

2002-03

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

VOTES AND PROCEEDINGS

No. 75

WEDNESDAY, 12 FEBRUARY 2003

1 The House met, at 9 a.m., pursuant to adjournment. The Speaker (the Honourable Neil Andrew) took the Chair, and read Prayers.

2 **FAMILY LAW AMENDMENT BILL 2003**

Mr Williams (Attorney-General), pursuant to notice, presented a Bill for an Act to amend the *Family Law Act 1975*, and for related purposes.

Bill read a first time.

Mr Williams moved—That the Bill be now read a second time.

Paper

Mr Williams presented an explanatory memorandum to the Bill.

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

3 **DAIRY INDUSTRY SERVICE REFORM BILL 2003**

Mr Truss (Minister for Agriculture, Fisheries and Forestry), pursuant to notice, presented a Bill for an Act relating to the dairy industry, and for related purposes.

Bill read a first time.

Mr Truss moved—That the Bill be now read a second time.

Paper

Mr Truss presented an explanatory memorandum to the Bill.

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

4 **PRIMARY INDUSTRIES (EXCISE) LEVIES AMENDMENT (DAIRY) BILL 2003**

Mr Truss (Minister for Agriculture, Fisheries and Forestry) presented a Bill for an Act to amend the *Primary Industries (Excise) Levies Act 1999*, and for related purposes.

Bill read a first time.

Mr Truss moved—That the Bill be now read a second time.

Paper

Mr Truss presented an explanatory memorandum to the Bill.

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

5 **WORKPLACE RELATIONS AMENDMENT (PROHIBITION OF COMPULSORY UNION FEES) BILL 2002 [NO. 2]**

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 McClelland, viz.*—That all words after “That” be omitted, with a view to substituting the following words: “whilst not opposing a second reading, the House condemns the Government for its simplistic and divisive industrial relations agenda that is failing to address the needs of Australia’s working families”—

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 McClelland, by leave, moved Opposition amendments (1) to (6) together.

Debate continued.

Question—That the amendments be agreed to—put.

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

AYES, 65

Mr Adams	Mr L. D. T. Ferguson	Dr Lawrence	Ms Roxon
Mr Albanese	Mr M. J. Ferguson	Mr McClelland	Mr Rudd
Mr Andren	Mr Fitzgibbon	Ms J. S. McFarlane	Mr Sawford
Mr Beazley	Ms George	Ms Macklin	Mr Sciacca
Mr Bevis	Mr Gibbons	Mr McLeay	Mr Sercombe
Mr Brereton	Ms Gillard	Mr McMullan	Mr Sidebottom
Ms Burke	Ms Grierson	Mr Melham	Mr S. F. Smith
Mr Byrne	Mr Griffin	Mr Mossfield	Mr Snowdon
Ms Corcoran	Ms Hall	Mr Murphy	Mr Swan
Mr Cox	Mr Hatton	Ms O'Byrne	Mr Tanner
Mr Crean	Ms Hoare	Mr B. P. O'Connor	Mr K. J. Thomson
Mrs Crosio	Mrs Irwin	Mr G. M. O'Connor	Ms Vamvakinou
Mr Danby*	Ms Jackson	Mr Organ	Mr Wilkie
Mr Edwards	Mr Jenkins	Ms Plibersek	Mr Zahra
Ms Ellis	Mr Kerr	Mr Price	
Mr Emerson	Ms C. F. King	Mr Quick*	
Mr Evans	Mr Latham	Mr Ripoll	

NOES, 77

Mr Abbott	Mr Dutton	Mr P. E. King	Mr Slipper
Mr K. J. Andrews	Mrs Elson	Mrs Ley	Mr A. D. H. Smith
Fran Bailey	Mr Entsch	Mr Lindsay	Mr Somlyay
Mr Baird	Mr Farmer	Mr Lloyd	Dr Southcott
Mr Baldwin	Mr Forrest*	Mr McArthur*	Dr Stone
Mr Barresi	Mrs Gallus	Mr I. E. Macfarlane	Mr C. P. Thompson
Mr Bartlett	Ms Gambaro	Mrs May	Mr Ticehurst
Mr Billson	Mrs Gash	Mrs Moylan	Mr Tollner
Mrs B. K. Bishop	Mr Georgiou	Mr Nairn	Mr Truss
Ms J. I. Bishop	Mr Haase	Dr Nelson	Mr Tuckey
Mr Brough	Mr Hardgrave	Mr Neville	Mr M. A. J. Vaile
Mr Cadman	Mr Hartsuyker	Ms Panopoulos	Mrs D. S. Vale
Mr Cameron	Mr Hockey	Mr Pearce	Mr Wakelin
Mr Causley	Mrs Hull	Mr Prosser	Dr Washer
Mr Charles	Mr Hunt	Mr Pyne	Mr Williams
Mr Ciobo	Mr Jull	Mr Randall	Mr Windsor
Mr Cobb	Mr Katter	Mr Ruddock	Ms Worth
Mr Costello	Mrs D. M. Kelly	Mr Schultz	
Mr Downer	Jackie Kelly	Mr Scott	
Mrs Draper	Dr Kemp	Mr Secker	

* Tellers

And so it was negatived.

