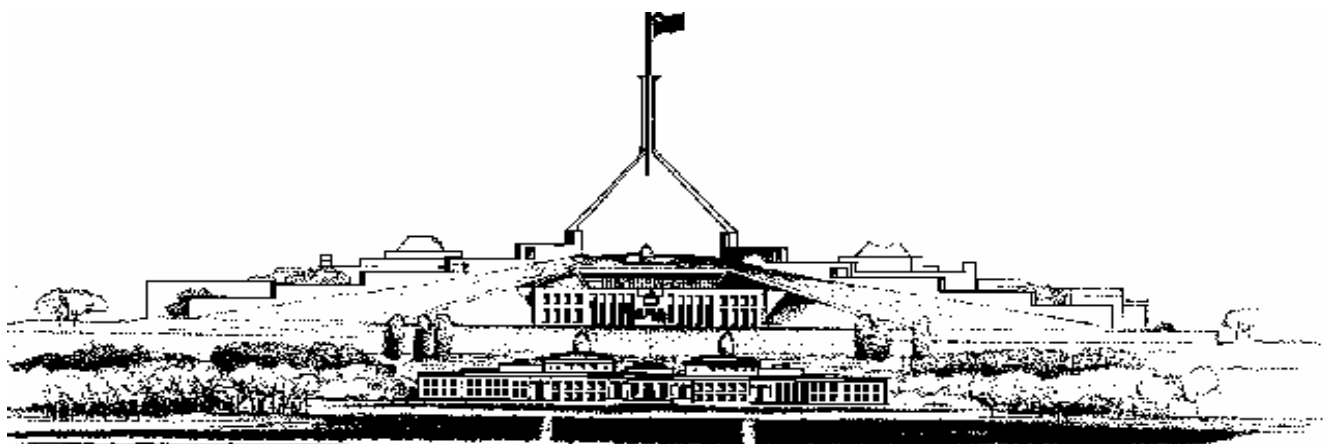




COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



House of Representatives

Official Hansard

No. 18, 2008

Thursday, 4 December 2008

FORTY-SECOND PARLIAMENT
FIRST SESSION—THIRD PERIOD

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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SITTING DAYS—2008

Month	Date
February	12, 13, 14, 18, 19, 20, 21, 22
March	11, 12, 13, 17, 18, 19, 20
May	13, 14, 15, 26, 27, 28, 29
June	2, 3, 4, 5, 16, 17, 18, 19, 23, 24, 25, 26
August	26, 27, 28
September	1, 2, 3, 4, 15, 16, 17, 18, 22, 23, 24, 25
October	13, 14, 15, 16, 20, 21, 22, 23
November	10, 11, 12, 13, 24, 25, 26, 27
December	1, 2, 3, 4

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

Governor-General

Her Excellency Ms Quentin Bryce, Companion of the Order of Australia

House of Representatives Officeholders

Speaker—Mr Harry Alfred Jenkins MP

Deputy Speaker—Ms Anna Elizabeth Burke MP

Second Deputy Speaker—Hon. Bruce Craig Scott MP

Members of the Speaker's Panel—Hon. Dick Godfrey Harry Adams MP, Hon. Kevin James Andrews MP, Hon. Archibald Ronald Bevis MP, Ms Sharon Leah Bird MP, Mr Steven Georganas MP, Hon. Judith Eleanor Moylan MP, Ms Janelle Anne Saffin MP, Mr Albert John Schultz MP, Mr Patrick Damien Secker MP, Mr Peter Sid Sidebottom MP, Hon. Peter Neil Slipper MP, Mr Kelvin John Thomson MP, Hon. Danna Sue Vale MP and Dr Malcolm James Washer MP

Leader of the House—Hon. Anthony Norman Albanese MP

Deputy Leader of the House—Hon. Stephen Francis Smith MP

Manager of Opposition Business—Hon. Joseph Benedict Hockey MP

Deputy Manager of Opposition Business—Mr Luke Hartsuyker MP

Party Leaders and Whips

Australian Labor Party

Leader—Hon. Kevin Michael Rudd MP

Deputy Leader—Hon. Julia Eileen Gillard MP

Chief Government Whip—Hon. Leo Roger Spurway Price MP

Government Whips—Ms Jill Griffiths Hall MP and Mr Christopher Patrick Hayes MP

Liberal Party of Australia

Leader—Hon. Malcolm Bligh Turnbull MP

Deputy Leader—Hon. Julie Isabel Bishop MP

Chief Opposition Whip—Hon. Alex Somlyay MP

Opposition Whip—Mr Michael Andrew Johnson MP

Deputy Opposition Whip—Ms Nola Bethwyn Marino MP

The Nationals

Leader—Hon. Warren Errol Truss MP

Chief Whip—Mrs Kay Elizabeth Hull MP

Whip—Mr Paul Christopher Neville MP

Printed by authority of the House of Representatives

Members of the House of Representatives

Members	Division	Party
Abbott, Hon. Anthony John	Warringah, NSW	LP
Adams, Hon. Dick Godfrey Harry	Lyons, Tas	ALP
Albanese, Hon. Anthony Norman	Grayndler, NSW	ALP
Andrews, Hon. Kevin James	Menzies, Vic	LP
Bailey, Hon. Frances Esther	McEwen, Vic	LP
Baldwin, Hon. Robert Charles	Paterson, NSW	LP
Bevis, Hon. Archibald Ronald	Brisbane, Qld	ALP
Bidgood, James Mark	Dawson, Qld	ALP
Billson, Hon. Bruce Fredrick	Dunkley, Vic	LP
Bird, Sharon Leah	Cunningham, NSW	ALP
Bishop, Hon. Bronwyn Kathleen	Mackellar, NSW	LP
Bishop, Hon. Julie Isabel	Curtin, WA	LP
Bowen, Hon. Christopher Eyles	Prospect, NSW	ALP
Bradbury, David John	Lindsay, NSW	ALP
Briggs, Jamie Edward	Mayo SA	LP
Broadbent, Russell Evan	McMillan, Vic	LP
Burke, Anna Elizabeth	Chisholm, Vic	ALP
Burke, Hon. Anthony Stephen	Watson, NSW	ALP
Butler, Mark Christopher	Port Adelaide, SA	ALP
Byrne, Hon. Anthony Michael	Holt, Vic	ALP
Campbell, Jodie Louise	Bass, Tas	ALP
Champion, Nicholas David	Wakefield, SA	ALP
Cheeseman, Darren Leicester	Corangamite, Vic	ALP
Chester, Darren	Gippsland, Vic.	Nats
Ciobo, Steven Michele	Moncrieff, Qld	LP
Clare, Jason Dean	Blaxland, NSW	ALP
Cobb, Hon. John Kenneth	Calare, NSW	Nats
Collins, Julie Maree	Franklin, Tas	ALP
Combet, Hon. Gregory Ivan, AM	Charlton, NSW	ALP
Costello, Hon. Peter Howard	Higgins, Vic	LP
Coulton, Mark Maclean	Parkes, NSW	Nats
Crean, Hon. Simon Findlay	Hotham, Vic	ALP
Danby, Michael David	Melbourne Ports, Vic	ALP
D'Ath, Yvette Maree	Petrie, Qld	ALP
Debus, Hon. Robert John	Macquarie, NSW	ALP
Dreyfus, Mark Alfred, QC	Isaacs, Vic	ALP
Dutton, Hon. Peter Craig	Dickson, Qld	LP
Elliot, Hon. Maria Justine	Richmond, NSW	ALP
Ellis, Annette Louise	Canberra, ACT	ALP
Ellis, Hon. Katherine Margaret	Adelaide, SA	ALP
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Ferguson, Hon. Laurie Donald Thomas	Reid, NSW	ALP
Ferguson, Hon. Martin John, AM	Batman, Vic	ALP
Fitzgibbon, Hon. Joel Andrew	Hunter, NSW	ALP
Forrest, John Alexander	Mallee, Vic	Nats
Garrett, Hon. Peter Robert, AM	Kingsford Smith, NSW	ALP
Gash, Joanna	Gilmore, NSW	LP

Members of the House of Representatives

Members	Division	Party
Georganas, Steven	Hindmarsh, SA	ALP
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Georgiou, Petro	Kooyong, Vic	LP
Gibbons, Stephen William	Bendigo, Vic	ALP
Gillard, Hon. Julia Eileen	Lalor, Vic	ALP
Gray, Hon. Gary, AO	Brand, WA	ALP
Grierson, Sharon Joy	Newcastle, NSW	ALP
Griffin, Hon. Alan Peter	Bruce, Vic	ALP
Haase, Barry Wayne	Kalgoorlie, WA	LP
Hale, Damian Francis	Solomon, NT	ALP
Hall, Jill Griffiths	Shortland, NSW	ALP
Hartsuyker, Luke	Cowper, NSW	Nats
Hawke, Alexander George	Mitchell, NSW	LP
Hawker, Hon. David Peter Maxwell	Wannon, Vic	LP
Hayes, Christopher Patrick	Werriwa, NSW	ALP
Hockey, Hon. Joseph Benedict	North Sydney, NSW	LP
Hull, Kay Elizabeth	Riverina, NSW	Nats
Hunt, Hon. Gregory Andrew	Flinders, Vic	LP
Irons, Stephen James	Swan, WA	LP
Irwin, Julia Claire	Fowler, NSW	ALP
Jackson, Sharryn Maree	Hasluck, WA	ALP
Jenkins, Henry Alfred	Scullin, Vic	ALP
Jensen, Dennis Geoffrey	Tangney, WA	LP
Johnson, Michael Andrew	Ryan, Qld	LP
Katter, Hon. Robert Carl	Kennedy, Qld	Ind
Keenan, Michael Fayat	Stirling, WA	LP
Kelly, Hon. Michael Joseph, AM	Eden-Monaro, NSW	ALP
Kerr, Hon. Duncan James Colquhoun, SC	Denison, Tas	ALP
King, Catherine Fiona	Ballarat, Vic	ALP
Laming, Andrew Charles	Bowman, Qld	LP
Ley, Hon. Sussan Penelope	Farrer, NSW	LP
Lindsay, Hon. Peter John	Herbert, Qld	LP
Livermore, Kirsten Fiona	Capricornia, Qld	ALP
McClelland, Hon. Robert Bruce	Barton, NSW	ALP
Macfarlane, Hon. Ian Elgin	Groom, Qld	LP
McKew, Hon. Maxine Margaret	Bennelong, NSW	ALP
Macklin, Hon. Jennifer Louise	Jagajaga, Vic	ALP
McMullan, Hon. Robert Francis	Fraser, ACT	ALP
Marino, Nola Bethwyn	Forrest, WA	LP
Markus, Louise Elizabeth	Greenway, NSW	LP
Marles, Richard Donald	Corio, Vic	ALP
May, Margaret Ann	McPherson, Qld	LP
Melham, Daryl	Banks, NSW	ALP
Mirabella, Sophie	Indi, Vic	LP
Morrison, Scott John	Cook, NSW	LP
Moylan, Hon. Judith Eleanor	Pearce, WA	LP
Murphy, Hon. John Paul	Lowe, NSW	ALP
Neal, Belinda Jane	Robertson, NSW	ALP
Nelson, Hon. Brendan John	Bradfield, NSW	LP
Neumann, Shayne Kenneth	Blair, Qld	ALP

Members of the House of Representatives

Members	Division	Party
Neville, Paul Christopher	Hinkler, Qld	Nats
Oakeshott, Robert James Murray	Lyne, NSW	Ind
O'Connor, Hon. Brendan Patrick John	Gorton, Vic	ALP
Owens, Julie Ann	Parramatta, NSW	ALP
Parke, Melissa	Fremantle, WA	ALP
Pearce, Hon. Christopher John	Aston, Vic	LP
Perrett, Graham Douglas	Moreton, Qld	ALP
Plibersek, Hon. Tanya Joan	Sydney, NSW	ALP
Price, Hon. Leo Roger Spurway	Chifley, NSW	ALP
Pyne, Hon. Christopher Maurice	Sturt, SA	LP
Raguse, Brett Blair	Forde, Qld	ALP
Ramsey, Rowan Eric	Grey, SA	LP
Randall, Don James	Canning, WA	LP
Rea, Kerry Marie	Bonner, Qld	ALP
Ripoll, Bernard Fernand	Oxley, Qld	ALP
Rishworth, Amanda Louise	Kingston, SA	ALP
Robb, Hon. Andrew John, AO	Goldstein, Vic	LP
Robert, Stuart Rowland	Fadden, Qld	LP
Roxon, Hon. Nicola Louise	Gellibrand, Vic	ALP
Rudd, Hon. Kevin Michael	Griffith, Qld	ALP
Ruddock, Hon. Philip Maxwell	Berowra, NSW	LP
Saffin, Janelle Anne	Page, NSW	ALP
Schultz, Albert John	Hume, NSW	LP
Scott, Hon. Bruce Craig	Maranoa, Qld	NP
Secker, Patrick Damien	Barker, SA	LP
Shorten, Hon. William Richard	Maribyrnong, Vic	ALP
Sidebottom, Peter Sid	Braddon, Tas	ALP
Simpkins, Luke Xavier Linton	Cowan, WA	LP
Slipper, Hon. Peter Neil	Fisher, Qld	LP
Smith, Hon. Anthony David Hawthorn	Casey, Vic	LP
Smith, Hon. Stephen Francis	Perth, WA	ALP
Snowdon, Hon. Warren Edward	Lingiari, NT	ALP
Somlyay, Hon. Alexander Michael	Fairfax, Qld	LP
Southcott, Andrew John	Boothby, SA	LP
Stone, Hon. Sharman Nancy	Murray, Vic	LP
Sullivan, Jonathan Harold	Longman, Qld	ALP
Swan, Hon. Wayne Maxwell	Lilley, Qld	ALP
Symon, Michael Stuart	Deakin, Vic	ALP
Tanner, Hon. Lindsay James	Melbourne, Vic	ALP
Thomson, Craig Robert	Dobell, NSW	ALP
Thomson, Kelvin John	Wills, Vic	ALP
Trevor, Chris Allan	Flynn, Qld	ALP
Truss, Hon. Warren Errol	Wide Bay, Qld	Nats
Tuckey, Hon. Charles Wilson	O'Connor, WA	LP
Turnbull, Hon. Malcolm Bligh	Wentworth, NSW	LP
Turnour, James Pearce	Leichhardt, Qld	ALP
Vale, Hon. Danna Sue	Hughes, NSW	LP
Vamvakinou, Maria	Calwell, Vic	ALP
Washer, Malcolm James	Moore, WA	LP
Windsor, Anthony Harold Curties	New England, NSW	Ind

Members of the House of Representatives

Members	Division	Party
Wood, Jason Peter	La Trobe, Vic	LP
Zappia, Tony	Makin, SA	ALP

PARTY ABBREVIATIONS

ALP—Australian Labor Party; LP—Liberal Party of Australia;
Nats—The Nationals; Ind—Independent

Heads of Parliamentary Departments

Clerk of the Senate—H Evans
Clerk of the House of Representatives—IC Harris AO
Secretary, Department of Parliamentary Services—A Thompson

RUDD MINISTRY

Prime Minister	Hon. Kevin Rudd, MP
Deputy Prime Minister, Minister for Education, Minister for Employment and Workplace Relations and Minister for Social Inclusion	Hon. Julia Gillard, MP
Treasurer	Hon. Wayne Swan MP
Minister for Immigration and Citizenship and Leader of the Government in the Senate	Senator Hon. Chris Evans
Special Minister of State, Cabinet Secretary and Vice President of the Executive Council	Senator Hon. John Faulkner
Minister for Finance and Deregulation	Hon. Lindsay Tanner MP
Minister for Trade	Hon. Simon Crean MP
Minister for Foreign Affairs	Hon. Stephen Smith MP
Minister for Defence	Hon. Joel Fitzgibbon MP
Minister for Health and Ageing	Hon. Nicola Roxon MP
Minister for Families, Housing, Community Services and Indigenous Affairs	Hon. Jenny Macklin MP
Minister for Infrastructure, Transport, Regional Development and Local Government and Leader of the House	Hon. Anthony Albanese MP
Minister for Broadband, Communications and the Digital Economy and Deputy Leader of the Government in the Senate	Senator Hon. Stephen Conroy
Minister for Innovation, Industry, Science and Research	Senator Hon. Kim Carr
Minister for Climate Change and Water	Senator Hon. Penny Wong
Minister for the Environment, Heritage and the Arts	Hon. Peter Garrett AM, MP
Attorney-General	Hon. Robert McClelland MP
Minister for Human Services and Manager of Government Business in the Senate	Senator Hon. Joe Ludwig
Minister for Agriculture, Fisheries and Forestry	Hon. Tony Burke MP
Minister for Resources and Energy and Minister for Tourism	Hon. Martin Ferguson AM, MP

[The above ministers constitute the cabinet]

RUDD MINISTRY—*continued*

Minister for Home Affairs	Hon. Bob Debus MP
Assistant Treasurer and Minister for Competition Policy and Consumer Affairs	Hon. Chris Bowen MP
Minister for Veterans' Affairs	Hon. Alan Griffin MP
Minister for Housing and Minister for the Status of Women	Hon. Tanya Plibersek MP
Minister for Employment Participation	Hon. Brendan O'Connor MP
Minister for Defence Science and Personnel	Hon. Warren Snowdon MP
Minister for Small Business, Independent Contractors and the Service Economy and Minister Assisting the Finance Minister on Deregulation	Hon. Dr Craig Emerson MP
Minister for Superannuation and Corporate Law	Senator Hon. Nick Sherry
Minister for Ageing	Hon. Justine Elliot MP
Minister for Youth and Minister for Sport	Hon. Kate Ellis MP
Parliamentary Secretary for Early Childhood Education and Childcare	Hon. Maxine McKew MP
Parliamentary Secretary for Defence Procurement	Hon. Greg Combet AM, MP
Parliamentary Secretary for Defence Support	Hon. Dr Mike Kelly AM, MP
Parliamentary Secretary for Regional Development and Northern Australia	Hon. Gary Gray AO, MP
Parliamentary Secretary for Disabilities and Children's Services	Hon. Bill Shorten MP
Parliamentary Secretary for International Development Assistance	Hon. Bob McMullan MP
Parliamentary Secretary for Pacific Island Affairs	Hon. Duncan Kerr MP
Parliamentary Secretary to the Prime Minister	Hon. Anthony Byrne MP
Parliamentary Secretary for Social Inclusion and the Voluntary Sector and Parliamentary Secretary Assisting the Prime Minister for Social Inclusion	Senator Hon. Ursula Stephens
Parliamentary Secretary to the Minister for Trade	Hon. John Murphy MP
Parliamentary Secretary to the Minister for Health and Ageing	Senator Hon. Jan McLucas
Parliamentary Secretary for Multicultural Affairs and Settlement Services	Hon. Laurie Ferguson MP

SHADOW MINISTRY

Leader of the Opposition	The Hon Malcolm Turnbull MP
Shadow Treasurer and Deputy Leader of the Opposition	The Hon Julie Bishop MP
Shadow Minister for Trade, Transport, Regional Development and Local Government and Leader of The Nationals	The Hon Warren Truss MP
Shadow Minister for Broadband, Communications and the Digital Economy and Leader of the Opposition in the Senate	Senator the Hon Nick Minchin
Shadow Minister for Innovation, Industry, Science and Research and Deputy Leader of the Opposition in the Senate	Senator the Hon Eric Abetz
Shadow Minister for Infrastructure and COAG and Shadow Minister Assisting the Leader on Emissions Trading Design	The Hon Andrew Robb AO, MP
Shadow Minister for Foreign Affairs and Manager of Opposition Business in the Senate	Senator the Hon Helen Coonan
Shadow Minister for Finance, Competition Policy and Deregulation and Manager of Opposition Business in the House	The Hon Joe Hockey MP
Shadow Minister for Energy and Resources	The Hon Ian Macfarlane MP
Shadow Minister for Families, Housing, Community Services and Indigenous Affairs	The Hon Tony Abbott MP
Shadow Special Minister of State and Shadow Cabinet Secretary	Senator the Hon Michael Ronaldson
Shadow Minister for Human Services and Deputy Leader of The Nationals	Senator the Hon Nigel Scullion
Shadow Minister for Climate Change, Environment and Water	The Hon Greg Hunt MP
Shadow Minister for Health and Ageing	The Hon Peter Dutton MP
Shadow Minister for Defence	Senator the Hon David Johnston
Shadow Minister for Education, Apprenticeships and Training	The Hon Christopher Pyne MP
Shadow Attorney-General	Senator the Hon George Brandis SC
Shadow Minister for Agriculture, Fisheries and Forestry	The Hon John Cobb MP
Shadow Minister for Employment and Workplace Relations	Mr Michael Keenan MP
Shadow Minister for Immigration and Citizenship	The Hon Dr Sharman Stone
Shadow Minister for Small Business, Independent Contractors, Tourism and the Arts	Mr Steven Ciobo

[The above constitute the shadow cabinet]

SHADOW MINISTRY—*continued*

Shadow Minister for Financial Services, Superannuation and Corporate Law	The Hon Chris Pearce MP
Shadow Assistant Treasurer	The Hon Tony Smith MP
Shadow Minister for Sustainable Development and Cities	The Hon Bruce Billson MP
Shadow Minister for Competition Policy and Consumer Affairs and Deputy Manager of Opposition Business in the House	Mr Luke Hartsuyker MP
Shadow Minister for Housing and Local Government	Mr Scott Morrison
Shadow Minister for Ageing	Mrs Margaret May MP
Shadow Minister for Defence Science and Personnel and Assisting Shadow Minister for Defence	The Hon Bob Baldwin MP
Shadow Minister for Veterans' Affairs	Mrs Louise Markus MP
Shadow Minister for Early Childhood Education, Childcare, Status of Women and Youth	Mrs Sophie Mirabella MP
Shadow Minister for Justice and Customs	The Hon Sussan Ley MP
Shadow Minister for Employment Participation, Training and Sport	Dr Andrew Southcott MP
Shadow Parliamentary Secretary for Northern Australia	Senator the Hon Ian Macdonald
Shadow Parliamentary Secretary for Roads and Transport	Mr Don Randall MP
Shadow Parliamentary Secretary for Regional Development	Mr John Forrest MP
Shadow Parliamentary Secretary for International Development Assistance and Shadow Parliamentary Secretary for Indigenous Affairs	Senator Marise Payne
Shadow Parliamentary Secretary for Energy and Resources	Mr Barry Haase MP
Shadow Parliamentary Secretary for Disabilities, Carers and the Voluntary Sector	Senator Cory Bernardi
Shadow Parliamentary Secretary for Water Resources and Conservation	Senator Fiona Nash
Shadow Parliamentary Secretary for Health Administration	Senator Mathias Cormann
Shadow Parliamentary Secretary for Defence	The Hon Peter Lindsay MP
Shadow Parliamentary Secretary for Education	Senator the Hon Brett Mason
Shadow Parliamentary Secretary for Justice and Public Security	Mr Jason Wood MP
Shadow Parliamentary Secretary for Agriculture, Fisheries and Forestry	Senator the Hon Richard Colbeck
Shadow Parliamentary Secretary for Immigration and Citizenship and Shadow Parliamentary Secretary Assisting the Leader in the Senate	Senator Concetta Fierravanti-Wells

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Thursday, 4 December 2008

The SPEAKER (Mr Harry Jenkins) took the chair at 9 am and read prayers.

VALEDICTORIES

Mr RUDD (Griffith—Prime Minister) (9.01 am)—Mr Speaker, on indulgence: one of the great conventions of this parliament is what we refer to as valedictories. For those who are listening to this debate and are not familiar with this convention: it is about the fact that we all in this place, the parliament of the nation, seek in our own way to work for the national good and, as we move towards the Christmas season and a time of rest and reflection with our families, friends and loved ones, it is an occasion when we can legitimately extend good wishes to all people no matter what side of politics they are on and no matter what their role may be in this place and wish them all rest and recuperation for the year ahead. This has been a big year for the government, and I am sure it has been a big year for the opposition. We are all realistic enough to know that 2009 will be even bigger, given the challenges that are faced around the world. The importance of rest and recuperation for all members is underlined by that fact, as it will be for all families across this nation of ours.

I begin this valedictory speech by reflecting first and foremost on our troops in the field, whether they be in Iraq, Afghanistan, the Sudan, the Middle East, the Solomons, Timor Leste or elsewhere. Last time I saw the numbers, we had some 3,000 Australians abroad. They come from military bases and service communities across the country. Given that a lot of these service men and women have little kids, not being with their kids at Christmas is a really hard thing. At this particular time we reflect on that aspect of service life which is very personal, very intimate, and therefore very important for all

of our men and women in uniform in the field.

I have said before and I say again that there is no higher calling in Australia than to wear the uniform of Australia. We salute the professionalism and the service of our troops in the field. Also at this time, particularly on this day when we say farewell to another one of our servicemen, we recall those who have paid the ultimate sacrifice. For those families Christmas has a particular and difficult significance because it is a time when one of their loved ones—their father, in the case of those who have died in Afghanistan—is no longer here. So we should strip away all the trials and tribulations which beset us in the workaday life of politics and think about those seven families whose dad is not here this year. It is a really hard thing for those families.

Christmas in the wider canvas presents similar difficulties for all families who have lost family members during the year. There is almost a double aspect to Christmas: a public celebration of the event for those of faith and those not of faith and at the same time a period of acute pain for those who have suffered family division, breakdown or the loss of loved ones. Let us all be out in our own communities extending in our own way the hand of friendship and solidarity to those for whom this is a very difficult time of year as well.

In terms of our own number here, I begin by extending my best wishes for Christmas to Malcolm Turnbull, his wife, Lucy, and their family. I hope they have a restful time over the summer break. I have been in the position that the Leader of the Opposition currently occupies. I know it has its own trials and tribulations. Therefore, I wish him and his family well for the break that is ahead of us all. As for the Manager of Oppo-

sition Business, Joe Hockey—Joe, you don't deserve a break!

Government members—Keep your clothes on, Joe!

Mr RUDD—Is there something I don't know about? Joe, you are loved and revered by many of us on this side of the House, which should cause pain and discomfort to those on your side of the House. We wish you as the Manager of Opposition Business and your very young family all the best for Christmas. It is a really important time when littlies are growing up. It is a real challenge for those in this House, not just the mums but the dads as well, to have their littlies in the most formative years of their lives separated for extended periods of time from their parents. This has a significant impact on the emotional fabric of family life. Therefore, this is a season to be grabbed with both hands to celebrate the enduring value and virtue of family. As I said recently in another context, all of us should remember that in this place we strut and fret our hour upon the stage and are heard no more but what is of enduring significance are our families, our friendships and our relationships. These are of great and eternal value.

To other members and senators on the opposition benches I extend also best greetings from Therese and our family and I hope that you with your families have a restful time over the break ahead. The arduous life which this parliament presents us all requires us all to take a breather and I hope that you are able to do so as well. If I could also turn my attention now to you, Mr Speaker, this has been your first year in the position. We on this side of the House hope that you, Harry, get a decent break as well. We know that this office presents particular challenges in terms of maintaining the sobriety of this House, particularly when you have someone as outrageous as Joe on the other side. Therefore,

maintaining the dignity and decorum of the office of the Speaker, despite the outrageous challenges to your authority, which occasionally arise, has been well discharged by you and we thank you for the professionalism with which you have discharged the office of Speaker.

Thanks also to the Deputy Speaker, Anna Burke, for conducting the office with good humour and good temper. My thanks as well to Tony Levy and the Parliamentary Liaison Office for the excellent work that they have done. I would also like to record my thanks to the enormous efforts of the 3,000 or so people who work in this place. It must be one of the larger workplaces in the country with 3,000 or so people in this one place who look after everything that goes on here each day in ways mostly invisible to us all and who make it possible for us to get on with the business of being parliamentarians. So through you, Ian, the Clerk of the House of Representatives, I extend my thanks to your staff, the Serjeant-at-Arms and the attendants.

The Parliamentary Library—an institution I have cruelly exploited in years past, and I am sure those opposite are now cruelly exploiting as well—is a great institution. It has often been the habit of incumbent governments to look askance at the activities of the Parliamentary Library, particularly when they do good work for oppositions. Can I just say the wheel turns for us all. This is a great institution which well serves the parliament because the debate here is much better shaped and had if it is properly informed. They are a fine group of men and women who do a very professional job for politicians on all sides of the political spectrum.

To the Hansard staff, some of whom have the challenge of lending dignity, grammar and cogency to the arguments put forward from this dispatch box and from elsewhere in

the parliament, all I can say is: well done. It is a challenge to render elegant that which has sometimes been rendered inelegantly. I would put on record my appreciation for their skill and their professionalism in lending to what we say in this place a higher form of art than would otherwise be the case. Not that I suggest that they ever change anything, but I appreciate the fact that grammar sometimes mysteriously appears and agreement and other things that we were taught in primary school suddenly are made manifest and clear when they may not have been as clear cut in the original delivery. My thanks to the Hansard staff, it is a great job that they do.

My thanks to the Table Office, the Parliamentary Relations Office, the HRG travel agents, the broadcasting staff, the IT support, the security guards, who have had some real challenges to deal with, the cleaning staff, the maintenance staff, the gardeners, the switchboard, the catering staff and our great Comcar drivers, who have to fit in with the fluctuating timetables of political life. Let us always remember that our Comcar drivers have families as well and it is a challenge for them to fit in with what we do here. My thanks to Comcar for the work that they have done for us in this year past because it has made our professional life more able to be done.

On the government side, I place on record my appreciation for my deputy, Julia Gillard. Julia has been a fantastic and loyal deputy during the course of this year and I cannot place more highly on record my appreciation for her work, both as Deputy Prime Minister and Minister for Education, Minister for Employment and Workplace Relations and Minister for Social Inclusion. Apart from all that, she is a really good person. She is part of the glue of the HMAS Labor government and I really appreciate the work that she has

done; it has been first class. I hope you have a decent break, Julia.

I also thank all members of the cabinet led by the Treasurer; Wayne has had a huge job on his hands this year. Whatever our partisan divides may be on the global financial crisis, I think those opposite would appreciate that the workload has simply gone up. It has been a tough old time simply dealing with the volume of that which is going on and dealing with matters which frankly have not been in the in-trays of Treasury for decades and decades and decades. This has been an extraordinary challenge for those of us who engage with those processes and the work on our side has been led by the Treasurer, Wayne Swan. I thank Wayne for his work and the excellent job that he has done in what has been a difficult year for the nation when it comes to the challenges delivered to us by the international economy.

To the other cabinet ministers, one and all, without naming them one by one I said on the public record a week or so ago how proud I am of each one of them, how proud I am of each one of the ministry and how proud I am of the parliamentary secretaries for the work that they have done as an executive. This has been an excellent team performance. For a new government coming in, a government which had been out of office for 12 years, I say sincerely and publicly here in the parliament how much I genuinely appreciate not just the collegiality of what has been done and the professionalism which has been displayed but also the extraordinary sense of team which has characterised the work of this government. I thank you one and all for it. The backbench is supposed to, 'Hear, hear!' at that point by the way!

I turn to other members of the Australian parliamentary Labor Party—the hear-hearing now ensues! As I said to them most recently in that most hallowed institution called the

caucus, the work that they have done with their constituencies and their members of parliament right across the country is very much appreciated by me.

The work of a member of parliament—and those opposite I am sure would agree with the proposition that I am putting—is an extraordinary range of duties. We range from being legislators as members of parliament, through being expositors of government or opposition messages through the mass media, through being the providers of pastoral care in our local communities, to a whole range of other functions as well. If you were to try and describe the duty statement of a member of parliament it would be a very hard thing to write down. And if it is a duty discharged well, it is also part of the essential glue which binds our local communities together. So to each member of my own parliamentary team and particularly the new members among us who have been learning as they have gone on during this first year, I say to you, one and all, what a great job you have done—and, to the continuing members, what a great job you continue to do—in supporting your local communities, your local schools, your local P&Cs, your local P&Fs, your local churches and charities, your local community organisations and your local employer associations. It has all been excellent work and it is work which must continue. In a strange way, having local community leadership like this is essential to bring together the often disparate elements which make up our local communities into something which is more than that. I appreciate therefore the leadership shown by members of parliament in so doing.

The Leader of the House: Albo. Could I thank Albo for having mastered the black arts of parliamentary process and brought distinction, competence, wit and wisdom to his role. Albo has done a great job as Leader of the House and I certainly want to extend

to him publicly my appreciation for the work that he has done. I think both he and Joe alone know—and those who have preceded them in these offices—how complex that position is in terms of ensuring that the business of the House is properly prosecuted. I would thank Albo for that and the fact that he is able to manage a very good working relationship with Joe in making sure that the business of parliament is properly conducted. So, Albo: well done.

Government members—Hear, hear!

Mr RUDD—A bit more vigour, please!

Mr Albanese—You'll all get a question!

Mr RUDD—Albo is now working on the question time pack. Could we now turn to that other place called the Senate and the role which is often equally invisible to those of us who understand the workings of this place but for whom the Senate is a foreign country and a distant planet with its own peculiar rules and procedures. I suppose, Bronnie, you would know how the Senate works more than most of us because you were one of its number. But to our own Senate leadership team, Chris Evans and Stephen Conroy: could I place on the record the appreciation which I have for the way in which they have discharged their job this year. With the change in the Senate numbers from 1 July, obviously the challenges for an incumbent government with a complex set of arrangements in the Senate require good and effective leadership, and I would like to place on record my appreciation for the work which both Chris and Stephen have done.

To the Chief Government Whip, Roger Price: well done, Roger.

Government members—Hear, hear!

Mrs Bronwyn Bishop—I've never seen him blush before!

Mr RUDD—Roger, as the years roll by, bears an increasingly uncanny resemblance

to Santa Claus, like Mal Washer! On our side of the House, Roger is seen with much genuine affection because all of us in this place as members of parliament from time to time have needed the support of the Whip when things go wrong on the family front or the home front and you have to disappear quickly, in how that is best accommodated administratively, and through the other rigours associated with the parliamentary life. So, Roger, you have been a genuine good shepherd and pastor to us all. Normally, you would associate the Whip's office with having the whip in the glass case hanging on the wall. In your gentle and genial manner, Roger, we suggest that you should replace it with a shepherd's crook. That is more to your style. It also gives you an opportunity to whack people with the end of it when it is needed!

Could I also refer to the work of the Australian Public Service. The Australian Public Service is an essential part of the fabric of Australia's public administration. We come and we go as members of this executive; the Public Service lasts forever. As many reflected at the time of the change in government in December last year—12 months ago yesterday, I think it was, the new government was sworn in—the fact that all that occurs in our system of government quickly and seamlessly is an extraordinary tribute to the way in which the Public Service have managed things since the heady days of 1901. The fact that we have had in that period of time 26 prime ministers and smooth transitions, with the notable exception of one in the mid-1970s, reflects well on our constitutional arrangements—but, within those constitutional arrangements, reflects particularly well on the role played by the Australian Public Service. To my own department, the Prime Minister's department, and the other principal departments of state I place on record my appreciation for their continued professional-

ism and for the professionalism which they displayed at the time of the seamless change in government.

I stand in the parliament as a representative of the Australian Labor Party, so it is important on an occasion like this to also extend our Christmas greetings to the Australian Labor Party national secretariat, now led by Karl Bitar, the National Secretary. Tim Gartrell, who recently stepped down from his role, has served the party well. We wish him well and we wish Karl Bitar well in his new position. We hope that they and other members of the secretariat enjoy a reasonable break—as we would encourage members of the Liberal Party secretariat to have an even longer break.

As for the staff of Labor members of parliament, could I say this. Each of us in this place as members of parliament are ably supported by those loyal soldiers to the cause who do all the work which makes our work as local members of parliament and the work of our ministerial staff possible. There are a large number of them. Those of us who have worked intimately in this place with the work done by staff over many years understand how much of the burden is actually shouldered by our staff. We in this place are often the public face of work which has been done by others, whether in the Public Service or by our private staffs, be they electorate staffs or ministerial staffs. Again on this occasion I would wish all those members of staff a very happy Christmas and that they take the opportunity to enjoy some rest and recreation over the summer break.

If I could turn to my own personal staff, I have to place on record my appreciation for the excellent work done by Alister Jordan, my Chief of Staff. I would also wish to acknowledge the work done by my previous Chief of Staff, David Epstein, and the great work and experience that he brought to bear

to the task when we were going through the period of transition to government. I wish him well for the future. To the other members of my own personal staff: as is often reported, we work long hours in the PMO, and I am uniquely to blame for that. So to all members of my staff—who should not be listening to this broadcast because they should have better things to do—can I say how much I appreciate their work and their dedication to the cause of what this government is on about. I really appreciate their friendship as well.

My electorate office staff—Gina Tilley, Sam Walker, Fleur Foster, Amy Cooper and Katrina Hicks—who take such a weight off my shoulders and assist in my local responsibilities back home in Brisbane, are the rock upon which my life in politics is built and they are a wonderful team. I pass my personal appreciation to them, as well as to the party members and volunteers who dedicate hours and hours of voluntary time to the work of my electorate office in the seat of Griffith, in Brisbane. I thank them.

Finally, it is at times like this, as I said earlier in my remarks, that we are reminded of the absolute importance of family. This job that I am doing as Prime Minister I could not do were it not for the support of my wife and my partner, Therese. Therese has been through the thick and the thin of it in the last year or two and I love her dearly, as she is a wonderful person. She makes life in this otherwise arduous profession bearable. To my wonderful kids: Jessica and her husband, Albert; Nicholas; and Marcus—I am still not used to being a father-in-law; I am not quite sure if anyone else has had that experience—they are also part and parcel of sustaining some humanity in the business of politics. They have been truly wonderful friends and supporters and integral to my life in this place. Also, to Abby and Jasper the cat: if they could make a New Year's resolution to

stop fighting in the new year, then I am sure we would all be in a much happier place.

As I said at the outset, 2008 has been a big year for everybody. There have been ups and there have been downs, and 2009 looms as a huge challenge for us all in this place and more broadly for the nation. We have had a debate in here from time to time about where the global financial crisis goes. It is going to affect a lot of people who will lose their jobs. That is the truth and it is an awful thing. It is happening right around the world. Whatever our policy debates may be about that, the other thing we need to be reminded of at a time like this is, through our own work in local community, to support people who find themselves in those positions in the period ahead. Agencies of state are important in delivering services to people who have lost their jobs and to the unemployed. Support and solidarity of the community around them is equally important, and I believe we all have a personal responsibility along those lines.

As we approach the Christmas season, there are often debates about Christmas being a Christian festival or a non-Christian festival in various parts of the world. I think the truth is this: whether we are of faith or not of faith, this is an important season for us all. For those of us who are of faith, it celebrates the birth of the Christ child. For those beyond faith it is a celebration for all families, and all therefore enjoy this season which lies ahead. Mr Speaker, all the best for Christmas, and to all members of this parliament and for all those who serve the members of parliament so represented.

Honourable members—Hear, hear!

Mr TURNBULL (Wentworth—Leader of the Opposition) (9.26 am)—I thank the Prime Minister for his very warm remarks of thanks, not simply to the members of the opposition or indeed the Manager of Opposi-

tion Business, who I think is still getting over the embarrassment of being singled out for such praise, but also to me and Lucy. I thank you, Prime Minister, for your kind remarks and on behalf of Lucy and my family convey to you, Therese and your children and family all the very best for Christmas.

This is, of course, the season of Christmas and we are celebrating the birth of Jesus, the birth of the man—the son of God—who established a faith that is as inspiring as it is mysterious, a faith that is based on love. This is truly, then, the season of love, and that is why families come together. It is why we come together to eat, for Christmas feasts, for lunches and dinners. We remember, too, that there is nothing more human than families coming together to share a meal. Indeed, the Eucharist is at the centre of our own faith, of our own liturgy—that sacred meal.

We should also remember that not all of the members of this House are members of the Christian faith. Indeed, I think it is important today to remember that a number of our colleagues around this time of year—around the Christmas season, if you like—will be celebrating the feast of Hanukkah, the Jewish festival. That is a festival of lights and it celebrates the indomitable nature of the Jewish people. It is important to note that at this time, because in the terrible events at Mumbai—that terrible terrorist attack in which two Australians were killed, one of whom was a leading citizen of my own community in Wentworth—the terrorists targeted a Jewish yeshiva and murdered a number of Jewish people there, including a rabbi. I know that when Jews around the world, including those who are our colleagues here, are celebrating the festival of lights and the indomitability of the Jewish people, they will have that terrible event in Mumbai in their minds and be reminded of their resilience and their resistance to terror-

ism wherever it may occur. So we wish them all the very best for this time as well.

The Prime Minister thanked all of the people who make life possible here: the Comcar drivers, the clerks—thank you. I thank you, Mr Speaker; your deputies, Anna Burke and Bruce Scott; and of course the members of the Speaker's panel, who stand in for you—not quite ever achieving your level of sophistication, Mr Speaker, but they strive. You set such a high benchmark for them to aspire to. The Prime Minister did well to thank all of those people. He thanked the Comcar drivers and the staff of the parliament. He thanked the staff of the Library. I will not go through the whole list again—I will adopt the Prime Minister's thanks—but I recall, for the House, my first interaction with the Parliamentary Library as a member of parliament in 2004. I was summoned in with all of the other new members, and the Librarian, austere and authoritative—Tony Burke is nodding; he remembers it—surveyed us as though we were a room of the dullest 11-year-olds imaginable. She said, 'Our job is to make you look intelligent.' She said it in a tone of voice that suggested she just might not be able to achieve it.

Ms Gillard—She did for Burkie!

Mr TURNBULL—The Deputy Prime Minister says, 'She did with Tony Burke.' It is the season of Christmas, Deputy Prime Minister, and I am sure you are right.

I thank my colleagues above all. Firstly, I thank my predecessor as Leader of the Opposition, Brendan Nelson. People say the job of Leader of the Opposition is the toughest job in politics. I do not know whether that is true or not—the Prime Minister might be in a position to express a view on that—but there is no doubt that Brendan Nelson took over this job at the toughest possible time, and he fulfilled that office with great distinction. He took our side of politics through a very diffi-

cult period and we owe him a great debt, and I am very pleased to record that here today. I also say thank you for the great support, loyalty, commitment and tireless effort that I have enjoyed from my deputy leader, Julie Bishop, and from Warren Truss, the Leader of the Nationals, our partners in the coalition.

Moving up to the other place, the place the Prime Minister described as being on a different planet—I would not have thought it was quite that far away—our leaders in the Senate, Senator Minchin and Senator Abetz, have also provided outstanding leadership. We must recognise that, while we naturally see this place as the centre of political action, nonetheless a lot of very hard work has been done in the Senate. They have been doing a lot of very hard work and a lot of very constructive work and I think we should thank them.

All of my colleagues, the shadow ministers, parliamentary secretaries and members of the backbench, have put in an outstanding year. It is very difficult moving from government to opposition, as honourable members on the government benches know. In fact, they have probably had some difficulties moving from opposition to government. But, nonetheless, this transition has been one that we have taken up. Our team has recognised that this adjustment from government to opposition requires us to remain constructive but, nonetheless, to hold the government to account. We have to recognise that we are working with diminished resources. This means everybody is closer to the coalface of policy development, without the support of the public service, among the other resources that are available to government. Through all of that our team has worked very hard.

The Prime Minister spoke very appropriately about the role of a member of parliament—and this applies whether you are the Prime Minister or the humblest backbencher.

You have a relationship with your community which is so intimate, so personal—that grassroots relationship. Speaking of somebody who has a marginal seat—quite a marginal seat, in fact—I am very familiar with the importance of remaining closely in touch with my community. All of us do that and it is one of the great assets, one of the great jewels, in our democracy that we have in this place 150 men and women who are directly connected to the Australians in their electorates. Every Australian can say, 'There is one person in the House of Representatives who represents me.' That is why, when school groups come into this place, I always say to the young people at the very outset: 'Remember this place belongs to you. It belongs to each and every one of you.' I also say, and it bears repeating today, 'Every member of this place, be they members of the House of Representatives or the Senate, is here for one purpose only, and that is to make Australia a better place for you to grow up in.' I then remind them that, from time to time, we do disagree. That is important; otherwise, when they look at question time, they will be in for a shock and might be upset. We do disagree: we disagree because we have a different view of how we should get there, but we are all committed to Australia as a stronger, more prosperous nation.

The Prime Minister spoke about our troops overseas and I concur with everything he said about them. When we send our soldiers overseas, they put their lives in harm's way for our sake. They wear our uniform, they fight under our flag. They take on enormous risks and it requires great skill, great commitment, but above all great courage.

This year we have said farewell and recorded our condolences in this House on the occasion of the deaths of six of our soldiers: Trooper Pearce, Sergeant Locke, Private Worsely, Lance Corporal Marks, Signaller

McCarthy and Lieutenant Fussell, whose funeral it is today. I say on behalf of the opposition, we thank all of the service men and women wherever they may serve and we thank again the commitment, the service and the sacrifice of the six men to whom we have said farewell this year, recognising that the battle against terrorism is one we cannot afford to lose and we must be relentless and stalwart in our fight against it. It is only by brave men and women putting their lives in harm's way for our sake that we can carry that battle on to success.

We have said farewell to other great Australians. This list cannot be exhaustive, obviously, but we have said farewell in this place to former members of the parliament: John Button, Clyde Cameron, Frank Crean—only yesterday—Peter Andren and of course Kim Beazley senior.

We have also said farewell to Sir Charles Court, who died aged 96. In so many ways, Sir Charles created modern Western Australia and in that sense made an enormous contribution to creating modern Australia and the prosperity we enjoy. I note what Kerry Stokes said of Sir Charles—I think it is very apt. He said:

The state's current economy is a reflection of Sir Charles's tireless contribution and firm initiative he developed while premier of WA.

Well said. You could not imagine modern Western Australia, that engine of growth, that dynamic state, without Sir Charles Court.

We also said farewell this year to a most remarkable man, a West Australian: Matt Price. What a loss to public life that was. Just as the librarians endeavour to make us look intelligent, Matt Price made us look funny, and he did it so well. We miss him greatly.

We also said farewell to Jane McGrath, whose struggle against cancer was as heroic as it was inspiring. Her death and the courage that she displayed in battling breast can-

cer raised awareness and consciousness about that disease to a new level. There are many Australians, I believe, whose lives will be saved because of the example and the awareness that she raised by her brave battle.

We have also said farewell to some members who have left the parliament: Mark Vaile—our former Deputy Prime Minister and Leader of the National Party, Minister for Transport and Regional Development, Minister for Agriculture, Fisheries and Forestry, an outstanding Minister for Trade and a great Australian. After 15 years of service, we said farewell to Mark.

We also said farewell to Peter McGauran, who was, for 25 years, a member of this House—former Minister for Science, minister for citizenship and minister for agriculture, where I worked very closely with him on water reform. I enjoyed our association enormously.

We lost Alexander Downer, who has retired. Alexander was a member of this House for 24 years. He was our longest serving foreign minister and was a Leader of the Opposition. Above all, he was one of the most amusing, wickedly witty, charming men that we would ever see in public life. Alexander's sense of humour is sorely missed, certainly by everybody on this side of the House and I suspect by a few on the other side as well.

The Prime Minister was very generous in his thanks to the Manager of Opposition Business and we thank him for that. I am not sure whether Joe Hockey does, but I agree with him that managing the business of this House is a very complex business and Joe has done an outstanding job. While we are not entirely convinced that Albo is quite up to Joe's standard, nonetheless, they work together very collaboratively and I am sure that, over time, they will reach a common peak of exceptional achievement.

It is interesting at this time of year that we speak so warmly of each other, and I will end my comments about the House before I say something about the Liberal Party and my staff and the people on our side of politics who make our work possible. I will just make this observation. The Prime Minister and I have both spoken very warmly of each other and warmly of both sides of politics and it is very good that we are doing that. It would be nice if we could do that more often. We are coming up to the new year; it is time for resolutions. I believe we would all do well, as we take some time off over the holiday period, to resolve to be a little more civil and a little less venomous in our discourse. I spend a lot of time, as we all do, travelling around Australia and the most common sentiment that is expressed to me by members of the public is: why are you all so nasty to each other? I say that, in the spirit of Christmas, we should aim to play the ball and less the man or, indeed, the woman.

The Prime Minister talked about his staff and all of us are supported by our staff. Just like the Clerk and the staff of the parliament make us appear orderly, the library makes us appear intelligent, so our staff enable us to appear competent and coherent. We all owe a great debt to our staff. They are the unsung heroes of politics because they do not get the psychic wage of being on television or standing up in House and giving speeches. They work hours just as long, they get subjected to just as much abuse and criticism but they are not up there in lights.

I thank all of our staff on the coalition side and I particularly note the two chiefs of staff I have had this year: Brad Burke, when I was shadow Treasurer, and Peta Credlin now that I am Leader of the Opposition. Brad Burke of course still plays an absolutely key role in our office as communications director and policy adviser.

We have had many other good members of staff whom I note: Paul Lindwall and Alex Robson on economics, Sally Cray and Tom Tudehope, keeping it all together both in terms of our communications and our logistics, and Kerry Pinkstone, who has recently joined us to head the electorate office. All of those people and many others have made an outstanding contribution without which none of our work, however well that may be regarded, would be possible.

Finally, I join the Prime Minister in saying farewell as we approach the end of the year. We should all resolve to be kinder to each other in the new year. That may be a pious hope but, nonetheless, it is worth making. I believe as we go into this spirit of Christmas that we should remember, as I said at the outset, that at the centre of the very mysterious Christian faith is a simple message of love. Let us not forget that. Prime Minister, happy Christmas!

Honourable members—Hear, hear!

APPROPRIATION BILL (No. 3)

2008-2009

Message from the Governor-General transmitting particulars of proposed expenditure and recommending appropriation announced.

First Reading

Bill and explanatory memorandum presented by **Mr Tanner**.

Bill read a first time.

Second Reading

Mr TANNER (Melbourne—Minister for Finance and Deregulation) (9.46 am)—I move:

That this bill be now read a second time.

I rise to introduce the Appropriation Bill (No. 3) 2008-2009. There are two additional estimates bills this year: Appropriation Bill

(No. 3) and Appropriation Bill (No. 4). I shall introduce the latter bill shortly.

The additional estimates bills seek appropriation authority from parliament for the additional expenditure of money from the Consolidated Revenue Fund in order to meet requirements that have arisen since the last budget. The total additional appropriation being sought through additional estimates bills No. 3 and No. 4 this year is \$3.1 billion, or about 4.1 per cent of total annual appropriations.

Turning to Appropriation Bill (No. 3), the total appropriation being sought this year is \$2.05 billion. This proposed appropriation arises from changes in the estimates of program expenditure due to variations in the timing of payments and forecast increases in program take-up, reclassifications and from policy decisions taken by the government since the last budget.

I now outline the major appropriations proposed in the bill.

AusAID will be provided with an additional \$157.2 million as part of the government's commitment to increase Australia's overseas development assistance over the longer term.

Of this amount, \$150 million will be contributed to the World Bank, as follows:

- \$50 million for the trust fund established to respond to the global food price crisis. This fund will be used to help stimulate agricultural production in developing countries adversely affected by higher global food prices. Activities supported by the multidonor trust fund will include improving access for small farmers to seed and fertiliser for the upcoming planting season; and
- \$100 million will be contributed to the Clean Technology Fund, which will offer development finance at highly concess-

sional rates for transformative investments in low-carbon technologies by developing countries in the transportation and power sectors and in energy efficient buildings, industry and agriculture.

AusAID will also be appropriated \$1.6 million to develop a policy framework that enables the government to rapidly deploy and sustain a trained civilian contingent in response to natural and man-made disasters in developing countries, and a further \$5.6 million, including some capital, for a facility in Indonesia that will promote increased co-operation in responding to disasters.

An additional appropriation of \$87.8 million is proposed for the Department of Defence to reimburse it for the cost of extending Australia's military participation in stabilisation and reconstruction activities in Iraq to 30 June 2009.

The Department of Defence will also be provided with \$153 million to meet additional costs arising from movements in the exchange rate, while an amount of \$29.4 million is proposed to cover unavoidable overspends on operations in the previous financial year, which are funded by the government on a no-win no-loss basis.

