—RURAL AND REGIONAL AUSTRALIANS

The House was informed that Mr O'Connor had proposed that a definite matter of public importance be submitted to the House for discussion, namely, "The failure of the Government to stand up for Australians living in rural and regional areas".

The proposed discussion having received the necessary support—

Mr O'Connor addressed the House.

Discussion ensued.

Discussion concluded.

11 PUBLICATIONS COMMITTEE—16TH REPORT

Mr Lieberman (Chair) presented the following paper:

PUBLICATIONS COMMITTEE 16TH REPORT

The Publications Committee reports that it has met in conference with the Publications Committee of the Senate.

The Committee, having considered documents presented to Parliament since 10 May 2000, recommends that the following be printed:

Australian Electoral Commission—Report—Funding and disclosure report following the federal election held on 3 October 1998.

Australian Maritime College—Report for 1999.

Finance—Budget 2000-2001—Science and Technology Budget Statement 2000-01.

Immigration Review Tribunal/Migration Review Tribunal—Report for 1998-99.

LOU LIEBERMAN

Chair

8 June 2000

On the motion of Mr Lieberman, by leave, the report was agreed to.

12 POSTPONEMENT OF ORDER OF THE DAY

Ordered—That order of the day No. 5, government business, be postponed until a later hour this day.

13 BROADCASTING SERVICES AMENDMENT (DIGITAL TELEVISION AND DATACASTING) BILL 2000

The order of the day having been read for the resumption of the debate on the question—That the Bill be now read a second time—*And on the amendment moved thereto by Mr Smith, viz.*—That all words after “That” be omitted with a view to substituting the following words:

“whilst not declining to give the bill a second reading, the House:

- (1) condemns the Government for the inordinate amount of time it has taken to introduce the bill, and the unacceptably short time now available for parliamentary consideration of the measure;
- (2) regards the narrow approach taken to the definition of datacasting as much too restrictive and certain to risk stifling a new industry before it emerges;
- (3) deplores the Government’s failure to enhance the future potential in this area, as evidenced by its datacasting proposals;
- (4) calls on the Government to allow the national public broadcasters, the ABC and SBS, to multichannel;
- (5) believes that the restrictions on datacasting and the prohibition on the ABC and SBS from multichannelling will have particularly adverse consequences for rural and regional Australia;
- (6) believes that the enhanced services provisions in the bill go further than previously anticipated and will require careful scrutiny; and
- (7) believes that there will need to be careful, appropriately timed and statutorily based scrutiny through the review provisions proposed in the bill”—

Debate resumed.

Amendment negatived.

Question—That the Bill be now read a second time—put and passed—Bill read a second time.

Leave granted for third reading to be moved forthwith.

On the motion of Mr McGauran (Minister representing the Minister for Communications, Information Technology and the Arts), the Bill was read a third time.

14 DATACASTING CHARGE (IMPOSITION) AMENDMENT BILL 2000

The order of the day having been read for the resumption of the debate on the question—That the Bill be now read a second time—

Question—put and passed—Bill read a second time.

Leave granted for third reading to be moved forthwith.

On the motion of Mr McGauran (Minister representing the Minister for Communications, Information Technology and the Arts), the Bill was read a third time.

15 MESSAGES FROM THE SENATE

Messages from the Senate, 8 June 2000, were reported returning the following Bills without amendment:

No. 387—Fuel Sales Grants 2000.

No. 389—Fuel Sales Grants (Consequential Amendments) 2000.

No. 390—Primary Industries (Excise) Levies Amendment 2000 (*without requests*).

No. 391—Pooled Development Funds Amendment 1999.

No. 392—Taxation Laws Amendment (No. 10) 1999.

16 SUSPENSION OF STANDING AND SESSIONAL ORDERS—HEALTH LEGISLATION AMENDMENT (GAP COVER SCHEMES) BILL 2000

Dr Wooldridge (Minister for Health and Aged Care), by leave, moved—That so much of the standing and sessional orders be suspended as would prevent the moving forthwith of a motion rescinding the resolution of the House agreed to at this sitting agreeing to Senate amendments to the Health Legislation Amendment (Gap Cover Schemes) Bill 2000.

Question—put and passed.

17 HEALTH LEGISLATION AMENDMENT (GAP COVER SCHEMES) BILL 2000—SENATE'S AMENDMENTS—RESCISSION OF RESOLUTION

Dr Wooldridge (Minister for Health and Aged Care) moved—That the resolution of the House agreed to at this sitting agreeing to Senate amendments to the Health Legislation Amendment (Gap Cover Schemes) Bill 2000 be rescinded.

Question—put and passed.

18 HEALTH LEGISLATION AMENDMENT (GAP COVER SCHEMES) BILL 2000—SENATE'S AMENDMENTS—RECONSIDERATION

The order of the day having been read for the reconsideration of the amendments made by the Senate—

On the motion of Dr Wooldridge (Minister for Health and Aged Care), Senate amendments Nos 1, 2 and 4 to 8 were agreed to.

On the motion of Dr Wooldridge, Senate amendment No. 3 was amended by the Government amendment, after debate.

On the motion of Dr Wooldridge, Senate amendment No. 3, as amended, was agreed to.