Bill agreed to.

Consideration in detail concluded.

On the motion of Mr Abbott (Minister for Employment and Workplace Relations), by leave, the Bill was read a third time.

6 MIGRATION LEGISLATION AMENDMENT (CONTRIBUTORY PARENTS MIGRATION SCHEME) BILL 2002

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 Ms Gillard 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:

- (1) notes that:
 - (a) the Howard Government slashed the number of visas available for parents seeking to migrate to Australia to join their families to 500 in 1998;
 - (b) through this savage cut in visa numbers, the Howard Government has deliberately created a queue of over 20,000 parents seeking to migrate;
 - (c) the deliberate creation of this queue has caused stress and suffering for the families involved;
 - (d) having created this crisis, the Howard Government’s only answer is a new visa class which requires the payment of a \$25,000 fee which will be beyond the means of many; and
 - (e) while Labor has historically supported sponsoring families making a contribution to the health and welfare costs associated with the migration of parents, the system needs to be equitable and not cause undue hardship; and therefore
- (2) calls on the Government immediately to introduce a fair system of parent visas, which will stop families in the current queue suffering additional stress and hardship and will meet Australia’s needs into the future.

Debate continued.

It being 2 p.m., the debate was interrupted in accordance with standing order 101A, and the resumption of the debate made an order of the day for a later hour this day.

7 QUESTIONS

Questions without notice being asked—

Papers

Mr Downer (Minister for Foreign Affairs) presented the following papers:

Australia’s foreign and trade policy White Paper—Advancing the national interest—
White Paper, 2003.

Overview.

Questions without notice continuing—

Member ordered to withdraw

At 3.27 p.m. the Member for Fowler (Mrs Irwin) 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 she accordingly withdrew from the Chamber.

Questions without notice continuing—

Papers

Mr Costello (Treasurer) presented the following papers:

HIH Limited—Letters from—

Mr Jim Murphy, Executive Director, Markets Group, The Treasury, to Mr Maurice Newman, Chairman, Australian Stock Exchange, 6 February 2003.

Mr Maurice Newman, Chairman, Australian Stock Exchange, to Mr Jim Murphy, Executive Director, Markets Group, The Treasury, 6 February 2003.

Questions without notice continued.

8 PAPERS

Mr McMullan, by leave, during a personal explanation, presented the following papers:

HIH Royal Commission—

Letter from Mr McMullan to Justice Owen, Ministerial oversight of the insurance industry, 23 January 2003.

Letter from Mr Richard St John, Secretary, HIH Royal Commission, to Mr Bob McMullan, MP, Shadow Treasurer, 28 January 2003.

Treasurer's early warning on HIH—Article by Andrew Main, *Australian Financial Review*, 17 January 2003.

Extract from Hansard, hearing of Senate Economics Legislation Committee, 21 February 2002.

Senate Economics Legislation Committee—Answer to Question on Notice, Additional Estimates 20 to 22 February 2002.

9 PAPER

Mr M. J. Ferguson, by leave, during a personal explanation, presented the following paper:

Passenger movement charge over collection.

10 DISCUSSION OF MATTER OF PUBLIC IMPORTANCE—AUSTRALIAN CHILDREN

The House was informed that Ms Roxon had proposed that a definite matter of public importance be submitted to the House for discussion, namely, "The Government's lack of leadership and failure to provide adequate services for Australian children".

The proposed discussion having received the necessary support—

Ms Roxon addressed the House.

Discussion ensued.

Member ordered to withdraw

At 4.22 p.m. the Member for Sydney (Ms Plibersek) was ordered, under standing order 304A, to withdraw from the House for one hour, and she accordingly withdrew from the Chamber.

Discussion continued.

Discussion concluded.

11 NEW BUSINESS TAX SYSTEM (CONSOLIDATION AND OTHER MEASURES) BILL (NO. 2) 2002—REPORT FROM MAIN COMMITTEE

The Deputy Speaker reported that the Bill had been fully considered by the Main Committee and agreed to without amendment, and presented a certified copy of the Bill.