In addition, the Department of Defence will be provided with \$307 million to address pressures in a number of areas, including the Graded Other Ranks Pay Structure Review, superannuation, rental allowances and higher fuel costs. This funding is matched by reduced estimates for Defence in later years.

For the Department of Climate Change, an additional \$13.95 million is provided for a national advertising campaign to raise public awareness of climate change and the Carbon Pollution Reduction Scheme. The campaign is being conducted through print, radio and television advertisements, a new website and publications for schools and households. The

campaign aims to increase community understanding of the causes and impacts of climate change on Australia and to encourage participation in the development of the Carbon Pollution Reduction Scheme.

The government will provide an additional \$21.3 million to the Department of Health and Ageing, including \$3.9 million that has been reclassified from Appropriation Act (No. 2), to increase the number of organ donations and transplantations across Australia by implementing a comprehensive set of initiatives including:

- dedicated organ donation specialist doctors and other staff to work closely with emergency department and intensive care unit teams in selected public and private hospitals across Australia;
- additional staffing, bed and infrastructure costs associated with organ donations in hospitals;
- raising community awareness and building public confidence in organ donation and transplantation; and
- counselling and support of potential donor families.

As part of this package, the government will establish the Australian Organ and Tissue Donation and Transplantation Authority, which will commence on 1 January 2009. The authority will coordinate clinicians and other hospital staff dedicated to organ and tissue donation in hospitals across Australia, and will also oversee a new national network of state and territory organ and tissue donation agencies. Of the total appropriation proposed for the Department of Health and Ageing for this package, \$4.9 million will be set aside to fund the operations of the new authority.

The Department of Health and Ageing will also be provided with an additional \$7.5 million in 2008-09 to increase the number of

places available under the Prevocational General Practice Placements Program, which provides opportunities for junior doctors to gain clinical experience in primary care with the aim of encouraging them to take up general practice as a career. This amount will be funded by bringing forward unallocated funding from the Better Outcomes for Hospital and Community Health program from future years.

The government has agreed to return \$21.4 million to the diagnostic imaging industry as part of the recently expired memorandum of understanding between the Commonwealth and the industry. The MOU managed the delivery of Medicare funded diagnostic imaging services. This amount represents the estimated shortfall in expenditure on diagnostic services over the life of the agreement. An amount of \$11.4 million is proposed for the Department of Health and Ageing to return to the industry in 2008-09, while the balance will be returned next financial year.

The Department of Health and Ageing will also be appropriated an additional \$14.4 million to meet the costs associated with an increased uptake of the breast cancer drug Herceptin, provided under the Herceptin program.

The government will provide the Department of Human Services with an additional \$39 million for the Job Capacity Assessment program. The additional funding is required to meet higher than expected demand for assessments, and will provide for an additional 139,000 assessments to be undertaken in 2008-09.

The Department of the Environment, Water, Heritage and the Arts will be provided \$101 million to meet the increased demand for household rebates under the Solar Homes and Communities Plan. Of this amount, \$48.8 million will be brought forward from

2009-10, while \$52.2 million is additional funding. The program provides rebates of up to \$8,000 for the installation of solar power panels in homes and grants for up to half the cost of a two-kilowatt system for community buildings.

The government will provide \$61.6 million to assist small block irrigators in the Murray-Darling Basin affected by drought who wish to cease irrigation farming but stay on the farm. The program provides taxable exit grants of up to \$150,000 to eligible irrigators with permanent water entitlements of at least 10 megalitres, on properties of 15 hectares or less, who sell their water entitlements to the Commonwealth and cease irrigation farming. The program also provides two complementary taxable grants of up to \$10,000 each for advice and training, and removal of permanent plantings and other production related infrastructure.

Of the total amount proposed for this program, the Department of the Environment, Water, Heritage and the Arts will receive \$57.1 million. This will be funded by bringing forward an equivalent amount from 2009-10 from the Sustainable Rural Water Use and Infrastructure Program. In addition, the Department of Agriculture, Fisheries and Forestry will be provided with \$4.5 million, including \$4 million for Centrelink to deliver the program.

The government proposes to provide \$59.4 million to the Department of Agriculture, Fisheries and Forestry to meet commitments for which funding was provided last financial year, but because of program delays, payments cannot be made until the current year. Of this amount:

\$43.4 million is proposed to fund drought assistance grants to irrigators in the Murray-Darling Basin. Claims submitted under this program were not finalised by the end of

2007-08, and a reappropriation of unspent funding is required to clear the backlog.

\$16 million is proposed for the Tasmanian Community Forest Agreement to enable the department to meet commitments that were entered into in 2007-08.

An additional \$93.3 million is proposed for the Department of Innovation, Industry, Science and Research to meet the increased cost of the LPG vehicle scheme arising from additional customers who are expected to access the scheme in 2008-09. The LPG vehicle scheme is designed to encourage the uptake of LPG as an alternative transport fuel and to assist families facing high petrol prices.

The Department of Innovation, Industry, Science and Research will also receive an additional \$37 million for the Ethanol Production Grants program to meet an anticipated increase in expenditure due to the New South Wales government's two per cent ethanol mandate; expansions at the Manildra facility at Nowra and CSR's facility at Sarina; and a new ethanol production facility at Dalby.

The government will provide \$16.4 million in 2008-09 to implement the Automotive Industry Structural Adjustment Program. Of this total, \$7.9 million will be provided to the Department of Innovation, Industry, Science and Research to encourage automotive industry consolidation by providing targeted assistance to address some of the costs of mergers. This is aimed at minimising company closures and achieving economies of scale.

The program will also provide labour market structural adjustment assistance, under which the Department of Education, Employment and Workplace Relations will receive \$8.5 million to provide displaced workers with training and other assistance to get them into alternative employment. Assis-

tance will be available to workers who have been made redundant from 1 November 2008.

The Department of Education, Employment and Workplace Relations will also receive \$24 million in conditional funding to support the ongoing operations of loss-making centres currently operated by ABC Learning. This funding aims to provide certainty in the provision of child care at affected ABC Learning Centres until at least 31 December 2008.

The government proposes to reallocate \$99.4 million for the Department of Resources, Energy and Tourism to establish a global carbon capture and storage institute. The institute will accelerate the take-up of carbon-capturing projects by facilitating demonstration projects and identifying and supporting necessary research on related topics, including regulatory settings and regulatory frameworks. Funding in 2008-09 will be provided by the redirection of amounts from the National Low Emissions Coal Initiative, formerly known as the National Clean Coal Fund. This additional funding is also partially offset by savings in other programs.

The government will provide \$21.5 million in 2008-09 and \$83 million over four years to Australia's financial regulators to maintain the strength of Australia's financial system during the global financial crises.

This initiative will provide the Australian Prudential Regulation Authority with an additional \$9 million in 2008-09 to meet the increased demands being placed on it to undertake a range of additional supervisory services. The Australian Securities and Investments Commission will receive an additional \$10 million to undertake market monitoring and enforcement activities, while the Department of the Treasury will receive \$2.5 million to ensure Australia's regulatory environment continues to be world's best practice

and to pursue reform of the global financial architecture.

The government commissioned Sir Peter Gershon to undertake a review of the Australian government's use of information and communications technology, hereafter referred to as ICT. The government asked Sir Peter to consider, in particular, the efficiency and effectiveness of current ICT usage; whether the government is realising the greatest return from its investments in ICT; and the scope to increase agency ICT capability in order to alleviate pressures caused by ICT skill shortages.

The government has agreed to the review's recommendations and the Department of Finance and Deregulation will receive \$13.5 million in 2008-09 to implement them.

In addition, the government proposes to provide the Department of Finance and Deregulation with a total \$10.2 million, including \$6.1 million in capital funding, to establish a national intergovernmental telepresence system between the Commonwealth and the states and territories. The proposal will provide high-quality, secure telepresence video facilities connecting the Commonwealth and state and territory governments. The system will be used in inter-jurisdictional meetings, including Council of Australian Governments and ministerial council meetings.

The Department of Foreign Affairs and Trade will receive:

- an additional appropriation of \$18.8 million to account for the impact of foreign exchange fluctuations on its ability to make payments to both international peace-keeping organisations and other international organisations on behalf of the Australian government; and
- an additional \$28 million to ensure that work can commence on the construction

and fit-out of the Australian Pavilion at the Shanghai 2010 World Expo. Of this amount, \$16 million will be brought forward from 2010.

An amount of \$39.7 million is sought for the Department of Infrastructure, Transport, Regional Development and Local Government. Of this amount:

- \$8 million is proposed to endow a major university to establish a new centre of excellence for local government, to showcase innovation and best practice across local government and to encourage the wider adoption of innovative practices and solutions; and
- there is an additional \$25.1 million, which represents the reappropriation of unspent program funds from 2007-08 required to fulfil program commitments, including under the Regional Partnerships and Better Regions programs.

A total of \$11.8 million will be provided to the Attorney-General's Department to reimburse the department for costs incurred through the provision of services to the Indian Ocean and Jervis Bay Territories such as utilities, infrastructure and health services.

The appropriations that I have outlined so far are proposed to meet additional funding requirements that have arisen since the last budget. There is a further category of requirement for additional appropriation, referred to as a 'reclassification of appropriation', that is also proposed in Appropriation Bill (No. 3).

These amounts need to be re-appropriated to align the purpose of the proposed spending with the correct appropriation type. The additional appropriations are fully offset by savings against the original appropriations and thus do not lead to additional expenditure.

I now outline a number of material reclassifications proposed in Appropriation Bill (No. 3):

- The Department of Defence will be provided with \$278 million in departmental outputs appropriation to more correctly align its appropriations with its work program. This additional amount will be fully offset by reductions in its non-operating appropriations.
- The Department of Families, Housing, Community Services and Indigenous Affairs will be provided with \$70 million for the Australian Remote Indigenous Accommodation Program. This amount represents a reclassification of appropriation from the states, territories and local government item to allow the department to make payments directly to non-government organisations.
- The Bureau of Meteorology will be provided with \$20 million for the Modernisation and Extension of Hydrologic Monitoring Systems Program. This amount has been reclassified from payments to the states, territories and local government item to an administered expenses appropriation in Appropriation Bill (No.3) so that both public and private sector entities may participate in a merit based, competitive tender process for grants to assist modernisation and extension of their water resource monitoring systems.
- An additional \$23.7 million is included in Appropriation Bill (No. 3) for the Department of Education, Employment and Workplace Relations as a result of the government's decision to reclassify program payments relating to the National Skills and Workplace Development Agreement from special appropriations to an annual administered expenses appropriation. The reclassification will en-

able the department to continue to make payments for the National Training System.

The Department of Broadband, Communications and the Digital Economy will be provided with \$10 million of departmental outputs appropriation to meet the projected additional costs associated with the National Broadband Network project. This funding, which is for costs associated with the conduct and assessment of the request for proposal process, will be made available by reclassifying administered expense appropriations provided for the Connect Australia program.

The remaining amounts that appear in Appropriation Bill (No. 3) relate to estimates variations, minor reclassifications and other minor measures.

I would like to turn now to changes we propose for the Advance to the Finance Minister, known as the AFM. Section 14 of Appropriation Act (No. 1) 2008-09 enables the finance minister to provide additional appropriation when satisfied that there is an urgent need for expenditure, and the existing appropriation is inadequate.

Based on current indications, we expect demand for issues from the advance to be greater than the \$295 million provided in Appropriation Act (No. 1) and the \$380 million provided in Appropriation Act (No. 2). It is important that the government can maintain its ability to issue amounts from the advance in the event that there is an urgent need for expenditure. Accordingly, clause 13 of Appropriation Bill (No. 3) provides that, irrespective of the amounts issued from the advance, at the commencement of Appropriation Act (No. 3), the amount available to be issued will be restored to the original limit of \$295 million. A similar clause has been added to Appropriation Bill (No. 4) which will restore the limit to \$380 million.

In addition, a new clause is included in bills (No. 3) and (No. 4) providing that where amounts included in those bills have also been subject to an issue from the advance, for example, where an amount is determined after the additional estimates bills are finalised, then the appropriation in the bill will be reduced by the amount of the advance. This change will prevent appropriations for the same expenditure from both the advance and the bill.

In the last budget, the drafting of the legislation text contained in the appropriation acts was simplified to streamline certain provisions and remove redundant references. Those changes have also been made for the additional estimates bills.

These proposed improvements are canvassed in the explanatory memoranda.

I commend the bill to the House.

Debate (on motion by **Mr Randall**) adjourned.

APPROPRIATION BILL (No. 4) 2008-2009

Message from the Governor-General transmitting particulars of proposed expenditure and recommending appropriation announced.

First Reading

Bill and explanatory memorandum presented by **Mr Tanner**.

Bill read a first time.

Second Reading

Mr TANNER (Melbourne—Minister for Finance and Deregulation) (10.05 am)—I move:

That this bill be now read a second time.

Appropriation Bill (No. 4) provides additional funding to agencies for:

- expenses in relation to grants to the states under section 96 of the Constitu-

tion and for payments to the territories and local government authorities; and

- non-operating purposes such as equity injections and loans.

The total additional appropriation being sought in Appropriation Bill (No. 4) 2008-2009 is \$1.04 billion.

The principal factor contributing to the additional requirement since the 2008-2009 budget is a proposed increase of \$791.2 million in payments to the states, territories and local government authorities, the more significant of which I now outline.

The government proposes an additional appropriation of \$300 million for the Department of Infrastructure, Transport, Regional Development and Local Government for the Regional and Local Community Infrastructure Program. Of this amount, \$250 million will be distributed to local councils, with council and shire allocations based on a formula that recognises need and population growth. The balance of \$50 million will be invested in larger-scale local projects such as new sports stadiums, entertainment precincts and cultural centres that require a larger Commonwealth contribution of \$2 million or more. Funding under this element will be allocated on a nationally competitive basis, with projects assessed by the Department of Infrastructure, Transport, Regional Development and Local Government.

An amount of \$227.1 million is proposed for the Department of Agriculture, Fisheries and Forestry for drought assistance under the Exceptional Circumstances Interest Rate Subsidy program, of which:

- \$213.5 million will be provided for assistance for primary producers in regions that have been declared eligible for exceptional circumstances assistance; and
- \$13.6 million will be provided for continued support for small businesses with

up to 100 employees that are dependent on business from farmers in regions declared eligible for exceptional circumstances assistance.

An additional \$17.5 million is proposed for the Department of Education, Employment and Workplace Relations to improve access to childcare and early childhood services for Indigenous Australians. This funding will contribute to the establishment and operation of 15 new children and family centres in urban areas and will expand the government's contribution to the establishment and operation of 20 centres in rural and remote communities that have Indigenous populations.

An amount of \$17.5 million is proposed for the Department of Families, Housing, Community Services and Indigenous Affairs to further clarify roles and responsibilities in the disability sphere between the Commonwealth, states and territories by transferring relevant Disability Assistance Package funds. Of the total amount, \$12.6 million is transferred from the additional respite services for older carers to the states and territories, while \$4.9 million is transferred from targeted support funding, which will enable clients who are no longer suited to business services employment to transfer to state and territory run day service programs.

An amount of \$334.9 million is provided for the Department of the Environment, Water, Heritage and the Arts for the Water for the Future package. Of this amount, \$301.6 million will be made available by reclassifying administered expense appropriations provided for this program in Appropriation Act (No. 1), and \$33.4 million is brought into 2008-09 from 2007-08 and 2009-10 for the Living Murray Initiative. Of the overall amount:

- \$152.4 million will be provided as an administered asset item to fund the pur-

chase of water entitlements. This reclassification is based on advice from the Australian National Audit Office that water entitlements are intangible assets and should be funded by a non-operating appropriation; and

- \$182.5 million will be provided as a payment to the states, territories and local government item to permit direct program payments to the states.

Turning to other appropriations in the bill, the government will provide the Special Broadcasting Service Corporation with a loan of \$15 million, to be repaid over five years, to advance sports broadcasting rights payments and infrastructure works.

Finally, a reallocation of appropriation is proposed between agencies implementing the COAG endorsed Standard Business Reporting program. The Department of the Treasury will receive capital funding of \$11.8 million, matched by reductions in the Standard Business Reporting funding of other agencies, to reflect the actual implementation costs and workload share between agencies following an internal review of the program.

The remaining amounts that appear in Appropriation Bill (No. 4) relate to estimates variations, minor reclassifications and other minor measures.

Similar changes proposed for the Advance to the Finance Minister in bill No. 3 are proposed for Appropriation Bill (No. 4). As outlined in the second reading speech for bill No. 3, the changes will:

- restore the limit of the advance in Appropriation Act (No. 2) to \$380 million, upon commencement of Appropriation Act (No. 4); and
- prevent appropriations for the same expenditure from both the advance and the bill.

I commend the bill to the House.

Debate (on motion by **Mr Randall**) adjourned.

TAX LAWS AMENDMENT (TAXATION OF FINANCIAL ARRANGEMENTS) BILL 2008

First Reading

Bill and explanatory memorandum presented by **Mr Bowen**.

Bill read a first time.

Second Reading

Mr BOWEN (Prospect—Minister for Competition Policy and Consumer Affairs, and Assistant Treasurer) (10.11 am)—I move:

That this bill be now read a second time.

The Tax Laws Amendment (Taxation of Financial Arrangements) Bill 2008, or TOFA bill, introduces a comprehensive framework for the taxation of financial arrangements designed to reduce tax induced distortions to investment and financing, to facilitate efficient risk management and to reduce compliance and administration costs.

This bill is the final stage of the TOFA reforms which were first announced in the 1992 budget and have progressively been implemented with stage 1 legislated in 2001 and stage 2 in 2003. Stages 3 and 4 implemented by this bill were confirmed as important by Ralph review of taxation in 1999.

The bill will reduce tax distortions by generally ignoring the capital/revenue distinction and taxing financial arrangements based on economic substance rather than legal form. In order to align the tax treatment of economically similar financial arrangements, taxation on an accruals basis will become the standard treatment for many financial arrangements.

The bill will increase the post-tax efficiency and effectiveness of hedging and fa-

cilitate effective and efficient risk management by permitting alignment of character and tax timing of eligible hedging arrangements.

The bill will reduce the complexity of accruals calculations present in current tax rules on discounted and deferred interest securities, and will reduce compliance and administration costs by permitting close alignment between tax and accounting outcomes on an elective basis. The bill will allow eligible taxpayers to use results from their financial reports for tax purposes.

The TOFA rules will not be applied on a mandatory basis to individual and small business taxpayers, except where significant deferral of income is involved.

The TOFA rules will apply to taxpayers which are approved deposit-taking institutions, securitisation vehicles or entities that are required to register under the Financial Sector (Collection of Data) Act if their aggregated annual turnover is \$20 million or more. Superannuation funds and managed investment schemes will apply the rules if the value of their assets is \$100 million or more. Other taxpayers will apply the rules if their turnover is \$100 million or more, if the value of their assets is \$300 million or more, or if the value of their financial assets is \$100 million or more. Taxpayers who are not required to apply the TOFA rules may elect to apply the rules.

This is a significant bill which will provide some much needed certainty and coherence to the tax treatment of the taxation of financial arrangements.

The government has embarked on considerable consultation on these matters over the last 12 months, and there are a number of changes from the legislation the former government introduced just before the last election.

I thank the officers of the Treasury and all the interested parties who have been involved in the consultation.

Because this is a complex area of the law, the government intends to monitor the implementation of this reform of Australia's financial taxation system and will consider the need for any refinements going forward.

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

I commend the bill to the House.

Debate (on motion by **Mr Randall**) adjourned.

BROADCASTING LEGISLATION AMENDMENT (DIGITAL TELEVISION SWITCH-OVER) BILL 2008

First Reading

Bill received from the Senate, and read a first time.

Ordered that the second reading be made an order of the day for a later hour this day.

BUSINESS

Mr ALBANESE (Grayndler—Leader of the House) (10.15 am)—I move:

That standing order 31 (automatic adjournment of the House) and standing order 33 (limit on business) be suspended for this sitting.

Just to make some very brief remarks for the benefit of members, it would appear that the Senate is proceeding more slowly than would be desired, I think, by members of the House of Representatives. We have had essentially one bill per day dealt with this week. There are at least eight outstanding bills that have been carried by this House that are in the Senate. The government has a big agenda; the government has a mandate for that agenda. We will sit for as long as it takes to have that agenda adopted.

I will keep the House updated because I think it is certainly in the interests of members—and might I say also staff of the House

of Representatives and the parliament—that they be informed and are able to make arrangements. It is pretty clear that we will not be finishing at five o'clock today. It is highly likely that we will be here tomorrow for a short period of time and perhaps back next week. We will endeavour to make arrangements with the Manager of Opposition Business, who I would like to thank for his cooperation in these matters. We want the parliament to sit as is necessary to conduct the business of the House but not to sit unnecessarily in terms of time. So it is possible that we will adjourn for a period and come back later tonight and/or come back tomorrow morning as well. There is an open question then because of the time it takes to transmit bills between the houses of parliament.

I say to the Senate that there are costs involved. People should give proper consideration to ensuring that deliberations are conducted appropriately but in a way that is not one that takes unnecessary time but does not alter outcomes. I will update the House again on where we are up to around about question time or just afterwards. I thank the House.

Mr RANDALL (Canning) (10.19 am)—Just by way of clarification, and I am sure the Leader of the House has discussed this: if there is a sitting tomorrow, is it a continuation of today or is it a formal day as normal with a question time if we sit that long?

Mr ALBANESE (Grayndler—Leader of the House) (10.19 am)—That will be a decision that will be made. The discussions that I have had with senior members of the opposition, particularly the Manager of Opposition Business, have centred on a short period of sitting tomorrow to deal with the bills. That is the intention of the government—a short period of sitting; not extending parliament. I understand that members of both sides of the House would have made arrangements in their electorates later on tomorrow afternoon.

So the attempt will be made by the government, and I think with the cooperation of the opposition, to ensure that minimal extra time is spent in the House beyond that which is scheduled. I think that is in the interests of the House, certainly in the interests of the members, and I think will be to the relief of the parliamentary staff as well, whose consideration also has to be taken into account.

Question agreed to.

COMMITTEES

Privileges and Members' Interests Committee

Report

Mr RAGUSE (Forde) (10.21 am)—On 23 October 2008 one of the members of the Committee of Privileges and Members' Interests, the Chief Government Whip, raised with the Speaker in this chamber the fact that a newspaper published that morning had appeared to make an unauthorised disclosure of selected conclusions of the committee in relation to a matter referred to it for inquiry from the House. By way of clarification I note that the sequence of events was: the newspaper article was published, then the Chief Government Whip made his remarks in the House, and later the committee's report on the referred matter was presented—all on 23 October.

In accordance with the Speaker's request, the committee has since considered the matter of the newspaper article and I now inform the House of the result of those considerations. The committee reviewed the newspaper article and concluded that it contained an unauthorised disclosure taken from the confidential work in progress of the committee prior to the presentation of the committee's report to the House. The committee considers that it is a very serious matter that the committee of this House charged with the responsibility of considering complaints of breach of privilege or contempt was itself the

subject of an unauthorised disclosure of its work.

Fortunately, the committee was able to conclude that the unauthorised disclosure had no effect on the immediate inquiry conducted by the committee as the committee had already completed its considerations on the referred matter and adopted a final report prior to the unauthorised disclosure in that newspaper. Therefore, no further action is proposed on this occasion. However, the committee further concluded that, regrettably, the unauthorised disclosure may have adverse consequences for the way in which the committee conducts its work in the future. Accordingly, the committee has determined to take account of the particular circumstances of this unauthorised disclosure when conducting a review of its procedures as foreshadowed in a report presented to the House on 10 November 2008 entitled *Review of procedures of the committee*.

The majority of the committee also wishes to draw attention to the comments it has made in earlier reports on unauthorised disclosure of committee proceedings. It is noted that the House has the power to act against members or those responsible for disclosure should they be able to be identified as they are the persons most culpable. However, the committee has noted that, where necessary, the House has the power to proceed against those who knowingly publish unauthorised material contrary to the standing orders of the House. The committee also notes that section 7 of the Parliamentary Privileges Act 1987 provides for the imposition of penalties for such behaviour where it amounts to a contempt of the House by improperly interfering in the free exercise by a committee of its authority or functions as provided in section 4 of the act.

As a further item of business and as required by resolutions of the House, I table

copies of notifications of alterations of interest and statements of registrable interests received during the period 25 June 2008 and 3 December 2008.

Public Accounts and Audit Committee Report

Ms GRIERSON (Newcastle) (10.24 am)—On behalf of the Joint Committee of Public Accounts and Audit I present the committee's report entitled *Report 413: The efficiency dividend and small agencies: size does matter*.

Ordered that the report be made a parliamentary paper.

Ms GRIERSON—by leave—The efficiency dividend was introduced in 1987-88 to encourage productivity improvements in the public sector. Each year since, the public funding component of agencies' budgets has usually been trimmed by 1.25 per cent. For the 2008-09 year only the efficiency dividend was increased by an extra two per cent. In June the committee initiated an inquiry into the effects of the efficiency dividend on small agencies. We were concerned that after 20 years the dividend may be leading to reductions in services rather than genuine efficiencies in the case of many smaller agencies.

The evidence to us proved that these concerns are well founded. It is clear that, relative to large agencies, smaller agencies have difficulty in attracting funding for new policy proposals. We also heard repeated instances of small agencies being forced to reduce services or delay initiatives as a result of the dividend. Reducing functions in regional areas and a diminished capacity for innovation were two of the consequences of squeezing more and more out of agencies that are already suffering. While we accept that some sort of efficiency incentive is warranted, we are concerned about the unintended consequences for smaller agencies that have come

about as a result of the ongoing efficiency dividend.

To address these concerns we have made several recommendations. Firstly, we recommend additional safeguards in the budget process to reinforce the independence of the Auditor-General, the courts and the parliamentary departments from the executive. In the case of the Auditor-General, the committee has repeatedly expressed the view that the modest budget of the Australian National Audit Office is a cost-effective mechanism for identifying areas for better administration on behalf of the parliament and the people of Australia. The Audit Office is the frontline in ensuring government accountability and integrity, and the parliament is not served well by any reduction in its work program. The committee therefore recommends that, in addition to being adequately funded for other assurance activities, the Audit Office be funded to conduct a number of performance audits that are determined by the Auditor-General and endorsed by the committee. The actual number would be determined by the Auditor-General, but the committee notes that 50 performance audits per annum have been considered appropriate in recent years.

In relation to the parliamentary departments, we recommend that a parliamentary commission, co-chaired by the Speaker and the President and comprising elected representatives, be established to recommend funding levels for the parliamentary departments in each budget. We note that this would be consistent with practices in other jurisdictions, including Canada, the United Kingdom and New Zealand. We would like to see an advocate for our parliamentary departments. In relation to the courts, we propose that the Attorney-General establish an independent body to recommend funding levels for the Commonwealth courts. The courts should be treated as a separate portfo-

lio under the Attorney-General in the budget process and in the budget papers.

We found that many of Australia's major cultural institutions, including the Australian War Memorial, the National Gallery and the National Library, are being compromised in their capacity to grow their collections and to maximise public access, including through touring exhibitions and initiatives such as digitisation. There are a number of features that distinguish cultural agencies from other agencies. These agencies often hold a large number of valuable assets and have a high proportion of relatively fixed costs related to maintaining those collections and the buildings in which they are housed. Many of the cultural agencies' discretionary functions, such as travelling exhibitions, serve to benefit large numbers of regional and rural communities. Importantly, collecting institutions are also often subject to a mandate to grow those collections. We recommend that a new funding model be developed for cultural agencies. This model should recognise the importance of funding the mandate for growth and development of collections and the high proportion of their expenses apportioned to depreciation.

Finally, we recommend that the first \$50 million of all agencies' appropriations, excluding departments of state, should be exempt from the efficiency dividend and that this amount should be indexed. This would obviously provide proportionately higher relief for smaller agencies. For the sake of administrative simplicity, our preference is that there not be a threshold in an agency's budget to access this partial exemption. However, if the government wishes to impose a threshold, we suggest that departmental expenses of \$150 million or less would be an appropriate figure. Again, this amount should be indexed. We believe these recommendations, if adopted, will provide some

relief for smaller agencies at modest additional cost to the budget.

I thank my colleagues on the committee for their diligence during the inquiry and particularly the secretariat staff for their dedicated and professional service. I also thank those organisations and individuals who gave valuable evidence and I commend the report to the House.

The DEPUTY SPEAKER (Hon. BC Scott)—Does the member for Newcastle wish to move a motion in connection with the report to enable it to be debated on a future occasion?

Ms GRIERSON (Newcastle) (10.30 am)—I move:

That the House take note of the report.

The DEPUTY SPEAKER—In accordance with standing order 39, the debate is adjourned. The resumption of the debate will be made an order of the day for the next sitting.

Public Accounts and Audit Committee

Report: Referral to Main Committee

Ms GRIERSON (Newcastle) (10.30 am)—I move:

That the order of the day be referred to the Main Committee for debate.

Question agreed to.

Treaties Committee

Report

Mr KELVIN THOMSON (Wills) (10.30 am)—On behalf of the Joint Standing Committee on Treaties I present the committee's report entitled *Report 97: Treaties tabled on 16 September 2008*.

Ordered that the report be made a parliamentary paper.

Mr KELVIN THOMSON—by leave—*Report 97* contains the committee's findings on one treaty tabled in parliament on 16 September this year. The committee found the

treaty, a social security agreement with the Republic of Finland, to be in Australia's national interest.

This agreement is one of 23 social security agreements that Australia has concluded or is in the process of concluding with a range of countries. The agreement is designed to overcome barriers to pension payments arising from the domestic legislation of Australia and Finland. These barriers include requirements on citizenship, minimum contributions record, past residence record and current country of residence.

The agreement will provide enhanced access to retirement benefits in both countries and increased portability of these benefits. It will address gaps in social security coverage for people who have moved between Australia and Finland, help people to maximise their income and allow greater choice in where to live in their retirement years. Most of the approximately 2,000 people who will benefit from this agreement are age pensioners.

The agreement also addresses double coverage of superannuation. Employers in one country who send their employees to work in another country will be exempt from paying superannuation in the other country provided that they continue to make contributions in their home country. It is expected that around 400 Australian pensions will be paid into Finland as a result of the agreement and that some 1,800 people will receive a pension from Finland. These are pensions that would not be paid without this agreement being in place.

The committee has noted that the agreement will result in departmental costs of \$2.6 million in the period to 2011-12 but that it is also expected to save the department \$4 million in administered outlays. The committee considers that the agreement will provide economic and political benefits to Australia

as well as benefiting Australian and Finnish retirees and has recommended that binding treaty action be taken.

I thank my fellow treaties committee members and the treaties committee secretariat for their hard work on this and the many other treaties we have reported on this year, and I wish them all the best for Christmas and the new year.

FAIR WORK BILL 2008

Second Reading

Debate resumed from 3 December, on motion by **Ms Gillard**:

That this bill be now read a second time.

Mr HALE (Solomon) (10.33 am)—It is with a great deal of pleasure that I rise today to make my contribution to the debate on the Fair Work Bill 2008. This bill delivers on Labor's promises to sweep away Work Choices and to replace it with a fair workplace relations system. This bill builds on the Workplace Relations Amendment (Transition to Forward with Fairness) Act 2008, enacted in March, which ended the making of AWAs, introduced a genuine no disadvantage test for agreements and commenced award modernisation.

This bill provides a balanced framework of workplace rights and obligations that is fair to both employees and employers. It is easier to understand in terms of structure, organisation and expression and it reduces the compliance burden on business. A key feature of the Fair Work Bill is a fair and comprehensive safety net of employment conditions that cannot be stripped away. A new framework for fair enterprise bargaining is provided that includes the following features: no individual statutory agreements; employers must bargain collectively where a majority of employees desire this; arbitration is available where parties flout good faith bargaining obligations; and agreements can

deal with a much wider range of matters, including relationships between the employers and unions. Unfair dismissal rights have been reinstated. Unfair dismissal rights are now provided for the vast majority of employees, including high earners who are covered by awards and enterprise agreements. The bill also enhances protections from discrimination and of freedom of association and reinstates right of entry.

Fair Work Australia has an important role. Fair Work Australia will bring together seven existing agencies with integrated service delivery. Fair Work Australia is able to conciliate, mediate, call compulsory conferences and make recommendations on the application of one party. Fair Work Australia has an important role assisting parties with bargaining, especially in the low-paid stream, and in supervising industrial action and right of entry.

There is a clear contrast between the Fair Work Bill and the former Work Choices legislation. Work Choices allowed agreements to be slashed without the safety net. Fair Work Australia agreements cannot fall below the minimum wage at any time. Work Choices left awards to wither on the vine. Fair Work Australia reinstates awards as a fair and decent safety net of conditions, industry and occupation based. Work Choices gave no effective right to bargain collectively, whereas Fair Work Australia says employers must bargain collectively where the majority of employees desire this. Work Choices was about AWAs. Fair Work Australia states that there will be no individual statutory agreements; the focus is on collective bargaining at the enterprise. Unfair dismissal rights were slashed under Work Choices. Under Fair Work Australia, unfair dismissal rights for a vast majority of employees, including high earners, are covered by awards, with special provisions for small business employers with fewer than 15 em-

employees. Work Choices marginalised unions. Under Fair Work Australia, agreements can deal with the relationship between the employer and the union. Work Choices rendered the independent industrial umpire powerless. Fair Work Australia will be able to conciliate, mediate, call compulsory conferences and make recommendations on the application of one party.

We must never forget the examples of what occurred under Work Choices. Here are a few examples that were tabled in the Northern Territory parliament by then Minister Paul Henderson. A young fellow was working for a contractor in the construction business and was sacked without notice. He had spent two years as an apprentice electrician, essentially working on residential construction sites, wiring power points and fans. He had talked to a mate of his who worked for one of our major mining companies in the Northern Territory. Through a series of discussions, the mining company offered him work out at the mine for four to six months to get some industrial experience as an apprentice electrician. He went to his employer and said, 'I'd like the opportunity to spend four or six months working on a mine site to broaden my experience as I do my apprenticeship and get exposure to some different things.' His employer accused him of being disloyal and sacked him on the spot. His mother was in tears. She could not believe that this could happen in Australia to an 18-year-old kid. Work Choices was unfair and that was un-Australian.

Another example: after two months of work an employee was sacked without notice. At the time of the termination the employer alleged that the worker had been giving away goods for free and had stolen them. No complaint was ever made to the police and the employee was never given an opportunity to respond to the allegations. That is unfair. This is a final example. After a period

of six months of casual employment a worker was made permanent. Two months after being made permanent the employee's position changed. However, no change was made to his remuneration. The worker approached the manager to complain about bullying and intimidation from other employees towards him and another group of employees of a particular ethnic background. Following this, a direction came from management that only English was to be spoken in the workplace. One day later the employee was sacked. This bill is about fairness in the workplace—that is, about being able to legitimately raise concerns with your employer without fear.

The former government was out of touch not only with workers in this country but with modern workplaces. In Solomon I have wonderful business people. They are innovative people, hardworking people and committed people. They look after their workers. I have business people in my electorate who were insulted by the Work Choices legislation, and I had one say to me that he read Work Choices and then threw it in the bin. Progressive, modern businesses work very well with progressive, modern unions and hardworking and committed workers.

I commend the Prime Minister and the Deputy Prime Minister on the work they have put into this bill. I note the presence in the chamber today of the member for Maribyrnong and Parliamentary Secretary for Disabilities and Children's Services and acknowledge his long commitment to representing working men and women. He spoke in caucus—as did other people who have been doing that for a long time—and our Fair Work Bill was very much supported as the right way to go. Furthermore, I commend my colleagues who contributed to the bill through the caucus committee process. The members for Petrie and Deakin in particular put in an enormous effort to deliver fair and

just industrial reforms. That is what we on our side of the House do. We consult with all stakeholders and we negotiate, compromise and deliver. That is unlike those opposite, who failed to show adequate respect for workers, unions or business. I had a senior member of the Howard government ministry once say to me off the record that he did not know how bad AWAs were until his daughter brought one home.

In conclusion, this bill is a fair bill; it is a bill that delivers on the promises we made to the Australian people at the last election. It is a modern and progressive industrial reform package. It was done with transparency and full consultation with all stakeholders. It is a bill for all Australians. I congratulate the Your Rights at Work campaigners in Australia on their efforts. In this place we all want to make a difference. I say to those Your Rights at Work campaigners: you have. Australia must never forget the Work Choices legislation and must be reminded—and will be reminded for the next two years—that, if the Liberal Party were to regain government in two years time, Work Choices legislation would be back on the agenda. There are members opposite who continually defend it. They come into this place and they defend it at every opportunity. Some of them believe that it did not go far enough. I think the Australian public need to know that that is what they will face should they decide to reinstate a Liberal government in two years time. They would have to go back to fighting for their rights, fighting for their children's rights and fighting for their grandchildren's rights in the workplace. I encourage the Australian public never to give them the opportunity to do that again. I am very proud to commend the bill to the House.

Ms LIVERMORE (Capricornia) (10.42 am)—I am very pleased to have the opportunity to join with my colleagues in support of the Fair Work Bill 2008. And, of course, this

bill is the very reason why there are so many new Labor colleagues—and there are three here in the chamber with me right now—in the House. This is the law the Australian people and so many thousands of people in my electorate of Capricornia sent us here to vote for, to enact and to bring into effect in workplaces right around the country. I am very pleased to say that this bill builds on the Workplace Relations Amendment (Transition to Forward with Fairness) Act—enacted by parliament in March—which ended the making of AWAs, introduced a genuine no disadvantage test for agreements and commenced award modernisation. Now this Fair Work Bill goes further and it heralds a new and exciting era of workplace relations for Australia.

It is not only that. This bill puts behind us the former government's dreaded Work Choices legislation. The Fair Work Bill buries the extreme legislation introduced by the Howard government—introduced in an absolute show of arrogance, without any mandate—and it puts to an end the threats it represented for working families in this country. For example, there was the threat of lower pay and of losing entitlements like penalty rates and overtime. Those are the payments that workers rely on to keep their families afloat financially. There was the threat of losing your job for operational reasons—or, in other words, for any reason at all—or even for no reason if you worked in a business with under 100 employees. There was the threat of being forced onto an AWA, of signing away wages and award conditions without compensation.

For my electorate of Capricornia, I knew what a disastrous toll this would have on families and workers, especially young workers like the ones we heard the member for Solomon describe. It would affect people from hairdressers and childcare workers in town to mining workers in the Bowen Basin.

It would spell the demise of workers' rights while simultaneously knotting red tape around small business. In all, it was a piece of failed legislation from a failed government. Work Choices was rejected by the Australian people at the election last year because it was too extreme. It went too far against the ethos of a fair go, which has defined our national character for over a century.

So it gives me great satisfaction to speak as part of a government that is fulfilling its election commitment to bring back the fair go, to bring back balance into the workplace, to deliver workplace relations reform that is equitable, fair and progressive, and that is what the Fair Work Bill 2008 does. It builds on our policy statement ahead of the election last year, *Forward with Fairness*. This legislation fulfils our election promise to the Australian people and ratifies the mandate given to us by the public.

The bill delivers fairness and flexibility for Australian workers and their employers and it will also deliver greater productivity and engagement in the workforce at a time when the country needs it the most, at a time when such legislation can act as one of the many important building blocks to protect Australians from the global financial crisis and the economic challenges that we face in the coming months. As the Deputy Prime Minister, Julia Gillard, has already stated, the bill delivers the correct balance between employers and employees. It creates a system that is simple, straightforward and accessible. The contrast with Work Choices is obvious. This new system of workplace relations is set out in a piece of legislation half the size of the Work Choices legislation and without the level of complexity that saw workers and businesses trying to navigate their way around three different authorities and that saw unnecessary interference in the

relationship between employers and employees.

I will turn now to some of the key features of the Fair Work Bill. The main thing that I know Australians are looking for us to bring back is a fair and comprehensive safety net of employment conditions that cannot be stripped away. Under this legislation all workers in Australia will be covered by the National Employment Standards. These are legislated minimum standards that cannot be overridden by any other industrial instrument. The National Employment Standards set out 10 minimum standards and include, among other things, maximum weekly hours of work, parental leave, annual leave and long service leave. In addition, those workers earning less than \$100,000 per year will have the protection of modern awards. It is important to note that that \$100,000 figure will be indexed, and it has to be guaranteed earnings, so it does not include things like overtime or bonuses; it is the salary that you know you will be paid in any given year.

The modern awards will be made by Fair Work Australia on an industry or occupation basis and will provide conditions over a further 10 subject matters—things like minimum wages and classifications, overtime rates, penalty rates, allowances and superannuation. In contrast, Work Choices would have seen awards wither on the vine. We want them to be a robust and relevant part of the safety net. We want them to be reflective of changing community standards and to offer genuine improvements in working conditions. Under our system minimum wages will be adjusted annually and they will be adjusted according to economic and social factors. This is a genuine safety net, the kind of safety net that Work Choices ripped away, leaving workers insecure and ripped off.

Employers can enter into agreements with their employees, whether collective agree-

ments or common-law contracts, but those agreements must leave every employee better off overall than the applicable award and they cannot remove conditions of National Employment Standards and they cannot fall below minimum wages at any time. That is the kind of safety net that people in Australia are looking for and it is what this Fair Work Bill will provide.

Turning now to enterprise bargaining, over and above the safety net there is the opportunity for employers and employees to engage in collective bargaining at the enterprise level, to agree on arrangements that deliver rewards to workers in recognition of productivity improvements. This bill provides a framework for fair bargaining at the enterprise level. One feature of this system is that employers must bargain collectively where a majority of employees want to enter into a bargaining process. That is just logical and fair; no-one could argue with the fairness of that kind of democratic process. Employees' rights to be represented by their union must be respected.

This system relies on the parties bargaining in good faith, which is what we would expect to happen and what does happen in workplaces right around Australia each and every day. For those instances where good faith bargaining is not taking place, it is possible to go back to the independent umpire, Fair Work Australia, and obtain orders requiring parties to bargain in good faith—again, that is a fair and reasonable requirement of this legislation. Ultimately there is arbitration available where those good faith orders and the penalties attached to them are completely ignored, but, again, in the vast majority of cases that is not going to be the case. There is also multiemployer bargaining available. In those circumstances there is no protected industrial action and no protected action for pattern bargaining. There is the ability, for the first time, for low-paid work-

ers to get the assistance of Fair Work Australia to help them engage in the bargaining system and to get the rewards that they deserve for improved productivity.

Something that I know workers in my electorate will be looking for in this legislation is the return of decent and strong protection from unfair dismissal. Unfair dismissal rights are returned. There are special provisions made for workers in small business, trying to make the system for protecting workers' rights in those situations simple, accessible and not overly onerous on employers but still making sure that employees have appropriate protection.

There are also enhanced protections from discrimination and for freedom of association. In particular I want to mention that there is now a protection for carers against discrimination. Discrimination involving any conflict between their working role and their caring role is now prohibited. As a member of the House of Representatives Standing Committee on Family, Community, Housing and Youth, which inquired into the role of carers in Australia, I know that measure will be welcomed by people doing that wonderful job for their loved ones.

In conclusion, I remind the House, if we needed reminding, that the lesson of the last election tells us how important it is for governments to get workplace relations right—to make sure that workers are given the opportunity to work with their employers to find ways that they can work smarter and more productively, to find ways to contribute to the success and profitability of the organisation that they work for and for those efforts to be recognised and rewarded through appropriate wages and working conditions. It is government's job to create a framework that encourages and facilitates that cooperation in workplaces, to underpin the relationship between employers and employees with a

strong safety net and to provide a fair and reasonable mechanism to resolve disputes should they occur.

The hundreds of people who attended rallies and the dozens who stuffed envelopes and staffed street stalls in my electorate last year told me that the previous government got it wrong. I want to thank them for their support in the fight against Work Choices. It is in their name that I will be voting for this Fair Work Bill when I get the opportunity.

Ms COLLINS (Franklin) (10.53 am)—Thank you, Mr Deputy Speaker, for the opportunity to make a contribution on this important debate. I am pleased to rise in support of the Fair Work Bill 2008. I want to begin by congratulating the Deputy Prime Minister on the hard work that has gone into getting this bill into this place and also my colleagues on the important work they have done in preparing this legislation. This is a bill that reflects a modern Australia. It is a bill that restores the balance back into Australian workplaces. It is a bill that restores the rights of workers and flexibility for employers. The Fair Work Bill represents the Rudd Labor government delivering on yet another election commitment. This bill delivers on what we promised to the Australian people. They voted for change and a new industrial relations system. They wanted a future for their children and their grandchildren, a future that continues the Australian ethos of a fair go for all.

The Australian people knew that those opposite had gone too far with their successive waves of workplace reform. They knew it was time to put an end to the erosion of their rights. On this side of the House we listened to the Australian people because their concerns were real. They were concerned not only for their own working arrangements but also for their children and grandchildren's future. They knew that Work Choices had

swung the pendulum towards an ideology that did not sit well with them or the majority of Australians. People across the country were not prepared for the intensity of change and those opposite did not even have the courage to put their workplace reform to the Australian people. Work Choices was introduced by stealth.

On 2 November 2005 the then Minister for Employment and Workplace Relations, the member for Menzies, introduced the Workplace Relations Amendment (Work Choices) Bill 2005 into this place. In his speech he said the bill would:

... move Australia towards a flexible, simple and fair workplace relations system.

But we now know that this legislation was not flexible for workers, that it was highly complex and that it was extremely unfair. You only had to count the number of pages of material associated with the bill to gain an understanding of how complex those laws would be. There were 1,252 pages of legislation and 592 pages of explanatory material, regulations and supplementary materials. That is more than 1,800 pages in total.

The legislation was worse than anyone could have imagined. To put it bluntly, Work Choices was an appalling piece of legislation. In the government's rush to force through their legislation they forgot about the impact it would have on Australian society. It was deceitful how they talked up the so-called 'benefits'. Australian workers would be better off, they said; Australian workers would have more choice, they said; Australian workers would have better bargaining power, they said. In fact, the opposite was true. Working Australians learnt they would be forced to enter into a new industrial relations landscape that was foreign, complex, unfair and un-Australian. At the same time, their unfair dismissal laws were abolished. Working mums and dads learnt that without

rhyme or reason they could be sacked—unfairly dismissed—for no reason or for ‘operational reasons’.

This legislation introduced many Australians to the notorious Australian workplace agreements, or AWAs. We all know about the many AWAs whereby hardworking men and women lost penalty rates, holiday pay, shift allowances and other entitlements that are expected in a fair and reasonable society. AWAs divided workplaces. The safety net that was in place to protect workers on minimum wages was pulled out from under them. They were left to bargain—to negotiate on their own through a complex web of legislation and regulations. Awards were stripped, the ability to enterprise bargain was diminished, AWAs became the preferred option for employment arrangements and the powers of the independent umpire, the Industrial Relations Commission, were reduced immeasurably.

Around 10 months out from the 2007 election, the member for Menzies was replaced as workplace relations minister. It was then up to the member for North Sydney to sell Work Choices. The workplace laws had become somewhat of a lame duck. The Australian people had begun to see through the spin. The Australian people had the common sense and good judgement to understand that those opposite went too far. In fact, even after the election, the member for North Sydney confessed this and admitted to it publicly. One of the biggest mistakes those opposite made was to remove the no disadvantage test. This was a test to ensure that working Australians had access to a solid foundation of rights, that they were not worse off and that they were not exploited.

After five months or so, the alarm bells began to ring in the ears of those opposite. Their response was to drag the Australian people through another ‘tweaking’ of the

Work Choices legislation. But they could not bear to bring back the no disadvantage test in its original form, so instead they introduced their so-called ‘fairness test’. At the time there was an immense amount of public pressure to return to some form of safety net, but by this stage it was too late and the Australian people wanted change. Real fairness was what they were after; real fairness is what we promised. Work Choices was soundly rejected on 24 November last year by the Australian people. They gave the Rudd government a mandate to introduce fairness back into the workplace.

One year on, the Rudd government has delivered on that promise made to the Australian people. This is what the Fair Work Bill represents. Our bill is about restoring balance and fairness. It will once again guarantee a safety net of minimum wages and employment conditions that cannot be stripped away. The bill provides a new framework for enterprise bargaining that is based on the notion of good faith bargaining. It provides less regulation regarding content of agreements; there will be a streamlined process for the approval of the agreements. The agreements must also pass the ‘better off overall test’. The Fair Work Bill provides a new scheme of unfair dismissal protections for a vast majority of employees. No longer do employees have to worry about being dismissed for any reason without rights to challenge the dismissal.

There will also be 10 National Employment Standards that cover weekly hours of work, requests for flexible working arrangements, parental leave, annual leave, personal leave, carers leave, compassionate leave, community service leave, long-service leave, public holidays and other matters. The National Employment Standards represent a modern industrial relations system. Compassionate leave has been extended to casual employees, the carers leave provision has

been simplified and the number of paid carers leave days is no longer capped at 10 days per year. Reform measures such as these reflect our commitment to modern Australian working families. The new modern awards will cover 10 matters that will come into effect on 1 January 2010. They include minimum wages and classifications, types of employment, arrangements for when work is performed, overtime rates, penalty rates, annualised wages or salary arrangements, allowances, leave related matters and superannuation.

The bill provides for the establishment of Fair Work Australia. Fair Work Australia will act as a one-stop shop for information, advice and assistance on workplace issues by merging the functions currently performed across seven government agencies. Fair Work Australia will set minimum wages. It will have the ability to ensure good faith bargaining. It will be able to deal with industrial action, approve agreements and resolve disputes and matters of unfair dismissal.

It has been interesting to note the words and behaviour of those opposite since the introduction of this bill last week. They began with the Leader of the Opposition saying they would not oppose this bill, but we have learnt to watch what he does, not what he says, when it comes to policy. We have seen the members over there nodding in support of Work Choices and against this legislation. The truth we know is that the Liberal Party is still full of Work Choices believers and, if given half a chance, they would reintroduce it—or worse. They are not convincing the Australian public with their empty words, but rather people are watching and waiting on their actions.

I call on those opposite to support the millions of working Australian people who have proudly defended and earned their rights for more than a century. I call on those opposite

to support this bill. This bill returns a balance to the industrial relations system that both protects Australian workers and provides flexibility for employers. I am proud of this bill and I know that many working families living in my seat of Franklin will be pleased that fairness and balance have been returned to their workplaces. I commend this bill to the House.

Mr TREVOR (Flynn) (11.02 am)—I rise today to support the Fair Work Bill 2008. I do so with a great sense of pride. Of all the speeches I have delivered to this parliament in the past 12 months—and there have been many—this is the bill, this is the legislation, this is the fairness that I wanted to see introduced and passed by this parliament. This is the bill that restores balance and fairness back into the workplace, and this is the bill that the majority of my community, the Flynn electorate, voted for at the last federal election.

Defending workers' rights has been the cornerstone of my existence and is the main reason why I am standing here today delivering this speech to federal parliament as the first ever federal member for Flynn. In 1996, frustrated with the way in which workers' rights were being handled, I joined the Australian Labor Party to have a strong voice for them. Some 10 years later, I ran for and nearly won the seat of Gladstone, obtaining a swing of approximately 10 per cent on the back of standing up for my community and for workers' rights. That was in 2006. Shortly after that election was done and dusted, I gave an interview to the *Australian* newspaper warning the then Howard federal coalition government that workers' rights were very much a live issue. The then federal coalition government, in its wisdom, chose to ignore that advice.

In early 2007, when the now Prime Minister, Kevin Rudd, asked me to run for the seat

of Flynn, it was an easy decision. Apart from the fact that I believed that he would make a great leader, and he has, and apart from the fact that I wanted to deliver for my community, and I have, I dearly wanted to be part of a government that would get rid of that insidious piece of legislation, Work Choices—and we will. Some six months before the federal election, I took out an ad in the local newspapers. I have a copy of it in front of me. The title for all to see reads:

I suspect that the history books will show that in 2007 the great Australian tradition of mates sticking up for mates was still very much alive and well in Australia and that fairness in the workplace was paramount to preserve the dignity of the human spirit.