19 MESSAGE FROM THE SENATE—PRODUCT GRANTS AND BENEFITS ADMINISTRATION BILL 2000

A message from the Senate was reported returning the following Bill with amendments:

8 June 2000—Message No. 388—Product Grants and Benefits Administration 2000.

Ordered—That the amendments be considered forthwith.

Mr Hockey (Minister for Financial Services and Regulation) moved—That the amendments be agreed to.

Debate ensued.

Mr K. J. Thomson addressing the House—

Adjournment negatived

It being 5.30 p.m.—The question was proposed—That the House do now adjourn.

Mr Hockey requiring the question to be put forthwith without debate—

Question—put and negatived.

Mr K. J. Thomson continued his speech.

Question—put and passed.

20 ADJOURNMENT

Mr Hockey (Minister for Financial Services and Regulation) moved—That the House do now adjourn.

Debate ensued.

Privilege—Statement by Speaker

The Speaker made a statement concerning the matter of privilege raised by Ms J. S. McFarlane on 12 April 2000 regarding an approach her office had received from an officer of the Australian Taxation Office concerning questions she had placed on notice.

The Speaker stated that he had discussed the advice he had received from the Office of the Treasurer with Ms McFarlane and that the advice confirmed that the matter did not constitute a contempt.

Paper

The Speaker presented the following paper:

Privilege matter raised by Ms J. S. McFarlane—Copy of letter from Mike Callaghan, Chief of Staff, Office of the Treasurer, to Mr Bernie Wright, Deputy Clerk, House of Representatives, 1 June 2000.

Debate continued.

The House continuing to sit until 6 p.m.—The Speaker adjourned the House until Monday, 19 June 2000, at 12.30 p.m., in accordance with the resolution agreed to this sitting.

PAPERS

The following papers were deemed to have been presented on 8 June 2000:

A New Tax System (Family Assistance) Act—Determinations 2000—

Child Care Benefit (Absence from Care—Permitted Circumstances).

Child Care Benefit (Eligible Hours of Care).

Child Care Benefit (Hours of Eligibility Rules).

Child Care Benefit (Rates and Hardship).

Child Care Benefit (Recognised Work or Work Related Commitments).

Child Care Benefit (Session of Care).

Child Care Benefit (Work/Training/Study Test Exemption).

Family Assistance (Immunisation Requirements Exemption).

Family Assistance (Vaccination Schedules).

A New Tax System (Family Assistance) (Administration) Act—Determination 2000—Child Care Benefit (Specified Qualifications for Registered Carers).

Dairy Produce Act—Scheme—2000 Dairy Structural Adjustment Program Amendment (No. 1).

Farm Household Support Act—Scheme—2000 Restart Re-establishment Grant Amendment (No.1).

Taxation Administration Act—Rulings—2000 Nos GSTR 15, GSTR 16, PR 65, PR 67, PR 68, PR 69, PR 70, TD 24.

**ATTENDANCE**

All Members attended (at some time during the sitting) except Mr Beazley, Ms J. I. Bishop, Mr Downer, Mr Howard, Mr Martin, Mr Ruddock, Mr Schultz, Mr Snowdon, Mr A. P. Thomson and Mr Wilton.

**I. C. HARRIS**

Clerk of the House of Representatives

1998-1999-2000

HOUSE OF REPRESENTATIVES
SUPPLEMENT TO VOTES AND PROCEEDINGS

No. 118

MAIN COMMITTEE

MINUTES OF PROCEEDINGS

THURSDAY, 8 JUNE 2000

1 The Main Committee met at 9.40 a.m.

2 MEMBERS' STATEMENTS

Members' statements were made.

3 APPROPRIATION BILL (NO. 1) 2000-2001—BUDGET DEBATE

The order of the day having been read for the resumption of the debate on the question—That the Bill be now read a second time—*And on the amendment moved thereto by Mr Tanner, viz.*—That all words after “That” be omitted with a view to substituting the following words: “whilst not declining to give the Bill a second reading, the House condemns the Government for its:

- (1) failure to address the significant investment needs in the areas of education, health and the provision of social services in the 2000-2001 Budget;
- (2) wasteful and profligate spending on poor quality programs to buy Democrat support for its unfair GST;
- (3) misuse of over \$360 million of taxpayers' money on its politically partisan GST advertising campaign;
- (4) reduction of a potential Budget cash surplus in 2000-2001 of \$11 billion, to a real Budget deficit of \$2.1 billion;
- (5) use of creative accounting techniques in an attempt to deceive the Australian public on the true state of the Budget;
- (6) mishandling of the move to accrual accounting by providing complex, confusing and uninformative budget documents;
- (7) failure to identify in the Budget papers the cost of GST collection and implementation; and
- (8) failure to put in place arrangements that deliver its guarantee that no Australian will be worse off as a result of the GST package”—

Debate resumed.

Mr Ripoll addressing the Main Committee—

Adjournment negatived

It being 12.30 p.m.—The question was proposed—That the Committee do now adjourn.

Mrs Elson requiring the question to be put forthwith without debate—

Question—put and negatived.

Debate continued.

Debate adjourned (Ms Gerick), and the resumption of the debate made an order of the day for the next sitting.

4 ADJOURNMENT

Mrs Elson moved—That the Main Committee do now adjourn.

Debate ensued.

At 1.26 p.m. the Deputy Speaker adjourned the Main Committee.

B. C. WRIGHT
Clerk of the Main Committee