Bill agreed to.

On the motion of Mr Tuckey (Minister for Regional Services, Territories and Local Government), by leave, the Bill was read a third time.

12 NEW BUSINESS TAX SYSTEM (VENTURE CAPITAL DEFICIT TAX) BILL 2002—REPORT FROM MAIN COMMITTEE

The Deputy Speaker reported that the Bill had been fully considered by the Main Committee and agreed to without amendment, and presented a certified copy of the Bill.

Bill agreed to.

On the motion of Mr Tuckey (Minister for Regional Services, Territories and Local Government), by leave, the Bill was read a third time.

13 CUSTOMS LEGISLATION AMENDMENT BILL (NO. 2) 2002—REPORT FROM MAIN COMMITTEE

The Deputy Speaker reported that the Bill had been fully considered by the Main Committee and agreed to without amendment, and presented a certified copy of the Bill.

Bill agreed to.

On the motion of Mr Tuckey (Minister for Regional Services, Territories and Local Government), by leave, the Bill was read a third time.

14 PUBLIC ACCOUNTS AND AUDIT—JOINT COMMITTEE—REPORT—STATEMENTS BY MEMBERS

Mr Charles (Chair) presented the following paper:

Public Accounts and Audit—Joint Committee—Report 393—Review of Auditor-General's reports, 2001-2002—Fourth quarter.

Ordered to be printed.

Mr Charles and Ms C. F. King, by leave, made statements in connection with the report.

15 POSTPONEMENT OF ORDER OF THE DAY

Ordered—That order of the day No. 3, be postponed until a later hour this day.

16 INSPECTOR-GENERAL OF TAXATION BILL 2002—SENATE'S AMENDMENTS

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

Mr Slipper (Parliamentary Secretary to the Minister for Finance and Administration) moved—That the amendments be disagreed to.

Debate ensued.

Question—put.

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

AYES, 80

Mr Abbott	Mrs Draper	Mrs D. M. Kelly	Mr Ruddock
Mr K. J. Andrews	Mr Dutton	Jackie Kelly	Mr Schultz
Mr Anthony	Mrs Elson	Dr Kemp	Mr Scott
Fran Bailey	Mr Entsch	Mr P. E. King	Mr Secker
Mr Baird	Mr Farmer	Mrs Ley	Mr Slipper
Mr Baldwin	Mr Forrest*	Mr Lindsay	Mr A. D. H. Smith
Mr Barresi	Mrs Gallus	Mr Lloyd	Mr Somlyay
Mr Bartlett	Ms Gambaro	Mr McArthur*	Dr Southcott
Mr Billson	Mrs Gash	Mr I. E. Macfarlane	Dr Stone
Mrs B. K. Bishop	Mr Georgiou	Mr McGauran	Mr C. P. Thompson
Ms J. I. Bishop	Mr Haase	Mrs May	Mr Ticehurst
Mr Brough	Mr Hardgrave	Mrs Moylan	Mr Tollner
Mr Cadman	Mr Hartsuyker	Mr Nairn	Mr Truss
Mr Cameron	Mr Hawker	Dr Nelson	Mr Tuckey
Mr Causley	Mr Hockey	Mr Neville	Mrs D. S. Vale
Mr Charles	Mrs Hull	Ms Panopoulos	Mr Wakelin
Mr Ciobo	Mr Hunt	Mr Pearce	Dr Washer
Mr Cobb	Mr Johnson	Mr Prosser	Mr Williams
Mr Costello	Mr Jull	Mr Pyne	Mr Windsor
Mr Downer	Mr Katter	Mr Randall	Ms Worth

NOES, 58

Mr Adams	Mr L. D. T. Ferguson	Mr Latham	Ms Roxon
Mr Albanese	Mr M. J. Ferguson	Mr McClelland	Mr Rudd
Mr Beazley	Mr Fitzgibbon	Ms J. S. McFarlane	Mr Sawford
Mr Bevis	Ms George	Ms Macklin	Mr Sciacca
Mr Brereton	Mr Gibbons	Mr McLeay	Mr Sercombe
Ms Burke	Ms Gillard	Mr McMullan	Mr Sidebottom
Mr Byrne	Ms Grierson	Mr Melham	Mr S. F. Smith
Ms Corcoran	Mr Griffin	Mr Mossfield	Mr Snowden
Mr Cox	Ms Hall	Mr Murphy	Mr Swan
Mrs Crosio	Mr Hatton	Ms O'Byrne	Mr Tanner
Mr Danby*	Ms Hoare	Mr B. P. O'Connor	Mr K. J. Thomson
Mr Edwards	Mrs Irwin	Mr G. M. O'Connor	Ms Vamvakinou
Ms Ellis	Ms Jackson	Mr Price	Mr Zahra
Mr Emerson	Mr Kerr	Mr Quick*	
Mr Evans	Ms C. F. King	Mr Ripoll	

* Tellers

And so it was resolved in the affirmative.