The rest is history. Mates did speak up for mates, and the Labor Party stuck up for workers.

This bill delivers on Labor's promises to sweep away Work Choices and to replace it with a fair workplace relations system. This legislation is about preservation of the dignity of the human spirit. When you strip away basic work entitlements like the previous government did, you tear away at the very heart of the human spirit. You take away from people their dignity, their self-respect, their honour, their pride, their ability to look after their partner and their ability to look after their children. That is what the Liberal-National Party did. The basic, fundamental right of a fair day's work for a fair day's pay was not something the Liberal-National Party had a right to take—it belonged to our forefathers who built this great nation of ours and fought so hard for fairness—yet the Liberal-National Party did. They sought to turn the clock back 100 years, to turn our great nation back to the serfs and the bourgeoisie, and they paid for their obnoxious behaviour at the ballot box. The last thing the working people of Flynn need is another Liberal-National Party gov-

ernment in the future reintroducing Work Choices, or a Liberal-National Party member of parliament who believes in taking away people's basic rights at work, their power of flight, their dignity and their self-respect.

This legislation takes us forward with fairness, something Labor promised to do and has done with this legislation. It vindicates and gives acknowledgement and thanks to all those who believed in Your Rights at Work: Worth Fighting For—for themselves, for their mates, for the children and for the grandchildren of Australia. To those who manned the booths for Your Rights at Work and for Labor in Flynn and who believed in a fair go: thank you. The Rudd Labor government has now returned the favour; it has honoured your hard work and commitment to a fair go.

This bill supports employees, families, businesses and the economy. As we know, the Liberal-National Party's extreme Work Choices laws took away workers' basic rights at work. The Liberal-National Party government, through Work Choices, removed conditions from awards, kept minimum wages low, used individual contracts to undercut rights, kept fair representation by unions out of workplaces, reduced workers' bargaining rights, slashed unfair dismissal laws, reduced the powers of the independent umpire and allowed the great divide between the rich and the poor to grow even wider. The Work Choices legislation was unjust, unfair, harsh, unconscionable and un-Australian. Today this legislation, our legislation for Forward with Fairness introduced by the Rudd Labor government, sends a clear message to all Australians that when the going gets tough you will be glad that you have got Labor on your side. The Rudd Labor government promised to the Australian people it would deliver and it has now delivered.

The bill, among other things, delivers on the government's commitment to establish a new and independent industrial umpire. It also delivers a fair and comprehensive safety net of minimum employment conditions; a system that has, at its very heart, bargaining in good faith at the enterprise level; protection from unfair dismissal for all employees; protection for the low paid; the ability to balance work and family life; and the right to be represented in the workplace.

Today is a great day for the mums and dads of Australia. Today is a great day for our kids and the kids of the future. No longer will workers be crushed under the Liberal-National Party's extreme ideology. Today is a bad day for the Liberal-National Party opposition and those greedy individuals and companies who ripped off workers under Work Choices because of greed or simply because they could. Greed is that infectious and insidious disease that was supported by the Liberal-National Party government and struck at the very heart of fairness for working families, and that now has culminated in the global financial crisis that threatens our very existence.

Today is a good day for working people, for those who give of their labour and just expect fair wages and a fair go in return. Shame on the Liberal-National Party government who put greed in front of the dignity of the human spirit. I congratulate the Rudd Labor government, of which I am proud to be a member standing here today, for its outstanding leadership on fairness in the workplace. I commend this bill to the House.

Ms REA (Bonner) (11.10 am)—Along with my colleagues, most recently the member for Flynn, I too rise to support the Fair Work Bill 2008, the very significant piece of legislation that we are discussing in the parliament today. Next week, on 10 December, the whole world will celebrate and acknowl-

edge the 60th anniversary of the Universal Declaration of Human Rights, a declaration made in 1948 and seen as one of the most significant documents that the international community has produced, possibly in living history and certainly in recent history. As we know, the Hon. Dr Evatt, a former Australian Attorney-General and significant legal and political leader in this country, was at the forefront of the signing of that declaration. Article 23 of that declaration says:

- (1) Everyone has the right to work, to free choice of employment, to just and favourable conditions of work and to protection against unemployment.
- (2) Everyone, without any discrimination, has the right to equal pay for equal work.
- (3) Everyone who works has the right to just and favourable remuneration ensuring for himself and his family an existence worthy of human dignity, and supplemented, if necessary, by other means of social protection.
- (4) Everyone has the right to form and to join trade unions for the protection of his interests.

It is such a shame that the previous government, when drafting some of the most draconian and extreme industrial relations legislation this country has ever seen, completely forgot or ignored article 23, an article that we as a nation have committed to for the past 60 years. It was thrown out for the Australian people when the Workplace Relations Bill and the Work Choices amendments were introduced into this parliament.

I am very proud to be elected to become a member of a government that has always acknowledged the significance of that particular article and to finally see in this parliament a restoration of the individual human rights of the working people of Australia as enshrined in the Fair Work Bill. I am very proud to be a supporter of the Deputy Prime Minister, whose hard work, whose incredible attention to detail and whose ability to nego-

tiate but ultimately come up with good, balanced outcomes has seen this bill come to the parliament just 12 months since the election of the Rudd Labor government. I pay tribute to her and my parliamentary colleagues who have been involved in the drafting of this bill.

We acknowledge the article and the words contained in it, which are a very eloquent and beautiful description of the rights of working people. I think the essence of what that article represents, and indeed what the Fair Work Bill restores, is that industrial relations and our industrial relations policies should not just value work; they should value workers. That is exactly what the Fair Work Bill does. It acknowledges that working people, those who labour to earn an income, are not just another cost measure in the profit-and-loss statements of a company, they are actually people who contribute significantly to the industrial, economic and social progress of this country. Individual people who work and are employed are people who deserve the dignity that goes with that employment, who deserve proper remuneration and who deserve to be acknowledged as valuable members of this community and not just as another unit cost in the balance sheet of various companies.

In the current climate, where we face one of the most significant global financial crises that this country has seen for many years, once again we appreciate that workers are not just there to add to the profit margin of a company. They are actually there as members of a community. They go out and spend, educate their children and buy goods and services. So a fair day's work for a fair day's pay is not just about acknowledging that individual contribution but is very important for the continued progress and growth of an economy. We cannot concentrate all the wealth in a small section of the economy and expect our overall economy to grow. We

need to ensure that all people within this country have sufficient means and income to purchase what they need to manage their daily lives, to do things like go on holidays and go out to restaurants and to buy take-aways and watch the occasional DVD—the means to buy the things that they enjoy as much as to simply cover their daily living expenses.

We know that governments across the world at this very point in time are all looking at ways in which they can stimulate spending within their domestic economies in order to buffer themselves against the current financial crisis. The Australian government under the leadership of Prime Minister Kevin Rudd has led the way in acknowledging that if you in fact boost spending within the country—if you provide a stimulus package that gives working families and people on fixed and low incomes the means to continue to purchase the goods and services that they need—that money goes around and benefits all of us in terms of ensuring continued growth and productivity.

What I think is most important about the Fair Work Bill is that it does not just acknowledge the value of workers and their right to a fair day's work for a fair day's pay. It is a bill that once again restores protection to the workers in this country who are most vulnerable. We all acknowledge that there are varying degrees of skill within the workforce and varying degrees of income. No matter how lowly skilled or low-paid a job may be, every worker in this country is vital to ensuring that we all continue to enjoy the prosperity that we do. So it is very important that a government, through an industrial relations policy and through its laws, should protect those that are most vulnerable. We see in this bill the introduction of a real safety net, a genuine safety net, through the National Employment Standards. We see in this bill the right to bargain for those workers, even

those on the lowest incomes and in the most vulnerable employment. For the first time they not only are protected by minimum standards but actually have the right to bargain collectively to improve their employment conditions and their rights at work.

An independent umpire is once again established with sufficient teeth to mediate and resolve disputes. This restores collective bargaining and good faith bargaining. No longer do we have a piece of legislation that is a mere sham when it talks about protecting the rights of those who are employed. No longer do we have legislation that pays lip-service to the importance of protecting everyone in the workforce, including those most vulnerable. We now have legislation that restores those legal rights with genuine requirements for mediation, for dispute resolution, for collective bargaining and for the protection of people on low incomes and in vulnerable jobs.

In the time that I have got left, I acknowledge that this legislation has come about as a result of an election commitment by the Rudd Labor government, and we have delivered. I also acknowledge the incredible community campaign that was run by the Your Rights at Work people throughout this country. Whilst the opposition has used the opportunity of this debate simply to bash unions and argue that this is somehow a piece of legislation to gain union power, it is actually a piece of legislation that acknowledges the groundswell of community opposition that existed under the previous legislation. It acknowledges that the people of Australia, through the Your Rights at Work campaign and ultimately through the ballot box, said that those draconian laws were unfair, attacked the very essence of the Australian spirit and did not reflect community attitudes towards work and the right to employment that people had previously enjoyed.

I am very pleased that through the Your Rights at Work campaign, particularly in my electorate of Bonner, the Australian people across the nation said: 'This is enough—no more! We will support this campaign because the values and the principles that are espoused about a fair day's work for a fair day's pay, the right to collectively bargain, the right to be represented by a union and the right to restore fairness and balance to industrial negotiations and disputes are an essential part of the Australian way of life, and that is what we will support.' So I want to put on record my congratulations to that community campaign. It was successful in electing a Labor government. But, more so, it was successful in restoring industrial justice to this country and to this parliament. I commend the bill.

Mr SULLIVAN (Longman) (11.22 am)—It is with an immense amount of pride that I rise to speak in support of the Fair Work Bill 2008. I say that because in all the time that I have belonged to the Australian Labor Party—and I joined on 11 November 1975—I have never been more proud of my party than I am today. This has been an extraordinary first year in government for the Labor Party. From the first-ever welcome to country that was extended to the parliamentarians here and the apology on the opening day of parliament through to the introduction of this bill, this Labor government has set about delivering on the commitments it made during the election campaign. It has been establishing the future of this country—a fair and equitable future for everybody—through, in particular, the education revolution and something that we had not anticipated at the time of the election but that has taken a lot of our time: combating the global financial crisis.

There have been many speeches preceding mine on this bill and, if I may be so bold as to introduce a little bit of modern culture, I

will quote from the Carole King song *So Far Away* and say:

One more song about movin' along the highway,
Can't say much of anything that's new ...

So it is with this speech; there is not a lot to be said. Members have canvassed the content of this bill very well. I would refer readers of my speech who want to find a really good explanation of this bill to the speech by the member for Charlton, Mr Combet, who has more than a little interest in the delivery of this legislation by the government.

This bill is the Australian working person's emancipation from the latter-day serfdom that was imposed upon them by the coalition's Work Choices legislation. We know that in feudal society serfs had a particular and specific place, and the legislation that this bill abolishes sought to do that with working Australians. This has been a long time in the making, and I have been particularly scornful over the years of the diminution of the relationship between working people and their employers. It started out that companies, in their dealings with the staff, did so through a department called the staff department, which then disintegrated into something impersonal called the personnel department and then something that I believe is quite inhumane called human resources. I think that members opposite, many large employers and, unfortunately, some small employers do not understand today that the job that they provide for a working person is that person's vehicle for their aspirations for a better life for themselves and for their families. That job provides for them not only their food and shelter but their education: the future of a whole range of people whom this country needs to have properly and beneficially developed if it is to meet future challenges well.

There is absolutely no doubt, it is very clear, that the Labor government has a man-

date for this legislation, despite what members opposite might say during their presentations on this bill. No lesser authority than the member for North Sydney, Mr Hockey, who, as the outgoing Minister for Employment and Workplace Relations, on 28 November 2007 was quoted in one of our august journals as having said:

Labor has an undeniable, overwhelming mandate to abolish Work Choices.

Of course, the member for North Sydney is not the only member opposite to have expressed similar sentiments. For example, I believe just yesterday that in the course of a personal explanation the member for Fisher, in correcting what he says was an erroneous report in a newspaper, was able to inform the House that in his view Labor's mandate to abolish Work Choices should be respected. So we have an overwhelming mandate, in the view of the member for North Sydney, that should be respected, in the view of the member for Fisher, who is my neighbour in Queensland. Also, earlier in this debate the member for Mayo made a few comments. The member for Mayo's DNA was all over the Work Choices legislation in a previous capacity as an adviser to the former Prime Minister. He had this to say:

... at least on this matter they put out a detailed policy, which is largely reflected in the bill before the House.

... ..

Labor is entitled to move the bill to ensure its commitments are met.

In contrast, of course, the member for Bendigo, in his contribution, and many others pointed out the fact that the introduction of the Work Choices legislation into this parliament happened without any mandate having been received.

The introduction of this bill gives cause to some lines from another popular song of the

sixties: *Little Red Rooster*, written by Willie Dixon:

... the dogs begin to bark,

And the hounds,

They begin to howl ...

That is what is happening from the members opposite, and I want the people of Australia to read the contributions made by the members opposite and to understand that a return to a coalition in this country will of necessity bring a return to the Work Choices legislation. They are Work Choices true believers. They are industrial fairness deniers. For example, if we were to look at the contribution made by the member for Kalgoorlie—now remember what the member for North Sydney and the member for Fisher said about the mandate—we would see that he describes this mandate as ‘perceived’ or ‘supposed’. The member for Kalgoorlie is a denier that there is a mandate to do anything all.

The member for Cowan indicated in his contribution to this legislation—and it was something that was said by many members, so I guess it is a little bit unfair to pick him out—that members opposite reserve the right to make amendments to the bill before the House. They reserve the right—I have never heard anything more ludicrous. They spent a whole term in government taking rights away from working Australians and they reserve the right for themselves to make amendments to the legislation that restores those rights to people. That is absolutely ludicrous, and they stand condemned for thinking that right is there for them.

Of course, the ministerial architect of Work Choices was the member for Menzies. He had to make a contribution, and that contribution was particularly illuminating. The member for Menzies initially chose to criticise organisations representing businesses in this country when he said:

Many small and medium businesses will come to see that they have been poorly served by those who lead their organisations.

And what had those who led their organisations done to deserve that from the member for Menzies? They said, ‘This is reasonable legislation and it should be passed.’ So said business organisations in this country. The member for Menzies went on to say:

Those who continue to believe in the individual and the national benefits of economic freedom will have to rejoin the struggle.

Which struggle might that be? The struggle to reintroduce Work Choices, I suggest, is what the member for Menzies is talking about. Being mindful of the time, I will just say that in November 2007 the people decided, and they decided that the member for Menzies was not the Messiah; he was just a very naughty boy.

Debate (on motion by **Ms Roxon**) adjourned.

NATIONAL SECURITY

Mr RUDD (Griffith—Prime Minister) (11.32 am)—by leave—I make a ministerial statement relating to national security.

Introduction

The first priority of government is the nation’s security. Consistent with this priority, I present to the House Australia’s first national security statement. This statement forms part of the government’s long-term reform agenda by setting out our national security policy framework for the future. The government’s reform agenda embraces the full scope of government responsibilities, including how we build:

- a more secure Australia given the complex array of national security challenges we face for the future;
- a stronger Australia given the long-term challenges to our economy;

- a fairer Australia given the levels of disadvantage that continue to exist among us; and
- an Australia capable of meeting the sweeping new challenges of the 21st century, including climate change.

Today is an historic day in the evolution of Australia's national security policy. For the first time, this country will have a coherent statement of the national security challenges facing Australia into the future, and of the comprehensive approach we propose to adopt in responding to those challenges. Australia cannot afford a short term, reactive approach to national security. Ours must be an integrated approach based on a clear-sighted view of our long term national security interests. Australia must be clear in its analysis of the threats we face, actively manage and address those threats, as well as seize the opportunities we have to enhance our overall national security environment for the future.

What is meant by national security? Freedom from attack or the threat of attack, the maintenance of our territorial integrity, the maintenance of our political sovereignty, the preservation of our hard won freedoms and the maintenance of our fundamental capacity to advance economic prosperity for all Australians.

This statement provides a strategic framework to drive policy development in the various departments of state with responsibilities for Australia's national security. It provides context for the defence white paper, which will detail the way forward for our defence over the next 20 years. It will inform a regular foreign policy statement to the parliament. It will shape the upcoming counter-terrorism white paper as well as guide the development of the government's first national energy security assessment. It incorporates the recommendations of the Homeland

and Border Security Review commissioned by the government earlier this year. In short, this statement begins the process of binding the detailed and diverse work of the national security community into a coherent, coordinated whole.

The need for a regular national security statement is clear, but it has been long overlooked. The global and regional order is now changing so rapidly that we must continue to reassess our evolving national security needs. We need periodically to adjust the lens through which we view the challenges to our security and the arrangements we establish to protect and advance our interests. This requires greater institutional agility than in the past. Increasing complexity and interconnectedness is a fact of life in the modern, global environment. Classical distinctions between foreign and domestic, national and international, internal and external have become blurred. At the same time, Australia is a regional power, prosecuting global interests.

The security environment that we face today and into the future is therefore increasingly fluid and characterised by a complex and dynamic mix of continuing and emerging challenges and opportunities. So, while our national security interests remain constant, Australia needs a new concept of national security capable of embracing and responding to the more complex and interconnected operating environment that we will face for the future.

The principles of Australian national security

Of course, not all security challenges we face are by definition national security challenges. Some, such as community safety and low-level criminality, quite properly fall outside the scope of national security. Our state and territory governments have constitutionally mandated responsibilities for these. This

distinction allows the Australian government to focus on clear and enduring security interests that transcend the scope of state and territory jurisdictional responsibilities. These include:

- maintaining Australia's territorial and border integrity.
- promoting Australia's political sovereignty.
- preserving Australia's cohesive and resilient society and the long-term strengths of our economy.
- protecting Australians and Australian interests both at home and abroad.
- promoting an international environment, particularly in the Asia-Pacific region, that is stable, peaceful and prosperous, together with a global rules based order which enhances Australia's national interests.

These interests are not only enduring, they are common to most countries that share our values and goals. These interests reflect the fact that nation-states continue to protect and promote their sovereignty, but do so in an increasingly interconnected and interdependent world. The government will strive to advance the national security interests outlined in this statement based on a number of enduring principles:

1. Australia will seek, wherever possible, to develop self-reliance across the range of relevant national security capabilities to ensure an effective contribution to our own security—and to the security of our friends and allies.

2. The United States alliance remains fundamental to Australia's national security interests—both globally and in the Asia-Pacific region.

3. As our security is linked inextricably to the security of our region, regional engagement is crucial. This includes strengthening

our bilateral relationships and effective engagement in regional institutions. It also means seeking to positively influence the shape of the future regional architecture in a manner that develops a culture of security policy cooperation rather than defaults to any assumption that conflict is somehow inevitable.

4. At the global level, we are committed to multilateral institutions, and in particular the United Nations, to promote a rules based international order that enhances our security and economy. We believe those that share the benefits of these systems must also share the responsibilities of supporting and enhancing them.

5. National security policy must also be advanced through the agency of creative middle-power diplomacy—an active foreign policy capable of identifying opportunities to promote our security and to otherwise prevent, reduce or delay the emergence of national security challenges.

6. Australia must also apply a risk based approach to assessing, prioritising and resourcing our national security policy across the defence, diplomatic, intelligence and wider national security community.

7. The Commonwealth must work in partnership with state and territory governments where our national security responsibilities coincide or necessarily complement each other in an increasingly interconnected operational environment.

Our national security interests must also be pursued in an accountable way which meets the government's responsibility to protect Australia, its people and its interests while preserving our civil liberties and the rule of law. This balance represents a continuing challenge for all modern democracies seeking to prepare for the complex national security challenges of the future. It is a balance that must remain a conscious part of the

national security policy process. We must not silently allow any incremental erosion of our fundamental freedoms.

National security challenges for the future

Today we live at the dawn of the Asia-Pacific century. With it comes the potential for fundamental change in the global order, resulting in both economic opportunities and potential security concerns for Australia. This is a century of crucial significance to Australia; this is a region of crucial significance to Australia. While the likelihood of conflict between the major powers is currently low, their interactions still largely shape the international order in which Australia must operate.

The government believes that the future strategic stability of the Asia-Pacific region will in large part rely on the continuing strong presence of Australia's closest ally, the United States. The most crucial relationship, in East Asia and globally, will be between the United States and China. For Australia, the relationships between China, the US and Japan will affect our security and our economy, given the importance to us of our relationships with each of these nations and the material impact on the wider region of any significant deterioration in the relations between them. The rise of India will also be an important new factor in the strategic stability of the Asia-Pacific region. India will need to respond to the growing threats of domestic terrorism and manage its relationship with Pakistan. Global growth, trade patterns and financial flows are also being increasingly shaped by India and other emerging powers. South-East Asia will continue to be of great national security interest to Australia because of geographic proximity and the processes of continuing political and economic change. This diverse range of countries will, over time, experience continued economic growth, development and im-

proving governance. But a number will also be faced by ongoing challenges of terrorism, insurgency and communal violence.

Australia will also continue to cooperate closely with New Zealand in the continuing security challenges faced by the island states of the south-west Pacific. This history of cooperation between Australia and New Zealand goes back to the ANZAC spirit forged in the trenches of World War I. Today our two nations continue to strengthen our cooperation, not just through combined military deployments to places such as Timor Leste, Solomon Islands and Tonga, but through a wide range of economic, diplomatic and security initiatives. In response to this changing landscape, we need to both help shape our region through constructive engagement as well as be prepared for any unforeseen deterioration in the strategic environment.

National security policy responses

Australia's national security policy builds on a number of enduring capabilities: first, an activist diplomatic strategy that is aimed at keeping our region peaceful and prosperous; second, making sure that we have an Australian Defence Force that is ready to respond when necessary, in a range of situations from combat operations to disaster relief; and, third, building and maintaining national security agencies and capabilities that work effectively together. It is in Australia's interests to be proactive about shaping the strategic environment in the Asia-Pacific, and our own future, through regional engagement. Our diplomacy needs to be pervasive, formative and influential and it needs to be resourced for the challenges that Australia faces now and into the future.

Our alliance with the United States will remain our key strategic partnership and the central pillar of Australian national security policy. Closer engagement with the US gives us the tools to better meet the security chal-

lenges of the future—both regional and global. The government has also decided to strengthen security policy cooperation with a number of regional partners including Japan, the Republic of Korea, Indonesia, Malaysia and Singapore. I have visited all of these countries and discussed opportunities for strengthening our security cooperation with them. The government also wishes to expand our security policy dialogue with China and our security policy cooperation with India.

We have proposed the development of an Asia-Pacific community by 2020 as a means of strengthening political, economic and security cooperation in the region in the long term. Many of the challenges we will face cannot be addressed by one country alone. Enhancing the regional architecture is an important step in working towards combined solutions. It is also about inculcating and institutionalising the habits of cooperation—as our friends in ASEAN have so successfully done over the years within their community.

In pursuit of our national interests, the government is committed to an Australian diplomacy that will be more activist than in the past—in the tradition of creative middle-power diplomacy. Australia's national security policy calls for diplomatic resources that are more in-depth and more diversified than currently exist. This must be built up over time. Given the vast continent we occupy, the small population we have and our unique geostrategic circumstances, our diplomacy must be the best in the world. The pursuit of Australia's international interests and the welfare of Australians abroad also require this commitment, given that at any one time there are about a million Australians abroad—many experiencing a growing number of security needs. These increasing challenges have not been adequately reflected in the historical resourcing of the Australian foreign service relative to comparable gov-

ernments around the world. Over time, this must change.

Creative middle-power diplomacy must be reinforced by a robust defence policy. The defence white paper is mapping the strategic terrain we will face out to 2030. It will include the emergence of new challenges, such as changing levels of military spending and capability in our region, as well as new threats such as cyber warfare. The defence white paper will identify the military capabilities and force structure that the Australian Defence Force requires to protect Australian interests and, where necessary, operate with our friends and allies. But it must go further than that. We need greater rigour in defence planning. We need greater efficiency in defence spending. And we need greater certainty in the allocation of resources through the defence budget. The white paper will foreshadow a range of reforms that will improve the management of defence to ensure Australia is capable of maintaining a world-class Defence Force for the long term.

The contributions our men and women in uniform are making around the globe today must not go unremarked. In Afghanistan, our objective is to reduce the spread of terrorism by helping Afghanistan build a more peaceful and stable state and so reduce the risk of that country once again becoming a safe haven and a training base for terrorist organisations with global reach. Through these efforts, Australia is also demonstrating its capacity to play an active role in enhancing international security—both with our allies and with the wider international community. In Iraq, we have changed the configuration of our commitment following the professionalism demonstrated by the Australian Defence Force in achieving the mission they were set. We have expanded our program of assistance in Iraq to build a relationship anchored in economic development, personnel training and humanitarian initiatives, to help

the people of Iraq recover from the war and hardship of recent years.

Australia will also need to continue to guard against espionage and foreign interference on the home front. Australian policy, military and intelligence institutions, directions and capabilities are attractive intelligence targets for foreign powers. And Australia is also seen as a potential alternative source of sensitive defence, intelligence and diplomatic information shared by our allies. Electronic espionage in particular will be a growing vulnerability as the Australian government and society become more dependent on integrated information technologies. Both commercial and state based espionage, while not visible to the public eye, are inevitable. This challenge must be met and will be met with full vigour.

The government's approach to national security encompasses more than just traditional statecraft and classical military capabilities. Counterterrorism and protective security challenges were catapulted into prominence with the attacks of 11 September 2001 in the United States. Of course, Australia had previously been exposed to terrorism through serious terrorist attacks in Australia. This led in the 1980s to the establishment of domestic terrorism protection and response capabilities, which have been refined over time to provide world-class response arrangements to protect our community. But the threat to us from those responsible for the September 11 attacks, and their sympathisers, is different from that of the past. Australia has been explicitly and publicly mentioned as an 'enemy' by Islamist extremists, and Australians have been specifically targeted in Bali, Baghdad and Jakarta. Even in the terrorist attacks in Mumbai last week, two Australians lost their lives and a number of others were injured. In our own community, individuals have also been convicted by

Australian courts on charges relating to preparing for attacks in this country.

Terrorism is likely to endure as a serious ongoing threat for the foreseeable future. Extremism leading to violence or terrorism continues to pose a direct threat to Australia and Australian security interests. Next year, the government will release a counterterrorism white paper responding to the continuing threat to Australia from terrorism and, where appropriate, make adjustments to our counterterrorism policy arrangements. This will include our bilateral arrangements and capacity-building activities with regional countries. The Australian government is committed to combating terrorism to protect Australians and Australian security interests and to promote international security. Effective mitigation of terrorist attacks involves the combination of an appropriate security response with broader strategies to enhance social cohesion and resilience and lessen the appeal of radical ideology.

Australia's security and law enforcement agencies are playing a critical role in protecting Australian citizens, both at home and abroad. The government is committed to ensuring that our agencies are resourced appropriately to meet the challenges of terrorist threats. And we will continue to work with the states and territories and with international partners to ensure that our responses are comprehensive and effective.

Beyond the threat of terrorism, concepts of national security have continued to evolve since the end of the Cold War. The proliferation of weapons of mass destruction, including the possibility of such weapons falling into the hands of terrorists, is a threat of increasing international concern. Efforts to strengthen the global nonproliferation regime must focus on both state and non-state actors. The Australian government is strongly committed to increasing Australia's role in

international efforts to strengthen nuclear nonproliferation and disarmament, and will work with our friends and neighbours to advance practical, effective steps to achieve this goal. That is why we have established the International Commission on Nuclear Non-proliferation and Disarmament.

Intrastate conflict in our region and beyond will continue to flare. It will be caused by weak state institutions struggling to cope with a complex mix of political, socioeconomic, cultural, criminal and some religious factors. And it will bring disastrous consequences to local communities when it occurs. Australia has made major long-term commitments to help resolve conflict in Solomon Islands and Timor-Leste. But the risk of fragile states disrupting stability and prosperity in our region is an ongoing challenge. The government is committed to a policy of cooperation with the island nations of the Pacific through Pacific Partnerships for Development and, in particular, to helping them to reach the Millennium Development Goals. This is designed to build the basic capacity for long-term economic capacity building—essential to long-term political stability in our region.

The humanitarian implications for the people affected in these conflicts are also of concern to Australia's national security and foreign policy interests. We expect to make practical contributions in times of crisis, commensurate with our role in the international community. Failure to do so at source also runs the risk of refugee outflows to neighbouring states, including Australia. The humanitarian implications for the people affected in these conflicts are also of concern to Australia's national security and foreign policy interests. We expect to make practical contributions in times of crisis, commensurate with our role in the international community. Failure to do so at source also runs

the risk of refugee outflows to neighbouring states, including Australia.

The list of non-traditional threats or new security challenges is also growing. Transnational crime—such as trafficking in persons, drugs and arms; people smuggling and the illegal exploitation of resources—will remain a continuing challenge. These activities can undermine political and social institutions, inflict economic and personal harm or contribute to other forms of violence. And it is here that the role of non-state actors is critical. The government is committed to deploying all necessary resources to prosecute those criminals who seek to undermine Australia's border security. We will work with our partners in the region to shut down the illegal operations of people smugglers and see them put in jail where they belong. The government has recently agreed to a series of new measures at a cost of \$44.1 million to further combat people-smuggling in cooperation with regional partners.

Organised crime more broadly is a growing concern for Australia, one the government is determined to combat. The Australian Crime Commission has estimated that organised crime costs for Australia each year run at some \$10 billion. The government will develop two initiatives in the related areas of border management and serious and organised crime. We will strengthen border management by simplifying arrangements and improving coordination across all agencies. Second, we will clearly define the role of the Commonwealth in combating serious and organised crime and enhance coordination among Commonwealth agencies.

Let me return for a moment to the serious matter of people-smuggling—that is, the organised, unauthorised arrival of people by boat to Australia. The arrangements the government has inherited involve a wide range of government agencies but lack unified con-

trol and direction, and a single point of accountability. The government has decided therefore to move quickly to better enable the existing Australian Customs Service to meet this resurgent threat to our border integrity. To this end we will in coming weeks establish new arrangements whereby the Australian Customs Service is augmented, retasked and renamed the Australian Customs and Border Protection Service. This arrangement will create in the Australian Customs and Border Protection Service a capability to task and analyse intelligence, coordinate surveillance and on-water response, and engage internationally with source and transit countries to comprehensively address and deter people-smuggling throughout the operating pipeline from source countries to our shores. This is the challenge faced by many countries. The collocation of agencies and capabilities in this way is a concept strongly supported by the Homeland and Border Security Review.

In terms of other new security challenges, it is increasingly evident that the sophistication of our modern community is a source of vulnerability in itself. For example, we are highly dependent on computer and information technology to drive critical industries such as aviation; electricity and water supply; banking and finance; and telecommunications networks. This dependency on information technology makes us potentially vulnerable to cyber attacks that may disrupt the information that increasingly lubricates our economy and system of government. A number of actors may carry out such attacks, ranging from hackers to commercial entities and foreign states—and this number of actors is growing. The same technology also provides tools for terrorists, who use computers to share information, recruit, communicate and spread their message of hate and violence. They exploit the freedom provided

by the internet and the power of tools such as encryption to operate beyond the law.

The government will enhance Australia's e-security and is considering the recently completed e-security review. The irony of technology today is that while on the one hand we are seeking to invest in sophisticated information, intelligence and military technology, on the other we have to protect ourselves from the extreme use of basic, readily available technology and hardware by terrorist groups. As a consequence of rapid advances in technological capability, Australia must retain technologically and scientifically alert, agile and robust institutions and, through those, anticipate and respond to new and emerging threats arising from the ongoing technology revolution. To achieve this, the government is now developing a National Security Science and Innovation Strategy which embraces the full breadth of national security threats arising from the rapid changes to the technological capabilities of those hostile to Australia's national security interests.

The impact of globalisation and advances in technology mean that the partnerships between industry, governments and the community that have evolved since 2001 are vital and will remain an important part of any future national security policy. Of course, crises may not be caused by human action alone. Even today, we recognise the potential for disease, especially a pandemic, to have dramatic consequences for the economies and societies of our neighbours and for Australia itself. A pandemic is bound to create real physical and social hardship and policy challenges for Australia, whether it has a direct impact upon us or not.

In addition to these changes, a range of new and emerging challenges such as climate change and energy security, unless properly dealt with by effective policy action, will

have long-term security impacts—locally, regionally and globally. Over the long term, climate change represents a most fundamental national security challenge for our future. Less attention has been given to the security implications that climate change could bring to Australia compared with other traditional security threats. Significant climate change will bring about unregulated population movements, declining food production, reductions in arable land, violent weather patterns and resulting catastrophic events. This is an area of emerging consequence which will require the formal incorporation of climate change within Australia's national security policy and analysis process.

Demographic changes will also affect the region, with total population exceeding four billion by 2020, or 56 per cent of the world's total. The demographic changes in our region will mean that by 2020, when we look to our north, we will see a very different region to the one we see now—one where population, food, water and energy resource pressures will be greater than ever before.

The government is committed to ensuring Australia's long-term energy security. We are developing a strategy to make sure Australia has access to adequate, reliable and affordable energy now and into the future. An important step in this process is the National Energy Security Assessment, or NESA. The NESA will provide a comprehensive assessment of critical energy policy challenges per sector and identify how these challenges could affect long-term energy security. This assessment will be an important input into the energy white paper, which will put in place policy settings to ensure Australians enjoy reliable energy security into the future.

Given the breadth, depth and complexity of Australia's emerging national security challenges and the range of interconnected policy responses to which they give rise,

Australia will need to develop a new level of coordination in its national security policy arrangements both within the Commonwealth and across all levels of government.

Australia's national security structure

One of the fundamental assets we have to promote our national security objectives is our underlying strength, resilience and cohesion as a nation. We are the world's largest island nation. We are rich in physical resources. Australia's 'soft power' assets are also significant. We are a modern, democratic and tolerant country. Our population is relatively small, highly urbanised and educated. Our economy is competitive, outwardly focused and resilient. And, internationally, we have a proud record of contribution to global security and economic stability. We are widely respected for our ideas and our actions. We can, and do, make a positive difference to the world.

Australia also has a wide range of dedicated tools to achieve our national security interests. These include our technologically advanced and well-trained Australian Defence Force and Australian Federal Police, our highly effective diplomatic service and our well-coordinated international development assistance efforts. Our border security and transport security agencies have generally performed well, although there remains a capacity for further improvement. We have well-established and well-integrated intelligence agencies that collect intelligence and assess the implications for our security environment—although once again there remains scope for continued improvement.

Furthermore, legislative, regulatory and administrative oversight measures provide an integral framework from which our overall efforts are empowered. It is also important to recognise that our national security assets extend beyond the Commonwealth government to include the states and territories,

who are the first responders to security incidents within their jurisdictions. We have highly capable police services which respond to a spectrum of challenges, from threats to public safety to terrorism, and emergency response organisations that protect the community in our most vulnerable times. The Commonwealth will also provide physical and financial assistance to states and territories during an emergency when requested to do so and coordinate assistance to Australians affected by emergencies overseas.

I would like to emphasise two other assets, outside of government, which make an important contribution to our national security—they are business and the general community. In some areas, up to 90 per cent of our critical infrastructure is owned and operated by the private sector. Our economy and our future as a trading nation depend on our ability to protect national assets such as our airports, ports, bridges, and water and power facilities from catastrophic failure. We will work with the private sector, and state and territory governments, to protect this infrastructure and the people visiting our national icons and monuments and other places where large numbers of people gather. This is a difficult and enduring challenge.

The business community has a great deal of knowledge and expertise and plays a vital role in our combined efforts. The wider community also plays an important role in our national security. The government knows that it is essential to engage with the Australian people on the threats we face and the role the wider community can play in responding to those threats. Through community engagement we can achieve important national security outcomes ranging from sustaining support for our forces deployed overseas, undermining the influence of violent ideologies and preserving the social cohesion of our diverse society. Just as neighbourhood watch programs promote security at a local

level, so we recognise the contribution all Australians can make to promoting security at a national level.

In Australia we have a strong tradition of volunteering to support our communities, especially in times of emergency, demonstrating the innate resilience and collective responsibility that we all share. This trait is a great strength within our community, a strength the government will continue to encourage and nurture for the future. But it is one thing to have great institutions of state, effective partnerships between governments and with business and the community; we also need to be smart about how we use these to protect and promote national security. I believe that Australia's national security community is highly effective and has proven to be highly adaptable. But in an increasingly complex and interconnected security environment, we need a more integrated national security structure that enhances national security policy coordination.

The House will recall I commissioned Mr Ric Smith, former Secretary of the Department of Defence and Ambassador to China and Indonesia, to report on the best and most efficient way to coordinate our overall national security arrangements. Mr Smith has now finished his work. We have considered his report and strongly agreed with its recommendations. The Office of National Security within my own department is preparing to implement these recommendations.

The government in opposition made a number of commitments on national security upon coming to office. Perhaps the most hotly debated was the proposal to create a department of homeland security. The Smith review considered the option of achieving greater cooperation by creating a department of homeland security, and did not recommend that model for Australia. The government has accepted this strong advice. Mr

Smith's advice is that big departments risk becoming less accountable, less agile, less adaptable and more inward-looking. What we need is the opposite.

At the same time, Mr Smith has concluded that existing national security departments, agencies and capabilities do need better co-ordination. The government has therefore concluded that the best solution for Australia is not another agency, but a new level of leadership, direction and coordination among the agencies we already have. We will therefore build on the existing community of relatively small, separate agencies, ensuring they remain nimble, accountable and, above all, properly joined-up. This will create integrated arrangements that enhance national security policy coordination and action. The arrangements will focus on optimising and refining mechanisms for strategic planning and coordination. In short, the 'function' of central policy coordination is being adopted but implemented by different means.

The first new step in creating our national security structure will be to appoint a National Security Adviser (NSA). The National Security Adviser will be the source of advice to the Prime Minister on all policy matters relating to the security of the nation, and to oversee the implementation of all national security policy arrangements. Today I am pleased to announce Mr Duncan Lewis as the first National Security Adviser. Mr Lewis has served governments of both political persuasions with distinction. Also, as a former SAS commander, Mr Lewis has a distinct combination of military and civilian experience.

Why do we need a National Security Adviser? Put simply, it is to provide improved strategic direction within the national security community, to support whole-of-government national security policy development and crisis response, and to promote a cohesive national security culture. The Na-

tional Security Adviser will be appointed at the associate secretary level within the Prime Minister's department and interact directly with agency and department heads. The National Security Adviser's responsibilities will complement the roles and responsibilities of the current heads of agencies by enhancing whole-of-government coordination. This new position will be assisted by a Deputy National Security Adviser and a group within the Prime Minister's department that includes the Office of National Security—an election commitment we delivered on in December last year. The Office of National Assessments will remain a separate entity within the Prime Minister's portfolio.

One of the first tasks I have asked the National Security Adviser to undertake as part of his responsibilities is to establish an executive development program in national security. This program will initially be aimed at senior officials, with a view to broadening over time to include counterparts in the private sector, academia and the non-government sector. This new initiative will enhance the capacity of senior officials across the broad national security community to achieve whole-of-government outcomes and to lead cultural change within their own areas of operation. One of the options under consideration for delivery of this program is a National Security College.

The second new element of our national security architecture is a strategic policy framework. This framework will guide and coordinate efforts across the national security community by setting priorities, allocating resources and evaluating performance. As a cornerstone of this framework, I intend to present periodically a national security statement to the parliament. This statement will set priorities and shape detailed policy development. The National Security Adviser will work towards coordinated budget processes for national security, to advise on the

best allocation of resources across portfolios to most effectively achieve our priorities and to assist in the preparation of Australia's first national security budget.

The final element of the strategic policy framework is an evaluation mechanism, co-ordinated by the National Security Adviser. It will consider performance against whole-of-government outcomes in light of the priorities set out in the national security statement and help inform future resource allocation. We will, of necessity, make choices concerning the relative priority to be afforded to future national security capabilities and the effective and efficient use of existing resources. The new strategic policy framework will ensure that we do so in an informed, accountable and whole-of-government manner.

In terms of our governance arrangements for national security, at the ministerial level, the National Security Committee of Cabinet, which I chair, remains the peak Commonwealth ministerial decision-making body on national security matters—and the main vehicle for coordinating the government's efforts in this regard. The Secretaries Committee on National Security, known as SCNS, remains the peak interdepartmental committee which considers national security policy and operational matters of an ongoing nature in addition to all matters to be put before the National Security Committee of Cabinet. Reflecting the government's new approach to national security, the secretaries committee will broaden its agenda, and expand its membership, to strengthen its coordinating role on homeland and border security matters—similar to the pivotal role it plays in regard to international security policy. The National Security Adviser will act as Deputy Chair of SCNS under the Secretary of the Department of the Prime Minister and Cabinet.

The third, and new, element of our governance arrangements is the establishment of a National Intelligence Coordination Committee, or NICC. This committee, which the National Security Adviser will chair, will ensure the national intelligence effort is fully and effectively integrated. This will make sure that our intelligence efforts—including foreign, defence, security and transnational law enforcement intelligence—are closely aligned and accord with Australia's national security priorities. The Office of National Assessments will continue to exercise its statutory responsibilities, while working closely with the National Security Adviser and the Office of National Security. The Director-General of ONA will continue to provide independent assessments on international political, strategic and economic developments to the Prime Minister and senior national security ministers.

The fourth, and again new, element of the governance arrangements involves improving our national crisis management capabilities. The government will consider the recommendation made by Mr Smith to establish a Crisis Coordination Centre to support government decision making during crises. The Crisis Coordination Centre would subsume the existing Attorney-General's Department coordination centre. The centre will improve interagency whole-of-government management of major crises and be supported by new facilities for secure ministerial participation in rolling national security crisis management. I have asked the Attorney-General to develop the detail of this proposal in consultation with the National Security Adviser and relevant ministers for consideration through the budget process.

Conclusion

The fundamental purpose of the government's periodic national security statements is to set out whole-of government national

security priorities. In this, the government's inaugural national security statement, as noted through my preceding comments, our new priorities include:

1. improving the coordination of national security policy with reform of the structure of national security decision making through establishing for the first time the office of National Security Adviser;

2. implementing the recommendations of the Smith report on homeland and border security, which includes the initiatives I have announced on organised crime, border security and science and innovation;

3. enhancing our ADF capabilities;

4. strengthening the US alliance;

5. strengthening our cooperation with regional partners;

6. promoting an Asia-Pacific Community;

7. actively pursuing nuclear nonproliferation and disarmament through the International Commission on Nuclear Non-proliferation and Disarmament;

8. enhancing economic development in the South-West Pacific to underpin long-term security;

9. enhancing Australia's e-security capability; and

10. incorporating the implications of climate change and energy security into the formal national security decision-making framework.

This inaugural national security statement outlines the new approach the government is taking to address current and future national security challenges. It is intended that this will become a regular statement to the parliament of the state of Australia's national security and the new and emerging challenges that we face. Just as the annual budget statement provides an annual review of the state of the economy, this national security

statement to the parliament will provide the same opportunity for Australia's national security circumstances and challenges.

Our world and our region are in a significant period of transition. Australia will therefore need to be adept at adjusting our policies and capabilities as appropriate in order to maintain our enduring objective of a secure Australia and a strong Australia in the face of unprecedented changes and challenges that lie ahead of us in this, the Asia-Pacific century. I commend this, the government's first national security statement, to the House. I present a copy of my statement.

Mr ALBANESE (Grayndler—Leader of the House) (12.13 pm)—I move:

That the House take note of the document.

I ask leave of the House to move a motion to enable the Leader of the Opposition to speak for 40 minutes.

Leave granted.

Mr ALBANESE—I move:

That so much of the standing and sessional orders be suspended as would prevent Mr Turnbull (Leader of the Opposition) speaking for a period not exceeding 40 minutes.

Question agreed to.

Mr TURNBULL (Wentworth—Leader of the Opposition) (12.14 pm)—One of the fundamental tests for any government of this country is to be able to say to the people of Australia that the policies it has adopted and the actions it has taken have given all Australians every confidence that they and their families will remain safe and secure. It is the primary responsibility of the national government to ensure that our borders are strongly, securely protected; to ensure that our people can live and work freely, untroubled by threats; and to ensure that the lead agencies on which we rely to safeguard Australians and their interests are well run, well managed and properly resourced.

On our side of the House, we are proud that the coalition government left Australia stronger and more secure. We invested massively in our armed forces and security resources, which had been neglected by our predecessors in government. We secured and strengthened key alliances. And when we left government last year Australia was stronger, better defended and more respected around the world.

It is in the interests therefore of all Australians that this government, like its predecessor, proves itself to be capable, vigilant and sure-footed in its exercise of these heavy responsibilities, and that is why we have in Australia the tradition of a bipartisan approach wherever possible to the vital questions of protecting Australians and their interests from any threats that may emerge. As opposition leader, I am therefore ready and willing to pledge our support whenever and wherever we can to those in our armed forces, police and other agencies of whom we ask service and sacrifice in the performance of their very difficult and dangerous jobs, and to ensure our national security arrangements are in the very best working order so that Australians can continue to go about their lives with confidence and security from threats.

The critical underpinning of national security is rigorous analysis and assessment of those threats now and into the future and the setting of clear priorities in determining our policy responses on how best to manage and minimise those threats. It means ensuring that all of our security agencies are aware of the scope of their mission and their responsibilities, each in its own specialised area, working efficiently, in partnership, in the national service. It also means consolidating and strengthening our key international partnerships to ensure that we can work with like-minded nations and governments to reduce the threats to free societies such as our

own. Security in a globalised world is indivisible.

The most effective means of advancing and protecting Australia's interests in the world is to leverage off our nation's strengths and work energetically through international partnerships with our major allies—the United States, Japan, China, Indonesia, India—and of course our kindred allies, our historically closest allies, such as New Zealand, the United Kingdom and Canada.

Whether the threat of terrorism, the proliferation of mass destruction, the challenges of climate change or the need to advance global free trade, Australia can engage best in strong, principled action when, alongside allies and partners, it can build the critical mass for an effective international approach. For Australia's security, its economic, political, military and security ties with the United States are of fundamental importance. Today we have a new president-elect in the United States and we wish him well. It is a critical time for consolidating this alliance and ensuring the world's leading democracy remains engaged in the stability and the security of the Asia-Pacific region. On all of this, the Prime Minister and I will heartily concur, as I am sure all members of this House will.

I must, however, raise the very critical issue of the Prime Minister's management of our alliance with the United States. It is deeply troubling and perplexing to all Australians how and why the Prime Minister's office involved itself directly in the leaking of details of a private conversation with the President of the United States. This false story, both a breach of confidence and a breach of trust, was fed deliberately and cynically into the public domain to make the Prime Minister appear the font of all knowledge, a know-all, a diplomatic encyclopaedia, and to make the President of the most powerful nation in the world look ill-

informed or worse. It breached all of the accepted protocols and practices of international diplomacy. It raised serious question marks over the Australian government's reliability and trustworthiness not only among Americans, whatever their political persuasion, but across the wider diplomatic community.

There is a sense of bewilderment around the world that an Australian Prime Minister would undertake this course of action. We have had no explanation for it, no apology. The *Australian* newspaper, which published the Prime Minister's self-serving account of his conversation, has never been asked to publish a correction or a retraction. There is no doubt at all that this self-serving story, so demeaning of our strongest ally, our greatest ally, was fed into the *Australian* newspaper completely heedless of the consequences it would have for our relationship with America. This is simply no way to conduct diplomacy with any nation, let alone our most important ally, and I fear Australian ministers and prime ministers will be reminded of this breach of faith for many years to come when they go to Washington. It was a tragic error.

On Japan too, our biggest trading customer, our biggest trading partner and an increasingly significant partner in other fields of endeavour—security, environmental matters and so forth—there has also been serious mismanagement. The Prime Minister neglected to incorporate Tokyo in the first of his many overseas trips. And then he unleashed his environment minister, Mr Garrett, for a series of over-the-top PR stunts against the Japanese government, a number of which he has had to retreat from subsequently. Nonetheless, they were as offensive to Japan as they were ultimately futile and humiliating for Australians.

And what of the bundle of absurd contradictions that is Labor's policy on the mining

and sale of uranium which is holding back closer economic and strategic relations with India? Even in China, where the Prime Minister undoubtedly has special experience, our relationship has not been all plain sailing. What possessed the Prime Minister to be so extravagant in his language as to describe China's investments in its military as 'part of an arms race in Asia', a remark that earned a very swift rebuke? Likewise, his grand plan for an Asia-Pacific community has fallen flat in capitals around the region, not least because he sprang it on everybody—including, it would appear, his envoy, Mr Woolcott—by surprise and without consultation.

As to his plans to secure a seat for Australia on the United Nations Security Council, I simply make the observation that perceptions often become reality in international politics as they do, indeed, in domestic politics. It would be very troubling indeed if others came to perceive Australia's recent change—the decision by the Prime Minister to change Australia's longstanding position by voting on two resolutions against Israel at the UN General Assembly—as having something to do with our need to garner support for a Security Council seat. I have to say that in many circles that is how it is perceived. The Prime Minister will need to address that at some point. I make these criticisms more in sorrow than in anger—indeed there is no anger at all. I make these criticisms constructively because I believe errors have been made, it is our job to hold the government to account and they need to learn from these errors.

It is a fundamental reality of Australia's role in the world that to have a significant influence we must have a significant voice. That will be determined by the quality of our ideas and the expertise of our diplomatic representatives. Critical to this is that we not come across as presumptuous or too big for our boots. There is a fine line between box-

ing above your weight, which is what Australia has always sought and almost invariably been able to do, and being seen to be presumptuously or pompously lecturing the world. There is a very careful balance involved in this.

One good example in recent times, from last year, where we were able to make a significant difference in matters relating to our neighbours, particularly Indonesia, with a high-quality idea was the Global Initiative on Forests and Climate, where we brought together advanced technology, satellites and radar, to help ensure the development of sustainable forestry in the developing tropical rainforest countries both in our neighbourhood and around the world. That was a case where the quality of our ideas was well respected. We did not have the muscle as a middle power to enforce a scheme like this on the world, but it was the quality of the idea and the technology that we were able to offer that saw it taken up. I note that the new Rudd government have continued this initiative, although naturally they rebranded it so that not too many people imagine it had its origins with their predecessors.

In the 21st century Australians have every reason to be secure, confident and self-assured about our place in the world. We are one of the top 15 world economies and in the top 10 for average per capita wealth. We are one of the world's oldest and most successful democracies, proud of our commitment to political and economic freedom. We have a well-educated workforce, thriving cities, an independent judiciary, a robust free press and a society very strengthened and enriched by its diversity. That is one of our greatest strengths, of which we have often spoken in this place—and I know the Prime Minister and I have the same view on that. We are a significant country in science, commerce, medicine, sport and the arts. There is a great deal to celebrate, and we should do so. Very

often I think Australians are too hard on Australia. We should often speak more positively about our achievements. There is much to protect—and that, therefore, is the key responsibility of those we elect to govern us.

The government has taken more than a year in office to produce this statement delivered by the Prime Minister in the House today. It has taken the government more than a year of protracted deliberations to identify and articulate its priorities. As an opposition we have been prepared to wait patiently for a well-considered and well-constructed outline of policy. We have been prepared to wait patiently for the Prime Minister to display the command that he reminds us he has of all things international. We have been prepared to wait patiently for him to deliver on his big promises. As I said, these matters should be, wherever possible, bipartisan. But I must say—again in a tone of constructive criticism—that prime ministers who seek bipartisan support for matters of national security should be prepared to be open. Only last week my office contacted the Prime Minister's office to seek a briefing on the statement that he intended to deliver on these vitally important issues for our nation's well-being. We received no briefing, and I simply note without comment that this 40-page document was handed to my office just after the stroke of 9 am today.

As to the statement itself, we note that the Labor Party has abandoned its election pledge to create a department of homeland security. This is one broken promise for which we can all be very thankful. It was a very poorly conceived idea—a cheap copy of an American experiment. It was crafted more to capture campaign headlines than as a serious public policy reform. But before we give the final last rites to the Prime Minister's department of homeland security let us recall the critique of our, the coalition government's, national security apparatus by the

then opposition spokesman on homeland security, Mr Arch Bevis. I quote him from 3 October 2007. Mr Bevis said:

New threats have emerged that demand a rethink of our nation's strategic and tactical response.

The Federal Government saw the importance of combining critical security agencies under one command in the lead up to the Sydney Olympics, yet it has avoided the difficult decisions in restructuring its own departments to provide a similar single structure for homeland security.

The Howard Government's continuing insistence on splitting these functions over a number of departments invites overlap, wastage, confusion and missed opportunities.

The logic of those who argue that civilian security should be administered in separate departments responsible to various ministers is reminiscent of those who argued forty years ago, that Australia should maintain separate Ministers for Army, Navy, Air Force and Supply. No one today would disagree with the decision in the early 1970's to create a Defence Department with a single Minister for Defence. The same clear sighted vision for non military security agencies is required today.

He concludes this trenchant assault on the Howard government's mismanagement of national security by saying:

Interdepartmental committees are not a substitute for a single minister with clear responsibility for a Department of Homeland Security ...

So that was to be the template for a Rudd revolution to overhaul in its entirety our national security establishment. According to Labor's critique, the coalition had been putting Australians in harm's way by allowing each of our security agencies to operate within its own area of specialisation. Labor's answer was to bring it all into one gigantic superbureaucracy, and today the Prime Minister himself has exposed that proposition as the hoax it always was. The truth of it is that what Labor was proposing was a wasteful and costly exercise in bureaucracy. It would have meant reinventing well-established patterns of cooperation and coordination be-

tween our key security agencies and confusing and complicating the existing practice of reporting lines within and between those agencies.

So it is welcome that the Prime Minister is prepared to jettison one of the key planks—possibly the key plank—of the national security policy he took to the last election. For this we can thank the sound, determined and intelligent advice of our professionals in the field. The Prime Minister was strongly advised as far back as July, in the report by the former Secretary of the Department of Defence Mr Ric Smith, that he should not go ahead with his plans for this Rudd security revolution. It took the Prime Minister a long time to swallow this particular medicine, but the fact that he has now agreed to the unceremonious dumping of this centrepiece of Labor's national security policy is a victory for common sense.

So what is now the centrepiece of this national security policy? What are the policy breakthroughs that will fortify our nation against future threats unknown? First, we have a reannouncement of the defence white paper, which the minister promised would be delivered by the end of this year but which is now not expected until as late as May. Then we have an undertaking by the Prime Minister to commission a white paper on counter-terrorism to be delivered at an unspecified date next year. Let me just note that the Howard government released a white paper on terrorism less than four years ago: *Transnational terrorism: the threat to Australia*—112 pages of detailed, state-of-the-art analysis of the threat posed by global terrorist groups, an exploration and discussion of what motivates their murderous attacks on free societies like our own and a wealth of rigorously researched policy responses across domestic, regional and international arenas, incorporating all agencies seeking to meet that challenge. So we have to ask

whether this announcement of a new white paper on counterterrorism is not simply a response to the inevitable wake-up call from last week's murderous assault in Mumbai. Was it then that the Prime Minister realised that his own national security statement had been caught rather light on in how it dealt with the central challenges of counterterrorism? So, to disguise the lack of energy and application he has devoted to this, the main contemporary threat to free societies such as our own today, he is asking for another leave pass to have another go at it and make yet another statement.

In his statement, the Prime Minister says that Australia's diplomacy must be the best in the world—and we agree with that, and to achieve that capability it must be properly resourced, but our security agencies are critical to protecting Australians at home and abroad—and that his government is committed to 'ensuring that our agencies are resourced appropriately to meet the challenges of terrorist threats'. We would all say amen to that, but let us measure the Prime Minister's rhetoric against the reality. In his first budget, the Rudd government cut \$1.3 billion over five years from government departments and agencies involved in national security. Four hundred and twenty-one million dollars has been cut through the application of the government's one-off two per cent efficiency dividend. Nine hundred and thirteen million dollars was stripped from departments and agencies by the Minister for Finance and Deregulation's razor gang—that includes \$680 million from the Department of Defence and \$232 million from the Department of Immigration and Citizenship. The Department of Foreign Affairs and Trade has lost nearly \$120 million over five years from its budget, including 305 jobs from the section of the department 'whose outcomes reflect the department's primary responsibility for developing and implementing foreign

and trade policy on matters of international security, trade policy and global cooperation that advances Australia's national interest'. This is despite the Prime Minister saying he wants Australia to be more involved with the Pacific, that he wants to step up engagement with Asia, that he wants to pursue a seat on the Security Council and that he wants to create a European Union-style Asia-Pacific Union. The Prime Minister has simply not put his money where his mouth is.

When we look at the Australian Federal Police, it is much the same story. Labor in opposition promised to fund an increase in Federal Police numbers by 500, yet we find in the Australian Federal Police's annual report that the AFP had an operating loss for 2007-08 of \$43.5 million. How can it be argued that this government is providing sufficient support to Australia's premier law enforcement agency, which is on the front line of the counterterrorism effort?

Then we have the finance minister's attack in parliament only last week over what he said was an oversupply of computers to public servants. The finance minister was critical of public servants having two computers on their desks. What the finance minister appears not to understand is that those working within our security apparatus often have a legitimate need for two computers or more. If the government begins stripping agencies of computers for their offices, how will this improve our agencies' security and intelligence operations?

We trust that the appointment of Mr Duncan Lewis as the Prime Minister's national security adviser will see the Minister for Finance and Deregulation quickly disavowed of this superficial analysis of that question. We warmly welcome Mr Lewis into his new role. He is an experienced professional and has long been an outstanding contributor to our national security effort. Indeed, there will

be a considerable continuity between the job he has been doing for some years and this new title role that he is being given. We must also note that this appointment appears to signal the centralising of the national security responsibility in the Office of the Prime Minister. We remind the Prime Minister of the onus this places upon him. The buck will certainly stop with him. The opposition will reserve judgement of much of the detail in this document until we have had a chance to fully explore it and, hopefully, had the benefit of the briefings we sought and were denied only last week.

I note that there are several instances of rebadging about to happen. That is a common theme with the Rudd government—in particular, the renaming of the Australian Customs and border protection service. What does this mean for the existing agency, known as Border Protection Command, which is currently led by a rear admiral and coordinates defence, Customs and fisheries. Is the Navy about to become an appendage of Customs? One would think not. How is that going to work? The paper says that it will create a capability to task and analyse intelligence and to coordinate surveillance. Border protection command already does this, and very capably, with assets such as Coastwatch, Navy and Customs patrol vessels. In other respects, this statement offers a precis of the widely accepted realities of Australia's strategic outlook—the rise of China and the emergence of India as the two key dynamics of shifting power balances in our world. But it continues the Rudd government's tradition of deferring action into the future. There is a foreign policy statement to come, a defence white paper to come—I could have said that it is coming like Christmas; but it is going to come well after Christmas—an energy white paper to come, a counterterrorism white paper, a new

one, to come, along with the National Energy Security Assessment.

The Prime Minister says officials need 'greater institutional agility', and yet his paper adds new layers of management and centralises activities, without stating what problems exist or what benefits centralisation delivers. The Prime Minister has touched in passing on a number of threats to security in our region. He made some remarks about climate change, the consequence of climate change on developing countries and the impact that may have for national security. I would say to the Prime Minister that there are very serious issues associated with drought—and water scarcity, in particular—across the region. The impact of climate change is there. But there has also been massive and unsustainable overexploitation of water resources in the two largest countries in our region, India and China. There is considerable evidence, for example, that the agricultural production capacity of the North China Plain, which feeds 400 million people in China, will be severely diminished by the depletion of the groundwater resources there. What are the implications for China—for its political stability, for its relations with the rest of the region—if there are very significant reductions in its capacity to produce the food to feed its population?

Similar comments could be made about overexploitation of water in northern India. And this is why, when we were in government, we went to great pains to ensure that we worked closely with our neighbours—in particular, China—on these issues of water scarcity. Because, while we must collaborate in terms of climate change mitigation and achieving an effective global agreement to reduce greenhouse gas emissions, we must also recognise that achieving the adaptation to climate change and to problems like water scarcity internationally can be just as important for us. Of course, we delivered a world-

leading initiative here in Australia with the previous Prime Minister's National Plan for Water Security. It may be that, in the decades to come, water scarcity in China and India will be as significant an issue for Australians as water scarcity in our own country is. That is why the cooperation that we initiated has been so important.

This underlines an element that I believe was missing from the Prime Minister's statement on national security and that is this: it is a vital element of our national interest—as well as, I believe, being in our interests to play a constructive role in our region—that Australia maintains, and indeed enhances, its capacity to produce food. We must recognise that food security is going to be a critical issue. It is perfectly plain that a larger global population will need more food. It is equally plain that a wealthier global population will need a bit more food and, in particular, more grain because of the growing inability to afford meat. It is also clear that in many regions, as I have stated, the ability to produce food is diminishing because of water scarcity. We must be clearly focused on ensuring that Australia's ability to produce food is not diminished. That is why we differ from the government in its approach to the implementation of our National Plan for Water Security. Too much emphasis is being given by this government on buying back water entitlements and not enough is being given to improving the efficient use of water and enabling us to produce more food with less water—in other words, to make every drop count.

This is not simply a domestic issue; it has very significant international ramifications. That is why we should be very focused on ensuring that we, prudently and in an environmentally sustainable way, are able to expand agriculture in the north of Australia, where, of course, we have most of our nation's water resources. Having said those

things, we must reserve our judgement on much of the content of the Prime Minister's statement. Much of it, of course, is uncontroversial, but there are a number of initiatives, as I have noted, that we will need to look at more carefully and on which we will need to obtain a briefing from his officials.

This statement is a lengthy one, but it is not by any means a bold or particularly clear step through the intellectual fog. Not even the Prime Minister would describe this as swift and decisive, although he may well do so—he is very fond of doing so. I can see that the Prime Minister is thinking to himself, 'Watch me, mate; I'll do that.' The statement does not adequately and unequivocally describe what the government intends to do about the main security challenges facing us in the years ahead. So much of it is thrown into the future, into new structures, new reviews and new reports. As yet, it has not offered us—and we would encourage the government to do this—a clear and concise explanation of the strategic doctrine to which the Rudd government is working, if indeed such a doctrine exists.

Debate adjourned.

Ordered that the resumption of the debate be made an order of the day for the next sitting.

MAIN COMMITTEE

Ministerial Statement: National Security

Reference

Mr BYRNE (Holt—Parliamentary Secretary to the Prime Minister) (12.46 pm)—I move:

That the order of the day be referred to the Main Committee for debate.

Question agreed to.

FAIR WORK BILL 2008**Second Reading**

Debate resumed.

Mr RUDD (Griffith—Prime Minister) (12.47 pm)—The Fair Work Bill 2008 is among the most important pieces of legislation that will pass by the nation's 42nd Parliament. The fair work bill establishes a new Australian industrial relations system for the 21st century, a system founded on the great Australian belief in the fair go, a system that protects working families in difficult times with a genuine safety net and a system designed for an economy that creates the jobs of the future and competes on the basis of skills, innovation and productivity.

Throughout Australia's history one of our greatest achievements is that our nation has provided ordinary working people with a decent standard of living and has sought to avoid the extreme inequalities found in many other nations, yet we have done that mostly without swinging to the other extreme of overregulation. On workplace relations, we are neither America nor Europe. We fashion something else in this land, a uniquely Australian balance. We believe in rewarding hard work and enterprise. We also believe in providing a strong safety net for everyone. Our greatest achievement as a nation is not the triumphs of a few but the prosperity of the many. Our great achievement is that ordinary working people have for generations been able to build a good life in Australia, have a good job with decent pay and conditions, buy a home of their own and build a secure life for themselves and their family. Few other nations have made this kind of dream a reality for ordinary working people, as many who have migrated to our shores will often say. Australia was among the first countries to implement the eight-hour day, to introduce workers compensation laws and to guarantee a living wage for working people. Australia

was a pioneer in establishing a legal framework of awards and arbitration that ensured that working people would share in the nation's growing prosperity. In more recent years Australia has been a world leader in creating a universal scheme of superannuation savings to help give Australian's financial security in their retirement years.

All this progress has been the result of progressive legislation passed by Commonwealth and state parliaments. With each step along the way this progressive legislation has invariably been opposed by the rolling constellation of conservative forces represented today by those who sit opposite in this chamber. The bill we debate today will finally bury the Work Choices legislation introduced in 2005 by the Howard government. Work Choices was an attempt to tear up the social contract that has helped shape Australia's history. There was no mention of Work Choices before the 2004 election, but suddenly it became the central ideological obsession for the government's fourth term once they had won control of the Senate. Just consider all the huge long-term challenges facing Australia at the time: building world-class education, building advanced infrastructure, investing in our hospitals, fixing our Federation, tackling the huge challenges of climate change and tackling the huge challenges of the national water crisis. These challenges were all alive in the year 2005. All these challenges were ignored in 2005, because the Liberals chose to give their highest priority to extreme industrial relations laws—Liberal party ideology unplugged. They got control of the Senate and the nation got to see upfront and personal the real agenda of the Liberal Party at work and at play—the agenda they now seek to conceal from the Australian public. But if they return to the Treasury benches they will return to this agenda as surely as night follows day.

Work Choices was shaped by an extreme ideology: in its simplest terms, the right to dictate employment terms to their workers unconditionally. It is a simple and similar ideology to the one we have seen at work in the extreme capitalism that has been behind the global financial crisis. This form of extremism has no place in Australia. Work Choices sought to rip away from the safety net the basic rights achieved by successive generations of Australian workers: reasonable working hours, penalty rates, overtime pay, protection from unfair dismissal and the right to representation by a union. The current Leader of the Opposition welcomed the Work Choices legislation, saying on 2 November 2005 when it was introduced to parliament that it represented 'the single most important reform to workplace relations in any of our lifetimes'. The Leader of the Opposition now tells us that Work Choices is dead. I would simply say this: would the real Malcolm Turnbull please stand up—the one who believed in the Work Choices three years ago and voted for it on 27 separate occasions or the one who today says he no longer believes in Work Choices. The reality of his party's views is reflected in their contribution to the debate on this legislation. The Australian people are not fools. They can spot pretence at a thousand paces. To pretend that the Liberal Party is not ideologically committed to Work Choices is like pretending that the barmy army is going to be back in Australia for next year's Ashes series.

The reality of most workplaces and something that conservatives have refused to address for 100 years is that employers and employees simply do not have anywhere near to equal bargaining power. A single mum cannot negotiate on equal terms with a telecommunications company. A teenager cannot negotiate on equal terms with a fast-food outlet. A middle-aged tradesman cannot negotiate on equal terms with a national

hardware chain. That is why Labor has fought for more than 100 years for decent industrial relations laws for the century that has passed. Yet the 2005 Work Choices legislation reversed this progress, abolishing the no disadvantage test and allowing employers to strip away basic entitlements without any compensation. This was all with the Leader of the Opposition's strong support—he who says that Work Choices is now dead.

Even after the Australian people rejected Work Choices at last year's election, the opposition leader said on 10 February this year:

... the major innovation in respect to individual agreements in the WorkChoices legislation was to remove the no-disadvantage test.

Once again, will the real Malcolm Turnbull please stand up: the Malcolm Turnbull who in February praised the major innovation of Work Choices as the abolition of the no disadvantage test but made it possible for people to be put on AWAs to be worse off or the Malcolm Turnbull who nine months later says that he no longer believes in Work Choices, he no longer believes in AWAs.

As I said in a debate in this chamber yesterday, it is important for people in this parliament to stand up for consistency of principle. The member for Bradfield, the previous Leader of the Opposition, has unequivocally stated his support for Work Choices. It reflects his position as a principled conservative. We disagree with the view point, but at least he has the courage to own the viewpoint. The current occupant of the office of Leader of the Opposition believes he can fool the Australian people that he has simply walked away from that to which he was ideologically and personally committed only nine months ago. I think the contrast is clear for all to see.

The facts are these. Eighty-nine per cent of AWAs took away at least one award condition, according to analysis of 1,700 AWAs

by the previous government's Workplace Authority in 2006—an analysis that they never made public. This report also showed that in two-thirds of those contracts the AWAs removed incentive based payments and bonuses, penalty rates and shiftwork loadings. Yet the Liberal Party month after month denied AWAs were undermining Australians' pay and conditions. Just months before last year's election they rushed out the so-called fairness test. It was advertised before it had even been developed or legislated. It was an attempt to put some eleventh hour political window-dressing over the top of Work Choices. All politics; no principle and no policy. We see the same script repeated today: the Liberal Party pretending to be something that they are not.

Apart from still being bad for employees, the so-called fairness test created a nightmare for employers. Its introduction caused an almost total breakdown of the industrial relations system, with the backlog of agreements blowing out to 150,000 by the time the Liberals lost office in November last year. The Liberals say they are the friends of small business; the Liberals say they are the friends of business. Some 150,000 applications by business for registration were simply allowed to swing in the breeze as they sought to engage in this five-minute-to-midnight exercise of political camouflage and cover to suggest that they had somehow become worker sensitive. Pigs might fly!

In abolishing Work Choices, the Fair Work Bill establishes a simpler, fairer and more balanced industrial relations system. Even today the Liberal Party still does not know where it stands. The Leader of the Opposition says that he will not oppose the Fair Work Bill, yet he also says that he will not support it. I find that a curious position. His party's position on individual contracts changes from one day to the next. They say that they will vote for this legislation that

rules out statutory individual contracts then they say they want to resurrect the same type of individual contracts. Senior Liberal members of the opposition, such as Senator Minchin, believe Work Choices never went far enough.

In contrast to the Liberal Party, we in the ALP know where we stand on the rights of working families. We took the Forward with Fairness policy to the last election and now we are delivering on it. The Fair Work Bill is the result of months of exhaustive consultation with business, unions and workplace experts. I pay tribute to the enormous efforts of the Deputy Prime Minister, her department and the many organisations that have put so much time and effort into developing this bill. I note as well the very positive feedback we have received from many business organisations, including the Australian Industry Group, whose CEO said last week:

The Government have listened hard to employers ... I want to congratulate the Government on a very good process.

... ..

... I think of all the processes I've gone through on industrial relations reform—and I've been through a few—this would have to be the best one.

The government do not adopt an adversarial approach to industrial relations, as the previous government did. We believe in harmonious workplace relations that maximise productivity. The Fair Work Bill builds on the historic shift to enterprise bargaining made by a previous Labor government in the early 1990s. The bill gives all employees the right to good faith collective bargaining where a majority want it and requires that employees are made better off overall by all agreements.

Within this framework the bill also fosters substantial individual flexibility. Employees earning above around \$100,000 will be free

to agree their own pay and conditions without reference to awards. All modern awards will include a flexibility term, identifying the award terms that can be varied through an individual flexibility arrangement. Underpinning the system is a program of modern, simplified industrial awards and underpinning these in turn are 10 minimum National Employment Standards.

The principle at work in this reform is to provide proper protection for the weak and support for the strong to negotiate maximum flexibility. That is called doing it the Australian way. It is based on the enduring Australian value of a fair go for all, but it is designed for the competitive global economy of the 21st century as well, by maximising productivity growth through the full range of employment options. Enterprise agreements, common-law agreements, modern awards—each of these options is capable of maximising workplace flexibility and productivity.

The previous government oversaw a long period of declining productivity growth in the Australian economy. Productivity growth averaged 3.3 per cent in the mid-1990s, following the wide-ranging productivity reforms of the Hawke and Keating governments, in particular the shift to enterprise bargaining. In contrast, under the Work Choices regime annual productivity growth averaged less than one per cent. Far from boosting productivity and flexibility, the previous government's Work Choices regime entangled businesses in an unprecedented level of red tape and bureaucracy.

Under the Fair Work Bill we will reduce the previous government's seven workplace agencies to a one-stop shop—Fair Work Australia. We have reduced the 1½ thousand pages of Work Choices to 600 pages in the Fair Work Bill and we are working with the states to bring all private sector employees into a single national industrial relations sys-

tem. The new industrial relations system is an important part of the Australian government's comprehensive productivity reform agenda, alongside an education revolution across early childhood, schools, vocational programs and universities; investment in nation-building infrastructure for the 21st century; and the COAG reform agenda embracing a program of business deregulation across 27 areas of legislation to help build a seamless national economy. Each of these initiatives is critical to our long-term objective of raising productivity and building long-term prosperity for all Australians.

This is a proud moment for all members of the Australian Labor Party as we deliver for Australia's working families. With this legislation, Work Choices will be dead and buried. The resurrection of Work Choices is only possible if the Liberal Party returns to government, because, whatever they may say now, Work Choices remains etched deep in the Liberal Party's soul.

The Fair Work Bill will build a system designed to give everyone a fair go at work so that all Australians can have a decent set of minimum protections, where hard work is rewarded, where businesses and employees can design workplace arrangements that suit their own enterprises. I am proud to join my colleagues in addressing the parliament on this important legislation. I am proud to lead a government that stands in the great tradition of a fair go for all Australians. I am proud that with this legislation we are building a new system for a new century.

In this challenge that we face in the years ahead, as the global financial crisis wreaks its toll across the global economy and that is in turn visited upon the Australian economy as well, one enduring principle must stand by us all—that is, we are all in this together. Business, unions, employers and employees—we are all in this together. If we fight

this thing together, we will survive this thing together. If we unite and are not divided, we will see Australia through, and see Australia through in stronger shape. I would say that this bill reflects that very Australian spirit, and with that remark I commend the bill to the House.

Mr SLIPPER (Fisher) (1.03 pm)—It is a matter of public record that on 24 November last year the former government was defeated and the Rudd government was elected to office. As part of the manifesto of the Rudd government there was the former opposition's approach to industrial relations. One of the key reasons that the former government lost office was a very effective campaign against the Work Choices legislation maintained by the trade union movement, who are being rewarded in this bill, and also by the then opposition, now the government. Unlike some other honourable members, particularly those on the other side of the House, I do not share the enthusiasm for this legislation, the Fair Work Bill 2008. In fact, I believe that the legislation before the House does not deserve the enthusiasm that some members have shown for it.

In a situation where we have a global economic crisis, we find that legislation before the chamber seeking to implement the government's mandate will bring about increased power for trade unions and increased business costs and will cost jobs. Only yesterday in the parliament the opposition asked the Deputy Prime Minister how many people would lose their jobs by Christmas. The Deputy Prime Minister, besides bagging out the honourable member who asked the question, simply did not have an answer, other than to say that the government conceded that there would be some loss of employment.

There has been debate over the years on what a mandate actually means. 'Mandate' is

a word that has grown up and has been discussed, and in fact there was a rather interesting research paper by JR Nethercote published on 11 May 1999 which dealt with, among other things, the analysis, meaning and character of mandate doctrine. We admit that the government, by being elected, does have a mandate to change industrial relations laws, but among the findings in this particular paper was:

- mandate is a political idea in two senses. Mandate doctrine derives from the politics of responsible government on a democratic basis. It does not derive from constitutional, legal or parliamentary prescription.

Also, the paper found:

... mandate doctrine has been mainly developed by politicians in political forums rather than by philosophers or academics ...

It then goes on to say, as one of its findings:

- there is considerable debate about what a mandate is. Does it apply to the entire platform (or manifesto) of a winning party only to the more important item or to matters mainly the subject of contention during a campaign? And can others, apart from winners, claim to have a mandate? Likewise, there is considerable debate about how a mandate may be discerned—seats in a legislature, seats in which chamber of a legislature or the voting strengths which lie behind respective party strengths in parliament? And what of voting strength not translated into representation?

Academic analysis of the concept of mandate is divided. It has been said by some that the legitimacy of democratic politics requires that, as much as possible, commitments made on the hustings should be honoured once the election result is settled, recognising that there are circumstances where a mandate will lose its relevance or be overtaken by events.

We concede that the government has a mandate. In 1998, however, we went to the

Australian people seeking support as part of our election campaign for the introduction of a goods and services tax. Despite the fact that we received a mandate from the Australian people, that mandate was not respected by the then opposition. In fact, we had to come to arrangements with the Australian Democrats to bring in a second-best—probably an 85 per cent second-best—goods and services policy that was not as simple as it otherwise would have been, because the Australian Labor Party would not respect the mandate given to us at the election. The opposition will not oppose this legislation, as has been indicated by the Leader of the Opposition, because, unlike the Labor Party, the opposition has determined that it will respect the mandate given to the government by the Australian people.

That brings me to the other point that emanates from some of the findings in the paper on mandate by the Australian Parliamentary Library. It says that a mandate is there ‘recognising that there are circumstances where a mandate will lose its relevance or be overtaken by events’. My argument is that the global economic crisis has brought about a new world order that should be factored into the situation by the government when considering whether industrial relations reforms should be brought about at this time.

There was a very interesting article by the Editor-at-Large of the *Australian*, Paul Kelly, published on Saturday, 29 November, under the headline ‘IR reforms asking for trouble’. I will quote from that article. I would commend honourable members read the article. It was a very thoughtful and objective insight into the concerns and problems which this legislation will bring to Australia. Mr Kelly commences by saying:

Kevin Rudd shouts from the rooftops each day that the global financial crisis has changed the world, but the Prime Minister does not believe his

own words. A bizarre fate has befallen Australia. At the precise time it faces a global crisis, a business downturn and rising unemployment, the Rudd Government is recasting workplace relations to increase trade union powers, inhibit employment and impose new costs on employers.

He goes on to say that normally this would defy logic and ‘it would seem the essence of irresponsibility’, but highlights the fact that the Deputy Prime Minister, contrary to what you would expect, has been seen as a ‘political hero’. He then goes on to say:

It is as though Australia’s workplace relations system exists in some interterrestrial immunity from the rest of the economic world.

The global crisis means everything has changed: the budget goes into deficit—

as admitted by the Prime Minister recently—fiscal stimulus replaces fiscal restraint, the Reserve Bank does a volte-face and begins to slash interest rates, and the Government guarantees deposits as Rudd declares the crisis is “sweeping across the world”.

But—

and this is one of the key points that Mr Kelly makes—

standing immovable is Labor’s support for greater trade union power, more costly restrictions on employers, a greater role for the revamped industrial relations commission, an effective end to individual statutory contracts, a revival of arbitration, and a sharp weakening of direct employer and non-union employee bargaining.

What he really says is that the government may well have had a mandate for the legislation but ought to have considered the matter more carefully and ought to not have effectively brought in the legislation at this time. He makes a number of key points. I believe that, although the government may well have a mandate, the government ought to have considered the situation in the light of what has changed since that fateful day of 24 November, when the people of Australia voted for a new government.

Paul Kelly concludes his article by saying:

In the interim, the Government will be responsible for all the consequences of imposing on Australia at a time of unusual financial crisis a workplace relations system that means higher costs, a weaker labour market, a more interventionist umpire and a union movement with greater legal powers.

It is not too late for the Deputy Prime Minister to reconsider this matter. It might be a case of good politics but bad policy. Having said that, the opposition has indicated that it will not oppose the legislation, although in the Senate obviously consideration will be given to certain aspects of the legislation, particularly the aspects which go beyond the government's promise at the 2007 election.

This legislation does not simply bury Work Choices; it also undoes some of the Howard government's reforms of 1996. It actually reaches back to the past and guts some of the reforms brought in by the Keating government, way back in 1993. It will be interesting to know what the Deputy Prime Minister will be saying to the people cast on the employment scrapheap—the people who lose their jobs before Christmas and the people who lose their jobs after Christmas simply because the Deputy Prime Minister has become a victim of ideology and has forgotten to consider the interests of people and the rights of working Australians to actually keep work.

The legislation also includes some compulsory arbitration, it also enables pattern bargaining and it also expands the right of entry of unions. This is inconsistent with what the Deputy Prime Minister has said on many occasions. Time precludes me giving all of the statements made by the Deputy Prime Minister, but I would like to quote a couple of them. In a speech to the National Press Club on 30 May 2007, the Deputy Prime Minister said:

The fourth untruth is that Labor's new body, Fair Work Australia, will re-empower 'union bosses' and reintroduce both 'compulsory arbitration' and 'centralized wage fixation'.

The Deputy Prime Minister, on 3 September of the same year, was asked this question by a journalist during a doorstep interview:

JOURNALIST: Julia just another question, it's probably not of interest to other people. Under what circumstances would compulsory arbitration be treated under the Labor system?

JULIA: As we've said in our policy, that there are a very limited number of circumstances where you need the industrial umpire to step in and resolve a dispute. It's the sort of safety valve that has always been in our industrial relations system. If you have got a dispute that is threatening safety or health or the national economy, an intractable dispute that is causing significant harm, they are they kind of circumstances in which the industrial umpire would be able to resolve the dispute. But in the ordinary course people who are collectively bargaining at their enterprise level, all of that bargaining will happen at the enterprise level, they will either strike an agreement or not strike an agreement.

The Deputy Prime Minister has said that there will not be pattern bargaining. That is what she said in response to a question on 1 May 2007 at a doorstep interview. She said:

That is completely untrue. Pattern bargaining in the sense of having industry wide action is unlawful under Labor's *Forward with Fairness* plans.

A little later, on 30 May, she said:

Pattern bargaining is a term used to describe bargaining across the whole industry. That's not what Labor's policy is about.

As an aside, I read, as you probably did, Mr Deputy Speaker, in the *Australian* yesterday a report stating:

FORMER union chief Greg Combet successfully pushed for compulsory arbitration powers—

and the article is headlined 'Combet responsible for pattern bargaining clause'.

The government likes to dress up this legislation as being the implementation of an election promise. It certainly is, to an extent. The opposition respects the fact that the government does have a mandate. From a personal point of view, I have problems with the legislation. From a personal point of view, I believe that, even if one concedes that the government has a mandate, things have so dramatically changed in the 12 months since the election that the legislation ought not to be considered at all at this time. The opposition does respect a mandate, unlike the way that the now government—the then opposition—refused to accept the Howard government's mandate for a goods and services tax. So in this particular matter, I suppose you could say that the now opposition is a lot more politically ethical than the Australian Labor Party has been over the years.

In the time remaining to me, I want to point out that we did not have a desperate situation in industrial relations in Australia prior to the introduction of the Fair Work Bill and that the Howard-Costello government has much to be proud of. We left a very proud legacy. The Howard government has a record of getting people into jobs. In fact, close to two million jobs were created. Most of those were permanent jobs and some were temporary jobs, and we also had a record without peer of keeping people in work. We created and managed prosperity and growth, and sadly that has already been squandered by the current government. The opposition is gravely concerned about the impact of the bill before the House on jobs and job creation, particularly given these difficult, trying and uncertain economic times.

The union movement in Australia ran a very strong campaign during the last election opposing the Work Choices legislation. I must say that I did not like the ads very much, but they were certainly effective. The fact that the government is now the govern-

ment and the opposition is now the opposition is testimony I suppose to the skills of the former union chief, now a member of parliament, Mr Combet, and to the government's tacticians more generally. However, having said that, the fact that the legislation has been brought in and is now seeking to change things so dramatically does not mean that the outcome will be what the Australian community thought it was voting for. The Australian community at the last election did vote for change in industrial relations, but they did not vote for higher unemployment, more trade union power or increased costs of business. The best way to create jobs in Australia is to have an economy where business is able to grow and invest. At a time when some 20 per cent of companies could potentially be in trouble in the not too distant future, one would think the last thing any government would want to do would be to make it more difficult for those businesses to continue.

The union movement's campaign has been very strongly rewarded. In this legislation, the union is being given access to workplaces and access to non-union-member records. This is certainly a breach of privacy but what the government is clearly doing is repaying a debt. I would like to refer the parliament to an article in the *Herald Sun*:

UNIONS will gain access to thousands of new workplaces—even those where they have no members—under ... industrial changes ...

I would also like to draw the House's attention to the provisions which the article in the *Herald Sun* points out. It says:

And workers will be able to take bosses to court over something as trivial as a roster change, with possible fines of up to \$30,000.

The article goes on to say:

Employers fear unions, with their dwindling memberships, will enjoy new influence—

on the basis of this legislation and I suppose on the basis of the fact that we now have a Labor government.

This legislation is all about reward and payback. The Australian people might think that they are in fact receiving, in legislation, something they voted for, but the Australian people voted for the change of government not being aware of the impending economic crisis and not being aware, in my view, of the adverse impacts which we will see flowing from this legislation. Governments ought to be flexible, and the government, having got a mandate on 24 November 2007, ought to have looked at its mandate and at the dire economic crisis confronting the world and posed the question to itself whether it was appropriate for this draconian legislation before the chamber today to actually proceed at this time. I am pleased to have made this contribution. I make it clear I am anything but enthusiastic about the provisions of this bill. I accept the government has a mandate, but I believe the government ought not—*(Time expired)*

Ms NEAL (Robertson) (1.23 pm)—I rise with great excitement to support the Fair Work Bill 2008 and I have to say that the previous speaker, the member for Fisher, has demonstrated what I and many people on the side of the chamber have feared, and that is that the opposition cannot give up their support for Work Choices. Given the opportunity at some time in the future, they will attempt to reimpose that workplace scheme again, much to the fear of many of the people in my constituency and Australia-wide.

This bill gives greater fairness and balance to the relationship between workers and employers. One of the keys to happiness for the vast majority of Australians is dignity and fairness in the workplace. This is what this bill delivers. Earlier this year, this Labor government abolished Work Choices and

AWAs. This was the delivery of the most essential commitment made to the working families of Australia during the 2007 election. During the last election Work Choices was the issue of the greatest concern for my constituents on the Central Coast of New South Wales. They were distressed by the reductions it caused in their wages and conditions of work, they were frightened by the fact it put their jobs at risk and they were upset that it undermined the quality of life of their families. When I travelled around the Central Coast in the lead-up to the election, the single biggest issue raised by the people I spoke to was the terrible effect of AWAs and their fear of Work Choices. This scourge on the community was created by the last coalition government. The worst aspect of Work Choices was the effect it had on the lowest paid in the community and those who were most vulnerable.

I spoke to many people who had been personally affected by Work Choices: it had made their lives harder. I spoke to a woman who worked in aged care and who had done so for over a decade. She was asked to sign an AWA that meant that she could be asked to travel to a different nursing home at a day's notice. She had only ever worked in a nursing home in Gosford and she could be required to travel to Newcastle or Sydney's North Shore. She signed because she needed to keep her job. I spoke to a man who worked in a laundry and was forced to sign an AWA that meant that his wages were cut by one-third and that he received no penalty loading. He was worried that his family would not be able to pay their bills. I spoke to a 17-year-old who went to apply for a job in retail and was asked to sign an AWA on the spot. If he did not, he would not get the job, which paid \$7 an hour and provided him with no breaks, not even a toilet break, unless he worked for more than five hours.

This was swept away by the election of the Rudd Labor government and the destruction of AWAs and the passing of the Workplace Relations Amendment (Transition to Forward with Fairness) Bill 2008. This abolished AWAs and started the process towards modern awards. The Fair Work Australia Bill before us implements the balance of the Forward with Fairness policy adopted by the Australian people with the election of the Labor government last year. This creates a balance between a fair workplace and the imperatives of maintaining employment and economic activity in the face of a deteriorating world economy. This bill is simpler, half the number of pages of Work Choices, and simple in its jurisdiction, relying on the corporations power of the Constitution rather than conciliation and arbitration. It enshrines the right to collective bargaining, which is a core imperative for workers effectively negotiating with employers. It is simpler in its use of 10 legislated National Employment Standards and the modern awards are reviewed comprehensively every four years and have wage reviews each year. It is simpler with one stream of agreement making, which applies a no disadvantage test to all agreements to ensure workers do not lose any conditions that they already have. It is also fairer with bargaining in good faith, enforceable by Fair Work Australia, and the entitlements of all workers to be represented by their union if they so choose.

I am particularly pleased that the bill provides for arbitration in the case of low-paid workers where agreement was unable to be reached. This can occur where the parties have genuinely tried to reach agreement and the determination will promote productivity and efficiency in the enterprise. These low-paid workers often have particular difficulty in genuinely negotiating with their employers due to their often less secure employment, lower skill level and reduced re-

sources. This bill recognises their circumstances and makes particular provision to assist them in securing a fair wage and work conditions. I am also particularly pleased to see enhanced access to workplaces being provided by the bill to ensure workers can freely choose to join a union of their calling and that errors in payments, health and safety issues and other matters that detrimentally affect workers can be identified and rectified.

I am also glad that the bill puts in place a more balanced and reasonable scheme in relation to unfair dismissal. It removes the previous government's absurd definition of 'small business' as a business with fewer than 100 employees and also the 'genuine operational reasons' provision that undermined the integrity of the workers' protections. Under this bill there is a reasonable balance of the genuine protection of workers and the need of businesses to employ staff suitable for their business. Under this bill small businesses with fewer than 15 employees have 12 months to assess the suitability of their staff and larger businesses have six months to make that assessment. More particularly, the bill makes it simpler and more transparent for both parties by providing a fair, reasonable and simple code for dismissal that ensures that any action for unfair dismissal would not succeed if the code has been complied with. I wish to particularly thank the Your Rights at Work group on the Central Coast and mention in particular Mary Yaegar who was unendingly hardworking and sunny in her outlook.

The fairness of Australia's industrial relations system is at the core of what this government is as a Labor government. The aspiration of the Australian people for a fair industrial system goes to the core of why the Rudd Labor government was elected. I am confident that this bill contains a system both fairer and simpler than the Work Choices fiasco rejected by the Australian community.

I am also confident that the working families of Australia will be satisfied with the choice they have made. I commend the bill to the House.

Mr GEORGANAS (Hindmarsh) (1.31 pm)—I too am proud to stand here today, one year after Labor promised to repeal the Howard government's extreme and unfair industrial relations system. The Fair Work Bill 2008 completely replaces the Workplace Relations Act, including the former Howard government's extreme and complex Work Choices amendments. After the introduction of Work Choices, Australians were being exploited at work like they never had been before. This was not the sort of Australia I would want for anybody trying to make his or her way in the world. The Liberal coalition government under Howard let the people down.

It is ironic that at a time when families were doing it extremely tough—tougher than they had for years, in a time when families needed every available cent to make ends meet—the Howard government introduced legislation that made it that much harder for families to make ends meet. People were having to make their mortgage repayments when the Howard government made losing your job easier and took away any recourse. Work Choices made providing for your family that much more precarious. With financial stresses, people's focus can become narrower and the bonds in families can become strained. A government should help secure family life, not rip it apart, and that is what the former government's bill did. I will just let you know about some stories and the impact of Work Choices on some of my constituents.

The first story that comes to mind is that during the actual campaign, when I was doorknocking in the suburb of Glengowrie in my electorate, I doorknocked on a house and

an elderly woman answered the door. I recall giving her my card and telling her who I was. Her immediate response was, 'I am not a Labor voter.' I thanked her for her time and continued on my way. But just as I was leaving she called out and said, 'But I am voting for you this time.' When I stopped in my steps, turned around and continued the discussion, I asked her why that was. She said that the government had gone too far with industrial relations and she proceeded to tell me her grandson's story. He had worked at one of the big supermarket outlets and she told me how at the age of 17 he had been given notice after working there for 12 months without any reason or rhyme. When he tried to have his position resecured and wanted to know why and what had happened, they just said that under the new laws they were able to do it.

That elderly woman in her mid-80s voted Labor for the very first time, and at that point I thought that there were hundreds of others just like this woman out there not only in my electorate but also across Australia. And there certainly were, because there were many stories of the impact that Work Choices had on some of my constituents, and I will read some of them out.

There was Mark, a metal worker, aged 41. Mark had two negative experiences of AWAs. Firstly, there were penalties. He was required to work 12-hour shifts with one 20-minute break. There were no penalty rates for overtime or weekend work. He voluntarily left the position, as it was unfair. Then there was the matter of unfair dismissal. He was recruited for a full-time permanent position and worked for 2½ weeks as such and was then dismissed with the employer stating there was 'no demand'. There was no other explanation.

Another story concerned Sandra, a supermarket display refurbisher. Sandra accessed

short-term, three-month contracts via a labour hire firm. She was offered a job and was instructed to sign the contract. There were no questions asked. Some contracts entitled her to a \$16 per hour flat rate even for work performed on Sunday evenings through to Monday mornings when the stores had to be open.

Another example was Peter. Peter came and spoke to me about his son. His son had worked for seven years from the age of 15 for a company involved in the wine industry. He was a full-time, permanent employee and over the years he undertook training for viticulture work and other duties. He was a model employee, as evidenced by the fact that he was the recipient of Employee of the Year. On the day that Work Choices came into force, his son was sacked without explanation.

Emily is another example. Emily was a cafe worker, aged 21. She was in receipt of award penalty rates et cetera while working at a particular cafe. One week prior to new management taking over on 1 July 2006 all casual staff were given contracts to sign consisting of no penalty rates whatsoever. The new owners expected weekends to be worked without penalties on the basis of employees' loyalty to the company.

The Fair Work Bill 2008 delivers the government's election promises as set out in the Forward with Fairness policy. This bill will ensure that Australia is competitive and prosperous without compromising workplace rights and guaranteed minimum standards. The Australian government is introducing a new system with fairer laws that balance the needs of employees, unions and employers. This is a system that ensures all employers and employees have access to transparent, clear and simple information on their rights and their responsibilities. That gives Australian employers confidence, with a simple,

fair dismissal system for small businesses. This is a system that protects employees by (1) outlining clear minimum wages, (2) assisting low-paid and vulnerable employees and those without access to collective bargaining, and (3) ensuring employees' freedom of association in the workplace—fundamental rights for all workers.

This bill delivers on the government's commitment to establish a new, independent industrial umpire, Fair Work Australia, for advice and support on all workplace relations issues and enforcement of legal entitlements. The Fair Work Bill 2008 will commence on 1 July 2009, following its passage through the parliament. Consistent with our election commitments and promises made during the campaign, the National Employment Standards and modern awards will commence on 1 January 2010. The Rudd Labor government ended the ability to make new Australian workplace agreements in March this year. The government's new workplace relations system will provide a strong safety net that workers can rely on in good and in uncertain economic times. The government is getting rid of the extreme Work Choices laws, the laws firmly rejected by Australians at the last federal election.

The Australian government's laws bring the workplace pendulum back to the middle—where it belongs and where Australians want it to be. These laws are good for employers, good for employees and good for the economy. In these troubled economic times, all Australians will benefit from certainty and from fair workplace relations laws. The social conscience of the next generation is such that they themselves call into question the policies of the past administration. The Howard government was totally out of step with Australians, and I know this because they told me, as I explained earlier in the story of my doorknocking experience with an elderly constituent who was voting

for Labor for the very first time, specifically on Work Choices. The Australian people were concerned for their future job prospects and for those of their children and grandchildren. I am very pleased to say that Australians are now looking to the future, and with the Fair Work Bill 2008 they can have greater certainty and assurance about their futures and those of their children and grandchildren.

When I look at the previous government's Work Choices bill—the unfair Work Choices bill—I think of my own story. I think of my parents, who migrated here more than 55 years ago with very little English, very few skills and very little education. They were therefore employed in some of the lowest paid jobs. My father worked on a production line at General Motors Holden and my mother worked as a domestic at the Royal Adelaide Hospital. But, even though they could not speak the language at the time, were unskilled and had no education, there was one certainty that they had. That certainty was that they would be treated equally on that factory floor or in the hospital where my mother worked. It did not matter where they came from or what colour their skin was; there was an agreement in place that they were allowed to be members of their union, therefore giving them the fundamental rights that allowed them to live with dignity. I too would like to pay tribute to the Prime Minister and to the Deputy Prime Minister for the great and hard work that they have done with this legislation, which ensures that once again Australian workers will have a fair workplace and will be treated with dignity.

Mr CLARE (Blaxland) (1.42 pm)—It is with great pride that I rise as a new Labor member of this parliament to support the Fair Work Bill 2008. In November 1907, Justice Henry Bournes Higgins handed down the Harvester decision, a decision that infused

the concept of fairness into our industrial relations system. That was in November 1907. In November 2007, 100 years later almost to the day, the Australian people spoke, and they reaffirmed our commitment to fairness by throwing out a government that had ripped fairness away. They put a stake through the heart of Work Choices. This bill buries it, and we hope with all of our hearts that it buries it for good.

The Fair Work Bill restores fairness and balance to the workplace. It provides a safety net of 10 minimum employment standards that cannot be stripped away. It provides all employees with protection from unfair dismissal. It protects low-paid workers. It restores the right to good faith collective bargaining and it sets up an independent umpire to settle disputes. It has already achieved what some thought was impossible: the idea of winning the support of employers and employees. For this, Julia Gillard, the Deputy Prime Minister, deserves a lot of credit. The bill is the result of 12 months of hard work, of consultation and of negotiation. For me, it demonstrates what real leadership is all about—bringing people together, not tearing them apart.

The idea of a fair day's pay for a fair day's work has been the cornerstone of our industrial relations system ever since Higgins's judgement in 1907—that is, until Work Choices. Work Choices was one of the worst pieces of legislation that this parliament has ever introduced. It was bad law in good times and it is bad law in difficult economic times. That is why we have to get rid of it. For people in my electorate it meant that they were stripped of their wages and working conditions. I know this because that is what they told me on the streets of my electorate—in shopping centres, at railway stations and at street stalls all around my electorate during the election campaign. People told me horror stories of shift loading, leave

loading, rest breaks and penalty rates all being ripped away. They told me of their fears for their children and their grandchildren. Their fears were well placed.

Work Choices and AWAs made a potent cocktail: 89 per cent of AWAs removed at least one protected award condition; 83 per cent excluded two or more; 52 per cent—that is every second AWA—excluded six or more protected award conditions; 45 per cent of AWAs provided between \$1 and \$29 per week below the required rate of pay for protected award conditions and 50 per cent provided for \$50 to \$199 a week less. That was the real effect of the Howard government's industrial relations system, and all workers were affected.

But some were affected more than others—it hurt female workers in retail jobs really hard. People from a non-English-speaking background—and there are many of those in my electorate—suffered in particular. In my electorate of Blaxland they make up 14 per cent of the workforce—more than one in 10 workers speaks little or no English. It makes it pretty hard to negotiate with the boss. These workers were the worst affected by Work Choices.

There is an organisation in my electorate called Asian Women at Work, and they represent these workers. This year they released a book called *Cries from the Workplace*, which tells stories of women who were affected by Work Choices. I think their voices deserve to be heard in this debate. Here is just one: the story of a woman named Mary, a Chinese lady in her 40s who packages food for a living:

My pay and conditions are very low. I only get \$11 an hour even though I start working at 3am in the morning. They are not paying the correct amount of tax for me. I don't get sick pay or sick leave and I don't get 4 weeks annual leave. I do get 9% superannuation. We don't get overtime penalty rates when we do overtime.

Since Work Choices, our pay and conditions have gone to rock bottom. We used to get paid \$16 an hour before Work Choices but after Work Choices we only get paid \$11 an hour and without proper conditions or entitlements.

That is the human face of Work Choices. That is Mary's story and that is why the Rudd Labor government is getting rid of Work Choices. What chance has someone like Mary got to negotiate with her boss to ensure that she gets a fair deal? People like Mary deserve a fair deal in the workplace. Every worker deserves a fair deal in the workplace. The people who are in this gallery today listening to this debate, and those hearing the broadcast on the radio, all deserve a fair deal in the workplace, and that is why this government is getting rid of Work Choices. That is why the people of Australia threw the Howard government out. I am sure the people in the gallery today will agree with me that it was the reason a lot of people around Australia changed their vote at the last election. People that had previously supported the Howard government changed their minds and voted for the Rudd Labor government because they were sick of these harsh, extreme and unfair industrial relations laws. These were laws that did things to people like Mary and to their grandchildren.

I know that the opposition are having a pretty hard time coming to terms with this bill. They know Work Choices was unpopular. They know what it did to the Australian people, but they just cannot let it go. In the last few months the Prime Minister has told us not to listen to what they say, but to look at what they do. Fair enough, but in this debate I think we have to turn it on its head—do not look at what they do, but at what they say, because in every single speech we have seen a salute to Work Choices and a criticism of this bill.

As usual, the member for Warringah came out punching and backed Work Choices. He

said that industrial relations should involve 'a certain amount of rough-and-tumble' that may lead to 'a bit of hurt and bruises'. This is from the man who said earlier this year that the Howard government would be remembered as the 'golden age of compassion'.

The member for Mackellar suggested that the Fair Work Bill was 'downright draconian'. Speech after speech said the same thing, quoting from the same articles and reading from the same song sheet: 'Work Choices was good,' they said, 'This bill is bad.' And then they told us they were going to vote for the bill anyway. But on Monday night came the bombshell: the member for Hume told us that he was going to vote against this bill. At last, a man with the courage of his convictions; someone prepared to match their words with their actions. I say: good on him. At least he stands up for what he believes in—not cowering behind the cloak of party room debate, not voting for the bill just to get it off the front pages of the newspapers and not a wolf in sheep's clothing. No, he revealed himself for the wolf that he truly is—for the wolves that they all are: people who believe in Work Choices. They believe in extreme industrial relations laws, writ large, because it is in their DNA. It is what the coalition believe in. If you have any doubt about what I say, let me point you to this statement:

You have to free the market to do its work and the cost of setting the clearing price—be it for labour, shares, home units or loaves of bread—be as low as possible...

This was not just any speaker in this parliament. It was not a member of the backbench, or a speech from the HR Nicholls Society, or a quote from Milton Friedman—it probably could have been—but it was the Leader of the Opposition, Malcolm Turnbull. That is what they think—they equate workers, working people like the people in the gallery to-

day, to loaves of bread. You have got to keep the cost of workers as low as possible. This explains the genesis of the legislation we are abolishing today. It explains the genesis of Work Choices because that is what they believe in.

We know they hate this legislation. That is why they fled the chamber as soon as the Deputy Prime Minister introduced this bill. It is why, if there is a question about it in question time today, you will see everyone on the front bench bury their heads in books, ashamed to even utter the words 'Work Choices'. This is not a debate; it is a wake—it is a lament to times past, to a fallen hero. It is like burying a member of the family. As we bury Work Choices today, rest assured that those opposite are marking the spot. If given a chance they will be right back here to dig Work Choices up and give it the Frankenstein treatment.

I will end with this, a bit of free advice for the opposition: beware of the ghost of Harvester, beware of the ghost that claimed Stanley Bruce in 1929 and beware of the ghost that claimed John Howard last year. We are a fair country, we believe in fair laws and we believe in a fair day's pay for a fair day's work. Anyone who forgets that will incur the wrath of the Australian people. That is why I support the Fair Work Bill, and so do all my colleagues here, who will be voting for it today. I commend the bill to the House.

Mr BEVIS (Brisbane) (1.53 pm)—Millions of Australians have waited for this day, after a decade of punishment and difficulty foisted upon them by the former Howard government and their industrial relations laws. It has been a long time coming for far too many Australians. It is important in this debate on the Fair Work Bill 2008 to recount the real-life situations that millions of Australian workers confronted over the last dec-

ade under the industrial laws of Peter Reith, John Howard and the member for North Sydney, when he became the minister responsible for industrial relations laws. I would like to recount a couple of incidents relating to people in my electorate who came to me over the course of the last couple of years. These examples are by no means exhaustive but they are illustrative of the problem.

A well-off senior executive in a finance corporation came to me when I had a mobile office in my electorate. He was not the sort of person that I would have thought would be inclined to support the Labor Party. After explaining where he worked and what he did, he explained to me that he was voting Labor because he had had enough of John Howard and the opposition's extreme industrial relations laws. I wondered how they affected him. As we spoke he referred to the experience of his wife. His wife was a professional with a good job. She worked well and was highly regarded by her workmates. She fell pregnant, took leave and had a child. Her employer decided that they did not want to extend maternity leave to her, so they made the position redundant under the then provisions for retrenchment for operational reasons. A few weeks later they employed someone to take her place. There was no redundancy. This was a sham constructed simply to remove an employee because that employer had no desire to provide that worker with basic entitlements. It was enough for that family to say, 'We've had enough.'