Mr Slipper presented reasons, which were circulated, and are as follows:

Reasons of the House of Representatives for disagreeing to the amendments of the Senate

Senate Amendment No. 1

This amendment provides for the Act to commence on the day after the day on which the Auditor-General provides a report to both Houses of the Parliament containing the results of an investigation into whether the objectives of the Act can be reasonably met by the appropriation provided for that purpose, together with a certification by the Auditor-General that the objectives can be so met.

The amendment is not sufficiently clear to ensure that the commencement date of the Act would be certain. This is not an appropriate function for the Auditor-General. The House of Representatives opposes this amendment.

Senate Amendment No. 2

This amendment changes the objects clause in the Bill to include the objects of providing independent advice to government on taxation administration and identifying systemic issues in taxation administration.

The amendment confuses the object of the Bill (in Clause 3) with the functions of the Inspector-General (in Clause 7). The House of Representatives opposes this amendment.

Senate Amendment No. 3

This amendment extends the scope of the Inspector-General's functions to include systems established by laws including tax laws, but only to the extent that the systems deal with tax administration.

The Inspector-General of Taxation Bill 2002 already gives the Inspector-General scope to review non-tax administrative systems of the Australian Taxation Office, including diesel fuel rebates and the Commissioner's role in administering Family Tax Benefit payments.

Since 'tax administration' is not defined in the Bill, it is not certain what this amendment will achieve. The Inspector-General will not be examining administrative systems of Commonwealth agencies other than the Australian Taxation Office.

The House of Representatives opposes this amendment.

Senate Amendments Nos 4 & 5

Amendment 4 removes the Minister's discretion to direct the Inspector-General of Taxation to conduct a review. Amendment 5 is a consequential amendment resulting from Amendment 4. The Inspector-General of Taxation is being established to strengthen independent advice to government on systemic tax administration issues. The House of Representatives opposes these amendments.

Senate Amendment No. 6

This amendment mandates consultation at least once a year with people including taxation professionals, groups or associations representing taxpayer interests, the Board of Taxation, and relevant parliamentary committees, to assist the Inspector-General in setting his or her work program.

The Bill already provides for the Inspector-General to undertake extensive public consultation for the purposes of reviews or determining whether a review should be undertaken. This amendment is ambiguous and unnecessary. The House of Representatives opposes this amendment.

Senate Amendment No. 7

This amendment provides that the Inspector-General must submit a copy of a report on a review to the Auditor-General, and authorises the Auditor-General to audit any matter the Auditor-General considers appropriate arising from the report.

The Inspector-General of Taxation Bill 2002 does not override any of the Auditor-General's statutory powers. The Auditor-General has very broad powers and could obtain any information from the Inspector-General considered necessary for an audit. The Bill also provides that the Inspector-General must consult with the Auditor-General at least once a year.

The amendment is unnecessary. The House of Representatives opposes this amendment.

Senate Amendment No. 8

This amendment provides that the Minister must cause a report under section 10 to be tabled in each House of the Parliament within 15 sitting days of that House after the day on which the Minister receives the report and make the report publicly available.

It is important that the Government retain the discretion as to how the Inspector-General's reports are handled. It would be irresponsible automatically to release reports that could generate uncertainty and speculation in the tax system. The House of Representatives opposes this amendment.

Senate Amendment No. 9

This amendment mandates a review of the operation, effectiveness and implications of this Act to be conducted, together with an assessment of the sufficiency or otherwise of the budgetary allocation for the office and functions of the Inspector-General of Taxation. The amendment also specifies when the review must be conducted and reported.

The Government has already made a public commitment to undertake a review of the efficiency and effectiveness of the office of Inspector-General within five years of the appointment of the first Inspector-General. In the meantime, the office is subject to the accountability procedures for all Commonwealth departments and agencies including, of course, Parliamentary scrutiny.

The House of Representatives opposes this amendment.

On the motion of Mr Slipper, the reasons were adopted.

17 MIGRATION LEGISLATION AMENDMENT (CONTRIBUTORY PARENTS MIGRATION SCHEME) BILL 2002

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 Ms Gillard (see item No. 6, page 729)*—

Debate resumed.

Mr Farmer addressing the House—

18 ADJOURNMENT

It being 7.30 p.m.—The question was proposed—That the House do now adjourn.