Another worker came along at an awards night—a defence medals ceremony that members of parliament on both sides will be familiar with. As this gentleman came in, he pulled me aside and started tearing strips off me and asking me what I was doing about the terrible industrial relations laws—Work Choices. I said: 'Actually, I'm doing what I can to try to stop them. We are trying to get

rid of them.' After he had chewed my ear for a while, the ceremony went on. When it concluded he came up to me and apologised. He said: 'I really shouldn't have had a go at you on the way in. I am actually a naval officer. I am worried about my son. He is starting a trade and I know how he is being treated.' These are real-life people who the Liberal Party ignored. They had an absolute blind spot, because whenever these cases were raised, whether in public or private, their standard response was that it was union propaganda and they would not listen to a word of it.

It was not just the workers of Australia who found these laws repugnant—or the parents or grandparents, many of whom, by the way, spent a lifetime fighting for conditions for their children only to see them stripped away by Peter Reith, John Howard and those presently sitting opposite. Employers also came up to me. We have all been out there as members of parliament with petitions on stalls. Usually you have to harass people to get them to come along and sign their name. I stood there with the petition on Your Rights at Work and there were queues of people lined up wanting to sign the petition. One of the people who signed, a lady at Ashgrove, made a comment about the impact it was having on workers. As she walked away she said: 'I'm an employer; I employ people. I do not want to be forced to subject my workers to the lowest common denominator. I respect my workers and I want to reward them. These laws are making it harder for me to do that.' I thank her.

I remember another employer who employed over 100 people and who invited me to talk to a gathering. They had an employer sponsored staff barbecue for the member for Oxley and me. We were invited to come along and say a few words. They had the same concerns. As a decent company employing around 100 to 150 people, they knew

that under the Howard laws, the Liberal Party's laws, they were being forced into the lowest common denominator, and they wanted none of it. They understood the importance of a dedicated, committed workforce—something those opposite never comprehended in the entire period they were in office.

The bill that we have before us today is an important part of setting the history right and setting the values of decent Australians back on the centre stage of industrial relations laws in this land. It contains important laws which all of us on this side are committed to. I would like to say that some of those on the other side share some of that commitment, but they do not. We confront Liberal and National parties that are still trying to come to grips with the reality that they lost an election. They struggle to comprehend that they are in opposition. They struggle to comprehend that the people of Australia in particular would have none of their industrial relations laws, their Work Choices laws. Let us just remember that name: Work Choices. It became so unpopular in this land that the government of the day and ministers of the day, who now sit opposite in opposition, instructed the public sector not to use the words 'Work Choices'. After spending tens of millions of taxpayers' dollars to sell it to the public, when the public knew that they had been sold a pup, those opposite, many of whom now sit on the front bench and want to be in government again, instructed their department officials not to use the term 'Work Choices'. I think it would suit the purposes of the House if my speech was interrupted to enable a motion to be put.

Debate (on motion by **Mr Albanese**) adjourned.

CONDOLENCES

Hon. Francis (Frank) Daniel Crean

Report from Main Committee

Order of the day returned from the Main Committee for further consideration; certified copy presented.

Ordered that the order of the day be considered at a later hour this day.

BUSINESS

Rearrangement

Mr ALBANESE (Grayndler—Leader of the House) (2.00 pm)—by leave—I move:

That so much of the standing and sessional orders be suspended as would prevent the report from the Main Committee relating to the condolence motion on the death of the Honourable Frank Crean:

- (1) being considered at 2 p.m.;
- (2) the Member for Hotham and the Member for Berowra—
the Father of the House—
speaking to the motion; and
- (3) at the conclusion of the consideration of the motion, for question time to proceed.

Question agreed to.

CONDOLENCES

Hon. Francis (Frank) Daniel Crean

Report from Main Committee

Consideration resumed.

Mr CREAN (Hotham—Minister for Trade) (2.01 pm)—I do thank the House for providing this opportunity. As they know, my father passed away on Tuesday afternoon. It was peaceful, and his family was by his side. Can I also thank the House and all the members from both sides for the wonderful words of comfort and sympathy that they have extended to me and my family both in written and spoken form. It is terribly reassuring, as hard as the circumstances remain.

Frank Crean was an extraordinary man. He was a wonderful and loving husband,

father, father-in-law, grandfather and great-grandfather. He was a loyal friend to many and he was a selfless servant of the nation. In many ways, he was what many people would like all politicians to be: decent, humble, a person of great integrity and someone who was always available to help others who needed assistance or to take the initiative and guide those who he felt needed direction.

His political cause and belief touched all three of his sons: my younger brother, David, served with great distinction in the Tasmanian parliament; I of course followed my father into federal parliament; and my older brother, Stephen, was active in the Public Service here in Canberra and in the union movement before his life was cut short in 1985—but he was super smart, he was really liked and he could have come into this place, too, I believe.

We all grew up in the family home in Middle Park—one that you, Mr Speaker, have referred to coming around to at some ungodly hour; my mother still talks about it—

The SPEAKER—Order!

Mr CREAN—She still loves you! Nevertheless, it was always an open-door house, and I think you made comment on that, Mr Speaker. In fact, that was in the days before electorate offices. There would not be too many members in this House who do not appreciate the electorate office, but in those days, effectively, the house was the electorate office. We always had people coming to the door, particularly on weekends when parliament was not sitting. It instilled in me very early on in the piece the importance of community service, public service and representing the community. Mum and Dad were always there, helping people in trouble.

It was also a house of great energy. There was always something happening there. Obviously, through the sixties and seventies,

with Labor striving to come to office federally, there were many meetings there with Dr Evatt, Arthur Calwell and of course Gough Whitlam and many of those other people who went on to that historic victory in 1972 and to form that great government in 1972. But in many ways our family home represented the beliefs of Frank Crean. He did believe in helping others, especially those in need; he also believed in the benefits of hard work—and his upbringing shaped those values.

He was born in Hamilton in 1916—and I thank the member for Wannon, who saw me this morning; Dad and I had a very nice visit a couple of years ago when we went back to Hamilton to try and relive a bit of his childhood. He grew up in the Depression, and that instilled in him a great commitment to social justice and to the importance of a cohesive community. While he excelled as a student—he was in fact dux of Hamilton High School—he had to come to Melbourne to complete matriculation and he went to Melbourne High School, where my two brothers and I went. He then topped the state in accounting, and that earned him an entry into the University of Melbourne, which was the only university in Victoria in those days. After going through that struggle, he always lamented the lack of resources in Hamilton. There were hardly any books at the school and there was no public library. In fact, when he first went into state parliament, this caused him to petition very strongly early on in the piece for two important developments: (1) the establishment of free public libraries in municipalities and (2) the establishment of the Council of Adult Education—of which he was the first chairman, a position he actually held until he became Treasurer in 1972.

His childhood was also affected by another event, which was that he contracted rheumatic fever at the age of 12. This confined him to bed for about 12 months. His

neighbour was the local ALP secretary and organiser for the AWU, a person who was himself well read and who kept bringing Dad books. So that gap in resources that he found at school, interestingly enough, he found next door through adversity. The local branch secretary also taught him the significance of struggle and activism, the circumstances of strike and lockout activity. In many senses, when I reflect on it, this is the sort of pastoral care we in the Labor Party in particular should be administering. I think most of the time when we have secretaries turn up these days it is with a ballot paper or a how-to-vote card in their hand!

That was a very important development in Dad's career and his lifelong commitment to the Labor cause. In 1929, at the tender age of 13, he was taken to a public meeting led by James Scullin, an election that subsequently became successful for Labor. He also had a very strong Presbyterian upbringing and this instilled in him a strong work ethic—a Protestant work ethic, I guess—but also a strong sense of moral values. It is also the place, when he came to Melbourne, that he met my mother, Mary Findlay, and they have been married for 62 years. She, of course, is a wonderful mum.

He was a champion of democracy and of empowering people. He understood that governments could make a difference and he genuinely believed that politics was a noble cause. He embarked on a political career in parliament that spanned 32 years—six in the Victorian state parliament and 26 here. The great pity for him is that the vast bulk of those 32 years were spent in opposition. But he was instrumental with Gough Whitlam and a team of greatly talented people, eager politicians, in laying the basis for the '72 victory. I remember getting involved in the campaigns of '69's swing to Labor. I remember the 'It's time' victory in 1972. I was at university at the time. My political activ-

ism came through the Vietnam antiwar movements, but the engagement with Labor at the coalface in fighting those campaigns was terribly important.

When Labor won office in '72 my father had the privilege of bringing down Labor's first budget in 23 years. It reflected the vision and commitment and excitement of change that took Gough Whitlam and his team to power. That was a victory that inspired so many of my generation to themselves become active. Subsequent to that first budget came the global oil shock of 1973, and that brought with it huge inflationary pressures. It required the government to adjust, and Dad was at the forefront of urging restraint where it was needed. I think that is a well-documented set of circumstances. Those warnings were not heeded, and in the end the Treasurer is only as strong as the Prime Minister allows him to be, but he did bring down a second budget and was then dismissed from the Treasury position. He took the portfolio that I am currently proud to occupy. He opposed the loans affair and he always argued that had he not been changed that event would not have proceeded.

Whilst he left parliament in 1977, he did not stop his activism or his zeal for community involvement and commitment. He chaired the Migrant Resource Centre in Prahran, one of his stamping grounds. Originally, that was a seat he held in state parliament. He was appointed by Ian McPhee, the then minister, and I know the Father of the House, the member for Berowra, also had great dealings with him when he became the minister for that position. I think Dad was chair of the Migrant Resource Centre for something like 26 or 27 years. He was a stayer.

His involvement with the Migrant Resource Centre demonstrated again not just

the commitment of community but the way in which community had changed. It had become much more multicultural. He understood that there were important needs for migrants. He wanted to go out there and assist and he greatly assisted them. His retirement also enabled him to spend time with all of the six grandchildren. Each of them not only loved him but also saw him as their mentor because he took the effort to teach them the values and the beliefs that he held so strongly. He remained active in so many ways up until a few years ago when his health began to deteriorate.

Frank Crean served this House with distinction and the nation with humility and courage. So I join the House in the condolence motion, but on behalf of the Crean family I want to place on the record our appreciation for the wonderful expressions of sympathy that have been made by so many. It is a great comfort to us.

Mr RUDDOCK (Berowra) (2.12 pm)—I thank the House for giving me the opportunity to be associated with this condolence motion for Frank Crean. Simon Crean, the member for Hotham, knew his father well. I had the great privilege of serving with Frank Crean in this parliament, having entered this chamber in 1973. I saw him as minister and Deputy Prime Minister and had the great privilege of regarding him as a colleague, although I was very junior. Members may not be aware, but it is surprising how similar our family backgrounds have been. My late father, who served in the New South Wales parliament, had the privilege of serving in the Commonwealth Public Service from the period of the war until 1949. That is why I was born in Canberra. He held a master's degree in economics. He was qualified as a public accountant. In other words, their qualifications were almost mimicked. And my father had the highest regard for yours. He spoke of him long before he achieved

ministerial office and reminded me of the contribution that he was making and would be able to make, and so for that reason I particularly wanted to be associated with this motion.

I have had an opportunity to read some of the parliamentary debates and in particular one—as we did here today—where we wish each other well. I noted that at the time when the late Frank Crean left the parliament in 1977, Ian Macphee, who was spoken of earlier, said it was his privilege to know Frank Crean well before he came into this place. He said: 'We served together on the Council of Adult Education in Victoria when he was chairman. He was chairman for 20 years.' Vince Martin will not be known to many perhaps, except for the member for Banks, but he had this to say:

The thing I admire about Frank Crean is his humility. He is a true Christian. He is an elder of the Presbyterian Church and I am a practising Catholic. There was no difference of opinion between us on true Christian principles. He played a leading part in an organisation about which very little is known outside this Parliament—the Parliamentary Christian Fellowship. He was a fine example to many people in this Parliament, with his attitude of true Christianity.

When I speak of his humility, I do not have to go back very long ago to find an example. Frank Crean had served in very high office. He was Deputy Prime Minister of this country. He was Treasurer, and in my view the best Treasurer we had between 1972 and 1975. He did not consider it a lowering of his prestige to serve as a member of the Public Accounts Committee of this Parliament when he was asked to do so.

He saw his role as a member of parliament as being something that was particularly important and with which he could be associated.

I promised to contain my remarks, but there is one story I hope the honourable member will not mind me telling. It says something of the true humility of Frank Crean that greatly affected me. My wife and

I were dining in a restaurant here in Canberra. One of the minister's nephews was waiting on us and he said, I believe jocularly, that his family probably would not believe that he had been waiting on the enemy. I thought it was jocular; he served us well. But after Christmas we had a note from him apologising for what he had said. He had spoken with his grandfather, who had told him that it was an inappropriate remark to make. I think it says something about the Frank Crean that I greatly admire. It says something about the way in which he brought up his family. It is the reason that I wanted to stand here today and to send my best wishes to the minister's mother, Mary. My condolences to you, Minister, and your brother, all of your children, nephews and nieces and the great-grandchildren of Frank Crean. They are rightly proud of what he has been able to achieve for this country. Those of us who had the privilege of knowing him were greatly enriched.

Question agreed to, honourable members standing in their places.

BUSINESS

Mr ALBANESE (Grayndler—Leader of the House) (2.19 pm)—Mr Speaker, on indulgence: it might assist the House if there is an update, which I was asked to give by the opposition, on how we are going with regard to departing this place later today. It is pretty clear that the Senate are moving extraordinarily slowly. They dealt with one bill each day for the first three days and this morning they have been dealing with committee reports. Yesterday afternoon they dealt with valedictories. There is still a substantial amount of government business that has been sent there from the House of Representatives for them to deal with, so at this stage it is pretty clear that we are not going to finish at 5 pm today as scheduled. The Manager of Opposition Business and I will continue to

have active discussions about the program and schedule and, of course, as with everything with the Rudd government, we will take decisive and early action to advise the House at an appropriate time.

My view, as Leader of the House, and the view of the Manager of Opposition Business is that we should not be sitting for the sake of it, so it may well be that we adjourn tonight and come back for a short period tomorrow morning. It may also be possible that we will be back here for a short period on Monday morning. In terms of arrangements, I think that is preferable—and I think we agree on this—to sitting into the night just basically filling in time. As soon as possible, I will advise the House of the case after consultation with the Manager of Opposition Business. It may well be that, if it assists the speed of passage of legislation, we will suspend for a break this evening and come back for a short period of time and then send business back to the Senate. I am advised that the Senate has determined that they will not sit past 11 pm this evening anyway. For those of whatever persuasion with influence over in the Senate—

Opposition members interjecting—

Mr ALBANESE—Our people in the Senate are decisive! We know what our position is on the legislation that is there because it is our legislation. We are prepared to sit for as long as is necessary, but there are obviously costs involved also. I might add that it is not just for the consideration of members and senators; it is actually for the staff of the parliament as well. It is out of courtesy to them as well that I will seek to keep the House updated.

MINISTERIAL ARRANGEMENTS

Ms GILLARD (Lalor—Acting Prime Minister) (2.22 pm)—Mr Speaker, I inform the House that the Prime Minister will be absent from question time today as he is at-

tending the funeral of Lieutenant Fussell in Sydney. I will answer questions on his behalf. The Minister for Defence and the Minister for Defence Science and Personnel are also accompanying the Prime Minister to the funeral, as is the Leader of the Opposition. The Attorney-General and the Minister for Veterans' Affairs will answer questions on behalf of the Minister for Defence and the Minister for Defence Science and Personnel respectively. The Minister for Foreign Affairs remains absent from question time today, and the Minister for Trade will answer questions on his behalf.

QUESTIONS WITHOUT NOTICE

Banking

Ms JULIE BISHOP (2.23 pm)—My question is to the Treasurer. Why is the government establishing a new bank that will channel petrodollars from the Middle East to state Labor governments?

Mr SWAN—The proposition put by the Acting Leader of the Opposition is just absurd. The global financial crisis is impacting on all organisations who raise funds on credit markets, including commercial banks and state governments. The current conditions in financial markets do make it harder for state governments to borrow to fund important capital works. In the environment we are in at the moment, nothing could be more important than capital works, particularly when it comes to critical economic infrastructure. The government has made no secret of its commitment to invest in infrastructure and its commitment to see the private sector invest in infrastructure and the state governments do the same. This is a very, very important part of strengthening our economy in the face of the global financial crisis but, as importantly, an important part of reform in the Australian economy, which had been neglected for 12 long years.

Critical economic infrastructure goes to the core of the capacity constraints that this economy has suffered from and under over a very long period of time. As the Reserve Bank pointed out, on 20 occasions the previous government was warned by the Reserve Bank about the implications for inflation because of its failure to take infrastructure issues seriously. This government is determined to ensure that Australia does have the infrastructure it needs to underpin growth and prosperity for the long term. Like any sensible government, and like any government that is committed to economic prosperity, we will take on board any sensible suggestions that are made to us from either the private sector or the public sector.

As for the ridiculous speculation that the member put forward then, and other matters in today's newspapers, what this government is on about is a commitment to infrastructure. We will take on board in our discussions with the states some means to assist them if that is required—if that is required—when it comes to their borrowing programs. There has been an exchange of correspondence with the Queensland Treasurer, which the member is aware of, and I have written back to the Queensland Treasurer suggesting to him that we are happy to work constructively with the state governments to see a resolution to this problem but rejecting the solutions that he put forward in that letter.

DISTINGUISHED VISITORS

The SPEAKER (2.26 pm)—I inform the House that we have present in the gallery this afternoon members of a parliamentary delegation from the Republic of Indonesia, led by the Speaker of the People's Representative Council, the DPR, His Excellency Mr HR Agung Laksono. On behalf of the House I extend a very warm welcome to our visitors.

Honourable members—Hear, hear!

QUESTIONS WITHOUT NOTICE**Education**

Ms BURKE (2.27 pm)—My question is to the Acting Prime Minister. Will the Acting Prime Minister update the House on progress in delivering the government's education revolution?

Ms GILLARD—I thank the member for Chisholm for her question. I know she will be relieved to know, as members of the government will be relieved to know, that the Senate has passed the Schools Assistance Bill and there is now no threat to the funding of non-government schools in 2009. Members of the government may be wondering how this happened, because they would recall that we were in this parliament yesterday and the stated position of the shadow minister for education—

Mr Pyne—You caved in!

Ms GILLARD—who chimes in right on cue—was that he was going to fight on. He was going to fight on because he wanted to delete from the government's bill the reference to the national curriculum. The bill has been delivered in whole. It delivers \$28 billion of funds to non-government schools, it delivers the new transparency measures we promised in the form we promised them and it delivers our commitment to the national curriculum. This has been achieved because the shadow minister for education today engaged in what must go down as one of the most humiliating backflips in Australian politics. He was fighting on as late as this morning and then went into the Senate and performed this humiliating backflip. Instead of just having the fortitude to go out publicly and say, 'Yes, I did backflip; I did change my mind,' the shadow minister for education has been trying to pretend to all the world that apparently a statement about curriculum was made today in the Senate that had never been made before. This simply is not true.

Can I indicate to the House on how many occasions in the past—and this is not an exhaustive list—the government has given commitments to schools that offer alternative curriculums, like Steiner schools and Montessori schools, that they would be able to work with the national curriculum process and that their teaching styles were not under threat. That is something the shadow minister in his humiliation and shame is trying to pretend only happened this morning.

I take the House to an extract of my second reading speech on the Schools Assistance Bill 2008 on 21 October, and I table it; to my response to amendments moved in the House by the shadow minister raising this issue on 21 October, and I table it; and to my speech to the Curriculum Corporation on 10 November, which dealt comprehensively with these issues, and I table it. In fact, Senator Carr today in the Senate used these words in the statement that he made—a statement drawn from my speech of 10 November. Then I take the parliament to the words of the member for Bennelong, the Parliamentary Secretary for Early Childhood Education and Child Care, who on my behalf delivered the summing-up speech to the Australian Curriculum, Assessment and Reporting Authority Bill 2008 in this place on 26 November and used the same form of words that was used by Senator Carr in the Senate today on the parliamentary record, and I table it. Then, of course, there is a transcript from me on radio in Adelaide yesterday, 1 December, which deals comprehensively with these issues, and I table it. Then there is a transcript from 2 December of an ABC Radio National breakfast interview dealing comprehensively with these issues, and I table it. Then, of course, there is a media release from me of 3 December which deals comprehensively with these issues, and I table it. Then there is my response to the Senate's amendments in the record of parliamentary proceedings from

yesterday, 3 December, which gives the same form of reassurance, and I table it. Then there is a *Hansard* extract from yesterday in which I gave exactly the same reassurances and used the same form of words, dated, of course, 3 December, and I table it. Then there is a transcript of my television interview on ABC2 News Breakfast this morning, where I used the same form of words and gave the same kinds of reassurances, and I table it.

Mr Pyne—It's all about your ego, isn't it, Julia.

The SPEAKER—Order! The member for Sturt!

Ms GILLARD—The irresponsible shadow minister who yells now—

Mr Pyne—It's all about you!

The SPEAKER—The member for Sturt!

Ms GILLARD—in his humiliation and shame—

Mr Pyne—It's all about you!

The SPEAKER—The member for Sturt is warned!

Ms GILLARD—has put parents and teachers and principals in non-government schools through agony for no reason. Last night they would have watched the TV news and thought that they were not going to get funded. This morning they would have woken up to newspaper headlines that said that there was a threat to their funding. They would have listened to the radio this morning and perhaps watched breakfast TV and believed that there was a threat to their funding, all caused by the shadow minister for education because he viewed his cheap and petty politics as more important than giving a quick reassurance to these families that their school choice would be honoured and their children would be able to go to the school of their choice next year.

Well, can I say this: the shadow minister has been humiliated, but what we can say to the mums and dads, the teachers and principals and, most importantly, the children of non-government schools is that they will benefit, from 1 January next year, from \$28 billion of resources delivered to them by the Rudd Labor government, worked on constructively by the Australian Greens and Senator Nick Xenophon—and fought every step of the way by the Liberal Party.

Banking

Ms JULIE BISHOP (2.33 pm)—My question is to the Treasurer. When did the Treasurer first become aware of the proposal for a new government owned bank? Can the Treasurer confirm that this new bank was born out of a discussion between state Labor governments and led by the New South Wales Treasurer, Eric Roozendaal?

Mr SWAN—The answer is no. Those events did not happen. I will repeat what I said before, because the government is prepared to examine all appropriate measures to ensure that investment flows to critical economic infrastructure, particularly given the global financial crisis. But, as I said to the member before, I rejected the proposition formally put to me by the Queensland Treasurer, Mr Fraser, on behalf of the other treasurers.

Pensions and Benefits

Ms PARKE (2.34 pm)—My question is to the Treasurer. Would the Treasurer outline for the House the economic benefits of the Economic Security Strategy payments that will start reaching families and pensioners from Monday?

Mr SWAN—I thank the member for her question. The Rudd government's \$10.4 billion Economic Security Strategy will provide relief for families and for pensioners and will strengthen the economy and create up to 75,000 jobs. From Monday, 8 December, the

Economic Security Strategy will deliver a lump sum payment of \$1,400 for single pensioners, \$2,100 for pensioner couples and \$1,000 for those receiving carer allowance. Families on family tax benefit A will also receive \$1,000 per child. These payments are targeted towards pensioners and others in our community who are doing it the toughest and they are people who need this support. Something like four million pensioners, seniors and carers and two million Australian families will next week be receiving additional assistance.

We on this side of the House strongly support the Economic Security Strategy because it delivers support to those who need it most and it delivers it in a timely way when the economy requires it. This Economic Security Strategy is decisive and it is the early action that we need to protect our economy because of the fact that world growth is slowing. This country is better placed to withstand the fallout from the global financial crisis than many other countries, but of course it is difficult for us to resist the pull of the international global financial crisis. But with these payments, with the big cuts in interest rates and with the investments in health, education and infrastructure, all arms of policy are now directed towards creating jobs and buffering our nation from the worst that the world can throw at us. This government has taken decisive action, we have taken responsible action and we have taken it at a time that is absolutely necessary to strengthen our economy.

We know that those opposites have no alternative. The Deputy Leader of the Opposition, the Acting Leader of the Opposition, was on *Lateline* last night. She was asked by the host to name one alternative policy that the opposition had. And do you know what? She could not name one—not one during a seven- to 10-minute interview. Not one policy could she name last evening.

Those over there are prepared to sit on their hands in the middle of a global financial crisis. They cannot get fully behind the government's Economic Security Strategy. What they want to do is take pot shots at that strategy and individual elements of it. But I would suggest that the Australian people are looking for a lot more from those opposite. They want them to be part of the solution, not part of the problem. I would urge them to get on board because this strategy is absolutely what this country needs at this time.

Banking

Ms JULIE BISHOP (2.38 pm)—My question is to the Treasurer. Is the Treasurer giving consideration to the establishment of a government bank and, if so, given the poor financial position of many state Labor governments, has a risk assessment of the new bank been undertaken by the Treasury and has it been scrutinised by the Commonwealth Loans Council?

Mr SWAN—I have got nothing more to add to the answer that I gave before. I said very clearly that the government is prepared to examine any sensible and alternative measure. I have already said that the proposition put by the Acting Leader of the Opposition is completely absurd. I have made that very clear. I have made it very clear that the proposition put formally to the federal government by the Queensland Treasurer in communications with us directly by letter is not acceptable to the Commonwealth government. I have also made it very clear to the treasurers and to the premiers that we are happy to talk with them about what sensible measures could be taken over time to ensure that their capital works programs proceed in a way which strengthens our economy and ensures that infrastructure in this economy is built—is built because it is needed for the long-term productive potential of the economy but also, most particularly, proceeds

now given the global financial crisis and what that means in terms of protecting jobs and protecting industry and strengthening our economy.

Pensions and Benefits

Mr ADAMS (2.40 pm)—My question is to the Minister for Families, Housing, Community Services and Indigenous Affairs. Will the minister update the House on responses to the government's Economic Security Strategy payments?

Ms MACKLIN—I thank the member for Lyons for his question. I am sure he will be very pleased to know that from next week more than 10,000 families in his community who receive family tax benefit A will be receiving extra assistance under this package and almost 21,000 pensioners and carers and other seniors will also be receiving assistance. This is much needed assistance that will go to nearly two million families and four million pensioners, carers and people with a disability who will receive this extra help through the government's Economic Security Strategy payments—\$1,400 for single pensioners and \$2,100 for couples, and families who are on family tax benefit A will receive \$1,000 for each eligible child.

Many people have been in touch with us, as you can imagine, to tell us just how these payments are going to help them out. I had an email recently from Jackie in Melbourne, who wrote to say how much she welcomes the Economic Security Strategy. She writes:

Our six-year-old son has an autism spectrum disorder and we receive the carer allowance, so the \$1,000 announced for carers is fantastic. My query is that we receive the family tax benefit A, so does that mean that we will receive \$2,000? If that is the case, we will be heading out to get the much needed fridge and washing machine.

I am very pleased to be able to let Jackie know that she will be receiving \$2,000, so

she will be able to go ahead and buy that fridge and that washing machine.

We do know that there are number of people on the other side of the House who actually do not want Jackie to get that fridge and washing machine. Probably most famously—I know you have heard a few remarks from this particular person—the Leader of the Nationals in the Senate said the following to the *Canberra Times* about these Economic Security Strategy statements, and I am quoting:

“It was the National Party that came out to say ‘we’re going to call bull dust on this one’...

Remarkable. The National Party wants to stop nearly two million Australian families getting this \$1,000 payment per child—two million Australian families that they do not want to get this extra help.

I say to the National Party and to their coalition colleagues that they really should keep up with the rest of the world. Maybe read a newspaper. There is no question they are living in complete denial about the global financial crisis and the way in which the world has changed. It does seem that the National Party are not on their own.

Mr Tuckey interjecting—

Ms MACKLIN—What did he say?

The SPEAKER—Order! I suggest that the minister ignore the interjections.

Ms MACKLIN—I think that really sums it up: it is not only the National Party; it is the Liberal Party as well that is living in the past. It is not only the member for O'Connor who thinks that \$2,000 for a fridge and a washing machine is not real money. It is extraordinary, when you look at some of the latest goings on on a particular website that has some recent news from the Liberal Party. You might be wondering, Mr Speaker: we could find out who is the latest Leader of the

Opposition and what sort of zany activities the Young Liberals are getting up to.

Mr Hockey—Mr Speaker, I rise on a point of order of relevance. I ask that the minister answer her own question.

The SPEAKER—I will listen carefully to the way in which the minister relates this preamble to the question, which called for an update on the responses to the package.

Ms MACKLIN—That is exactly what I was referring to, Mr Speaker: the comments from the Leader of the Nationals in the Senate, updated extraordinarily by the member for O'Connor. But I was amazed when I went to the New South Wales Young Liberals website. I found this extraordinary picture of John Howard—this is 'up-to-date'; it was on the website today—and right down here is a little picture of the member for Wentworth.

The SPEAKER—Order! The minister has used her prop.

Mr Hockey—Mr Speaker, the government budget website still says the government is going to have a \$21 billion surplus. So if we are getting into websites—

The SPEAKER—The Manager of Opposition Business will resume his seat! That was not a point of order!

Ms MACKLIN—If I can just finish by saying there is a lovely message from Mr Howard, signed 'Prime Minister of Australia'. You guys are so out of touch, so out of date: you don't even realise you lost the last election.

Banking

Ms JULIE BISHOP (2.47 pm)—My question is to the Treasurer. Will the Treasurer rule out the establishment of a new government bank?

Mr SWAN—I thank the Acting Leader of the Opposition for her question. I notice that with the Leader of the Opposition away she has finally got one, Mr Speaker.

Opposition members interjecting—

Mr Albanese—She's got five!

Mr SWAN—The tactics committee says she has got five, is that right? She has asked me about media reports—

Opposition members interjecting—

Mr SWAN—I think it would be a good idea just to go through some of the media from this morning which relates directly to the management of the economy.

The SPEAKER—The Treasurer will resume his seat.

Mr Sidebottom interjecting—

The SPEAKER—And for the member for Braddon, it might be the last talk that he has today!

Ms Julie Bishop—Mr Speaker, I rise on a point of order of relevance. The Treasurer said I asked him about media reports. I did not. I asked: will the Treasurer rule out the establishment of a new government bank?

The SPEAKER—The Treasurer will respond to the question.

Mr SWAN—Mr Speaker, I said earlier that all of those allegations were absurd, but I was asked about reports in the paper. Of course there have been plenty of media reports about where those opposite are coming from in terms of the economy. This was at the doors this morning from a reporter to the Deputy Leader of the Opposition:

You're changing your line from last week—

Mr Truss—Mr Speaker, I rise on a point of order in relation to relevance. The door-stop interview has got nothing to do with whether or not the government is going to say yes or no to a new bank.

The SPEAKER—The question related to a proposal about a new government bank. I will listen very carefully to how the matter that the Treasurer is about to introduce in his answer relates to that question.

Mr SWAN—It certainly does, Mr Speaker, because there is a fundamental difference between those on this side of the House and those on that side of the House. We absolutely believe in infrastructure, in building it to invest in the economy—to strengthen it particularly at a time of global financial crisis. There are very big differences in terms of economic management between those opposite and those on this side of the House and they go to the very core of our future prosperity. This morning on the door, the Deputy Leader of the Opposition was asked this question:

You're changing your line from last week—

Mr Robb—Mr Speaker, I rise on a point of order on relevance. There is a difference between both sides: we are not for a new government bank and they are!

The SPEAKER—The member for Goldstein is not assisting. The Treasurer will relate his remarks to the question.

Mr SWAN—This morning on the doors, the Deputy Leader of the Opposition was asked this question—

Opposition members interjecting—

The SPEAKER—Order! If those on my left would quieten down, I would be in a position to judge whether the Treasurer is being relevant to the question.

Mr SWAN—Mr Speaker, I have been asked a question about infrastructure—

Opposition members interjecting—

Mr SWAN—I have been asked a question about its funding. This morning in a door-stop, this is what the Deputy Leader of the Opposition was asked—

Mr Pearce—Mr Speaker, I rise on a point of order of relevance: with the greatest respect, could you please ask the Treasurer to answer the question.

The SPEAKER—The Treasurer should bring his answer to a close.

Mr SWAN—I have answered this question, Mr Speaker. This government is committed to investing in infrastructure, it is committed to examining any sensible measure to do so, and that is exactly what—

The SPEAKER—Order! The Treasurer will resume his seat!

Veterans

Mr CRAIG THOMSON (2.52 pm)—My question is to the Minister for Veterans' Affairs. What action has the government taken to assist Australia's veteran community and what other positions have been taken with respect to this important constituency?

Mr GRIFFIN—I thank the Member for Dobell for his question. Yes, I am relieved that it was not one with respect to defence, science and personnel. What I can announce to the House and confirm is that the veterans community in Australia at this time, as a result of the ESS payments, will be in possession of some \$407 million leading up to Christmas, a time when many of these people are in great need.

In Dobell's case, I can tell the local member that 3,300-plus pensioners will be in possession of some \$4.2 million in the lead-up to Christmas. This is the latest in a series of initiatives from the Rudd government with respect to our veterans community, a community that did it hard for our country at a time when we needed it and have often lived with the aftermath of that with respect to the circumstances of their service.

I contrast this, as I am asked for the position of others on this matter, with the actions of the opposition. Members will recall that the opposition, with respect to pensioner support, came forward initially with the proposal for \$30 per week but in fact had excluded veterans from their original proposal.

Subsequently, there was a change and that included the situation of single pensioners. But then they got confused again and went forward with an amendment in the Senate which in fact only covered some 35,000 single service pensioners.

It does not stop there. If you go back over the time of the previous government, you will find a number of issues where the previous government dropped the ball and did not really do what was required to deal with the needs of the veterans community. It covered issues of compensation, commemoration and health care. For example, with respect to compensation, one of the most outstanding issues over the time of the Howard government was the method of indexation of disability pensions, particularly TPI and other above special rate disability pensions. After 10 years, after inquiries, after demonstrations, finally, after the then opposition moved forward with a proposal to change that method of indexation, the government of the day, in the shadows of the election, actually moved. That has now been implemented earlier this year.

Then there were the situations with respect to health care. Members will be aware of the concerns around the F111 deseal-reseal issue. I recall attending a meeting as shadow minister last year on the question of the best way forward to deal with those issues, because we knew that new issues were being presented. I had members on my side of the House raising those concerns with me. I committed, as the shadow minister at the time, to a parliamentary inquiry into these issues. That inquiry is now well and truly underway and about to come to a conclusion under the chairmanship of the member for Brisbane. At the time that I made that commitment, the then minister was asked the same question. The then minister refused to act upon the commitment; he refused to give it.

There are also issues around commemoration. One is the battle for Australia Day. As members know, when in opposition we made a commitment to have it declared as a national day of commemoration. That was welcomed by the member for Bradfield—the opposition leader at the time we made the announcement—who indicated that, in fact, we acted accordingly, and I thank him for that. But I do not think we should forget that this proposal was raised repeatedly during the time of the previous government and was rejected repeatedly. The fact is they were not prepared to act at that time.

The other outstanding issue that I will mention in passing relates to the Clarke review. The fact of the matter is the Clarke review was undertaken by the previous government but many recommendations that came down from Justice Clarke were ignored. They were not acted upon. We made a commitment to inquire into that and to review it, and that review is currently underway. I understand that review is now welcomed by the opposition, but let us not forget that for years they did nothing about taking action. We all recall what occurred around the question of the cabinet submission at the time with respect to that issue.

I will finish on one last one: the issue of medallic recognition for bravery at Long Tan. Again, this issue was around for a long time under the previous government and they took no action on it. I congratulate the former minister for having the courage to move forward on that in the shadows of the election. I understand that the inaction of years before was not necessarily his fault. The fact of the matter is that, again, this issue was only acted upon at the last moment. Since the election we have seen confusion from the opposition in this area. We have seen a situation where, belatedly, they have come to accept these and a range of other policies that we brought forward at the election and since

the election. I am glad that they now support them, but I think they have to explain to the wider veterans community why they did not support them at the time when they could have done something about it.

Murray-Darling River System

FRAN BAILEY (2.58 pm)—My question is to the Acting Prime Minister, Minister for Employment and Workplace Relations, Education and Social Inclusion. Acting Prime Minister, why has the government turned a blind eye to the rogue actions of the Victorian Labor government's extraction of 75 billion litres of water a year from the Goulburn River to Melbourne when that water should be returned to the Living Murray Initiative? Does this extraction not make a mockery of the government's national management plan for the Murray-Darling Basin?

Ms GILLARD—I thank the member for McEwen for her question. I acknowledge that the question she raised raises some matters which are significant to local communities in her electorate. I understand that and she is gesturing to say it is a bigger issue than that, but I do understand she is bringing this forward as a local member.

Mr Pyne interjecting—

Ms GILLARD—Adelaide, of course, is very close to my heart—my parents live there, my family lives there—so matters and circumstances often get raised with me going to Adelaide. I can assure the shadow minister for education about that and should he be interested in matters and circumstances related to Adelaide, I would recommend to him the editorial in today's *Adelaide Advertiser* for his edification.

On the question that the member for McEwen has raised with me, the Rudd government of course has taken a series of actions to deal with the crisis in the Murray-Darling and with water problems beyond the Murray-Darling.

Mr Hunt—You gave a green light to the pipeline.

Ms GILLARD—The member for McEwen—who is now having her shadow minister chime in, a shadow minister who was a member of a government that never bought a drop of water back—would be aware that this government has taken a series of actions to deal with the water crisis. Amongst them we have entered negotiations with states and territories. We have moved decisively on federal actions in relation to the Murray-Darling. We have commenced buybacks of water entitlements, something that never happened over 12 years of the government of which the member for McEwen was a part. There is a difficult set of problems and we have never said to the Australian people that these were going to be resolved overnight. We have had a longstanding drought and we face the circumstances of climate change. These are difficult issues which take concerted action. But in the 12 months of this government we have made more of a start than the government of which she was a member ever made.

Fair Work Legislation

Ms REA (3.01 pm)—My question is to the Acting Prime Minister. Acting Prime Minister, does the Fair Work Bill allow a union to impose a bargaining fee?

Ms GILLARD—I thank the member for her question and know that she is deeply interested in fairness in Australian workplaces and I know that she, like me, would be very concerned when false claims are made in this debate, false claims particularly made by the Liberal Party, which is twisting and turning, trying to find a justification for voting against the Fair Work Bill.

I want to clarify this matter once and for all. The Labor government is committed to retaining the prohibition on compulsory bargaining fees and the Fair Work Bill is com-

pletely in accord with this commitment. The Fair Work Bill expressly prohibits a union or employer industrial association from demanding or for purporting to demand or doing anything that would have the effect of demanding or purporting to have the effect of demanding payment of a bargaining services fee. Any breach of this provision attracts a penalty of \$66,000.

The bill ensures that Fair Work Australia cannot approve any agreement that includes bargaining fees. It also provides other strong protections such as prohibiting coercion to pay a bargaining fee. However, as has always been the case under the Workplace Relations Act, it does not prevent a person freely entering into a contract or commercial arrangement for the provision of bargaining services. For instance, an employer organisation may charge an employer on a fee-for-service basis for assistance and representation during the bargaining process, and in fact many employer organisations do just that.

During the course of the Fair Work Bill debate this week from the party of Work Choices opposite we have heard some wild and inaccurate claims about this matter. Take for example this complete nonsense from the opposition spokesperson for workplace relations who said:

Another free kick that is gained by the union movement within this legislation is that the unions are allowed to demand bargaining fees from non-union members.

That claim is wrong. And then one of the architects of Work Choices, the member for Mayo, said:

Of course, what will be included in these agreements? Union bargaining fees.

Another claim completely wrong! Then we have had this rot from the member for Warringah when he said:

Fifth, and finally, it seems—and I stress ‘it seems’—that this bill does actually allow bargaining fees ...

This claim is wrong.

Let me be very clear about this. The effect of the provisions in the Fair Work Bill is exactly the same as the current provisions in the Workplace Relations Act, the provisions first introduced by the coalition government in 2003. No amount of misleading is going to change that fact. And while the shadow minister for workplace relations has got this matter wrong and the member for Mayo has got this matter wrong, it may seem quite amazing that the member for Warringah got it wrong, because when he was minister he introduced legislation with the same terms as the Fair Work Bill. He was the minister responsible for legislation which dealt with this matter in the same terms. So you would have thought that when he was minister introducing that legislation he may at some point have been briefed on its meaning and, consequently, not have made inaccurate statements about legislation in similar terms.

What is all this about? What are all these false claims about? Why are members of the Work Choices party of Australia coming into this parliament and making these false claims? It is abundantly clear. They are twisting and turning and looking for any excuse to vote against the Fair Work Bill. Why? Because they are and always will be the Work Choices party, the party of industrial relations extremism in this country.

Honourable members interjecting—

Ms Gillard interjecting—

Mr Hockey—Mr Speaker, I rise on a point of order. I ask the Acting Prime Minister to please withdraw that comment.

The SPEAKER—I did not hear the comment at all.

Mr Albanese—Mr Speaker, I rise a point of order. Work Choices was what was offensive, not the Acting Prime Minister's language. There was nothing that the Acting Prime Minister said which was unparliamentary.

The SPEAKER—I have the difficulty of not actually knowing what was said. The only thing to do to be consistent when there has been a reaction like this, even if it is not necessary, is to call upon the member concerned to withdraw. I call upon the Acting Prime Minister to withdraw.

Ms Gillard—I withdraw, Mr Speaker.

The SPEAKER—I thank the Acting Prime Minister.

Murray-Darling River System

Mr BRIGGS (3.07 pm)—My question is to the Acting Prime Minister. I refer the Acting Prime Minister to the letter I am holding from the Alexandrina Council, which covers the Lower Lakes that are in my electorate, delivered to the Prime Minister yesterday and calling for the government to deliver an extra 60 billion litres of water to save the Lower Lakes.

Honourable members interjecting—

The SPEAKER—Order! The member for Mayo has the call. I am listening to his question.

Mr BRIGGS—I also refer the Acting Prime Minister to the government's decision giving the green light to the Victorian government to take an additional 75 billion litres of water from the Murray-Darling Basin for the north-south pipeline. Will the Acting Prime Minister now take decisive action to stop the pipeline and keep the 75 billion litres within the Murray-Darling Basin to help save the Lower Lakes?

Honourable members interjecting—

The SPEAKER—Order! The question has been asked. The Acting Prime Minister has the call.

Ms GILLARD—In answer to the member for Mayo's question can I say, firstly, when he was working assisting with drafting Work Choices legislation, which enabled the rip-off of workers at risk in the Australian economy and enabled them to lose their penalty rates and overtime without compensation—

Opposition members interjecting—

Ms GILLARD—It is a simple fact and, yes, it was offensive to all those at-risk workers—

Dr Stone—Mr Speaker, I rise on a point of order. Quite clearly it is on relevancy. The answer we are after is about the pipeline out of the lower Murray and the—

The SPEAKER—The Acting Prime Minister is aware of the need to be relevant. I will listen carefully now that the Acting Prime Minister is responding to the question.

Ms GILLARD—My simple point was that the former government was a government that acted in a series of areas but not in relation to this one in any effective way. Can I say to the member for Mayo that I have reasonable eyesight, assisted as I am, but clearly I cannot read across the chamber a letter he holds up. I am very happy, should he choose to have the letter brought round, to ensure that it is responded to and responded to promptly, but I cannot respond to it in detail having it held up as far away from me as that letter was.

What I can say to the member for Mayo is that the government understands that right across the Murray-Darling Basin irrigators and the environment are suffering as a result of very extended drought. These statistics are probably very familiar to the member for Mayo but, for members of the House, we

have now had 38 consecutive months of below average monthly inflows into the River Murray. Over the last 10 years, inflows into five of the eight catchments in the southern Murray-Darling Basin have been around or worse than the CSIRO's worst case projections for 2030. As we all know, water entitlements issued to the river under the Living Murray initiative—

Mr Hunt—Mr Speaker, I rise on a point of order on relevance. The question was about saving the Lower Lakes by stopping the pipeline.

The SPEAKER—The Acting Prime Minister will respond to the question.

Ms GILLARD—My point in going through these statistics is that water is short. There is nothing that covers that up. Water is short, and in these difficult situations—

Opposition members interjecting—

The SPEAKER—Order! The question has been asked.

Ms GILLARD—obviously governments are trying to manage the situation.

Through the Murray-Darling Basin Ministerial Council, the Rudd government is supporting measures to protect the Lower Lakes from acidifying in the short term. Obviously, as the water levels get lower and lower, the question of the acidic content of the lakes becomes critical. South Australia is also developing longer term management options for the Lower Lakes, with funding support from the Rudd Labor government. The Australian government has agreed to provide South Australia with up to \$200 million for long-term management of the Lower Lakes and the Coorong and up to \$120 million for a pipeline network to service communities reliant on the Lower Lakes for fresh water supplies. These steps are being taken because we understand how difficult the situation is, how difficult it is for the residents of South

Australia and how difficult it is for those who are reliant on the water in the river for irrigation and other purposes. We have taken these actions as a government because we understand these problems. I would compare that record in 12 months with the record of inaction over 12 long years.

Fran Bailey interjecting—

Ms GILLARD—The member for McEwen, who is gesticulating wildly now, might like to think about the opportunities lost over those 12 long years.

Mr Briggs—Mr Speaker, as requested, I seek to table the letter from the Alexandrina Council for the Acting Prime Minister.

Leave granted.

Tourism

Mr TURNOUR (3.14 pm)—My question is to the Minister for Resources and Energy and Minister for Tourism. Will the minister advise the House of any initiatives to encourage Australians to assist the Australian tourism industry by having a holiday at home?

Mr Hockey interjecting—

Mr MARTIN FERGUSON—I will give you a deal you can't resist, Joe! I thank the member for Leichhardt for the question, because the member for Leichhardt actually represents a seat which depends on a key part of the Australian economy—the tourism sector. To be fair to the member for North Sydney, he understands the importance of the tourism industry, as he was the responsible minister who put the white paper in place and established Tourism Australia to try and create new opportunities for Australian tourism in the 21st century.

In context, can I remind the House that for the first time ever the tourism industry is actually starting to think about itself as a key part of the Australian economy. For far too long it was just regarded as an add-on. Tour-

ism opportunities were not really seen as being part of the Australian workforce or a sizeable section of the Australian economy. The facts are that it actually directly employs 480,000 Australians and represents 3.7 per cent of Australia's GDP.

But when you look back over recent years you wonder when the tourism industry is going to be able to escape some of the challenges that it has had—the international difficulties of September 11, the threat of terrorism, the issue of SARS and the threat of bird flu. Domestically, we had the collapse of Ansett. More recently, I think about the difficulties we have confronted internationally with the price of oil and the strength of the Australian dollar. For example, 10 years ago no Australian thought about going to Japan to have a skiing holiday over the Christmas-New Year period. All of a sudden those things started to fall right for the Australian tourism industry and, in this context, a weakening of the dollar is good for industry. The price of oil came down, but then we were confronted by a global financial crisis.

That effectively means that there is going to be no immediate turnaround in our international numbers, as the member for Cook, a former CEO of Tourism Australia, would appreciate. It is the responsibility of Tourism Australia to work to maintain a presence in those markets as we go through the current global financial crisis. I therefore remind the House of the comments made by the Prime Minister and the Leader of the Opposition this morning in their Christmas valedictories. In a serious way they talked about not just us and our staff having a holiday or a break over this Christmas-New Year period but Australians at large thinking about how they can have a break and help fellow Australians.

It is the responsibility of the tourism industry, in association with employer organisations, to start thinking through a strategy

which facilitates people to focus on the need for a break from work and overcoming the stress of not only work but life in general. I ask Tourism Australia to start discussing more rigorously with key employer organisations such as ACCI how they can lift up a campaign that was in its infancy some years ago called 'No leave, no life'. They will be hosting a roundtable in Sydney next week to start working out a concerted strategy in association with employers to concentrate on this initiative.

This is exceptionally important because, as I said to the House last week, Australian workers have been allowed to accumulate 121 million days of accrued leave and the estimated wage value of that accrued leave is around \$31 billion. Perhaps more importantly, a study commissioned by Tourism Australia found around 40 per cent of employees cited workplace issues as the most significant barriers to taking leave. In this instance they have accumulated annual leave and long service leave. It is the responsibility of management to think about how they manage their workforce. It is also smart, given the increase in wages, to actually get this liability off their books. With increases in wages and salaries the liability increases over time, so it is not smart for an employer to allow this accumulation of annual leave and long service leave.

For those reasons, and with the approach of Christmas and the New Year period and as the Prime Minister and the Leader of the Opposition said this morning, we have got to do what we can to encourage all Australians who can manage it and afford it to have a holiday at home. That means in a lot of ways you are helping a lot of small and medium sized businesses who are doing it very tough at the moment. Last week the National Tourism Alliance, with whom I meet on a regular basis, reminded me that tourism is a robust industry and it will get through this difficulty

yet again. The Economic Security Strategy, which kicks in next week, also has the potential to assist the industry because it has to compete for the disposable dollar. It is about families thinking about having a few days or a week away, thinking about going to a restaurant or a theme park or one of our national landscape opportunities, such as the Alps, the Green Cauldron on the Northern Rivers of New South Wales, the Great Ocean Road and the Flinders Ranges in South Australia. There is a host of opportunities in Australia to have that break from work and also assist in maintaining the viability of the Australian tourism industry and a lot of small and medium sized businesses who are looking for a helping hand in this very difficult period.

The Australian tourism industry stands to gain from this initiative. If we can just unlock a small proportion of the 121 million days of accrued leave and turn it into an Australian holiday experience, we will potentially make a significant contribution to domestic tourism, help support small and medium sized businesses and help Australia through this global financial crisis. The onus is on each and every one of us to help our mates in a tough period. I commend the 'No leave, no life' campaign to the Australian community.

Interest Rates

Mr BRUCE SCOTT (3.21 pm)—My question is to the Treasurer. I refer to the reported comments by the Chief Executive of the National Australia Bank that credit card interest rates are a sideshow to divert attention from what really matters. Does the Treasurer agree that credit card interest rates are a sideshow for consumers who owe money on their cards?

Mr SWAN—I thank the member for Maranoa for his question because I certainly do not agree with the head of the National Australia Bank on those comments. I made it

very clear in the House yesterday that the government's view is that the banks can pass through in full the recent Reserve Bank official cash rate cut when it comes to mortgage rates, that they should be doing much better when it comes to business loans and that they should be doing much better when it comes to credit cards. This week we have seen some substantial reductions when it comes to business loans, and we would always like to see more, and we would certainly like to see more when it comes to credit cards. I think one major firm overnight announced a reduction and the government would definitely like to see a lot more.

Road Safety

Mr HALE (3.22 pm)—My question is to the Minister for Infrastructure, Transport, Regional Development and Local Government. Will the minister inform the House about the importance of road safety, especially over the holiday period, and what the government is doing to save lives on our roads?

Mr ALBANESE—I thank the member for Solomon for his question and I note that recently he gave a speech in the House about the Northern Territory's rising road toll, calling particularly upon young people in the Northern Territory to take care. I know that this is an issue that affects every member of this House. As we prepare for the holiday period, tens of thousands of Australians will be travelling around the country to spend time with their family and loved ones or to take up the Minister for Tourism's call to travel during the festive season. But it is an unfortunate reality that a number of those who embark on that journey will not reach their destination. Over the last 12 months, 1,509 Australians died on the nation's roads. Whilst this was six per cent less than the previous year, it still equates to over four people every day. This is indeed a national

tragedy and the statistics alone of course do not even begin to tell the full story of pain and loss experienced by their families. A loss of life at Christmas is particularly devastating.

We all have a role to play in reducing the road toll. We should all remember the so-called 'fatal four' that are factors in the overwhelming majority of crashes: drink-driving, speeding, fatigue and not wearing a seatbelt. These can literally be fatal mistakes.

Last night the Australian Automobile Association, the Australian Trucking Association and the Australian Local Government Association hosted a function here at Parliament House that was attended by both sides of the House. They came with one clear message: road safety is paramount. The three organisations reminded us that the National Road Safety Strategy's target of a 40 per cent reduction in fatalities by 2010 is unlikely to be met. That is why we, as a parliament, have to redouble our efforts.

This year Australia's transport ministers initiated a National Road Safety Council to bring together community leaders and experts to coordinate road safety reforms. We have held an Indigenous road safety summit and the first ever motorcycle and scooter safety conference. We have kicked off the keys2drive program with the AAA which focuses on road safety for young drivers. We are consulting on a proposal to make electronic stability control mandatory in all new Australian vehicles. ESC helps drivers keep control of their vehicles and research shows that vehicles equipped with the ESC are 25 per cent less likely to be involved in a fatal accident.

These are just some of the things that the government is doing. I urge all members to take care on the roads and to take the opportunity in the lead-up to the Christmas break to remind constituents in their electorates

about the road safety message. My office and my department are willing to assist members of parliament to get that message out in each and every one of our electorates, and I encourage you to do that in the coming weeks.

New South Wales: Blood Services

Mrs HULL (3.26 pm)—Thank you, Mr Speaker. Yes, I am standing.

The SPEAKER—I do appreciate that now. I was having difficulty; I apologise.

Mrs HULL—My question is to the Minister for Health and Ageing. Is the minister aware of the New South Wales government's proposal to impose an \$8 million blood tax on private patients? Minister, given that the collection and supply of blood on a national basis is jointly funded by the Commonwealth and the states with taxpayers' money, will the minister condemn this unilateral action by her New South Wales counterparts to cover their own financial ineptitude by making private patients pay twice for blood?

Ms ROXON—I thank the member for her question. I know that she is very interested in a range of health issues, particularly in her electorate. I join with her in being extremely worried about these reports. When the news was first conveyed through the media that these steps were proposed to be taken in the New South Wales budget, I asked my department to urgently remind the New South Wales government that there is an agreement with the Commonwealth and all states and territories that blood products will be provided free of charge. I have today written to my colleague Mr Della Bosca to ask whether the reports are in fact correct that these are the intended measures. I confess to you that the budget papers do not make it apparent whether these reports are accurate or not but we certainly are very concerned and we will be making sure that the agreement that is already signed onto by all jurisdictions will be adhered to.

Binge Drinking

Mr DREYFUS (3.29 pm)—My question is to the Minister for Health and Ageing. Will the minister outline actions to tackle binge drinking and any attempts to undermine those actions?

Ms ROXON—I thank the member for Isaacs for this question. I know that many on this side of the House are worried, as we get into the festive season, about making sure that people do celebrate and enjoy themselves in a sensible way and particularly that young people take care to look after themselves. We have discussed the comprehensive strategy that the government is taking, on a number of occasions in this House. We have now announced 19 community grants in local communities across the country; we have launched our new, hard-hitting campaign particularly targeted at young people to highlight the risks of binge drinking; and at COAG on the weekend we committed the largest Australian government investment in preventative health, including establishing incentive payments for the states who reduce hazardous consumption of alcohol, as well as programs to target alcohol abuse through the workplace. And of course we took action in the budget to close the dangerous coalition loophole on alcopops.

The early signs are that the alcopops measure is working. As I have reported to the House previously, the data that is available to us shows that spirits sales have dropped by almost 10 per cent since the loophole was closed. But, unfortunately, I must report to the House that, as the sales are dropping, parts of the alcohol industry are getting increasingly desperate. They first used deceptive data, trying to argue that the measure was not working and therefore should be dropped. More recently they tried arguing that the measure was working so well that revenue was down and therefore the measure

should be dropped. It seems to us that the only thing they have not been prepared to do so far is to come out directly and say that they are trying to protect their profits at the expense of young people and therefore think the measure should be dropped.

But recently—and I think this might be what the member for Isaacs was particularly interested in—their desperation has reached new heights. We have seen reports in the media and evidence from retailers that new products are being introduced purporting to be beer based alcopops, or ‘malternatives’, as they have been dubbed, which the industry believe can get around the alcopops measure. This was a cynical and ruthless tactic from parts of the industry that are getting increasingly desperate to protect their profits and continue to harm young people.

But I can inform the House today of action that has been taken by Customs officials. I am advised that Customs have in fact chemically tested imports of certain beverages that have the appearance of alcopops but that are claimed to be beer—and ‘claimed’ is the operative word here, because I am advised by Customs the chemical analysis shows that the beverages did not have the essential characteristics of beer and were therefore not able to be classified as such. So trying to get around the law does not always pay. I am further advised by Customs that it is their view that these should be correctly classified in such a way that they attract the rate applying to ready-to-drinks and spirits, which is \$68.54 per litre of alcohol content. Customs will monitor the classification of these beverages in accordance with normal risk based compliance approaches. In accordance with Customs’ normal response to noncompliance, duty will be required to be paid at the correct rate and penalties may be applied but only after considering the individual circumstances of each case.

So I am pleased to be able to inform the House that these increasingly desperate attempts by parts of the industry to get around this measure will not be successful. With four Australians under 25 dying in an average week due to alcohol related injuries, we cannot afford to ignore this problem. This government is not prepared to stand by and do nothing, as those opposite were. We are going to remain vigilant as parts of the spirits industry try every trick in the book to keep their profits high, leaving their credibility rock-bottom low.

Hospitals

Mr SCHULTZ (3.33 pm)—My question is also to the Minister for Health and Ageing. Is the minister aware of reports that 30 maternity units in local hospitals have now been closed throughout rural and regional New South Wales? Is the minister further aware that the next hospital targeted for closure is Pambula Hospital, and local community anger is such that, on 13 November, 800 people attended a public meeting to save Pambula Hospital? One of the people who should have been there and who did not attend of course was the member for Eden-Monaro.

Government members interjecting—

The SPEAKER—Order! The member for Hume will resume his seat. I think the Chief Government Whip has a predictable point of order.

Mr Price—Mr Speaker, my point of order is that the question is out of order.

The SPEAKER—I think the element of the question where the member for Hume has unnecessarily injected argument is out of order. To save him having to restate the question, I will indicate that that part of the question should be ignored. Often there is leniency given about argument within questions, but I think that that point was unnecessary.

Mr SCHULTZ—Minister, as hospital funding has been finalised and the buck stops with the government on health, will you commit to keeping the maternity unit at Pambula Hospital open?

Ms ROXON—I thank the member for his question. It is good to see so many members interested in important issues in our community relating to health. Not just in New South Wales but across the country in rural and regional communities, maternity services are very much under pressure and have been for a long period of time—

A government member—Twelve years!

Ms ROXON—Twelve years might be a good point to make here! I am aware of the issue at Pambula Hospital. In fact, the reason that I am acutely aware of it is that the member for Eden-Monaro has been very persistent in raising this issue with me, which is what you would expect local members to do.

As we have been at pains to point out many times in this House, we do not have the answer to immediately and magically be able to fix every problem in the health system on day one. We do, however, have a long-term commitment to making sure that hospital services are available in our community. We believe strongly that women should be able to have their babies as close to home as they safely can—and I am due to receive, before Christmas, our maternity services review, which has been conducted by the newly appointed Chief Nursing and Midwifery Officer.

We are determined to fix this long term. I know that puts pressure on individual members from time to time, when decisions are made, not by us, that have an effect on the community. But this needs to be fixed long term and we are committed to doing that. We, unlike those opposite, took action very quickly upon getting elected to get advice to make sure that the decisions we make for a

whole range of obstetrics and maternity services are sustainable long into the future—and that is not just in Pambula; it is in many other places across the country—and we will continue to take that action.

Agriculture

Mr NEUMANN (3.37 pm)—My question is the Minister for Agriculture, Fisheries and Forestry. What is the government doing to help position Australian agriculture for the future?

Mr BURKE—I want to thank the member for Blair for the question and acknowledge his strong engagement with the farmers, including the dairy farmers and the sunflower, lucerne, vegetables, bean and grain crop farmers, all involved in his electorate of Blair. It has been an extraordinary year and a year of great contradictions for many of the challenges that Australia's farmers have faced during the course of this year.

Commodity prices rose to record highs and there has been some easing but the easing happened at the same time that the dollar fell back as well, which meant that we were insulated from some of the advantages of those farm input prices being eased. There were some good rains in some parts of the country and some honourable members from each side of a House have been giving me reports in recent days. There is some good news. I received a text message from a farmer in Cowra, just as question time began. He has been lucky that his grain harvest is happening today. That is very good but it is certainly not the story across the whole of the country. There are some parts of the country where the harvest did not come off because of drought. There are some parts in recent weeks where the harvest did not come off because of rain. Such have been some of the challenges faced during the course of this year.

While many areas of the country have come out of drought declaration, it is important to remember that 48 per cent of the land mass in Australia remains drought declared. Forty-eight per cent is a fairly extraordinary figure across the nation when these figures are based on whether or not it has been assessed historically that you are dealing with a one in 20 to 25 year event.

The year in terms of our agricultural policy has been a combination of implementing the promises which we gave and commissioning two very major reviews which have now nearly concluded and will form the work program very much for next year. The promises to be delivered on began this year with the wheat marketing reforms—

Ms Ley—Shame on you!

Mr BURKE—The show of coalition unity which wheat always attracts! We have also been implementing with Australia's farming future in mind a significant investment in making sure that our R&D programs are squarely aimed at preparing farmers for the future and preparing farmers for the challenges that climate change brings. We have also established the Australian Fisheries Management Authority, AFMA, on a bipartisan basis as a commission and \$20 million to help our forestry industries prepare for the future.

Of the two major reviews I referred to, one refers to quarantine and the other refers to drought. All honourable members are aware of the devastation that was caused following equine influenza. Industry estimates a billion dollars damage to it through that. It is probably more, but we will certainly never know. Roger Beale has handed his report to me and that is now being considered by government as a comprehensive view of how Australia can better protect its biosecurity status. The national review of drought policy has formed a good part of the

discussion this year, acknowledging that the challenges the climate is bringing us in the future are different from what we have had in the past. I reiterate the guarantee that I have consistently given and that the Prime Minister has repeated: it is a review of how we will handle the next drought and does not carry changes to the protections people enjoy—they are going through the current drought and some of the most difficult experiences of their working lives. I would also add the Economic Security Strategy. More than \$4 billion of that money goes into rural and regional Australia, forming a very important part of that total package.

Many of the issues that have gone on around the world have all come down in agriculture, and we knew from the beginning of the year when they were predicted as an agricultural theme for the year when the United Nations deemed 2008 to be the International Year of the Potato, which honourable members may not be aware of. It was a year where we saw a global food crisis, a global financial crisis and climate change, all of which put very strong pressure on us to make sure that we get the policy settings right to prepare our primary producers for the future.

Ipswich Motorway

Mr LAMING (3.42 pm)—My question is to Minister for Infrastructure, Transport, Regional Development and Local Government. Will the minister confirm that the latest cost estimate for the construction of the Dinmore to Goodna section of Ipswich Road is \$2.7 billion, two and a half times last year's election promise of \$1.1 billion? Minister, does this multibillion dollar blow-out in addition to computers in schools and broadband policy bungles not simply prove that the government is losing control of its budget?

Mr ALBANESE—I absolutely thank the member for the question. That is extraordinary. For 12 years the Ipswich motorway has

been an issue in Brisbane. For 12 years they did nothing about the Ipswich Motorway. The government went out there and started work on it. The Prime Minister and I on 2 March of this year—and I remember it because it was my birthday—spent the day working on the Ipswich Motorway with Shayne Neumann and Bernie Ripoll, and the members who supported this important, critical project for Brisbane. It is terrific that the last question asked this year by the opposition is one which is critical of our nation-building agenda, because it says it all.

Mr Robb—Mr Speaker, I rise on the point of order of relevance. The question was about the \$1.6 billion blow-out and whether it proves that Labor has lost control of its budget. That is the question.

The SPEAKER—The member for Goldstein will resume his seat.

Mr Turnour interjecting—

The SPEAKER—Member for Leichhardt, there is no chance that I will be that accommodating! The minister has the call.

Mr ALBANESE—The blow-out is in the tyres of the coalition vehicle. That is the blow-out, because they have just blown it. They have just sent a message to everyone in Brisbane, particularly to people around Ipswich—the good burghers of Ipswich—and Moreton, of course, and all the seats along that road, that they are against it. They were against it for 12 years and, now that there is action being taken, they are against it again. It is just mind-boggling.

This government is absolutely committed to fulfilling our commitments on road, rail, ports, broadband and nation building. Those opposite just exposed themselves once again through that extraordinarily pathetic question. I thank whoever it was on the tactics committee who decided to give me a belated birthday present by asking that question.

Education

Mr MARLES (3.46 pm)—My question is to the Acting Prime Minister. Will the Acting Prime Minister inform the House of the importance of developments in popular media in relation to education?

Ms GILLARD—I thank the member for Corio for his question, which will be the last question in the parliamentary session this year. Can I perhaps echo a theme started by the member for Batman, that there would be many members in this parliament and many members of the Australian community who are looking forward to some quiet time at the end of the year and a few holiday pursuits. Amongst the things that people might be thinking of doing as they move towards the festive season and get a bit of quiet time is going to the movies. Of course, one of the movies they may be going to see would be the new movie *Australia* by Baz Luhrmann. Certainly I know the Minister for Trade is a big advocate for it. I do not know how he manages to find the time, but he is someone who—

Ms Julie Bishop—A romantic.

Ms GILLARD—Yes, a romantic. The Acting Leader of the Opposition is suggesting he must be a romantic because he did take himself off to that movie very quickly and came back with good reports. That movie is one way of showing Australian landscapes and Australian stories to the world. One way in which we think about ourselves and work through in our own minds what it means to be Australian is through the images reflected in popular culture. There would be many members of this House who grew up with images of *Skippy*, *Neighbours*, *A Country Practice* and various other shows that have reflected to us what it is to be Australian.

I actually rise at the end of question time to deal with a rumour I know is sweeping

through the corridors of Parliament House. It may be concerning people, but there is no truth in the rumour that over the summer break members of the opposition will be filming an Australian version of *Batman*. I am informed that the Leader of the Opposition screen tested well for the role of millionaire Bruce Wayne but did not do quite so well with the superhero bit. I am informed that the member for Sturt screen tested very well as Robin. You can imagine him in that role. I am informed that various members of the Liberal front bench screen tested well in the roles of the Riddler and the Joker, and I am informed that the Acting Leader of the Opposition, in the honourable tradition of Eartha Kitt and Nicole Kidman, screen tested well as Catwoman. With those comments, I ask that further questions be placed on the *Notice Paper*.

The SPEAKER—I am pleased. I did not know where that was going!

QUESTIONS TO THE SPEAKER

Questions in Writing

Mr FARMER (3.49 pm)—My question is in relation to the Minister for Sport and Minister for Youth and standing order 104 relating to questions in reply and unanswered questions. Mr Speaker, I am asking if you could seek an answer to questions Nos 214 and 225, which I asked the minister over three months ago to return in writing. I am yet to receive an answer to those questions.

The SPEAKER—I will write to the minister as per the standing order.

PERSONAL EXPLANATIONS

Mr PYNE (Sturt) (3.50 pm)—Mr Speaker, I wish to make a personal explanation.

The SPEAKER—Does the honourable member claim to have been misrepresented?

Mr PYNE—Most grievously.

Government members interjecting—

The SPEAKER—Order! Those on my right will come to order!

Mr PYNE—They are easily amused, aren't they? They are a pathetic lot, aren't they? This is really a joke.

Ms Gillard interjecting—

Mr PYNE—This is all about softening your image, isn't it?

The SPEAKER—Order! The member for Sturt will not encourage them!

Mr PYNE—That will not be easy, Julia—at all.

The SPEAKER—Order! The member for Sturt may proceed on his personal explanation.

Mr PYNE—Of course, I am not the Kath Day-Knight of Australian politics either, unlike the Acting Prime Minister. Good on you, Kath! Look at me! Look at me! I have got one word to say to you!

The SPEAKER—Order! The member for Sturt will—

Mr PYNE—I am sorry, Mr Speaker, for trampling on your indulgence. I apologise.

The SPEAKER—You've trampled all over it!

Mr PYNE—I have, unfortunately.

The SPEAKER—The member for Sturt will now come to his personal explanation.

Mr PYNE—Thank you, Mr Speaker. In question time the Acting Prime Minister asserted that I had wrongly claimed that the statement of Senator Carr in the Senate today in relation to the Schools Assistance Bill was a significant clarification of the government's position and satisfied the assurances the opposition were seeking. This is untrue. Senator Carr's statement substantially clarifies the position and the role of the national curriculum. Senator Carr said that 'the national curriculum will not mandate particular classroom practices'. There is no *Hansard*

record of the minister saying this in the House because she has never done so.

The SPEAKER—Order! The member for Sturt will resume his seat.

Dr SOUTHCOTT (Boothby) (3.51 pm)—That is a hard act to follow! Mr Speaker, I wish to make a personal explanation.

The SPEAKER—Does the honourable member claim to have been misrepresented?

Dr SOUTHCOTT—Yes.

The SPEAKER—Please proceed.

Dr SOUTHCOTT—Thank you, Mr Speaker. Yesterday in a story on *The World Today* Sabra Lane said that yesterday morning I had insisted that the coalition had enjoyed 10 years of consecutive budget surpluses. That was wrong. I did not make that statement. Last night on *The 7.30 Report*—

Government members interjecting—

Dr SOUTHCOTT—If you would just allow me to continue.

The SPEAKER—Order!

Dr SOUTHCOTT—Last night on *The 7.30 Report* Michael Brissenden had me claiming yesterday morning that the former coalition government had never had a deficit. That was wrong. I did not make that statement. What I did say was that we had 10 years of budget surpluses, full stop. An examination of Budget Paper No. 1 statement 10 will show that to be a simple statement of fact.

The SPEAKER—Order! The member has now explained where he was misrepresented.

Dr SOUTHCOTT—Thank you, Mr Speaker.

Honourable members interjecting—

The SPEAKER—Order! This does remind me of last day of term, and the hymn was *Lord Dismiss Us with Thy Blessing*.

Mr Hockey—How long ago was that, mate?

The SPEAKER—Many, many moons ago, mate.

COMMITTEES

Reports: Government Responses

The SPEAKER (3.53 pm)—Order! For the information of honourable members, I

present a schedule of outstanding government responses to reports of House of Representatives and joint committees, incorporating reports tabled and details of government responses made in the period between 26 June 2008, the date of the last schedule, and 4 December 2008. Copies of the schedule are being made available to honourable members, and it will be incorporated in *Hansard*.

The document read as follows—

THE SPEAKER'S SCHEDULE OF OUTSTANDING GOVERNMENT RESPONSES TO REPORTS OF HOUSE OF REPRESENTATIVES AND JOINT COMMITTEES

(also incorporating reports tabled and details of Government responses made in the period between 26 June 2008, the date of the last schedule, and 4 December 2008)

4 December 2008

SPEAKER'S SCHEDULE OF OUTSTANDING GOVERNMENT RESPONSES TO COMMITTEE REPORTS

The attached schedule lists committee reports tabled and government responses to House and joint committee reports made since the last schedule was presented on 26 June 2008. It also lists reports for which the House has not received a government response. A schedule of outstanding responses will continue to be presented at approximately six monthly intervals, generally in the last sitting weeks of the winter and spring sittings.

The schedule does not include advisory reports on bills introduced into the House of Representatives unless the reports make recommendations which are wider than the provisions of the bills and which could be the subject of a government response. The Government's response to these reports is apparent in the resumption of consideration of the relevant legislation by the House. Also not included are reports from the Parliamentary Standing Committee on Public Works, the House of Representatives Committee of Members' Interests, the Committee of Privileges, the Publications Committee (other than reports on inquiries) and the Selection Committee. Government responses to reports of the Public Works Committee are normally reflected in motions for the approval of works after the relevant report has been presented and considered. Reports from other committees which do not include recommendations are only included when first tabled.

Reports of the Joint Committee of Public Accounts and Audit primarily make administrative recommendations but may make policy recommendations. A government response is required in respect of such policy recommendations made by the committee. However, responses to administrative recommendations are made in the form of an Executive Minute provided to, and subsequently tabled by, the committee. Agencies responding to administrative recommendations are required to provide an Executive Minute within 6 months of tabling a report. The committee monitors the provision of such responses. Reports which do not contain policy recommendations are only included when first tabled.

4 December 2008

Description of Report	Date Tabled or Published ¹	Date of Government Response ²	Responded in Period Specified ³
Aboriginal and Torres Strait Islander Affairs (House, Standing)			
Unlocking the future: The report of the Inquiry into the Reeves Review of the Aboriginal Land Rights (Northern Territory) Act 1976	30-08-99	No response to date ⁴	No
Indigenous Australia at work: Successful initiative in Indigenous employment	13-08-07	No response to date	No
Open for business: Developing Indigenous enterprises in Australia	20-10-08	Time has not expired	
Agriculture, Fisheries and Forestry (House, Standing)			
Inquiry into future water supplies for Australia's rural industries and communities – Interim Report	05-05-04	No response to date	No
Getting water right(s) – The future of rural Australia	21-06-04	No response to date	No
Taking control: a national approach to pest animals	28-11-05	No response to date	No
Skills: Rural Australia's need	26-02-07	No response to date	No
Australian Commission for Law Enforcement Integrity (Joint, Statutory)			
Examination of the annual report of the Integrity Commissioner 2006-07	18-06-08	No response required	
Australian Crime Commission (Joint, Statutory)			
Review of the Australian Crime Commission Act 2002	10-11-05	No response to date	No
Examination of the Australian Crime Commission Annual Report 2004-2005	19-10-06	No response to date	No
Inquiry into the manufacture, importation and use of amphetamines and other synthetic drugs (AOSD)	28-02-07	No response to date	No
Inquiry into the future impact of serious and organised crime on Australian Society	19-09-07	No response to date	No
Examination of the Australian Crime Commission Annual Report 2006-07	18-06-08	No response to date	No
Inquiry into the Australian Crime Commission Amendment Act 2007	18-06-08	No response to date	No
Communications, Information Technology and the Arts (House, Standing)			
From reel to unreal: future opportunities for Australia's film, animation, special effects and electronic games industries	21-06-04	No response to date	No

CHAMBER

Description of Report	Date Tabled or Published ¹	Date of Government Response ²	Responded in Period Specified ³
Digital Television: Who's Buying It?	13-02-06	No response to date	No
Community Television: Options for digital broadcasting	12-02-07	No response to date	No
Report: Tuning in to community broadcasting Corporations and Securities (Joint, Statutory)	20-06-07	No response to date	No
Report on aspects of the regulation of proprietary companies Corporations and Financial Services (Joint, Statutory)	08-03-01	No response to date	No
Report on the regulations and ASIC policy statements made under the Financial Services Reform Act 2001	23-10-02	No response to date	No
Inquiry into the review of the Managed Investments Act 1998	12-12-02	No response to date	No
Inquiry into Regulation 7.1.29 in Corporations Amendment Regulations 2003 (No.3), Statutory Rules 2003 No.85	26-06-03	No response to date	No
Money matters in the bush-Inquiry into the level of banking & financial services in rural, regional & remote areas of Australia	15-01-04	No response to date	No
Report on the ATM fee structure	15-01-04	No response to date	No
Corporations amendment regulations 2003	24-03-04	No response to date	No
Corporations Amendment Regulations 7.1.29A, 7.1.35A and 7.1.40(h)	02-06-04	No response to date	No
Property investment advice – Safe as houses?	23-06-05	No response to date	No
Statutory oversight of the Australian Securities and Investments Commission, December 2005	13-02-06	No response to date	No
Corporate responsibility: Managing risk and creating value	21-06-06	No response to date	No
Statutory oversight of the Australian Securities and Investments Commission, August 2006	16-08-06	No response to date	No
Corporations Amendment (Takeovers) Bill 2006 [Exposure Draft]	23-02-07	No response to date	No
Statutory oversight of the Australian Securities and Investments Commission, March 2007	01-03-07	No response to date	No
Corporations Amendment (Insolvency) Bill 2007 [Exposure Draft]; Corporations and Australian Securities and Investments Commission Amendment Regulations 2007 [Exposure Draft]	29-03-07	No response to date	No
Structure and operation of the superannuation industry	07-08-07	No response to date	No
Statutory oversight of the Australian Securities	09-08-07	No response to date	No

Description of Report	Date Tabled or Published ¹	Date of Government Response ²	Responded in Period Specified ³
ties and Investments Commission, August 2007			
Better shareholders – Better company: Shareholder engagement and participation in Australia	23-06-08	No response to date	No
Statutory oversight of the Australian Securities and Investments Commission, August 2008	01-09-08	Time has not expired	
Opportunity not opportunism: Improving conduct in Australian franchising	01-12-08	Time has not expired	
Economics, Finance and Public Administration (House, Standing)			
Review of the Australian Competition and Consumer Commission annual report 2003	21-06-04	No response to date	No
Improving the superannuation savings of people under 40	19-06-06	No response to date	No
Review of the Reserve Bank of Australia & Payments System Board Annual Report 2005 (first report)	14-08-06	No response to date	No
Servicing our future – Inquiry into the current and future directions of Australia's services export sector	18-06-07	No response to date	No
Australia manufacturing: Today and tomorrow	13-08-07	No response to date	No
Inquiry into home loan lending practices and processes used to deal with people in financial difficulty	17-09-07	No response to date	No
Economics (House, Standing)			
Competition in the banking and non-banking sectors	21-11-08	Time has not expired	
Review of the Reserve Bank of Australia Annual Report 2007 (Second Report)	24-11-08	Time has not expired	
Education and Vocational Training (House, Standing)			
Top of the class: Report of the inquiry into teacher education	26-02-07	27-08-08	No
Electoral Matters (Joint, Standing)			
Civics and electoral education	18-06-07	13-11-08	No
Review of certain aspects of the administration of the Australian Electoral Commission	17-09-07	23-09-08	No
Advisory report on the Commonwealth Electoral Amendment (Political Donations and Other Measures) Bill 2008	23-10-08		
Employment and Workplace Relations and			

Description of Report	Date Tabled or Published ¹	Date of Government Response ²	Responded in Period Specified ³
Workforce Participation (House, Standing)			
Making it work: Inquiry into independent contracting and labour hire arrangements	17-08-05	No response to date	No
Current vacancies: Workforce challenges facing the Australian tourism sector	18-06-07	No response to date	No
Environment and Heritage (House, Standing)			
Sustainable cities	12-09-05	No response to date	No
Inquiry into a Sustainability Charter, Review of Green Office Procurement Audit	04-09-06	No response to date	No
Sustainability for survival - Creating a climate for change: Report on the inquiry into a sustainability charter	17-09-07	No response to date	No
Managing the flow – Regulating plumbing product quality	19-09-07	No response to date	No
Family and Human Services (House, Standing)			
Balancing work and family	07-12-06	No response to date	No
The winnable war on drugs: The impact of illicit drug use on families	13-09-07	No response to date	No
Family, Community, Housing and Youth (House, Standing)			
The value of volunteering: A discussion paper on volunteering in the community and welfare sector	13-10-08	No response required	
Foreign Affairs, Defence and Trade (Joint, Standing)			
Inquiry into Australia's Defence Force regional air superiority	12-09-07	No response to date	No
Australia's trade with Mexico and the Region	12-09-07	18-09-08	No
Australia's aid program in the Pacific	20-09-07	27-11-08	No
Review of the Defence annual report 2005-2006	02-06-08	13-11-08	No
Review of the Defence annual report 2006-2007	01-12-08	Time has not expired	
Health and Ageing (House, Standing)			
The Blame Game: Report on the inquiry into health funding	04-12-06	No response to date	No
The best start: Report on the inquiry into the health benefits of breastfeeding	09-08-07	No response to date	No
Review of Auditor-General's Report No. 19 (2006 – 2007): Administration of State and Territory compliance with the Australian Health Care Agreements	15-08-07	No response to date	No

Description of Report	Date Tabled or Published ¹	Date of Government Response ²	Responded in Period Specified ³
Industry, Science and Innovation (House, Standing)			
Research Training in Australian Universities: An Interim Report	24-10-08	Time has not expired	
Building Australia's research capacity – Final Report	01-12-08	Time has not expired	
Industry and Resources (House, Standing)			
Renewable power: A case study into selected renewable energy sectors in Australia for the inquiry into developing Australia's non-fossil fuel energy industry – Background information – Interim report	21-09-07	No response required	
Infrastructure, Transport, Regional Development and Local Government (House, Standing)			
Rebuilding Australia's coastal shipping industry: Inquiry into coastal shipping policy and regulation	20-10-08	Time has not expired	
Funding regional and local community infrastructure: Proposals for the new Regional and Local Community Infrastructure Program – Interim Report	05-11-08	Time has not expired	
Intelligence and Security (Joint, Statutory)			
Review of security and counter terrorism legislation	04-12-06	No response to date	No
Review of the re-listing of Tanzim Qa'idat al-Jihad fi Bilad al-Rafidayn (TQJBR) as a terrorist organisation under the Criminal Code Act 1995	09-05-07	26-06-08	No
Review of the re-listing of Hizballah's External Security Organisation	15-08-07	26-06-08	No
Inquiry into the proscription of terrorist organisations under the Australian Criminal Code	20-09-07	No response to date	No
Review of the re-listing of the Palestinian Islamic Jihad (PIJ), Lashkar-e-Tavibba (LeT) and the Hamas' Izz al-Din al-Oassam Brigades as terrorist organisations under the Criminal Code Act 1995	27-09-07	26-06-08	No
Review of the re-listing of the Kurdistan Workers' Party (PKK)	25-06-08	No response required	
Review of the re-listing of Al-Qa'ida, Jemaah Islamiyah and Al-Qa'ida in the Lands of Islamic Maghreb as terrorist organisations under the Criminal Code Act 1995	13-10-08	No response required	

Description of Report	Date Tabled or Published ¹	Date of Government Response ²	Responded in Period Specified ³
Annual report of committee activities 2007-2008	13-10-08	27-11-08	Yes
Legal and Constitutional Affairs (House, Standing)			
The third paragraph of section 53 of the Constitution	30-11-95	No response to date	No
Harmonisation of Legal Systems within Australia and between Australia and New Zealand	04-12-06	27-08-08	No
The long road to statehood: Report of the inquiry into the federal implications of statehood for the Northern Territory	28-05-07	No response to date	No
Inquiry into older people and the law	20-09-07	No response to date	No
Reforming the Constitution: A roundtable discussion	23-06-08	No response to date	No
Migration (Joint, Standing)			
Negotiating the maze: Review of arrangements for overseas skills recognition, upgrading and license	11-09-06	No response to date	No
Temporary business visas...permanent benefits: Ensuring the effectiveness and integrity of the temporary business visa program	12-09-08	No response to date	No
Immigration detention in Australia: A new beginning – Criteria for release from immigration detention	01-12-08	Time has not expired	
National Capital and External Territories (Joint, Standing)			
The Way Forward: Inquiry into the role of the National Capital Authority	16-07-08	No response to date	No
Primary Industries and Resources (House, Standing)			
More than honey: The future of the Australian honey bee and pollination industries	16-06-08	No response to date	No
Down Under: Greenhouse Gas Storage – Review of the draft Offshore Petroleum Amendment (Greenhouse Gas Storage) Bill	15-08-08	17-09-08	Yes
Procedure (House, Standing)			
Encouraging an interactive Chamber	07-12-06	No response to date	No
Motion to suspend standing orders and condemn a Member: Report on events of 10 October 2006	07-12-06	No response to date	No
Re-opening the debate: Inquiry into the arrangements for the opening day of Parliament	23-10-08	Time has not expired	
Public Accounts and Audit (Joint, Statutory)			

Description of Report	Date Tabled or Published ¹	Date of Government Response ²	Responded in Period Specified ³
Developments in aviation security since the committee's June 2004 Report 400: Review of aviation security in Australia – An interim report (Report 406)	07-12-05	21-10-08	No
Developments in Aviation Security since the Committee's June 2004 Report 400: Review of Aviation Security in Australia (Report 409)	04-12-06	21-10-08	No
Tax administration (Report 410)	26-06-08	13-11-08	No
Progress on equipment acquisition and financial reporting in Defence (Report 411)	08-08-08	No response to date	No
Audit Reports reviewed during the 41st Parliament (Report 412)	25-08-08	No response to date	No
Publications (Joint, Standing)			
Printing standards for documents presented to Parliament	20-09-07	No response to date	No
Science and Innovation (House, Standing)			
Between a rock and a hard place: The science of geosequestration	13-08-07	No response to date	No
Transport and Regional Services (House, Standing)			
The great freight task: Is Australia's transport network up to the challenge?	13-08-07	No response to date	No
Treaties (Joint, Standing)			
The Australia – United States Free Trade Agreement (61st Report)	23-06-04	No response to date ⁶	No
Treaty tabled on 12 March 2008 (91st Report)	26-06-08	No response to date	No
Treaty tabled on 4 June 2008 (92nd Report)	19-06-08	No response required	
Treaties tabled on 12 March & 14 May 2008 (93rd Report)	04-09-08	No response to date	No
Treaties tabled on 14 May 2008 (94th Report)	18-09-08	Time has not expired	
Treaties tabled on 4 June, 17 June, 25 June and 26 August 2008 (95th Report)	16-10-08	Time has not expired	
Treaties tabled on 16 September 2008 (96th Report)	24-11-08	Time has not expired	

Notes

¹ The date of tabling is the date the report was presented to the House of Representatives or to the Speaker, whichever is earlier. In the case of joint committees, the date shown is the date of first presen-

tation to either the House or the Senate. Reports published when the House (or Houses) are not sitting are tabled at a later date.

² If the source for the date is not the Votes and Proceedings of the House of Representatives or the Journals of the Senate, the source is shown in an endnote.

³ The time specified is three months from the date of tabling.

⁴ Amendments to the Aboriginal Land Rights (Northern Territory) Act 1976 reflecting the government's reforms were introduced to Parliament on 31 May 2006 and passed 17 August 2006. The Aboriginal Land Rights (Northern Territory) Amendment Act 2006 received Royal Assent on 5 September 2006. The government in 2006 indicated that no further response was required. No formal response has been provided to the committee.

⁵ Response from Presiding Officers.

⁶ Legislation to give effect to the Free Trade Agreement has now been passed. The government in 2006 stated that no further response was required. The committee awaits a response to recommendations of the Free Trade Agreement report.

The SPEAKER—The Speaker's schedule of outstanding government responses to reports of House of Representatives and joint committees is tabled on a six-monthly basis. As all members would be aware, it has been government policy for many years to respond to reports within three months of their presentation. The responses have taken several forms: ministerial statement; a letter to the committee chair, which could then be tabled in the House; or, more commonly in recent years, a written response directly to the House.

As at the end of the 41st Parliament, there were many reports which had received no response from the government. These reports date back to 1995, although the majority date from the last four to five years. In relation to these reports, there has been a change of government—which in theory should not have any bearing but in practice is relevant to the preparation of responses. It is the case that many reports or elements of reports may have been superseded by changes in economic circumstances, administrative and policy developments or international, political and strategic developments. I see little practical value in continuing to table a

schedule which contains reports which are unlikely to ever receive a response from government. It is essential that a rigorous process for responses be undertaken by government or the extensive commitment to committee work by members is diminished, as is the participation by members of the public and the community generally.

In order to provide a way forward, I have discussed this matter with the Leader of the House and the Chair of the Liaison Committee of Committee Chairs and Deputy Chairs. The outcome of those discussions is this. One, I will write to all House committee chairs requesting written advice on those reports that committees consider still warrant a response from government. Two, those reports that are not identified as any longer warranting a response will be deleted from the schedule. Three, those reports where a response is requested will be referred to the relevant minister by the Leader of the House for a priority response. Four, the Leader of the House will make a statement to the House with regard to the government's policy to recognise the significance of the committee processes and to provide timely responses to reports which have been tabled

from the commencement of the 42nd Parliament.

Mr ALBANESE (Grayndler—Leader of the House) (3.57 pm)—Mr Speaker, I thank you for that statement. For the information of honourable members, I present the response to the schedule of outstanding government responses to reports of House of Representatives and joint committees, tabled by the Speaker of the House of Representatives on 26 June 2008.

The document read as follows—

GOVERNMENT RESPONSES TO
PARLIAMENTARY COMMITTEE REPORTS
RESPONSE TO THE SCHEDULE TABLED BY
THE SPEAKER OF THE HOUSE OF
REPRESENTATIVES ON 26 JUNE 2008

Circulated by the Leader of the House

The Hon Anthony Albanese MP

4 December 2008

FOREWORD

This document lists those government responses to the Speaker's schedule that relate to reports all of Joint committees and only those of House committee's presented or tabled during the 42nd Parliament.

AUSTRALIAN COMMISSION FOR LAW ENFORCEMENT INTEGRITY (Joint, Statutory)

Examination of the annual report of the Integrity Commissioner 2006-07

Response not required.

AUSTRALIAN CRIME COMMISSION (Joint, Statutory)

Review of the Australian Crime Commission Act 2002

The response is in the final stages of preparation.

Examination of the Australian Crime Commission Annual Report 2004-2005

The response is in the final stages of preparation.

Inquiry into the manufacture, importation and use of amphetamines and other synthetic drugs (AOSD)

The response is in the final stages of preparation.

Inquiry into the future impact of serious and organised crime on Australian Society

The response is in the final stages of preparation.

Examination of the Australian Crime Commission Annual Report 2006-07

The response is in the final stages of preparation.

CORPORATIONS AND SECURITIES (Joint, Statutory)

Report on aspects of the regulation of proprietary companies

The government is considering the report and will prepare a response in due course.

CORPORATIONS AND FINANCIAL SERVICES (Joint, Statutory)

Report on the regulations and ASIC policy statements made under the Financial Services Reform Act 2001

A number of recommendations outlined in the report have been addressed. The Government is considering the outstanding recommendations and will take appropriate action.

Inquiry into the review of the Managed Investments Act 1998

The government is considering the report and will prepare a response in due course.

Inquiry into Regulation 7.1.29 in Corporations Amendment Regulations 2003 (No.3),

Statutory Rules 2003 No.85

The government is considering the report and will prepare a response in due course.

Money matters in the bush—Inquiry into the level of banking & financial services in rural, regional & remote areas of Australia

The response is being developed. A number of matters considered by the report have undergone substantial change since the report was tabled in 2004. This has required consideration of the recommendations against the changed industry and policy environment.

Report on the ATM fee structure

The response is being developed. A number of matters considered by the report have undergone substantial change since the report was tabled in 2004. This has required consideration of the rec-

ommendations against the changed industry and policy environment. Report is a subsidiary report to Money Matters in the Bush.

Corporations amendment regulations 2003

The dollar disclosure requirements in the Corporations Amendment Regulations (No. 10) were implemented in August 2007. The government is considering the outstanding recommendations and will take appropriate action.

Corporations Amendment Regulations 7.1.29A, 7.1.35A and 7.1.40(h)

The government is considering the report and will prepare a response in due course.

Property investment advice - Safe as houses?

The government has consulted on this matter in a Green Paper dated June 2008 and is considering the submissions provided by stakeholders. In addition, the Government has secured a COAG agreement to include investment property loans in a new federal Universal Consumer Code of Conduct.

Statutory oversight of the Australian Securities and Investments Commission, December 2005

The Australian Securities and Investment Commission is an independent statutory body. Recommendations relating to ASICs operational arrangements are a matter for ASIC. Recommendations relating to government policy will be considered as part of normal government business.

Corporate responsibility: Managing risk and creating value

The government is considering the recommendations in this report and will prepare a response in due course. On 19 May 2008, the Prime Minister announced that the Australian Government would provide \$2 million over three years to the St James Ethics Centre to develop the capacity of Australian businesses to identify and adopt more responsible business practices.

Statutory oversight of the Australian Securities and Investments Commission, August 2006

The Australian Securities and Investment Commission is an independent statutory body. Recommendations relating to ASICs operational arrangements are a matter for ASIC. Recommendations relating to Government policy will be considered as part of normal government business.

The Government notes that subjects of recommendation three (of three) were dealt with in the context of Parliamentary debate on the Corporations Amendment (Simpler Regulatory System) Bill 2007 in both the House of Representatives and the Senate; and in the Treasury discussion paper, Review of Sanctions in Corporate Law, released in March 2007.

Corporations Amendment (Takeovers) Bill 2006 [Exposure Draft]

The recommendations were dealt with in the context of parliamentary debate on the bill in both the House of Representatives and the Senate. No further response is required.

Statutory oversight of the Australian Securities and Investments Commission, March 2007

The Australian Securities and Investment Commission is an independent statutory body. Recommendations relating to ASICs operational arrangements are a matter for ASIC. Recommendations relating to government policy will be considered as part of normal government business. The government has consulted on this matter in a Green Paper dated June 2008 and is considering the submissions provided by stakeholders.

Corporations Amendment (Insolvency) Bill 2007 [Exposure Draft]; Corporations and Australian Securities and Investments Commission Amendment Regulations 2007 [Exposure Draft]

Response to the report was included in the Second Reading Speech to the Corporations Amendment (Insolvency) Bill 2007. No further response is required.

Structure and operation of the superannuation industry

The Government is considering its response and will prepare a response in due course.

Statutory oversight of the Australian Securities and Investments Commission, August 2007

The Australian Securities and Investment Commission is an independent statutory body. Recommendations relating to ASICs operational arrangements are a matter for ASIC. Recommendations relating to government policy will be considered as part of normal government business.

Better shareholders - Better company: Shareholder engagement and participation in Australia

The Government is considering the report and will prepare a response in due course.

ECONOMICS (House, Standing)

Review of the Reserve Bank Annual Report 2007 (First Report)

No response required.

ELECTORAL MATTERS (Joint, Standing)

Civics and electoral education

Interim government response presented out of sitting in the Senate 30 October 2008 and tabled in the House of Representatives 13 November 2008.

Review of certain aspects of the administration of the Australian Electoral Commission

The government response was tabled in the Senate and the House of Representatives on 18 September 2008.

FOREIGN AFFAIRS, DEFENCE AND TRADE (Joint, Standing)

Inquiry into Australia's Defence Force regional air superiority

No government response required as there were no recommendations.

Australia's trade with Mexico and the region

The government response was tabled in both the House of Representatives and the Senate on 18 September 2008.

Australia's aid program in the Pacific

The government response was tabled in both the House of Representatives and the Senate on 27 November 2008.

Review of the Defence Annual Report 2005-2006

The government response was tabled in both the House of Representatives and the Senate on 13 November 2008.

INTELLIGENCE AND SECURITY (Joint, Statutory)

Review of security and counter terrorism legislation

The response is being considered and will be tabled in due course.

Inquiry into the proscription of terrorist organisations under the Australian Criminal Code

The response is being considered and will be tabled in due course.

Review of the re-listing of the Kurdistan Workers' Party (PKK)

The response is being considered and will be tabled in due course.

LEGAL AND CONSTITUTIONAL AFFAIRS (House, Standing)

Reforming the Constitution: A roundtable discussion

The response is being considered and will be tabled in due course.

MIGRATION (Joint, Standing)

Negotiating the maze: Review of arrangements for overseas skills recognition, upgrading and license

The government response is being revised for further consideration.

Temporary business visas...permanent benefits: Ensuring the effectiveness and integrity of the temporary business visa program

The government response will be finalised following the review of the Subclass 457 visa program.

PRIMARY INDUSTRIES AND RESOURCES (House, Standing)

More than honey: The future of the Australian honey bee and pollination industries

The quarantine and biosecurity issues raised in the committee's report were referred to the Quarantine and Biosecurity (Beale) Review for consideration. The government's response to the committee's report will be developed in conjunction with the broader response to the Beale Review. The government will table its formal response to the committee's report after the release of its preliminary response to the Beale Review.

PUBLIC ACCOUNTS AND AUDIT (Joint, Statutory)

Developments in aviation security since the committee's June 2004 Report 400: Review of aviation security in Australia - An interim report (Report 406)

Sent to Joint Committee of Public Accounts and Audit for tabling on 23 October 2008.

Developments in Aviation Security since the Committee's June 2004 Report 400: Review of Aviation Security in Australia (Report 409)

Sent to Joint Committee of Public Accounts and Audit for tabling on 23 October 2008.

Report on the draft budget estimates for the Australian National Audit Office for 2008-09

Response not required.

PUBLICATIONS (Joint, Standing)

Printing standards for documents presented to Parliament

The government response is being considered and will be tabled in due course.

TRANSPORT AND REGIONAL SERVICES (Joint, Standing)

The great freight task: Is Australia's transport network up to the challenge?

The government response is being considered and will be tabled in due course.

TREATIES (Joint, Standing)

Treaties tabled on 12 March 2008 (90th Report)

Response not required.

Treaty tabled on 4 June 2008 (92nd Report)

Response not required.

Mr ALBANESE—I ask leave of the House to make a statement in connection with the response.

Leave granted.

Mr ALBANESE—I thank the House. In the response I have taken note of the process outlined by the Speaker and included updates only on reports tabled in the 42nd Parliament and reports tabled by joint committees. I will at the conclusion of the process that has been outlined by the Speaker refer ministers to the reports from previous parliaments where a response is requested by the committee and ask them to treat the request as a priority. This government regards the work of committees as extraordinarily important. The committee process involves the rigorous examination of issues that are directly relevant to the work undertaken by government. I

heavily engage with the committee in my portfolio area chaired by the member for Ballarat; the deputy chair is the member for Hinkler. Both of those members take very seriously their responsibilities on the House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government. I would certainly hope that all ministers and parliamentary secretaries do the same with committees in their portfolio areas.

The hard slog of bipartisan committee work should be encouraged by the parliament and treated with respect by an appropriate ministerial response. I note that on the schedule tabled by the Speaker in June 2008 there are 45 reports from committees to which the previous government had time to reply—in many cases, many years. I do not regard this as an acceptable standard. The government is committed to improving response times, and I note the work that the Special Minister of State is doing to increase the responsiveness of ministers in this area. I particularly want to thank as well the Deputy Speaker for the role that she has played on these issues.

The SPEAKER—I thank the Leader of the House. I simply say to the Manager of Opposition Business that, in retrospect, perhaps there was an oversight in that we did not give you notice of the statement that I was going to make. I had thought that a brief discussion that had been carried out by the committee, chaired by the Deputy Speaker, of committee chairs and deputy chairs, which floated this suggestion might have sufficed. But I take on board the need, at other times, to ensure that that oversight is corrected.

AUDITOR-GENERAL'S REPORTS

Report No. 11 of 2008-09

The SPEAKER (4.00 pm)—I present the Auditor-General's Audit report No. 11 of 2008-09 entitled *Performance Audit: Dis-*

ability employment services: Department of Families, Housing, Community Services and Indigenous Affairs; Department of Education, Employment and Workplace Relations.

Ordered that the report be made a parliamentary paper.

DOCUMENTS

Mr ALBANESE (Grayndler—Leader of the House) (4.01 pm)—Documents are presented as listed in the schedule circulated to honourable members. Details of the documents will be recorded in the *Votes and Proceedings* and I move:

That the House take note of the following documents:

Finance—Mid-year economic and fiscal outlook for 2008-09.

Water Amendment Bill 2008—Further supplementary explanatory memorandum.

I note that the Parliamentary Liaison Office have excelled themselves in bringing some Christmas cheer to what is normally a fairly mundane procedural event.

Debate (on motion by **Mr Hockey**) adjourned.

MATTERS OF PUBLIC IMPORTANCE

Economy

The SPEAKER—I have received a letter from the honourable member for Curtin proposing that a definite matter of public importance be submitted to the House for discussion, namely:

The Government's decision to put political strategy before economic strategy, resulting in a war on inflation that exacerbated the economic slowdown, and its active consideration of plunging the Commonwealth into debt to bail out incompetent State governments.

I call upon those members who approve of the proposed discussion to rise in their places.

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

Ms JULIE BISHOP (Curtin) (4.03 pm)—As members opened their newspapers this morning they would have been struck by a series of headlines that would have transported them back to 1975: the *Sydney Morning Herald*, on page 1, 'States forced to rely on Ruddbank'; the *Australian Financial Review*, with a reference to 'Turnbull in push against "Labor bank"'; the *Age*, 'Bank mooted to boost infrastructure'; and the *Australian*, on page 1, "'Kevlani" bankroll plan'. But it took the *Daily Telegraph* to bring it all together. What were these newspapers referring to? Malcolm Farr, national political editor, pointed out that the federal government is considering the creation of an infrastructure bank which would borrow billions of dollars and lend it to states for capital works. He quoted the Prime Minister:

Mr Rudd said it was the "normal thing" for the Government to examine all appropriate measures "to properly support infrastructure investment into the future".

The article went on to reveal how this proposal would work. Apparently:

... Mr Rudd was asking chief executives of senior banks to travel with him to the Middle East early next year to help raise money for investment projects across Australia.

The road show would visit the United Arab Emirates and Qatar in late January, sources said.

... ..

A spokesman for the Prime Minister said Mr Rudd's travel schedule ... had not yet been decided.

But:

... Mr Rudd had made it known he would like business leaders to fly with him when he visited countries.

Now the 'Kevlani' bankroll plan brings us back to the world of one Kheamlani. Maybe

only a few members will remember 1975. I was studying constitutional law at the time, 11 November 1975.

Mr Truss—In your nursery?

Ms JULIE BISHOP—Indeed, in preschool! Members will recall the infamous Khemlani loans affair. It is now swirling around the Rudd government. Who would have thought, in our lifetime, we would hear echoes of Khemlani with another Labor government. Members might recall that the Whitlam government attempted to raise US\$4 billion in loans from the Middle East, which was described as being awash with petrodollars, and that was all due to high oil prices. These massive loans were being sought by the Minister for Minerals and Energy outside Treasury guidelines and they were to fund infrastructure projects—a natural gas pipeline, the electrification of interstate railways and a uranium enrichment plant. There was a shady middleman named Khemlani. But the attempt to raise the loan was actually deemed to be illegal on the grounds that prior approval had not been obtained from the Loans Council, and it all ended in chaos. Rex Connor was forced to resign from cabinet and was replaced, so I believe, by none other than Paul Keating.

We have got this whiff of Whitlam about the Rudd government. Yesterday in question time the Prime Minister was asked about this proposal to set up a bank to channel funds from the federal government through a bank into state governments, essentially to prop up failing state Labor governments—and it would all be done off balance sheet, so the taxpayers of Australia would not know the impact on the bottom line of the Commonwealth from this scheme to channel funds through a bank to prop up state budgets.

In question time today, given the huge media and public interest in this zany scheme of the government's, we asked the Treasurer

a series of questions—four, in fact—about this proposal. While he obfuscated and ducked and weaved, he did not rule out this proposal. I asked him directly: 'Will the Treasurer rule out the establishment of a new government bank?' He did not rule it out. It speaks volumes. I think that we will see over the coming weeks, probably on New Year's Eve, when everybody else is otherwise diverted, more information coming out about this proposal that was clearly cooked up on the eve of COAG between the state treasurers. Interestingly, the Western Australian state Treasurer was not invited to the meeting where this scheme was cooked up. In a hotel room somewhere in New South Wales we had the beginnings of the 2008-09 'Kevlani affair'.

Why would state treasurers be involved in a discussion with the Treasurer and the Prime Minister about a scheme to raise funds from overseas to channel through a bank to prop up state governments? That is because successive state Labor governments have failed to use the windfall from the GST to build necessary infrastructure and they have driven their budgets into deficit. They are driving their states into debt. We know that the hallmark of Labor governments around this country throughout history has been deficits and debt. Only today I was informed by the member for Mayo that the South Australian government has announced an 18 per cent increase in water rates to pay for their desalination plant. They cannot pay for their own infrastructure; they are passing it on to the taxpayers of South Australia by way of an 18 per cent increase.

Dr Stone—The Victorian government is doing the same.

Ms JULIE BISHOP—The members from Victoria tell me that the Victorian state government is doing the same thing. They have so badly mismanaged their budgets that

they are coming up with these madcap ideas—not denied and certainly not ruled out by the Treasurer—to channel money via the federal government to the state governments and keep it off the balance sheet.