Debate ensued.

The House continuing to sit until 8 p.m.—The Speaker adjourned the House until tomorrow at 9 a.m.

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PAPERS

The following papers were deemed to have been presented on 12 February 2003:

Australian Meat and Live-stock Industry Act—Order—2002 Australian Meat and Live-stock Industry (Export of sheep from northern ports) Amendment (No. 1).

Environment Protection and Biodiversity Conservation Act—Instrument under subsection 303EC(1)(e), 20 November 2002.

Higher Education Funding Act—Determinations—
2002 No. T28.
2003 No. T9.

Income Tax Assessment Act 1997—Rules—2002 Refundable Film Tax Offset (Amendment No. 1 of 2003).

Navigation Act—Marine Orders—2003 Nos 1, 2.

ATTENDANCE

All Members attended (at some time during the sitting) except Mr Howard and Ms Livermore*.

* On leave

I. C. HARRIS
Clerk of the House of Representatives

2002-03

HOUSE OF REPRESENTATIVES
SUPPLEMENT TO VOTES AND PROCEEDINGS

No. 75

MAIN COMMITTEE

MINUTES OF PROCEEDINGS

WEDNESDAY, 12 FEBRUARY 2003

1 The Main Committee met at 9.40 a.m.

2 MEMBERS' STATEMENTS

Members' statements were made.

3 NEW BUSINESS TAX SYSTEM (CONSOLIDATION AND OTHER MEASURES) BILL (NO. 2) 2002

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.

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

Leave granted for the question on the report to be put forthwith.

Question—That the Bill be reported to the House without amendment—put and passed.

4 NEW BUSINESS TAX SYSTEM (VENTURE CAPITAL DEFICIT) BILL (NO. 2) 2002

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 the question on the report to be put forthwith.

Question—That the Bill be reported to the House without amendment—put and passed.

5 CUSTOMS LEGISLATION AMENDMENT BILL (NO. 2) 2002

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.

Suspension of sitting

At 11.23 a.m., a division having been called in the House, the proceedings were suspended.

Resumption of sitting

At 11.37 a.m., the proceedings were resumed.

Debate continued.

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

Leave granted for the question on the report to be put forthwith.

Question—That the Bill be reported to the House without amendment—put and passed.

6 IRAQ—MINISTERIAL STATEMENT—MOTION TO TAKE NOTE OF PAPER

The order of the day having been read for the resumption of the debate on the motion of Mr Abbott (Leader of the House)—That the House take note of the paper (*presented on 4 February 2003*) viz.:

Iraq—Ministerial Statement, 4 February 2003—*And on the amendment moved thereto by Mr Andren, viz.*—That the following words be added to the motion: “and insists that in the absence of specific, unambiguous and unanimous support of the five permanent members of the United Nations Security Council, Australian defence forces not be involved in any military action in Iraq”—*And on the amendment moved thereto by Mr McClelland to the proposed amendment, viz.*—That all words after “and” be omitted with a view to substituting the following words:

- “(1) condemns the Government for forward-deploying Australian troops to a potential theatre of war with Iraq in the absence of any United Nations authorisation and without revealing to the Australian people the commitments on which that deployment was based;
- (2) declares its opposition to a unilateral military attack on Iraq by the United States;
- (3) insists that the disarmament of Iraq proceed under the authority of the United Nations;
- (4) expresses its full support and confidence in our servicemen and women, while expressing its opposition to the Government’s decision to forward-deploy them;
- (5) expresses its total opposition to any use of nuclear arms and declares that Australian support should not be provided to any operation where such weaponry may be used; and
- (6) declares that it has no confidence in the Prime Minister’s handling of this grave matter for the nation”—

Debate resumed.

Suspension of sitting

At 12.55 p.m., the Deputy Speaker left the Chair.

Resumption of sitting

At 4.33 p.m., the Deputy Speaker resumed the Chair.

Debate resumed.

Suspension of sitting

At 5.27 p.m. a division having been called in the House, the proceedings were suspended.

Resumption of sitting

At 5.40 p.m., the proceedings were resumed.

Debate continued.

Mr Griffin addressing the Main Committee—

Closure moved

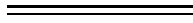
Mr Andren moved—That the question be now put.

Question—put and not being resolved—matter to be reported to the House.

7 ADJOURNMENT

On the motion of Mr Baird, the Main Committee adjourned at 7.17 p.m.

The Deputy Speaker fixed tomorrow at 9.40 a.m. for the next meeting of the Main Committee.



B. C. WRIGHT
Clerk of the Main Committee