Why would the states do this? Because they need the Commonwealth to bail them out. This now gives us the clue about why the government announced last week that it was going into deficit. This has nothing to do with the global financial crisis. This is all about a cover for incompetent state Labor governments. This deficit is not about supporting the Commonwealth budget; this is about supporting state Labor budgets—and it is notable that Western Australia, with a Liberal government, was excluded from discussions on this scheme.

We know that the state governments are saying that their problems with borrowing have not been caused by their mishandling of the budgets, although that is hard to believe, but because of the Commonwealth government's actions in its bungled unlimited bank guarantee scheme. There is real truth in that. The fact is that the government has not foreseen the dramatic consequences caused by its bungled implementation of an unlimited bank guarantee. The states are having problems raising funds from the market. The states cannot access even short-term credit. But it is yet another consequence of this government's inability to respond in a considered, responsible way to the effects of the global financial events.

As the economic slowdown around the globe continues, with many advanced economies going into recession, the issue for Australia is whether the Labor government federally by its actions or its inactions has made conditions in this country worse. That is the issue. Just look at one measure. It began its first 12 months in office with a \$20 billion surplus. Just 12 months ago this gov-

ernment had a \$20 billion surplus. It has no government debt. This is one of the few countries where Commonwealth debt is zero, the \$96 billion Keating debt having been paid off in full by then Treasurer Peter Costello in April 2006. So a government that commenced its term with a \$20 billion surplus and no debt is now, within 12 months, planning to go into deficit, abandoning all pretence of fiscal discipline and taking on board wacky ideas on behalf of state governments to plunge this country into debt by borrowing money from the Middle East.

A hallmark of this government has been that it has always had a political strategy—it always has a political fix. But it has never had an economic strategy. It has never had a clear economic plan for the direction in which it wishes to take this country. And, given that other economies around the world are going into recession, it is essential that this government sets out for all Australians its plan for the future. How does it intend to manage our economy in a concerted, reasonable way that shows great judgement and wisdom and calm and reasoned strategies?

Let us take a couple of examples of how this government has responded in such a political way. Take its war on inflation earlier this year. This—first, last and always—was a political strategy. This was spin doctoring at its best. It was not about inflation; it was about trashing the reputation of the Howard-Costello government. Having inherited the best economic and budgetary conditions of virtually any incoming government since Federation, the Prime Minister decided that his government had to trash the economic reputation of the previous government. It searched for an economic indicator that was not going in the right direction. It seized upon inflation, which at that point was just outside the Reserve Bank's band, and then used reckless language to describe what was just a routine matter for governments—that

is, keeping inflation within the band. It seized upon it and used reckless language in talking about an inflation monster or inflation genie being out of the bottle—telling Australia that inflation was out of control. It is worth noting, of course, that inflation was significantly lower in November 2007 than when the coalition came to government in 1996.

In early 2008, the Treasurer infamously said on the day before a Reserve Bank meeting that the inflation genie was out of the bottle, that inflation was out of control. What extraordinary pressure this government put on the Reserve Bank! The Prime Minister, in declaring a war on inflation, described it as the No. 1 challenge facing this country. And with the Prime Minister and the Treasurer egging them on, the Reserve Bank was left with little choice but to raise interest rates, which it did twice.

Why this has been so bad for the country is that, at the very time the Treasurer and the Prime Minister were using political fixes to focus on inflation, drive up interest rates and tighten monetary policy, the rest of the world was focusing on the fallout from the United States subprime crisis—and the opposition, when in government, warned Australia about the consequences of the subprime crisis. The rest of the world was easing monetary policy. The rest of the world was looking to fiscal stimulus packages to stimulate their economies. It was in February 2008 that the United States introduced an economic fiscal stimulus package into the US Congress—a \$150 billion package designed to stimulate the economy—and the US Federal Reserve was easing interest rates and monetary policy. But what was the Australian government doing? Precisely the opposite, precisely the wrong thing: tightening monetary policy, pushing up interest rates. And do you know what impact that has had? The national accounts yesterday said it all. The full impact

of those interest rate rises is coming home to roost now, and we are seeing slowing in the Australian economy.

When it was almost too late, the Reserve Bank started loosening monetary policy and we have seen a three per cent drop in the cash rate in four months—a spectacular bringing down of interest rates in a very short time. But that is because we had been heading in the wrong direction. It was the wrong call by the government, and the government should admit that now because there are people who, unfortunately, relied on the Treasurer, relied on the Prime Minister and believed the inflation challenge was the No. 1 enemy of this country and fixed their mortgage rates at those higher rates. These people are now not getting the benefit of the three per cent cash rate cut that has come into effect as a result of the easing of monetary policy. These people are paying thousands of dollars a year more than they would have otherwise paid had this government not used a political fix instead of using responsible economic management of the budget. There is no point in the government saying, ‘Tell them to go and swap banks,’ in the same manner as the Treasurer said to the 270,000 Australians whose funds are frozen in mortgage accounts around Australia because of the bungled unlimited bank deposit guarantee. There is no point saying, ‘Go and swap your bank account,’ because they will be charged thousands of dollars to move from a fixed to a variable rate.

These are the sorts of consequences that flow from a government that is prepared to put politics above responsible economic management. That brings us full circle, back to the question of the ‘Kevlani’ loan affair. The government, having mismanaged the economy, is driving this country into debt. (*Time expired*)

Mr BOWEN (Prospect—Minister for Competition Policy and Consumer Affairs, and Assistant Treasurer) (4.18 pm)—It is just as well there is no standing order that prohibits irony in matters of public importance, because if there was this MPI would be ruled out of order. Even though the date is right this time, even though it has the right title on the letterhead, even though all of that is right, this would have been ruled out of order for reasons of irony. For this opposition to accuse this government of placing political strategy ahead of economic strategy is particularly ironic, because this government has embarked on an economic strategy to get us through some of the most difficult times that this nation, and indeed the world, has seen for several generations. While the opposition has embarked on a political strategy with hypocrisy and sophistry at its centre, we have, on the other hand, embarked on an economic strategy to keep Australia's growth strong and our unemployment low through this crisis.

It suited the political narrative of the opposition, and we heard it again today, for the opposition to say that we should have ignored the inflationary pressures in the Australian economy. They say the government should have done what they did and put our head in the sand and ignore the problem—ostrich economics, as has been developed by those opposite. Being the people who ignored 20 warnings from the Reserve Bank about inflation during their time in office, they would say that, wouldn't they? They are the people who left all of the heavy lifting to the Reserve Bank of Australia. And what did we get as a result? Ten interest rate rises in a row under their watch. What did the people of Australia get? What did the mortgagees and the small businesses of Australia get? All honourable members know: 10 interest rate rises in a row.

This is a good opportunity to remind the House of the impact of the former government's economic management, as has been outlined by Mr Koukoulas of TD Securities. This is important. He said recently:

The current economic circumstances bring into focus the inept, short-sighted and hopelessly misguided handling of the economy in the final years of the Howard and Costello government. In the period from about 2003-04, Howard and Costello were continually surprised by the size of the budget surplus as the economy boomed on the back of a once in a century surge in national income from the staggering strength in commodity prices and remarkable growth in Australia's major trading partners.

Mr Koukoulas goes on to say:

Instead of saving for a rainy day or building a war chest of money for when this bubble burst, they spent the windfall fiscal gains like drunken sailors, which fuelled a surge in inflation, which in turn caused the RBA to hike rates aggressively, which in turn is one reason why Australia is so vulnerable now to the global slow down. Right now, the near certain collapse of the terms of trade and the risk of a deep recession are not helped by this past profligacy.

That is what TD Securities says. What a damning indictment of the economic management of the former government! That is what you get when you embrace ostrich economics. That is what you get when you put your head in the sand and say, 'If we don't talk about this problem, if we just ignore it, it will go away.'

Of course, the developments in the economy have been very significant over recent months and recent weeks. Almost every developed economy in the world is either in recession or heading for a recession. As the OECD has said:

Many OECD economies are in, or are on the verge of, a protracted recession of a magnitude not experienced since the early 1980s.

As a result, the number of unemployed people around the world could rise by eight mil-

lion over the next two years. Overnight, indeed, there have been further developments. This morning New Zealand cut interest rates by a record 150 basis points to five per cent, while yesterday Thailand cut their interest rates by 100 basis points. Overnight, further fiscal stimulatory packages were proposed in Japan, Russia and Portugal. This includes news that Japan is considering spending ¥10 trillion, or about US\$107 billion, over the space of three years to support the job market. Bloomberg is reporting that UK consumer confidence deteriorated in November to its weakest rate in four years.

What is the response from the opposition? They have spent the last week undermining each other. We have had the member for Dickson trawling the press galleries, back-grounding against the shadow Treasurer. We have had this confederacy of dunces positioning themselves to become shadow Treasurer: the member for Dickson, the member for Goldstein, the member for North Sydney and even, some say, the member for Warringah—I could not believe that, but some say the member for Warringah. So that is their response: political strategy and undermining each other. We do not have that luxury. We have been given the mandate by the Australian people to get them through the tough times, and that is what we intend to do.

What is our challenge as the government of the Commonwealth, faced with this sort of situation around the world? It is to do everything possible to keep Australia from following the rest of the world into recession, it is to do everything possible to ensure that not one more Australian than necessary becomes unemployed and it is to do everything possible to keep unemployment low and growth robust. So that is what we have done. That is why we have embarked on the stimulus package that the Prime Minister announced, the same sort of stimulus package that other governments around the world have em-

barked on—usually after this government. This government was one of the first in the world to embark on a stimulus package, yet we have seen pretty much every other developed nation in the world announce a stimulatory package of similar magnitude since this government did. Again, this government is ahead of the curve.

What does the opposition always say? ‘We should wait a bit longer.’ They say, ‘We should wait until unemployment is up.’ They say, ‘We should wait until growth is down.’ ‘We should wait and see’ is their approach. We have a different approach. We are going to get ahead of the game, as we have done consistently and, dare I say—and they hate to hear it—decisively since this crisis began. We stand ready to do more. We recognise that there will be more to do—they do not—even if that means going into a temporary deficit, because in the circumstances next year that may be the right approach. But, of course, the political strategy of the opposition insists and demands that they oppose a deficit. They will fight for the surplus to the cost of every last Australian job, condemning the government for being honest with the Australian people and for warning that a further stimulus and a possible temporary deficit may be the best way to keep growth robust next year.

We have seen that consistently from the opposition. We have seen the Leader of the Opposition say that deficits are a sign of economic failure. This is what he said at the National Press Club just a couple of weeks ago:

Given the strong public finances Mr Rudd has inherited and the growth forecasts we are relying on for next year, Australians rightly regard the prospect of a deficit budget next year as a failure in economic management ...

In doing so, he pitted himself against every credible economic commentator in the nation—pitted himself against the Reserve

Bank, pitted himself against the OECD, pitted himself against the IMF and pitted himself against every economist of every major financial institution in Australia. Malcolm Turnbull versus the world! What did the *Australian Financial Review* have to say about the Leader of the Opposition's approach? Talk about political strategy in front of economic strategy! This is what the *Australian Financial Review* had to say about the Leader of the Opposition:

... Mr Turnbull's opposition to budget deficits is only pandering to opinion polls that show an understandable but ill-considered concern about deficits in the community. He should not be ruling anything out with the economy facing its biggest negative shock in decades.

That is the *Australian Financial Review* editorial—not one that is often or regularly seen as supporting this side of the House.

One of the hallmarks of putting political strategy in front of economic strategy is that you do not worry too much about consistency—you do not worry too much about making sure that what you say today matches what you said yesterday. That is one of the hallmarks of putting politics in front of economic management. This morning, as she walked into Parliament House, the Deputy Leader of the Opposition held a press conference. I must say in fairness that, as far as opposition doorstops over the last couple of days go, it was one of the better ones, but it is a low bar. It was a bit better than the member for Boothby's and perhaps a little better than the member for Swan's. It was not one of the bad ones compared to the member for Boothby's. She said this in response to a question from a journalist. Mr Street from Channel 9 said: 'You're changing your line from last week, when you said that the benchmark of economic failure is going into a deficit. Now you're putting a caveat on it, saying it is a last resort.' The Deputy Leader of the Opposition replied,

'Well, I didn't say that.' No, the Leader of the Opposition said it. Not the Deputy Leader of the Opposition but the Leader of the Opposition said it, so that is okay. As long as she does not contradict herself, it is okay to contradict the boss. Walking away from the leader is fine in the view of the Deputy Leader of the Opposition.

Inconsistency is what we have come to expect from the Deputy Leader of the Opposition, sometimes in the course of one interview. I have been watching—it is quite a good show—the new ABC2 morning news program. I am a regular watcher of it. I saw the Deputy Leader of the Opposition on the show on 1 December, which was Monday. The Deputy Leader of the Opposition again criticised the government for daring to utter the deficit word and say that Australia might need to go into a deficit. Then there was a question from a viewer asking the Deputy Leader of the Opposition: 'What's your plan for seeing Australia through? What's your plan for avoiding a recession?' This is what the Deputy Leader of the Opposition said in response:

There is a whole range of things we can do for business to make it easier to employ people and to ensure that people are kept in their employment and that would include tax cuts and tax cuts that help business. Issues like accelerated depreciation to encourage investment.

It seems to escape the Deputy Leader of the Opposition that tax cuts mean running down the surplus or going into a deficit. When you have a modest surplus, any tax cut of a significant nature means either running down that surplus further or going into a temporary deficit—exactly what the Prime Minister had flagged, to the outrage of the Deputy Leader of the Opposition, a few days before. So, while they continue to squabble and be inconsistent, it falls to us to manage the economy. While they squabble over the spoils of opposition and score points against each

other, we will continue to manage the economy.

One of the matters raised in the MPI is of course point-scoring against the Labor Party generally. When it comes to the opposition's point-scoring, an important part of their strategy is scoring points against state governments. This is a robust chamber and that is fair enough. We are all allowed to criticise other levels of government—that is fine. But their political point-scoring sometimes comes with a cost. When they were in government they made an art form of scoring points against state governments. They engineered the blame game as part of their strategy of putting politics ahead of good policy, to their eternal shame. When they were in government, for example, they played politics with health funding. They said: 'Here is our cunning political plan. We will reduce the growth in health funding from the Commonwealth. We will pull money out and then we will blame the states for the reduction in health care.' That was their strategy. That is how they put politics in front of good policy. That is what they did for 12 years.

We have a different approach to the opposition. That is why when COAG met last Saturday we embraced a proper indexation, an indexation which recognises the increase in health costs, which recognises that COAG is not the forum for political point-scoring. There is a time and a place for political point-scoring, but COAG is not it. A meeting of COAG is a time when the people of Australia expect the Prime Minister, the premiers and chief ministers to come together in the national interest and to put their political differences aside. The Australian people now have a process which delivers that. It delivered, for example, indexation of 7.3 per cent, which recognises the increase in health costs, which will return federal funding to an appropriate level of health, after it was ripped out by the previous government at a cost to

the Australian people. They come in here and lecture us—they dare to lecture us—on putting politics in front of good policy, when for 12 years they played politics with the states and territories of this nation and the Australian people paid the price with a reduced quality of health care. Shame on them!

They cannot come in here and lecture us in a hypocritical manner about such tactics. We will continue to ignore the hypocrisy, the point-scoring of the opposition, because it changes every day. It is easy to ignore when it is not consistent, because they have one narrative one day and another narrative the next and sometimes different narratives in the same interview. We will continue to ignore that and we will get on with the job. We will work with the regulators and the economic advisers to the government. What we will not do, as they have done, is try to score cheap political points by undermining confidence in Australia's financial regulators and economic commentators. We will not do it because we did not do it in the 12 years we were in opposition. They have done it consistently in their first year in opposition.

At this time of all times it is important that the Australian people understand that we have some of the best regulators and economic advisers in the world—in fairness, economic regulators and advisers appointed by the previous government. They were good appointments, like Dr Henry and Mr Stevens—people who that side of politics have trashed since. They have trashed their integrity and trashed their competence in such an irresponsible and hypocritical way and in a way that brings the opposition no credit. We will continue to take the opposite approach. We will always put economic management in front of political point-scoring, something they will never be capable of doing. (*Time expired*)

Mr HAWKER (Wannon) (4.33 pm)—I think that we have just heard the most incredible amount of confected indignation and humbug. The Assistant Treasurer set about to trivialise what is a very significant matter of public importance, and I remind all honourable members of the matter. It is all about the government's decision to put political strategy before economic strategy, resulting in a war on inflation that exacerbated the economic slowdown, and its active consideration of plunging the Commonwealth into debt to bail out incompetent state governments.

I would have thought that this is a very serious matter. It is one that certainly is causing considerable concern right throughout the community, and if you look at the front pages of the newspapers today I think you can see just how important this issue really is. We listened to the Assistant Treasurer trivialising the issue with the usual sort of spin—and personal attacks where he thought it was appropriate—and diversions and rhetoric, and so he went on. We can talk about his own track record, on the matter of diversions. This is the architect of Fuelwatch. I do not know what happened to that—it has gone, I think. There was GrocerWatch—and I think that has just about gone. It cost us a few million dollars but I think that consumers woke up pretty quickly and saw that that was just another one of their little efforts.

Then the Assistant Treasurer tried to attack the former government's record. I think that you ought to have a look at the former government's record. I think that it is a pretty impressive record. First of all, the former government set about getting rid of deficits. It worked hard to get rid of \$96 billion of debt that was racked up by the previous Hawke-Keating government and it got the budget into surplus. It got unemployment to the lowest level in more than 30 years. The strike level was the lowest since records be-

gan. The economy was in a very strong position. But as the member for Curtin and shadow Treasurer pointed out, the Labor government had to cast around for something to find fault with. 'Inflation!' they thought. 'We will latch onto inflation and we will blow this up as the big issue.'

What Labor had not thought through was that emphasising inflation had consequences, because people were listening. People in the business community were listening and starting to make decisions accordingly. They were saying, 'If inflation is going up, maybe we had better spend some money now rather than waiting until the prices of things go up.' The Reserve Bank was listening and they thought that if the government was saying that and people were listening then they had better do something too. So they put on the interest rate brake and started pushing interest rates up. So the government played a direct role, with the Treasurer talking about the inflation genie coming out of the bottle the day before the Reserve Bank board was meeting, just to make sure that the Reserve Bank was absolutely clear what the government were expecting of them. Well—surprise, surprise!—up went interest rates. It has become very clear now, if you look at the papers today, that somebody misread the economy very badly. We have since seen, as the member for Curtin pointed out, a three per cent fall in interest rates in three months. Coming from 7¼ per cent official rates, that is a massive cut.

The government is trying to make falling interest rates a virtue. At any other time, people would say that that is a sign that there is a serious problem. To hit the interest rate button like that is a sign that there is a serious problem. I do not think that it has ever happened before, even back in the bad days of the Keating 'recession we had to have'. It may have dropped in actual terms by that much, but of course it was coming from a

very much higher level and in relative terms it was nowhere near as significant in the short-term.

Now the Assistant Treasurer talks about it being a virtue for us to have a temporary deficit. There may be a case for deficits over the cycle. The Reserve Bank has made that point for many, many years. But the word 'temporary' ought to be setting off some alarm bells, because the last time a Labor government started off with a temporary deficit, seven years later we were still running a deficit. By that stage government debt had hit \$96 billion—a huge amount—and the cost on the budget each year in interest payments alone was massive. In respect of the Assistant Treasurer to trying to trash the previous government's record, it took a fair bit of hard work by the government to get rid of that debt. He says that they did not do anything—well, they did a hell of a lot just in getting rid of that. It allows the current government to reap some of the rewards. We do not have the big annual interest bill, for one thing, and that allows governments to invest money, and hopefully they choose to invest it wisely.

What we have heard today shows real fear in the government. While they may have the argument about the blame game, we sure have some real problems with our state governments—and here is the Assistant Treasurer saying that he would not blame the state governments for anything. Coming from New South Wales, I guess he could not, despite how bad that government is. Even he must cringe at what an appalling state government the Labor Party are running in New South Wales. Some of the other ones are not much better, but that one in particular is a shocker. As the member for Curtin pointed out, according to today's *Daily Telegraph* there is now a little secret thing starting up about how to get around the problems and to get some money. As today's headline in the

Sydney Morning Herald puts it: 'States forced to rely on RuddBank'. The article states:

THE Federal Government is considering borrowing billions of dollars and passing it on to NSW and other states to help them fund infrastructure projects.

That is a nice little euphemism for saying 'trying to help them with their massive debts that they have run up'. The origins of this are also interesting. The article also states:

The *Herald* understands the idea began at a secret meeting between the state Labor treasurers in Sydney on November 14—

and goes on to state that the nation's only Liberal Treasurer, from Western Australia, was excluded. Surprise, surprise! They did not want anyone to know about that one, did they?

We can see what is being hatched, and now that it has been exposed it has the whiff of Whitlam. When we talk about the whiff of Whitlam, I think people ought to realise that economically it was a disaster, despite what those who want to rewrite history say about the Whitlam government. We had some of the worst inflation we had had for decades under the Whitlam government. We saw budget deficits the likes of which had not been seen before and probably have not been seen since. It ran the country seriously into debt and caused massive problems which took years for the country to recover from. That government, as we have learnt today, had a similar little program with Mr Khemlani. It was for \$4 billion which, of course, in today's terms is a lot of money. But it was all funny money, and some of the big financiers in Australia warned at the time, saying: 'Look, we get these sorts of calls every week from people who say they can bring us petrodollars. We tend to treat them as a little bit of a joke.' But it seemed that the Whitlam government thought they were serious and actually went as far as to entertain raising

money. Now, apparently, we have this new form of this kind of money, and the Prime Minister is already planning to take some of the business community along with him on a trip to the Middle East to see if some of this money can be arranged.

Very significantly, one of the other newspaper reports in the *Daily Telegraph* today made a point which comes back to the whole question of this MPI and about political strategy. The article states:

The banking process would help avoid the need to send the federal Budget into deficit to fund projects.

Liabilities would, technically, have to be carried by the state borrowers.

That is a nice little sleight of hand if I ever saw one. It was fascinating to watch the Treasurer today as he faced four questions and, again and again, had to try and obfuscate. If ever I heard confirmation that the so-called 'infrastructure bank' is coming, the decisive refusal to answer by the Treasurer was a demonstration that there is certainly something in the wind. As he admitted, there is some plan to help the states, and it is obvious that this news story is pretty near the mark. It shows already, after the first 12 months of the Rudd government, that the states are starting to wag the dog.

When we talk about the way the states have approached the management of their economies and the political strategy in favouring an economic strategy, we only have to look at how the cartoons see it. On 23 October in the *Herald Sun* there is a very good cartoon which shows a little car really staggering. There are a couple of learners in it, Mr Rudd and Mr Swan, and a big L-plate on it. Mr Rudd is saying to Mr Swan, 'The economy is going too fast ... put the brakes on'. In the next panel he says, 'Too slow ... Put your foot down. It's going into recession!' The next panel shows Mr Swan say-

ing, 'Hang on ... the temp gauge says inflation is 5 per cent!' and hitting the brakes again. The comment by one of the observers in the next panel is: 'Must be a learner.' I think that really sums up the way particularly the Treasurer is approaching his—(*Time expired*)

Mr COMBET (Charlton—Parliamentary Secretary for Defence Procurement) (4.43 pm)—What we have witnessed so far in this matter of public importance are silly fantasies from the opposition and arguments that demonstrate a triumph of politics over policy, of politics over rational economic analysis. In fact, the most sound economic argument that you could perhaps admit has been made by the two opposition speakers so far is a *Daily Telegraph* cartoon. That is about as sophisticated as it has been so far. It has been ridiculous fantasy and opportunist politics, and this is in the midst of the most significant and serious financial crisis since the Great Depression. And what do we have? We have the opposition playing politics and, worse than that, undermining confidence at a time of crisis in the Australian economy.

Around the financial community there is shock at the politics that are being played out by the Liberal Party at this time: attacks on the Treasury Secretary and opportunist politics about the deposit guarantees and the initiatives that have been taken by the government to restore confidence. We see the Liberal Party intent on undermining confidence at a time of crisis. This MPI today—it is really quite extraordinary, the submission that has been made—only demonstrates the terrible hypocrisy of the opposition and the leadership that it has at the moment. They try to attack the Rudd government's economic record over the last 12 months, but we should have a look at the economic record of the coalition government over the 12 years that they were in office.

Let us not forget that what was inherited when the Rudd government took office was underlying inflation at a 16-year high. Only a short time ago the shadow Treasurer was still making the case that, even in these circumstances of a 16-year high in underlying inflation, in order to take the measures that it was doing the government was spin doctoring—I think that was her terminology. We might remember the opposition leader thought the inflation crisis was a fairytale. I think the former leader, Brendan Nelson, made the case that it was a charade—underlying inflation at a 16-year high! This MPI itself tries to imply that it was unnecessary for the government to endeavour to address it. We inherited an expansion in fiscal policy in real terms running at four to five per cent. In real terms, it was growth in expenditure of four to five per cent. Their profligacy in fiscal policy was driving inflationary pressure. That is the inheritance that we received in winning government.

Not only that, they had an expansionary fiscal policy and, running counter to it, the Reserve Bank had to increase interest rates. We had fiscal policy and monetary policy running counter to each other. They did not know what they were doing, economically, in the last years of that government. They are demonstrating that they have not learnt from it and they have not developed much of a thesis of how to deal with it yet. Not only that absurd situation with fiscal and monetary policy running counter to each other, after 12 years they failed to invest in infrastructure. Everyone knew—the parrot in the pet shop knew—that there were infrastructure constraints in this economy for many years, in skills and in infrastructure, that were leading to inflationary pressures. The result of all that on the part of the Howard government was 12 consecutive interest rate rises. But that is all called spin doctoring, or ridiculous, and a fairytale.

Until the coalition learns the failures of its economic performance after 12 years in government they cannot pretend to come in here and lecture the government about the measures that we are taking. Just take the issue of infrastructure. According to the Business Council of Australia, an organisation that one would assume the Liberal Party has a dialogue with from time to time, the total infrastructure deficit in our economy stands at more than \$100 billion. If we fixed the current bottlenecks in the economy—this is the BCA's analysis—we could boost economic growth by \$20 billion per year. This is a terrible indictment on the performance of the Howard government that the Business Council of Australia was making clear at the time they were in government. The problem was ignored. It constrained economic growth, it constrained jobs growth and it helped drive productivity down to zero towards the end of their term in government. It is little wonder that we have inherited a position where it is necessary to invest significantly in transport, roads, rail and ports to address some of those infrastructure constraints; to sort out the water problems that they failed to address; to invest in a National Broadband Network and to address issues like climate change in order to try and lift the economy out of the torpor in which it was left by the Liberal Party.

I mentioned that productivity had fallen to zero towards the end of the time that the Liberal Party was in government. The cornerstone of the economic strategy in the final term of the Howard government, of course, was Work Choices. We have heard a fair bit about that this week with the introduction of the Rudd government's Fair Work Bill. Work Choices, as an economic strategy, was a strategy to let wages fall, to try and stimulate economic activity by allowing things like penalty rates to be cut and take-home pay to fall—particularly for the most vulnerable employees. It was not a strategy to boost

productivity. They relied during their time in office on domestic consumption and debt to fuel growth. We saw as a result a massive expansion in credit card debt and a massive expansion in the ratio of household debt to income from 68 to 160 per cent between 1996 and 2007. It is little wonder there was a bit of sensitivity to interest rates after a performance like that.

Their performance on trade was appalling, with 70 consecutive months of goods and services trade deficits. They failed to invest in skills. Our national investment in early childhood education was well below the OECD average. Since 1998, more than 300,000 people were turned away from TAFE, and in the decade since 1995 Australia was the only OECD country to effectively cut public investment. It is little wonder that the depiction of the former Prime Minister, Paul Keating, of the member for Higgins swinging in a hammock so much caught the attention of the community, because that is exactly what it was. If you look at their economic record, they stand proudly on the GST. That is a 12-year performance coupled with all of the negative performance that I have highlighted.

This MPI is endeavouring to make some argument that the government puts political strategy before economic strategy. Let us put that in a bit of context by quoting the Leader of the Opposition from 8 November this year. He said:

I place a very high premium on consistency and integrity in politics.

He said that in the *Australian*, but let us have a look at some of the performance. As has been said many times, the Leader of the Opposition has got two positions—they are usually inconsistent and he walks both sides of the street. On the supposed support for the government's plan to guarantee all deposits,

Mr Turnbull, the Leader of the Opposition, said on 12 October this year:

The opposition welcomes the decisions taken by the Prime Minister today to provide a guarantee for all deposits for Australian deposit taking institutions, banks, credit unions, building societies and so forth. That's a very important step and we will undertake to give the Government every assistance in ensuring that the necessary legislation is passed through the parliament promptly.

Ms Julie Bishop interjecting—

The DEPUTY SPEAKER (Ms AE Burke)—Order! The Deputy Leader of the Opposition is warned.

Mr COMBET—That was 12 October. Ten days later, on 22 October, the Leader of the Opposition said this on the *7.30 Report*:

But let me say this: the policy that was announced on the 12th of October was a failure ...

Ten days, two completely different positions. What about the size of the Economic Security Strategy? On 14 October he said:

... we're not arguing about the size of the stimulus. We support these measures ...

One day later in question time he asked:

Precisely when and by whom was the government advised that the fiscal stimulus package had to be more than \$10 billion?

They do not know what they are doing. They have an appalling economic record. They failed on key areas of investment in the economy. They have different positions on the key economic questions of the day, and they stand condemned for their poor performance.

Mr RANDALL (Canning) (4.53 pm)—I am pleased to speak on this MPI today because it is very important, given the current state in which we find ourselves. The Labor governments are at it again. Both federally and at a state level they are heading into debt and deficit. Before we hear cant from the other side about belting up on state Labor governments, let us see what the commenta-

tors say. Today, for example, in the *Herald Sun* John Beveridge in his column titled 'Sorry state of surpluses' says:

In Victoria almost 450 million has disappeared, leaving a skinny surplus estimate of \$382 million.

NSW is already in deficit, Queensland has admitted its forecast surplus has probably evaporated, and the other states will be facing similar issues.

South Australia is also in trouble, and Tasmania has always been an issue. As we said, there is an \$800 billion deficit in New South Wales. It is an absolute basket case. So the states are heading into debt—in fact, their borrowings are towards the billions of dollars. That is why we are hearing today about the federal Labor Party's plan to do something to drag them out of the mud.

Unfortunately, federal Labor is going the same way. It really is part of their mantra; debt is the DNA of the Labor Party. They are telling us now, and the Prime Minister told us just the other day, that they may have to go into deficit temporarily. It was almost as if he were saying, 'Oh well, that's what you do.' This is typical Labor style. This follows the strong economic performance of the previous government, and no matter how you spin it or whether you get Hawker Britton to give you the lines in the morning, that is not the case. The surplus that the current government have was generated and put in place by the previous government, the Howard government, and the Treasurer, Peter Costello, through sound economic management.

One of the aspects of today's MPI is about inflation. Inflation is an insidious thing economically because it erodes the value of your money. What is the federal government saying about inflation? We know that at one stage the Treasurer said—and we have heard it all before—'It's out of the bottle.' The Prime Minister said it was a monster. They

egged on the Reserve Bank to tighten monetary policy and the Reserve Bank complied. They started tightening when, as we know, everyone else was relaxing monetary constraints in terms of rates around the rest of the world.

One thing that a lot of people do not quite understand about the miracle of the management of the economy under the previous government is that we had low inflation, low unemployment, high growth and low interest rates. Normally that does not occur. Normally to get low inflation you have to have high unemployment. That was the genius of the management of the member for Higgins. The Labor Party are now trying to use unemployment as a tool to get inflation down. They have already said in their budget that 134,000 people are programmed to be out of work this year. It is cruel to use unemployment as a tool to drive inflation down. As a result, a lot of people lose their jobs. For example, we heard the Prime Minister announcing last weekend at COAG that the government would provide a \$15.1 billion package for the states that would create 133,000 jobs. This is the really interesting part of it. If they are creating 133,000 jobs and they say they are budgeting in the May budget for 134,000 people to be out of work, does that really mean that only 1,000 people are going to be unemployed? Not at all. The maths is not there. In fact, they are predicting a lot of other people to become jobless. The OECD predicts increasing unemployment for this country and they are predicting 200,000 job cuts. The basic maths says that they are the figures. You cannot in any way justify what the Labor Party are doing to try to drive down inflation by putting people out of jobs.

On interest rates and the fact that we have got this 'Kevlani' proposition, I hope there is a low interest rate on their Bankcard or Visa. At the end of the day you cannot go and borrow money in the market. When govern-

ments do that they compete with the mortgage holders and force up interest rates, and that is a shame. (*Time expired*)

Ms REA (Bonner) (4.58 pm)—I rise this afternoon to offer some comments on this incredible matter of public importance that we have in front of us. I say ‘incredible’ because I agree with the Assistant Treasurer’s description of this particular statement that has been put before us as ironic coming from the current opposition, who were the previous government. I would go further and say that it is absolutely breathtaking irony that those members opposite who were members of the previous Howard-Costello government—who for 12 years played political strategies by dividing this nation by putting their own interests and those of their marginal seats over the interests of investment in the nation and building the important infrastructure that we need—could get up and say that we as a government have put a political strategy before an economic strategy. That is incredible irony.

As I said, on 24 November 2007 the Australian people voted based on a number of issues, and among them were two critical issues relating to this very matter. They voted to end the blame game and they voted for a government that would invest in the essential infrastructure and services that they had been in need of for so long. They voted for the real economy; they voted for investment over a political strategy and political division. And why? Because they were sick to death of excuses and they wanted their government to do something. They wanted all levels of government to do something. They wanted the Commonwealth government to work in partnership with the state governments, and with local governments, I might add—to once again champion that essential level of government that is often ignored, particularly by the opposition when they were in government.

They voted for real investment, and the irony here is that the previous government did invest. They were the ones who made an art of investing in political spin. They were the ones who made an art of spending hundreds of millions of government dollars on advertising to in fact broadcast their political spin and their political strategy. As a result, our capital cities, our regional towns and our rural areas were left in absolute deficit when it came to investment in infrastructure, health, education and community services.

Government members—Shame! Shame!

Ms REA—In fact, the irony is just incredible. My own electorate of Bonner was for three years represented by a Liberal member in the previous government, and do you know the investment they made in that electorate? They opened a Medicare office. It sounds great—investing in health infrastructure—but do you know what? They were the ones who, in their previous term, had closed the Medicare office.

Government members—Ridiculous! Shame!

Ms REA—So their only investment in the fast-growing suburbs of south-east Brisbane was to reopen a health service that they had actually closed.

What do we see instead from this government? We see an economic stimulus package of \$10.4 billion to boost spending and to support low-income people—pensioners, carers and people on disability pensions that deserve some support from this government. And that increased income will help to stimulate economic growth. What do we see between the Commonwealth and the state governments? Instead of taking with one hand and blaming with the other, we are actually working in partnership through COAG—

Government members—Hear, hear!

Ms REA—on a \$15.1 billion stimulus to create 133,000 jobs, to invest in infrastructure, to reinvest in health and education. What do we hear from those opposite? No ‘thank you’, no support. It is political spin; it is political opposition. They are trying to score political points, desperate enough that they are trying to create some political issue over the fact that, at the time of the greatest global financial crisis we have faced in decades, the Prime Minister wants to go overseas with businesspeople from Australia to talk about ways of investing, and the Treasurer wants to look at options— (*Time expired*)

The DEPUTY SPEAKER (Ms AE Burke)—Order! The discussion is now concluded. I thank members for their enthusiastic support of their colleague!

WATER AMENDMENT BILL 2008

Consideration of Senate Message

Message received from the Senate returning the bill and informing the House that the Senate does not insist on its amendments Nos 2 to 8, 10, 11 and 13 to 15 disagreed to by the House and has agreed to the amendment made by the House to Senate amendment No. 16.

SCHOOLS ASSISTANCE BILL 2008

Consideration of Senate Message

Message received from the Senate returning the bill and informing the House that the Senate does not insist on its amendment No. 4 disagreed to by the House.

FAIR WORK BILL 2008

Second Reading

Debate resumed.

Mr BEVIS (Brisbane) (5.04 pm)—In the few minutes that remain to me, I just want to add to the comments I was making prior to question time. I was making the point that millions of Australians have waited a long

time for this day; that many Australians have suffered unfairly at the hands of the Work Choices legislation of the former Liberal government; and that that government, now in opposition, have failed to come to grips with the fact that they lost an election because the people of Australia rejected their views about these things.

For many Australian workers, the workplace, because of industrial relations practices under Work Choices—that name that dare not be spoken aloud; that name that those opposite banned public servants from using, so unpopular had it become—had become something of a house of horrors. But, when it comes to the positions that those opposite have in dealing with the legislation before us now, it is more like a house of mirrors, where there are 20 different images of the same person. That is the representation that the Liberal and National parties have given of their views on this industrial relations legislation. They say they are opposed to many of the features of the bill, but then they say they will not oppose the bill. They say that they have forsaken Work Choices, but not one of them will actually get up and say that Work Choices was wrong. In their heart of hearts, they are not only confused about their status in opposition but still tied to the discredited Work Choices legislation that hurt so many businesses and so many ordinary Australians.

There is one other example I want to add to those I mentioned before question time about the way in which these laws operated. A friend of mine operates a business in Queensland that has a highly specialised skill in dealing with their particular industry. They were contacted by a large organisation who wanted to subcontract some work to them for a Commonwealth government contract. My friend’s company employs its people on decent conditions on collective agreements. The head company that had the contract with

the Commonwealth—the Howard government at the time—imposed on that company a requirement that they employ their workers under AWAs, so when they came to my friend's company to engage them as subcontractors they told the subcontracting company they would have to put their workers on AWAs, to which my friend said, 'We don't do that; we don't employ our people on AWAs.' The head contractor then said: 'We will not engage you. The Commonwealth obliges us to put our people on AWAs. If you're going to work on this project you have to have your people on AWAs.' They happen to be the only firm in Queensland with the expertise to do the job, so he spoke to the workers and the workers said, 'We need the business. Put us on an AWA which is the same as we have and we'll get on with the business.' Much against their better judgement, they did. They turned up on the worksite wearing a helmet that had a BLF sticker on it, and they were then told that they were not allowed to enter the site because their helmet had a sticker on it that did not meet with the approval of John Howard's laws and the contractor's requirements. That was the absurdity of what the former government did.

We now have a bill before this parliament that puts fairness back into the workplace. It creates for the first time genuine bargaining in good faith. The former government said they supported bargaining, but there was no requirement for anyone to bargain in good faith and they did not. We are putting in place that fair bargaining system. We are putting the balance right. We are putting in the decent values that have underpinned Australian industrial laws since 1904. It is a bill all people in the parliament can be proud of. It is a bill that all on this side are proud of.

Debate (on motion by **Mr Perrett**) adjourned.

COMMITTEES

Publications Committee

Report

Mr HAYES (Werriwa) (5.09 pm)—I present the report from the Publications Committee sitting in conference with the Publications Committee of the Senate. Copies of the report are being placed on the table.

Report—by leave—agreed to.

FAIR WORK BILL 2008

Second Reading

Debate resumed.

Mr PERRETT (Moreton) (5.09 pm)—I commend the member for Brisbane for his contribution to this debate on the Fair Work Bill 2008, truncated as it was with question time. There was certainly a lot of passion and a lot of horrible stories in his speech. If there was one message that was delivered loudly and clearly on 24 November last year, the members in the House at the moment would know very well that Australians do not like it when people mess with fairness. That is what the election results showed, and if the current opposition had been good students of history they would have known this lesson. It happened before when Stanley Melbourne Bruce and his government changed the industrial relations laws. What happened? His government was thrown out and he lost his seat. History repeated itself in 2007 when John Howard went on with his extreme industrial agenda and tried to change the industrial relations laws. He lost his seat. It is a significant slap in the face for a Prime Minister to be thrown out of his own seat. It does not happen very often. It has happened twice in our history. Why? Because the government of the day tried to fiddle around with fairness.

Mr Sullivan interjecting—

Mr PERRETT—Australians might be easygoing people, but there is one thing we

will not move on and that is having our sense of the fair go attacked by a government. As the member for Longman indicated a minute ago, it all started back in 2004 when control of the Senate went to John Howard. I remember that sad day when a Queensland National Party senator made that phone call to John Howard indicating joy that the current Leader of the Nationals in the Senate, Barnaby Joyce, had been elected. It is a great sense of bookending justice, I suppose, that we had some Queenslanders responsible for a descent into madness in control of the Senate and then we had in Kevin Rudd a Queensland restoring sanity.

Work Choices went too far. The Labor Party knew it. The unions knew it and those people who never get it wrong—the Australian people—knew it as well. Unfortunately, not everyone in Australia understood it. The Liberal Party obviously did not understand it.

Mr Sullivan—They still don't understand it.

Mr PERRETT—They still do not understand it. The member for North Sydney told *Four Corners* that the coalition ministers were unaware that some employees were worse off under Work Choices. It is quite unbelievable for that to be out there on the public record. I know many people opposite—and obviously it is not a full House over there at the moment—but in my one year of dealings with those opposite I know there to be some fundamentally decent people there. There must surely have been someone in the cabinet who spoke up or someone in the party room who spoke up and said, 'This is a little bit extreme, isn't it?' I would hope so. I am not asking anyone to break caucus solidarity over there, but surely someone spoke up? There must be somebody on that side of the House with a heart bigger than their mouth who was able to say that this was a bad law. I am not going to ask for

a show of hands, but I can think of some people who might have spoken up and said it was going a little bit too far. I know there are people on the opposition frontbench, those filled with the strut and bluster, who will never own up to being wrong. You have seen it in their speeches. They are the Work Choices warriors who are doing all that they can to use weasel words to avoid saying that this was a bridge too far, that this was wrong, that this was extreme or even just saying that simple little word that resonates so much in this chamber this year: sorry.

If it had said on every election poster in 2004 that they were going to change the industrial relations landscape then, fair cop, there could have been some legitimacy. But nobody was told. I was in the 2004 election. I remember that night very well, unfortunately; there are no second prizes in politics. I remember that night very well and there was no mention of industrial relations changes.

It has been great in the last couple of weeks to watch *The Howard Years*. It is like watching a slow-motion car crash with skid marks that stretch back for 11½ years, and I am looking forward to Monday night when we finally have the collision. Picking back over it, picking out particular points, you can see where they went wrong. But picking back over the skid marks of the 11½ years leading up to 24 November 2007 has been fantastic—horrible, but fantastic. As those opposite know—as anybody in politics knows—the Australian people always get it right.

I am sick of hearing from those opposite that they were voted out because of a union campaign. That is avoiding responsibility. The idea that they were voted out because of a union campaign is putting the cart before the horse. They need to remember the union campaign occurred because of the duplicity

on the part of those opposite in running an election on one issue and then jumping in and changing the industrial relations landscape. The Australian union movement and those who care about fairness and rights in the workplace were not able to sit by and let the Liberal Party erode the rights of workers.

Let us look at what Work Choices did. It stripped the right to bargain collectively, pushing people onto AWAs. We have heard so many horrible stories in this debate about that. It threatened award wages, smashed unfair dismissal rights and left unions out in the cold. As a former union organiser in the white-collar sector in non-government schools, I can assure those opposite that unions contribute to effective workplaces. So often they are able to step in and bring some common sense—sometimes to an employer but often to an employee. That is why a good unionised workplace is normally a very effective workplace.

It is true that if you look carefully you can find the odd worker who was better off under Work Choices, but it was only those whose skills were in high demand and who had the leverage to negotiate better pay and conditions. Obviously there were others, the more vulnerable, who were forced to trade away pay and conditions, all to prop up their employers' bottom lines. It shows that when you mess with fairness you really will be judged quickly by the Australian people.

I have spoken about this to a couple of people in my electorate—one being Susan Wilmott, a public servant and an ASU member. She said:

As an ASU union delegate in 2007 I dealt with more cases of union members feeling insecure and feeling threatened. People just felt more vulnerable.

And I felt I was inherently less effective as a union delegate because of the down grading of importance placed on the services that we offer.

The biggest reason I got involved in the Your Rights at Work Campaign was I just felt very angry that all the conditions that we enjoyed—and that unions had so worked for decades to secure—were taken away by Howard.

I was scared to think that maybe my children wouldn't enjoy the same working conditions that I do. And that they wouldn't have the same opportunities to combine work and family as I have ...

Dean Holland from the Builders Labourers Federation said:

I got involved in Your Rights at Work because of the unfair laws that Howard put in place. Those laws restricted many of our rights and conditions.

I was only too happy to help out in stalls, collect petition signatures, distribute merchandise and spread the word. We had a great reception at the Rocklea markets especially leading up to the election.

Karen Sheperd, a community health registered nurse, said:

The main reason I became involved in the 'Your Rights at Work' campaign was because I was concerned that the impact of the WorkChoices legislation on the future generations of Australians particularly my children. Isaac in 2006 was finishing grade 12 at St Thomas More College.

At first I didn't realise the laws would have an impact on the nursing workforce, however it soon became apparent to me that my nursing colleagues in the private and aged care sectors were suffering and that these laws would in turn diminish the standards of patient care as qualified nurses were being replaced with unlicensed workers.

Those are just three examples. They are ordinary people like you and me, but they refused to stand by and let the Howard government mess with fairness in the workplace. Not necessarily these people in particular but people who were barely moved to vote in 2004 were out there in 2007 in orange shirts for a great campaign. I do thank John Howard, I guess, for politicising and motivating a great section of our community, for surely

what was one of the greatest community campaigns in the history of Australia. What motivated them? They wanted to see fairness and justice returned to Australian workplaces. It was great for the union movement that all of these people were brought together. I had a Your Rights at Work breakfast the other day thanking them again, one year on, for the great work that they did.

There never should be any doubt that the role of unions in our society is crucial, especially in Australia. They secure reasonable pay and fair working conditions. They ensure our workplaces and work practices are safe. That is why I think it is appropriate that I finish by again asking someone, somewhere, from those opposite to say that word 'sorry'. An apology is good for the soul. It is good for the recipient; it makes the recipient feel good. I am hoping that someone finds the time to come to me and say that simple word 'sorry' and I will pass it on to the Your Rights at Work group in my electorate.

Mr RAGUSE (Forde) (5.21 pm)—I would just like to say that following the last three speakers—the member for Solomon, the member for Brisbane and the member for Moreton—has been quite encouraging for me in getting up to talk about the Fair Work Bill 2008. Some of the metaphors they used—certainly the member for Moreton's notion of a car crash and long skid marks—explained well the Howard years. But I think from my perspective it was probably more like a viral pandemic because it really was something that affected us for many, many years and because Work Choices, while it was a major reason the Howard government fell, was indicative of a whole range of other philosophies that they carried as a government.

My contribution to this debate is quite humble compared to the contributions of the others who have spoken—people who have

worked very extensively in industrial relations and within the union movement, as organisers, as lawyers, as professionals who bring together our understanding of human resource management, human resource development and the ability to organise labour correctly on the ground. Why I say my contribution is humble is this. I was not one of those professionals. My background is a business background. While there was a period of public service work, essentially I am a small business man who lived and worked with unions for many years and enjoyed the benefits of having an organised workplace. To hear members on the other side of the House talk about the terrible thing that we are doing now by bringing back a system of fairness through our Fair Work Bill quite amazes me. I will give some examples of how the business sector reacted. I know many of those in the union movement would have dealt with employers on a regular and reasonable basis. They and others—in the House and in the community—knew that the Work Choices legislation was dreadful. It was dreadful for our community for a whole range of reasons.

The interesting thing is this. If it is about fairness, if it is about bringing fairness back to the workplace, the debate should be robust. The opposition have their view. I would like to explore what drives the view that Work Choices was so good. On 24 November 2007 Australia resoundingly threw out the government, largely because of what Work Choices was doing to our work and community. Those who have worked closely in the area of industrial relations know that it is all about having a system that has harmony. Industrial harmony is what we are trying to achieve. People who invest money and people who take wages for their work, who sell their skills to a company or to a business, come together and it is all about achieving harmony. We in this country have

a long history of very good negotiations. We had all industrial parties working together to get resolutions. Yes, we have had periods in our history where these have reached a flashpoint. But the reality is that we had legislation that could deal with this appropriately and we could move on.

One thing that concerns me is this. They talk about Work Choices and the wonderful components of Work Choices, but I can only see from my perspective. In the debate in the House today, we have probably covered just about every aspect of this bill—inside and out. It is interesting to see that the opposition read even more into this bill than we ever considered. That extra reading into the bill is very much about their fear campaign. Work Choices was about fear. It was ill-conceived and it hurt a nation of workers. We heard stories from all the members speaking in this House, especially the last few members. The member for Solomon had some bad examples; they were good examples of bad situations. I commend him for bringing those to this House. I am sure that we have all heard of similar experiences.

I will go back to the history. The member for Moreton spoke about 1996. Yes, we remember when the Howard government came into power and changed a whole lot of arrangements. The problem is that it was driven by vindictiveness. Changes to our industrial legislation were very much about how the government thought they had been treated by the unions. They could not sit down in a reasonable and logical way and debate and change legislation, if that was the requirement. They had to tip the cart on its head and they went too far, and we all understand that. Unfortunately for the Howard government, they were marked and marred by their push. I believe it was driven by vindictiveness rather than by a sensible way of dealing with industrial relations as they saw it.

We know that with the Howard government on so many other issues there were mistruths. There were the *Tampa* and the children overboard, the weapons of mass destruction, the core and non-core promises. Of course, Work Choices dropped in on top. Work Choices was without a doubt the major driver of their collapse as a government. In my electorate—and I have spoken about this in the House before—there was a swing. To have a 15 per cent swing in your primaries really indicates that change is on and that there are good reasons for change. The changes were also about the parliamentary party. The Rudd leadership in opposition was about bringing opportunity for the future. It was about presenting all of those nation-building opportunities. Work Choices was a major part of why we had to come up with alternatives. It was ill-conceived and it was built on fear. Their whole argument on this legislation is about fear—fear of this legislation and fear that the unions are going to take control. To me it is unreasonable that in this day and age, in this country, we should have had a government pushing the fear line. We are a peaceful society in everything we do, but people in the workplace were fearful. And that is obviously not a good thing.

It was about manipulation. There is a need for industrial harmony for people to work together. You hear in this debate hollow statements that Work Choices is dead. I am not sure whether it is ‘dead’ in the terms we understand or whether it is an acronym. Maybe the word is actually ‘D-E-D’—that is, a ‘dead-ended debate’.

Mr Hale—Core dead?

Mr RAGUSE—Or core dead or not dead! I would say that it is an acronym for dead-ended debate. Remember, by their own admission, that this is a party of Lazarus and triple bypasses. It will surely rise again. We know from the debates and the interaction

we have had that, yes, they are saying that Work Choices is dead but they are giving every argument for why our legislation is wrong and should not proceed. What are the alternatives? We do not know what they are. Work Choices is not dead; it is just D-E-D for now. Let us keep an eye on this. When people go to the polls in two years time, they should understand that the Liberal Party is driven by the need to reform industrial relations—whatever that means in their speak. We know it is driven by ideology, and that is my concern. We should all understand when the terminology starts to roll. Their campaign slogan might be something like ‘deal or no deal’ or ‘bold employment options’ or ‘jobs of fortune’ or ‘the job is right’. We must watch this space, because it is not dead as we understand it; it is just D-E-D.

The member for Warringah has certainly spoken a lot on this issue and talked about comparisons. Before I close in tonight’s debate can I say that those opposite talk about how this was nation building for the Howard government, how it was great for prosperity. I understand that the national average unemployment rate is around 4½ per cent. In Queensland, my home state, we are running at 3½ per cent. Queensland is a state that has a very, very strong industrial relations base. I should at this stage commend the current minister in Queensland, John Mickel, who always brought the arguments up to the Howard government in terms of where their legislation, Work Choices, did not fit.

I close today by saying that the end of Work Choices is good. We have got the legislation that will make those changes. The Fair Work Bill goes towards our other nation-building strategies. We must maintain our vigilance and our push to change this country for the better. For those reasons, I commend this bill to the House.

Ms GILLARD (Lalor—Minister for Education, Minister for Employment and Workplace Relations and Minister for Social Inclusion) (5.30 pm)—in reply—It is with great pleasure that I sum up after what has been not only a very extensive debate in this parliament on the Fair Work Bill 2008 but also a very extensive debate in this nation about what we wanted as a nation from workplace relations, and of course people voted to reject Work Choices, voted for fairness and balance, and that is what this legislation delivers. This has been an extensive debate and I thank all members of the government that have spoken during the course of it. I thank those opposition members who have contributed as well. We have seen a variety of contributions, with some members coming out as Work Choices supporters loud and proud, and some of them instead saying that they recognise Labor’s mandate—but always through gritted teeth, because the Work Choices ideology pumps very solidly through their veins.

What I want to do in this summing-up is deal with some of the sillier things that have been said during this debate as they should not stand unchallenged on the public record as descriptions of what is in the Fair Work Bill. Those descriptions, coming from opposition members, have been made to try to squirm and find an excuse to defeat this bill when it goes to the Senate. It is very transparent. That is what the opposition is on about—looking for any excuse to thwart the mandate of the Australian people and their wish for fairness and balance in Australian workplaces. Consequently, we will not allow those myths to stand on the public record.

First, let me state this very clearly: we are implementing the Forward with Fairness policy, the policy approved by the Australian people. We are implementing it clearly. We are implementing it with the strongest possible mandate. We have undertaken an un-

precedented level of consultation with businesses, small businesses, unions, people who work in every sector of the economy. We have listened to their legitimate concerns. We have presented to this parliament a bill that puts workplace relations right where it should be—in the dead centre, where the pendulum should be, between the interests of employers and employees. It is a fair and balanced bill.

Members opposite have asserted that the Fair Work Bill will have a catastrophic effect on employment levels. Of course, this claim is nonsense. I remember that every day they used to stand at this dispatch box and say that Work Choices was the thing that was propping the economy up. Not many opposition members make those claims now. They were silly then; they are silly now. Obviously, there are a variety of factors that go into the employment horizons in our economy. What the government has been saying very clearly is that we are not immune from the global financial crisis, and everything we have done has been to keep this nation in front and protect jobs. But one of the things we also need to do is make sure we do not leave employers and employees in months of legislative limbo and uncertainty about what the workplace relations laws of this country will be. In these difficult times we should be delivering certainty, stability, productivity and flexibility, and that is exactly what this bill does. We need employees to have confidence that their pay and conditions are secure; we need a truly national workplace relations system; and we need a system that develops productivity and flexibility. We need all of this now. So there should be no unnecessary delay in the Senate in dealing with this legislation.

The shadow minister for employment and workplace relations has claimed that the government has not analysed the regulatory and economic impacts of the key legislative

proposals contained in this bill. This claim, like much else said during the debate, is not true. Seventy-seven pages of analysis are included in the explanatory memorandum to the bill. The Office of Best Practice Regulation agrees that this analysis has effectively documented the regulatory implications of the legislative proposals.

We know that productivity based bargaining and flexibility are at the heart of the new system and studies show that collective agreement making is good for productivity. Bargaining allows employers and employees to examine the way they work, discover ways to improve productivity and efficiency and make workplaces more flexible. This keeps wages in line with productivity growth and helps to control inflation. We should remind ourselves that Work Choices coincided with a poor productivity performance. Annual productivity growth averaged only 1.2 per cent between March 2006 and September 2007 compared to the annual average over the previous two decades of 2.3 per cent.

This bill delivers to the Australian people what we promised them—fair protections and a productive workforce. As promised in Forward with Fairness, the Fair Work Bill outlaws pattern bargaining. False claims have been made about this during this debate. Industrial action in support of pattern bargaining is clearly prohibited and an injunction can be sought direct from the court to restrain any such industrial action. An employer who does not want to bargain for a multi-employer agreement is protected from adverse action, from coercion and from discrimination for being covered or not covered by a particular kind of agreement.

Perhaps one of the most distressing claims made in this debate was that somehow the low-paid bargaining stream is a form of pattern bargaining. These claims are nonsense.

We went to the Australian people at the last election with a clear commitment in Forward with Fairness to help low-paid employees and their employers to gain access to enterprise bargaining and the benefits it brings. Through enterprise bargaining, businesses gain productivity and service delivery improvements, they keep good staff and staff morale is improved. Through productivity gains employees achieve real improvements to wages and conditions. We want to allow as many Australian employees and employers as possible to receive the benefits of enterprise bargaining. We know that there are people who have been left behind in sectors like cleaning, community work and security. We want through this bill to enable our industrial umpire, Fair Work Australia, to be able to convene conferences, help to identify productivity improvements to underpin an agreement and generally guide parties through the negotiating process.

When bargaining fails and agreement cannot be reached for a particular employer or employers, then Fair Work Australia in very limited circumstances can make a workplace determination to resolve the issues in bargaining. In order to make a workplace determination, Fair Work Australia must be satisfied that there is no reasonable prospect of agreement, that the employees are employed substantially on the safety net and have never had a collective agreement, that it would be in the interests of promoting bargaining in the future, that productivity and efficiency in the enterprise or enterprises concerned would be promoted and that it is in the public interest. Further, in making a workplace determination, Fair Work Australia must ensure that employers are able to remain competitive and must consider how productivity in the enterprise may be improved. This framework delivers on our election commitment and could only be opposed by those who are not at all distressed by the

circumstances of the low paid in our community. Labor believes they deserve justice. We believe they deserve the benefits of enterprise bargaining and that is why this low-paid bargaining stream is in the bill.

Throughout the debate, members opposite have also claimed that the Fair Work Bill enables bargaining fees. Nothing—I repeat: nothing—in the bill allows a union to impose bargaining fees on a person without their consent. It is plainly misleading and mischievous for members opposite to suggest anything to the contrary. The effect of the provisions in the Fair Work Bill is exactly the same as the current provisions in the Workplace Relations Act, which date back to 2003.

As outlined in Forward with Fairness, compulsory arbitration is not a feature of the new system, despite claims to the contrary. The Fair Work Bill delivers on this promise. The focus of the new system is to encourage employees and employers to bargain in good faith and reach agreement voluntarily. This is the way that most bargaining takes place. Employers and unions must bargain in good faith. This means that they must meet, exchange positions and refrain from capricious and unfair conduct. But good faith bargaining does not require either side to make concessions or to make an agreement. The new system is not about delivering access to arbitration any time parties get into a disagreement during the bargaining process. Far from it. Parties can take a tough stance in negotiations. Workplace determinations can only be made in clearly defined circumstances: when industrial action is causing significant harm to the national economy or threatening the health and safety of the community, where a protracted dispute is causing significant economic harm to the bargaining participants, or where a party has engaged in serious and sustained breaches of good faith bargaining

requirements and is flouting the law. We believe such conduct should not be rewarded.

Forward with Fairness outlined that we would fully respect the right of employees to join and be represented by a union or not to do so as they wish. Using its tired old anti-union mantra, the opposition claims we have breached our commitments. Far from it—we are implementing our policy to the letter. There are no longer union or non-union agreements. All agreements will be made directly with employees. Where 50 per cent of employees approve an agreement, the agreement is made. Employees can be represented in the bargaining process by a union or by another person they nominate.

The government promised in Forward with Fairness that it would maintain existing right of entry rules and outlined those commitments in detail. The government promised that our right of entry laws would strike a balance between the right of employees to be represented by unions and the right of employers to run their businesses. The Fair Work Bill delivers on all of these promises. Unions will have to comply with very strict conditions of entry. They must hold a permit, give 24 hours notice and comply with strict requirements for conduct on site. Sanctions apply to a permit holder who misuses entry rights or acts inappropriately. Importantly, when a union exercises entry for discussion purposes, it can only hold discussions with workers who want to participate in those discussions. The union cannot compel workers to speak to it.

The claims that we are swinging wildly in favour of unions on right of entry are arrant nonsense. It was the extreme, anti-union Work Choices laws that in 2005 provided for the first time that non-union agreements and AWAs permanently removed the right of entry for unions to enter to hold discussions with employees. In our view, this was com-

pletely over the top and a blatant breach of a person's fundamental right to join and be represented by a union if that is their wish.

We all have an interest in making sure awards are complied with and rogue employers do not get away with underpaying employees. Unions have a longstanding role under industrial relations legislation, even under Work Choices, to investigate suspected breaches of awards and to take recovery action to make sure employees are paid correctly. We are allowing a right of entry permit holder to inspect those documents that are directly relevant to investigating a breach of the award or the act that affects a member of the union. Any claim that this can be used to copy lists of names and addresses of employees is nonsense. We are also introducing very strict requirements on the use that can be made of any such documents. Privacy Act requirements apply and any misuse results in a significant fine and the cancellation of the permit. The right of entry scheme we have put forward in the Fair Work Bill gets the balance right between the rights of employees to join and be represented by a union and the right of employers to run their businesses free of interference.

In closing, this is a good day for Australian working people—a good day for anybody who believes in fairness, decency and balance in Australian workplaces. I understand that it is a difficult day for the Liberal Party. We understand that the Liberal Party is now the party of Work Choices and will always be the party of Work Choices. There is only one simple proposition that now stands in front of the Liberal Party in this place and in the Senate when the Fair Work Bill reaches it—that is, are they going to stand in the way of the Australian people who voted for these policies at the last election?

The Leader of the Opposition said Work Choices was dead. Every day since members

of his political party have supported Work Choices and have left the impression that the Liberal Party of this country will do everything it can to frustrate this bill becoming law. Can I say to members of the Liberal Party and to the Leader of the Opposition what the Australian people are expecting them to do, whatever they believe. They can well and truly believe in Work Choices every day they are in this parliament and every day they live; they can have the term 'Work Choices' put on their gravestones if that is what they believe is the animating principle of their involvement in public life. That is a matter for them; but what is not a matter for them is standing in the way of what the Australian people want.

This bill will go from here to the Senate irrespective of how opposition members vote now. In the Senate we are expecting an inquiry process. That is proper. But we are not expecting that inquiry to be used to hold up the delivery of this bill and we are not expecting the opposition in the Senate to play games, to hold this bill up or to stop the delivery of what the Australian people want. The Australian people will be watching this process very carefully and they will be judging the Liberal Party by it.

I conclude by thanking all those who have been involved in the development of this bill—all of my caucus colleagues, particularly my caucus colleagues who served on the caucus reference group; my own staff, who laboured on it long and hard; the departmental staff, who may be looking a little bit hollow-eyed in the advisers box over there because they have laboured long and hard on this over the course of the year as well. I thank them for their professionalism and their dedication to this task. I think the fact that this bill is short compared to Work Choices, that it is clearly drafted and that it can be read and understood is a great testament to their endeavours, and I thank them

very much for that. I am proud we have got to this stage. I am delighted that we have got to this stage on the last sitting day of this year, and we look forward to this bill becoming law in 2009.

Question agreed to.

Bill read a second time.

Message from the Governor-General recommending appropriation announced.

Third Reading

Ms GILLARD (Lalor—Minister for Education, Minister for Employment and Workplace Relations and Minister for Social Inclusion) (5.49 pm)—by leave—I move, with some astonishment:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

LEAVE OF ABSENCE

Mr ALBANESE (Grayndler—Leader of the House) (5.49 pm)—I move:

That leave of absence be given to every Member of the House of Representatives from the determination of this sitting of the House to the date of its next sitting.

Ms GILLARD (Lalor—Acting Prime Minister) (5.49 pm)—Mr Speaker, by way of valedictory can I start by wishing you a very good festive season. I do want to refer to you for the purposes of this address as Mr Speaker, Henry Alfred Jenkins, the member for Scullin. I think it is important that your full name is recorded in *Hansard* on this occasion. Thank you very much for the patience you demonstrate each and every sitting day and the patience you are demonstrating even as I speak now. I wish you well for the Christmas season. I congratulate you on the year you have had as the Speaker. Your father would have been very proud, and we certainly are.

Can I say to the Prime Minister, though he is not here in the chamber with us, today actually marks the second anniversary of when he was elected Labor leader and I was elected Deputy Leader. It has been a big two years. It is one year and one day on from our swearing in as Prime Minister and Deputy Prime Minister. It has been a big year and a day. Obviously during that period the Prime Minister has shown tremendous leadership of the country and before that tremendous leadership of the Labor Party. It has been my great pleasure and privilege to work alongside him during that process. He is an amazing person. Whatever the gene is for leadership, he well and truly has it. Certainly this year he has demonstrated that each and every day. I trust that he gets a well-deserved break over the Christmas period and I look forward to working together in 2009.

Can I also say to my caucus colleagues, those who are here and more generally: thank you very much for your help and support during the year. Can I thank my cabinet and my ministerial colleagues for their help and support. I particularly acknowledge the Chief Government Whip, known to me as 'Rogie'—something I am trying to popularise, and any assistance that can be given by caucus members, or indeed members of the opposition, would be gratefully received.

I also thank the government whips, Jill Hall and Chris Hayes, for that work. To the Deputy Speaker, Anna Burke, and all on the Speaker's panel: I thank you very much for the same kind of patience that the Speaker has shown in the last few minutes. I would sincerely like to thank the personnel that we have supporting us at the ALP national secretariat—Tim Gartrell, who led the team for our election campaign last year, and Karl Bitar, who has succeeded him. My thanks go to them for all of their work, and I know that they will be looking forward to a Christmas break.

Can I wish members of the opposition, the Liberal Party, the Independents in this place and all our friends in the Senate of various persuasions a merry Christmas. Can I particularly wish the Leader of the Opposition, Malcolm, and the Deputy Leader of the Opposition, Julie Bishop, a very happy Christmas and festive season. I wish my counterparts on the other side the best of the season as well. For some reason, I seem to keep a stable of shadow ministers who are opposed to me, so my best wishes go to Christopher Pyne, Michael Keenan, Sophie Mirabella and Andrew Southcott. It may not seem fair—

Mr Albanese—I've got six!

Ms GILLARD—You have six? It may not seem fair that there are four onto one, but there we have it, and apparently others are worse off than me.

Mr Perrett—It should be more than that. It should be eight!

Ms GILLARD—Don't give them that idea! They will double the personnel. Can I convey my thanks to my personal staff, particularly to Ben Hubbard, my Chief of Staff, who has been absolutely indispensable as we have made the transition from opposition to government. He worked with me in opposition; he works with me now in government. He had formerly worked for the Bracks government and, as a result, brought his formidable skills to bear not only in our election campaign but in the transition to government. I think we have made a successful transition—I guess that is for others to judge—but we could not have made the transition as well as we have done without his very hard work and formidable skills.

My thanks also go to Amanda Lampe, my Deputy Chief of Staff, for all of the work that she has done during the course of the year, as schooled as she is in the New South Wales school of politics, having worked for Bob Carr in the past. I thank Kimberley Gardiner,

who possibly has the worst job in federal politics—being my media adviser across so many portfolios—for her many early morning starts, which are considerable, and her many hours of hard work. I would also like to thank Alexandra Williamson, Natalie Cooper and Leanne Budd, who work assisting her and assisting my office more generally. My thanks also go to Natalie for her considerable policy expertise in the area of education.

Can I say to my policy advisers generally—to Rondah Rietveld, Tom Bentley, Andrea Lester, Craig Carmody, John Spierings, Gerry Kitchener, Jim Round and Barbara Wise—thank you very much for everything you have done. It has been a big year for those in the workplace relations team, delivering the Fair Work Bill. Thank you very much particularly, Andrea Lester, for those endeavours. It has been a huge year in the education team as well, particularly as we have delivered our election commitments and prosecuted our agenda at COAG, which I believe will transform education in this country as we know it. I would like to thank all of my advisers for their very strong work in getting that done.

To the staff from the department, the departmental liaison officers who work so well with us—to Sarah, Sue and Lauren—thank you very much for everything that you have done. Can I say particularly to Lauren, your cakes have been a highlight of 2008. One skill I most certainly do not possess, and it has been remarked upon on the public record, is the ability to cook anything. Occasionally I try toast—it does sometimes lead to calling the fire brigade! But Lauren keeps us very well supplied with cakes at morning tea time for special occasions, and my thanks go to her.

My thanks also go to my electorate office staff. Some of them have been with me for

the whole journey. They do a remarkable job. I am there in the electorate as often as I can be—I spend as much time there as possible—but given my other responsibilities I cannot be there every day and they represent me when I am not there. To Vicki Fitzgerald, Carlos Baldovino, John Ballestrino, Amy Tobin and Helen Landolina: thank you very much for everything you have done. To the support staff in the office, who do so much work supporting me and supporting the team generally, my thanks go to you—to Michelle Fitzgerald, Rachael Purcell, Erin Dale and Janine Robb. If Robb is sounding like a familiar surname, it should. Thank you very much for your tireless work and all of your monkey business. They do a tremendous job.

I thank the Comcar drivers, who, as the Prime Minister remarked earlier today, move us around and make every endeavour to keep us on time—not something that is necessarily easily done. Can I particularly thank Dianne, who works with me in Melbourne. She is a woman who helps keep me sane. She also keeps me supplied with an endless supply of novels. I thank her very much for that. I also thank the many hardworking AFP officers who from time to time join us as we go about our work. My thanks go to them and, in particular, to Officer Andrew Stark.

My gratitude and appreciation goes to all of the staff in my department. There are, as you would anticipate, a considerable number given the breadth of my portfolios, but I would like to particularly thank Lisa Paul, the secretary of our department. It has been a long year and a hard year for her. She has not only had to work delivering the government's agenda; she has had to work in circumstances where we were amalgamating parts of three apartments, with all of the dislocation and set-up time that that takes. She is a fantastic manager of people, and because she is such a fantastic manager of people that process has worked smoothly and well. It is a

credit to her work and her effort and I would like to thank her for that.

I would also like to thank departmental staff who have worked so strongly with us. I have mentioned the workplace relations team who delivered the Fair Work Bill. It has been a big year for them. Regarding everybody who has worked with us through the Productivity Agenda Working Group of COAG, we would not have not delivered either the Fair Work Bill or the next major strides in the education revolution through COAG without all of their help.

My thanks go to the people who support us in this parliament. I possibly trouble the clerks less than I used to in my days as Manager of Opposition Business. I can see Ian laughing at that because he knows that I used to trouble them a great deal to come up with new procedural tricks. Now I suspect it falls to the Manager of Opposition Business, Joe Hockey, to do that job, and he is probably troubling the clerks. To Ian and all of his staff, thank you very much. To the Serjeant-at-Arms office; the House attendants, especially Lupco, who is such an institution; Hansard; the Table Office; the Chamber Research Office; the Parliamentary Relations Office; the Liaison and Projects office; the finance and people strategy area; as well as Tony Levy and the Parliamentary Liaison Office—I thank you for your endless commitment and your seeming never-ending ability to be polite, no matter the circumstances. It is a remarkable skill.

To all the rest who keep Parliament House running—the Parliamentary Library; those who assist us with travel; security; the protective services officers; the cleaners, who I enjoy having a chat with as they are often the sanest and most level-headed people I meet during the course of a parliamentary day; contractors; and catering staff—I thank them for what they do. I continue to be a dispro-

portionate contributor to Aussies' profits in my coffee consumption. I thank them for their help and support. I think Dom at Aussies literally keeps this parliament running. I do not think I am alone in relying on Aussies on hard days and easy days. Sometimes they are hard days and you need quite a few cups of coffee to get you through them.

I take this opportunity to honour Andrea Griffiths. Andrea Griffiths is finishing with the Senate today after 26 years of service. Twenty-six years in the House of Representatives would be a long time; in the Senate it would be an eternity. I am sure they have all felt far wearier than they would have here with us in the more civilised chamber! But 26 years in the Senate must seem like a very long time. That is a tremendous track record of service. I just trust that her last sitting day does not turn into an epic. I hope she gets home at a civilised time tonight. It is her last sitting day as Usher of the Black Rod in the Senate and I wish her all the best with her retirement.

Obviously over this Christmas period our thoughts are with those who will be thinking about someone who is absent. In my own community, I would like to acknowledge the family of Frank Purcell. Frank Purcell died this year. He was actually a local Liberal. Because he was a local Liberal, I always referred to him as Comrade Frank, even when I struck him on election day handing out how-to-votes against me, which I did at every election. He was a remarkable figure in our local community. He is actually a hero of the early days of the land rights movement, having been the lawyer on a case that made the space for Mabo and Wik, which followed it. He is a Liberal in the true tradition of the Victorian Liberal Party—a Liberal in the small 'l' tradition. He was very important to our local community. He died recently and of course this will be the first Christmas his

family has without him. My thoughts go to them.

My thoughts go to those in the Labor family who will this Christmas be mourning the loss of Kim Beazley Sr, Clyde Cameron, John Button and of course Frank Crean. They are Labor giants that we lost this year. They are going to be missed by the Labor family generally but they are going to be missed particularly by their own families at this time. That of course is also true of the family of the member for Calare, who we lost in such difficult circumstances. I also echo the words of the Malcolm Turnbull: whatever persuasion you have in politics, Sir Charles Court was a giant of a figure in Australian politics and will obviously be missed by those who were near and dear to him.

I conclude by thanking my own family and friends for their support. I very much thank my partner, Tim, who has had a big year too. To my father, John, my mother, Moira, my sister, Alison, and my niece and nephew, Jenna and Tom, I am looking forward to joining you for Christmas. Finally, to my good friends Maccas, Jules, Jac and Jeff, thank you very much. I look forward to seeing everybody in the new year.

Mr TRUSS (Wide Bay—Leader of the Nationals) (6.05 pm)—I join others in extending greetings of the season to colleagues, those sitting opposite and those people in the parliament who make sure that the day-to-day activities of this place run smoothly. I begin by complimenting you, Mr Speaker, on your role in the House. I know the standing orders suggest that one should not reflect on the chair but I hope that the standing orders would not be offended if I reflect favourably on the way in which you have taken on this role. You obviously came in as Speaker with considerable experience and that has been evident. You have addressed the difficult moments in the chamber generally with good

humour. Sometimes even your good humour has been stretched to breaking point. I know that from time to time we on both sides offend in that regard, but we very much appreciate the way in which you have sought to provide effective and smooth running of the House. You have dealt with various issues constructively, helpfully and fairly. May I also acknowledge the members of your panel who help to make sure that your work is done smoothly. It would be a pretty tough job if the Speaker had to spend all day of every day in the chair. I am sure that you appreciate the relief of your deputies and the whole Speaker's panel. Their role is important to ensure that the House runs smoothly.

This of course is the end of the first year of the new government in parliament. I think it has been a learning experience for us all—for those in government for the first time and also for those of us in opposition, many of whom have not had that experience before. It was not an experience we were looking forward to, but it generally happens in one's political career. Sadly, I have endured it once previously and I am therefore especially committed to making sure that our sojourn on this side of the House is as short as possible. There is the reality of learning to undertake new tasks. It is especially an exciting time for those who have come into the parliament for the first time. Everything is new and I am sure that they have learned a great deal during this year. From our side as well, one or two have joined us during the time as a result of by-elections and, for them especially, I am sure this has been a great challenge and a great experience.

In acknowledging the people who help us from day to day in the parliament, I recognise Ian Harris and all of the clerks for the work that they do. They are always sought out for advice and it is always given cheerily and in the best possible spirit. We appreciate everyone who works to support the commit-

tees and the other activities of the parliament and to make sure that those things go smoothly. Like others, I want to acknowledge the Serjeant-at-Arms and the services that his office provides to all members of parliament. I acknowledge those in the parliament who are here every day: the attendants, the security people, the Comcar drivers, the dining room staff, the nurses, the cleaners and everyone else who ensures that this place is presented immaculately and in a way such that the people of Australia can be proud. Can I also acknowledge the Hansard staff and the library staff. Being now in opposition I appreciate much more how important the library is. Government ministers and their departments have access to an enormous range of information, so the library is especially valuable to those who sit in opposition. Their advice is invariably helpful and constructive.

I would also like to acknowledge the regional officers of the department who look after our electorate offices and make sure that things are done. It is just something over 12 months since the election and my sign has not been altered yet. I am still the Minister for Trade to everybody who drives past my office, but one day I am sure that they will find a painter who is able to make the adjustments—I hope for only a short period of time and then we can go back to the old sign! Nonetheless, regional officers are there to provide the support and assistance that we need and I acknowledge their work as well.

I also extend my greetings and Christmas wishes to the Leader of the Opposition, Malcolm Turnbull. It has been a pleasure to work with him in that task. I acknowledge also Brendan Nelson, who led the opposition during the particularly difficult times following the election. He helped us to get through the period when we needed to reposition ourselves and to get in place the processes of opposition. He did a creditable job in that

regard. As the junior partner in the coalition, the National Party have no say as to who is going to be the Leader of the Opposition but the Liberal Party have chosen two very able men to fill that task in the first year and I have found them both very good to work with. I also acknowledge Julie Bishop as the Deputy Leader of the Opposition. We have a particularly close working relationship and I have appreciated the opportunity to work with her.

From my own party, I acknowledge Senator Scullion, my deputy, who has been loyal and faithful and has worked very hard to secure the future of our own party and to look after issues in the Senate. During the year, he was replaced as the National's leader in the Senate by Senator Joyce, but he still plays a key role as the deputy leader of our party. I acknowledge also the work of Senator Barnaby Joyce. He is a colourful character, as we all know, and no-one is left in doubt as to what his views are on any issues.

Our whips have a thankless job. We always demand a great deal of them. I acknowledge Alex Somlyay, who is my neighbour as the member for Fairfax. Indeed, every election we tend to trade territory one to the other as the boundaries are altered, and I expect it will happen again before the next federal election. We have become particularly close colleagues, having between us represented most of the constituents once or twice because the boundaries have been changed so often. I want to particularly acknowledge Kay Hull, our pocket dynamo, the National's whip. Kay does an enormous job. She is such a powerful advocate and a determined person. She stands up for so many causes and has all of these chickens under her wing. She is probably in stature the smallest person in the parliament but the biggest in heart. We admire you greatly, Kay, for all that you do. I know you are supported well by Paul Neville, my neighbour on the

other side. I have a whip on either side of me in the geography of the country. Their work is particularly appreciated.

To my other National Party colleagues in the House and in the Senate, many of whom are in the chamber today, thank you for the way in which you have helped and supported me as an infant leader. I have needed your advice, it has been forthcoming and I have appreciated that very much. From a party perspective, I acknowledge Brad Henderson, our federal director, who has taken to the task with enthusiasm. It has been a big year for him with the birth of Billy, their first child, but he was only days after that event back in the political scene at conferences and helping to ensure that our party ran smoothly. I acknowledge the cooperative relationship we have had with Brian Loughane and the people of the Liberal Party secretariat as well.

My own staff I appreciate very much also. When governments lose office, members suffer relevance deprivation syndrome. We suffer all of the indignity of moving out of ministerial offices and into other places. We have phones cut off and all sorts of things happening very quickly and we have to adjust to that. We sometimes forget that the same things happen to our ministerial staff. Almost without exception, they have to take pay cuts if they stay, and frankly there is only one in seven or eight positions available so most of them have to move to other places. I do very much appreciate those who have stuck with us and been prepared to accept the change of role. Many of them have embraced that with enthusiasm. I am very grateful for the personal support that I receive from my staff and the terrific effort that they put in. I acknowledge the sacrifices that they have made to also make this transition to opposition.

I extend season's greetings to the Prime Minister, the Deputy Prime Minister, my opposite numbers, all of their staff and, of course, the departments who service the whole of the government and the parliament in providing advice and support. I am always grateful for the support and cooperation that I receive from my wife and family. They have to endure the interrupted meal breaks, the promised meal breaks that do not happen at all and the interruptions to what is planned. Fortunately, my wife had worked for my predecessor, so she knew more about this job than I did when I came into it. She is very understanding, and I am very grateful for that and for all that she does for the party and to help keep us on a level playing field.

I join the Deputy Prime Minister in acknowledging the families of those colleagues who have lost loved ones during the year. I would like to take a moment to specifically acknowledge Simon Crean and the Crean family. This will be a Christmas where there will be a gap at their table. The longstanding patriarch of the family, Frank Crean, made a remarkable contribution to our nation and his family can be very proud of his achievements. I am sure that one of Frank Crean's great prides will be the way his sons have followed him into public life and also have made very significant contributions.

Christmas is a special time of the year. It is a time when families can gather together and enjoy one another's company. From a parliamentary perspective, it is a time when we are able to have a break and perhaps live slightly more normal lives. But Christmas is more than just decorations, gifts and parties—although a special part of my Christmas is always decorating the family home with Christmas lights so that I can demonstrate what a special time Christmas is for me in my neighbourhood. The celebrations and symbols of Christmas highlight the joyous reason for our festivities—namely, the

birth of Jesus Christ, who brought salvation and the message of peace and goodwill to all. Those who seek to take Christmas out of the holidays or Christ out of the Christmas certainly lose the central reason for our celebrations and their meaning and purpose.

We celebrate with families, friends and loved ones, but it is important to remember, in the true spirit of Christmas, those who are less fortunate—the homeless, the jobless, the sick and those spending Christmas alone this year. We should consider what we are able to do to help them. I remember especially the hardship faced by tens of thousands of farming families and their communities because of the ongoing trials of the weather. The Minister for Agriculture, Fisheries and Forestry referred briefly to this in question time today. It is hard to believe that there are some parts of Australia that are now going into their ninth or 10th year of drought. The stoic way these families have endured all of this pain and suffering is to be admired. Their forbearance is incredible and an inspiration to us all. In other places, there has been a lot of rain, and crops have been ruined because of excess rain.

I ask everybody, as did the Minister for Infrastructure, Transport, Regional Development and Local Government during question time today, to pay special attention on the roads. Not all of the roads are perfect and there are lots of temptations at Christmas time which may impair one's skills as a driver. Everyone must be conscious of the fact that, even if they are a good driver, there may be others around who are not. So please be patient, and do what you can in the difficult circumstances of crowded roads over this time.

Others have acknowledged the people that we will be relying on to keep the fires burning over Christmas—or, in some cases, probably to put them out. Summer is the time

of year when disasters often strike our continent. It is frequently a time of flooding and often a time of bushfires. We particularly recognise the people in the emergency services who will be on hand in the event of there being some kind of disaster of this nature occurring during the Christmas period—our armed forces and others who keep us safe, the police, ambulance and hospital staff, all of whom are required to be there even if other people are on holidays. Those who serve in aged-care homes, childcare facilities and the like are all really special and deserve particular recognition over our Christmas period.

I extend my best wishes to all for a happy Christmas season and a successful year ahead. I hope everyone will enjoy this time of giving and sharing with their loved ones, families and friends and return again refreshed for another busy year.

Mr ALBANESE (Grayndler—Leader of the House) (6.20 pm)—I am pleased to be able to address the House as the Leader of the House in the Rudd Labor government. It was a very long 12-year wait, I must say. The transition to government is never an easy one, and I want to thank those people who contribute to the successful running and smooth operation of the parliament. I must say that the difference between being in opposition and being in government as a minister was roughly what I expected; the difference between being Manager of Opposition Business and Leader of the House is substantial. I underestimated the amount of time and work that it takes to do not the party political activity but the activity on behalf of the parliament in making sure the schedules are correct or setting a sitting pattern, which are not as simple as they might seem in the abstract. But it is a job that I certainly wanted, it is a job that I enjoy and it is an opportunity that I am proud to have. I grew up as a working-class kid of a single mum in a Housing

Commission house in inner Sydney. Given those origins, this is a great country where you can become the Leader of the House of Representatives.

I would like to thank you, Mr Speaker, for your adjudication of the House this year. I want to put on the record a couple of things that have been said about you this year. My predecessor, the member for Warringah, only last week said:

Mr Speaker, you have shown exemplary impartiality in your term as Speaker ...

I think that is correct. I think you have attained the respect of everyone in this House. That does not mean that I have agreed with all of your decisions from the chair, and perhaps there is a relationship between those two facts. Indeed, some of the most difficult people in this chamber agree. The member for Canning on 18 June said:

Harry Jenkins is probably the best Speaker we have had. I've got a lot of time and respect for the way he is conducting himself as Speaker.

Mr Speaker, I think you have brought to your position good humour and good nature. You are an extraordinarily decent Australian bloke. That is the way you are seen, and that matters in terms of your ability to preside over the House in a way that brings credit to the House of Representatives. Notwithstanding the fact that there have been a few dissent motions this year, I think when you reflect on the way you have conducted the House you can be very proud of your achievements.

I want to thank my colleagues. Firstly, I want to thank the Prime Minister not just for the political changes he has brought to implement the Labor platform but also for being a good friend. I spend more time with the Prime Minister than I spend with my family. I have come to admire with some astonishment the Prime Minister's capacity for work and coherent thought in spite of circum-

stances which are quite extraordinary. Recently, when the Prime Minister returned from the United States he went via Brisbane because of the natural disaster that had occurred there and then came to the Australian Council of Local Government meeting. I am sure he personally met over 400 mayors there. He did not have lunch during the break because that would have interfered with meeting more people who wanted to discuss local issues with him. He was genuinely interested in hearing a little bit about the communities that those people represent. By and large our mayors and shire presidents around the country, regardless of their political affiliation, are people who do it for very little financial compensation. They do it out of commitment to their local community. Kevin, as the Prime Minister, took that opportunity to give them that respect and he received respect in return.

In the afternoon the Prime Minister told me that I was looking tired and suggested that I have a break that night. I told him I was speaking at the Ethnic Business Awards in Sydney that night. He asked me about the details. I told him that Joseph Assaf was the founder of these awards. Joseph Assaf would be known to many people in this House, including the member for North Sydney—certainly, he is a good friend of mine—and the member for Warringah. It was to be an exceptional night that got together success stories from different ethnic backgrounds. As we were talking about it I realised that he was not only interested; he was thinking of coming, and he did. He flew to Sydney and gave a marvellous off-the-cuff speech, having not rested for some time, and then flew back here early the next morning. I think this Prime Minister will be a great Prime Minister of this nation, and I am proud to call him my friend.

I have known the Deputy Prime Minister since our student days. We have been friends

for a very long time. We have both noted that there is something a little disconcerting from time to time when people who sat at conferences together a long time ago, over 25 years ago, are today during question time the Acting Prime Minister and the Leader of the House. She launched my last campaign. She has exceptional capacity to work across the enormous brief that she has in her portfolio. I think she has been an outstanding Deputy Prime Minister.

I met the Treasurer, Wayne Swan, when we were both party officials. He is, as people would know, one of my best mates in this place. We can confide in each other. He has had an extraordinarily difficult task placed on him by the global financial crisis. He is determined and measured. He has a very clear idea of where he wants to take the country. It is particularly pleasing from my perspective that the Treasurer of the country is someone who is concerned with social justice and with outcomes. His background in that area serves him extremely well.

The Deputy Leader of the House, Stephen Smith, when he was not representing the nation as foreign affairs minister, has been a tremendous help and support to me as Leader of the House. On the tactics committee his strategic input is invariably correct. It is concise and to the point. He is a great support on the tactics committee.

I think it has been written who is on the tactics committee so I do not think I have just given up the list. The last person, but certainly not the least person, on our tactics committee from this House is the Chief Government Whip, Roger Price, the member for Chifley. I went to a Chifley FEC function for Roger on a Saturday night last month. The esteem in which Roger is held as a proud Western Sydney representative is mirrored by the esteem in which he is held by the Labor caucus in this House. It is a difficult job

being the Chief Government Whip. It is sometimes made more difficult by the person who holds the position of Leader of the House. I accept that that is the case. Often Roger says that he does not agree with decisions or calls that have been made but he implements them anyway. I want to single out Anna George for the work that she does in his office. I say to the backbench that Roger is a tireless advocate on behalf of the backbench towards everyone, from the Prime Minister down. He and his assistants, the member for Shortland, Jill Hall, and the member for Werriwa, Chris Hayes, are an outstanding team, and I thank them for their assistance.

I turn to my staff and single one out. Due to a decision to restrict staff numbers for both the government and the opposition, as Leader of the House I have the great addition of one staff member—that is Jo Haylen. Fortunately, Jo Haylen is able to do the work of five or six people. She is the contact point. She is often the liaison point between my office and the office of the Manager of Opposition Business. Those people who know Jo like her—full stop—without exception. Jo Haylen has a brilliant political career ahead of her, in my opinion. She is an outstanding strategist and she will, I think, have a great future in the Labor movement.

To the rest of my staff, I say that I am very proud of both offices. The ministerial team led by Michael Chouefate, my Chief of Staff, is outstanding. Every single person who worked for me in opposition is still with me today. It is a good place to work, and I try to put into practice the principles in the bill that we just passed—the Fair Work Bill—in terms of the relationships in the office. To Tanya Jackson-Vaughan, who leads the electorate office team, I say that I am not around in the electorate as much as I used to be. That is the truth. On the weekend I leave here. I am on a very early morning flight to

Victoria. I get home Sunday night and fly back here Monday morning. People who were ministers in recent times would be conscious of that sort of time factor. The time factor is difficult, and it is difficult to look after your electorate. With the team I have the electorate is looked after. That occurs. They have really picked up the work that they have to do, and I thank them for it.

I am also a member of the ALP National Executive Committee, as people would know, so I have a lot of contact with them and their team. To Karl Bitar, Nick Martin, Elias Hallaj and all the people of the secretariat, I say thank you. And I send a special thankyou to Tim Gartrell. Tim Gartrell was my campaign director in 1996. I like to think we train them well in Grayndler! He won then, against an opposition which was from the Left, as they would see it—the No Aircraft Noise Party and the Greens. He won against the Right in 2007 in playing a critical role in the defeat of the Howard government and the election of Kevin Rudd as Prime Minister. Tim is back in Leichhardt, living in my electorate where he began. He remains a very dear friend and comrade.

I thank the PLO—Tony Levy and the team in the Parliamentary Liaison Office. They keep the House running. They always know when and how to bring things to my attention, and they do a fantastic job—so much so that Tony is actually trying to retire and we are encouraging him not to. He has experience. He served the former government well and he serves this government well. He is a great example of the best of the Australian Public Service. I thank the Clerk, the Deputy Clerk and staff. Ian Harris serves this House extremely well, as does Bernard Wright and the whole team there. They give advice with authority, candour and that great experience that goes beyond the time in which we are here. I certainly thank them.

People in the House would know that from time to time I quote various statistics of how many points of order have been raised or what the activity is. I get that advice, obviously, from the Parliamentary Library and the Chamber Research Office. Governments can rely on them and I thank them for the advice.

To the rest of the House staff including the Sergeant-at-Arms, catering, housekeeping, HRG, IT support, security, the attendants, the staff at Aussies and other DPS staff without whom this House simply would not function, I say thank you. I want to single out three people: firstly, an attendant, Lupco Jonceski. We would be struggling on the front bench here were it not for Lupco. He brings us water, notes and whatever we need. He is a lovely human being and he serves everyone in this House extremely well. By singling him out, I am saying he is representative of the service that we have from the attendants in this House, and I place on record and note that there is such broad support for my comments from other members of the House who are here this evening. I want to single out two other people who are cleaning staff—they clean our offices. They are Anna Jancevska and Luzia Borges. I arrive pretty early in the morning and see them working and they always politely say, ‘Hello, how are things going?’ We should not forget that, when we come back the next day, the fact our offices look a bit different does not just happen, and I thank them for that.

I now get to the opposition. I want to pay tribute, as others have, to Brendan Nelson, the former Leader of the Opposition. Brendan is someone whom I have genuine regard for. As Sydney members who were elected at the same time, we worked together on airport noise issues and a range of other issues. I think that he served his party well. I wish him all the best. I think that it was a great moment when Gillian, at the press confer-

ence after Brendan moved on from being Leader of the Opposition, said that she was going to get to spend more time with him. The humanity there was evident to all, and I wish him well.

To the new Leader of the Opposition, Malcolm Turnbull, his wife, Lucy, and his family—I recently attended an off-the-record function, so I will not go into it, but Lucy Turnbull was there; I have known Lucy for as long as or longer than I have known Malcolm—I have respect for both of them and I wish them and their family well over Christmas. To Julie Bishop, I wish you well. I think it is tremendous that there are women who have risen to senior positions on both sides of politics. I think that is important if we are going to be truly representative as a nation. I wish you and your family well over Christmas. To Warren Truss, who is one of my shadow ministers and Leader of the National Party, I wish him well, as well as Ian Macdonald, Don Randall, John Forrest, Andrew Robb, Bruce Billson and Scott Morrison, who are my shadows in the parliament.

The last bloke I will mention from the opposition is the member for North Sydney, the Manager of Opposition Business. I told Joe the other day that I was doing talkback radio last Tuesday and that someone rang in and said that they listened to Steve Price's program, which Joe and I do every fortnight, and said, 'Do you really dislike each other? It sounds like it.' The truth is that I am going to damage Joe's career by saying that Joe and I get on extremely well outside of the chamber. We get on okay most of the time in the chamber as well. In terms of my electorate and aircraft noise, when Joe chaired SACF he came to my electorate, sat down and cared about the people who lived in Tempe and the people who were living in weatherboard houses and were basically being done over by politicians of both sides. He has my respect and I thank him. Most of the

time, he is cooperative in making arrangements and in making sure that the House functions effectively. I do think he should not try to break his record of the 150 points of order he has moved this year in next year's parliament, but I think that he plays a very important role in the parliament.

As someone who moved from opposition to government, I am astounded by the difference. It is very different in terms of the resources that you have. I think it must be very difficult to go the other way and I perfectly understand the people who have decided to leave the parliament, having been long-serving ministers, and I respect their decision. It must be extremely difficult and, from time to time, it does result in frustration. For most of the time the parliament has functioned well. Can we do better? Yes, on both sides. There is no doubt that both government and opposition can do better to improve parliamentary standards.

I am proud, though, that this year we have had a number of reforms: we have had more average questions per question time than before, we have had more ministerial statements and we have had more prime ministerial statements than have ever occurred before. In terms of a number of the indicators, we have made a number of reforms. We have had at least 10 questions asked of every minister on the Rudd government frontbench in the House of Representatives. Last year there were frontbench members who did not get to the dispatch box. I have made a conscious decision, as has the Labor Party, to underline the strength of our team, and I think the team has responded extremely well to that.

The highlight for me in parliament was being the Leader of the House on the day of the apology to the stolen generations. The fact that the then Leader of the Opposition was able to play the role that he did I know would have been difficult. The member for

Bradfield deserves a great deal of credit for that. A lot of the things that we do will be forgotten pretty quickly, but that will be spoken about for generations to come. It is important and it could not have occurred in that way were it a partisan act. For that, I think the member for Bradfield deserves a great deal of credit.

I conclude by thanking my family. Carmel Tebbutt, my wife and life partner, has from time to time received some criticism due to her choice in partner. She happens to be the Deputy Premier of New South Wales, and I find it interesting in particular when journalists think it is unusual, given the nature of journalists' relationships. The fact is that it is unusual for politicians to have relationships with each other. It is because women have not been politicians in large numbers until recent times. That is a fact. It will become more common. She is her own person and her own representative and I am very proud to be her husband, but we are very separate political entities. We engage in politics in different ways. She is an outstanding politician.

To my son, Nathan Albanese, I say: sorry I won't be at the cricket on Saturday, mate, because I'm opening a road. I have a seven-year-old, and he has known a dad who travels to Canberra all of the time. It is one of the difficulties that we politicians have. I try to make every cricket game. He started this year on Saturday mornings, but this Saturday that is not going to be possible. I thank him for his patience and I hope that we can spend more time as a family over the festive season. To each and every one of you here I say: have a very safe, prosperous and happy Christmas and New Year.

Ms JULIE BISHOP (Curtin—Deputy Leader of the Opposition) (6.48 pm)—To be elected to this House is an honour bestowed on relatively few Australians, and it is a mat-

ter of great pride for all of us to take our seats in this House and to represent our electorates from far and wide across Australia. Some of us had careers in other professions and industries before we became elected representatives. I think it is fair to say that the transition from private citizen to public figure is not for the faint-hearted. Many of us are driven by the same desire—to see a better life for all Australians—and most members of parliament are passionate about their beliefs and what they want to achieve for Australia. We have different views on either side of the House as to how we should get there; nevertheless, we are driven by a desire to improve the lives of fellow Australians. We work hard on the laws, policies and programs that will make a difference to people.

Much of the work that we do as members of parliament is not readily apparent—the committee work, the delegations, the debates, the parliamentary work generally and also the constituent work back in our electorates, as we attend to constituent inquiries and attend functions. The days are as varied as they are long. It is a fact that most people view members of parliament and their activities through the prism of the Australian media. It is a fact that the press gallery here is charged with the responsibility of reporting fairly and objectively on the goings-on inside this parliament. Probably most people's impressions of what parliamentarians do are formed by their views on what they see on the nightly news—the vision of question time. Perhaps their first and lasting impression of members of parliament is formed from that nightly news vision. I think that is a matter for us all to ponder over the weeks ahead.

Of course, question time is a very necessary part of our democratic process. It is the moment when government ministers are required to answer questions put to them by the opposition and by their own side. On

occasions, it can be a matter of pure theatre. In fact, it would be fair to say that the member for Higgins provided the most superb performances that I think I will have the pleasure of watching in parliament. His sense of comic timing and his wit regularly brought the House down—metaphorically speaking—and we certainly miss his daily performances. The level of humour that he brought to question time is sadly missing, although I must say that the exchange this afternoon between the Deputy Prime Minister and the shadow minister for education might rate as one of those moments.

It has been said before that, given the manner in which government ministers answer—or do not answer—questions, we should rename question time and call it ‘answer time’. This has been a suggestion put to me by Luke Hartsuyker on more than one occasion. Perhaps, if we called it ‘answer time’, it might evoke a different response. I do acknowledge, though, the Treasurer amongst the frontbench of the government. I might not like the answers he provides; I might not think he is giving an answer. Nevertheless, he does usually show a considered interest in addressing the issue about which I am trying to elicit information, and he usually gives considered respect to the questions that I ask. I do wish the Treasurer and the government all the best over the coming months, because Australia does face an economic slowdown and we do need steady and considered leadership on economic issues. So I wish the Treasurer, the Prime Minister, the Deputy Prime Minister and the government ministers all the very best as they tackle the challenges that lie ahead.

Among my own colleagues, I particularly thank the Leader of the Opposition for his support. The Leader of the Opposition has proven himself to be a truly worthy and capable leader of our great party. He impresses immediately with his confidence, his ability

and his intelligence, and I believe he will make a great Prime Minister of this country. I thank the Leader of the Opposition for his friendship. We have known each other for many, many years, and we are very good friends. I thank him for his friendship, and I also wish Malcolm, his wife, Lucy, and their family, Alex and Daisy, the very best for the Christmas season.

I pay tribute to the member for Bradfield. I was honoured to serve as his deputy. He showed enormous determination in seeking to provide leadership to our party at a time when it was shattered, after the last election. After 11½ years in government, for us to lose—and to lose, essentially, our leadership team in the Prime Minister, the Treasurer and the Minister for Foreign Affairs—was a very difficult time for us, and the member for Bradfield, Brendan Nelson, took on what must be the most difficult task in Australian politics. He performed admirably, and he has the admiration and respect of both sides of the House.

I pay tribute to my shadow ministers and to the Manager of Opposition Business in the House. Joe has quite a task every day to keep the business of opposition flowing. With regard to our interchange throughout the day, all I can say is: Joe, I am glad they cannot lip-read as you and I work out some tactics that we hope our leader will agree with. I pay tribute to my Senate colleagues—in particular the leadership team, Senators Minchin, Abetz and Coonan. Together, the shadow ministry has performed extremely well over the last 12 months. In fact, as evidenced by the robust debates that we have in our party room meetings, our whole team has been dedicated, enthusiastic and eager to hold the government to account, to act as a credible opposition, to develop alternative policies and to make us an attractive proposition for consideration by the Australian public at the

election that we assume will take place sometime in 2010.

I also pay tribute to the National Party—in particular their leader, Warren Truss, the member for Wide Bay. I have been in this parliament and observed a number of National Party leaders: Tim Fischer, John Anderson, Mark Vaile and now Warren Truss. All are thoroughly decent people, totally committed to their cause and the people they represent. In the case of Warren Truss, he is a man whose integrity is without question. I attended the National Party's Christmas event last night, and I must say that they look better out of costume. I think the 1970s look said it all, but I will not go there. It is a fact that the Liberal and National parties have been the most successful political partnership in Australia's history, and together we are a formidable team. I also acknowledge the whips—the member for Fairfax, the member for Ryan, the member for Forrest and, from the National Party, the member for Riverina and the member for Hinkler—who all do a sterling job in herding the members into the right place at the right time.

There is an old saying—I do not know who first said it—that goes along these lines: if you want a friend in politics, buy a dog. I beg to differ. I have met many fine people in my 10 years in politics, and I count many of the opposition members as my friends. Some of my closest friends today are former members of this place. I think it is a rather unfortunate impression that we give of our political and parliamentary colleagues, for we do find true friendship amongst our colleagues here.

I particularly want to single out some of my Western Australian colleagues. We are quite a team here in the House of Representatives. We hold 11 out of 15 seats—I hope the member for Brand is feeling somewhat vulnerable—and, together with our Senate

colleagues from the West, we make the long trip back and forth across the Nullarbor more times than I care to remember. I thank them for their incredible loyalty and support. We certainly pulled together as a team at the recent state election that saw a Liberal government elected and effectively took the first brick out of the wall-to-wall state, territory and federal Labor government scene.

I take this opportunity to place on record my admiration for Senator Chris Ellison, who will be leaving the parliament this year. Chris has had a fine career as a senator—some 15 years representing Western Australia in the finest tradition of Western Australian senators. His dedication to his task, his calm demeanour, his intelligence and his experience will be sadly missed not only by the party but also by the Senate and members in this House.

I also comment and thank the staff in the House of Representatives. Mr Speaker, thank you for your courtesy this year. I have to say that, having been in this place for 10 years, it came as a shock to me to be thrown out earlier in the year. But I certainly deserved it and, although I am scarred by the experience, I will try very hard not to repeat the event. I thank the Speaker for his dedication to his task, to the clerks, to the attendants and to all those who ensure that this place runs as smoothly as the Speaker is able to achieve.

There are thousands and thousands of people who ensure that this parliament runs smoothly, not only the public servants—a whole army of people in the Public Service—but also the thousands of people that work inside this place when parliament is sitting. Some of them have been here for such a long time. This morning one of my staff was talking to the man who waters the plants, Carl. Carl has been in that job for 22 years. I think that gives us some indication of the dedicated service of so many people who

in their own way make a contribution to the smooth running of the federal parliament.

I thank my staff, particularly my chief of staff, Murray; my press secretary, Kate; my senior adviser, Dave; and my adviser, Rochelle. We are a small but talented team. They are fiercely loyal to me and dedicated to my wellbeing. I also thank my electorate office staff—Kirsten, Sue, Judy, Rachael and Georgina. They have to mind the shop while I am on my frequent trips to Canberra and the eastern states, and I am so often absent. They do a wonderful job ensuring that the constituents in my electorate get to see me when they need to and get answers to questions and support and advice when they need it.

Finally, I thank the people of my electorate of Curtin. They have now re-elected me on four occasions. I recommit that in 2009 I will work very hard in representing their interests in this place and that I will dedicate all my efforts, energies and abilities to ensure that their interests are appropriately represented here. I take this opportunity to wish all members a safe, happy and prosperous Christmas and New Year.

Mr PRICE (Chifley) (7.04 pm)—Unusually, I would like to dwell on a remark by the Leader of the House in commencing the valedictories. He talked about the Indigenous welcome and apology that started this parliament and in particular he commended the honourable member for Bradfield, the then Leader of the Opposition. The member for Bradfield gave the apology bipartisan support and, indeed, supported the Indigenous opening. It was not easy, but the apology would not have had the great meaning in Australia that it has, and that I think it will mark in history, without his bipartisan support. So, like the Leader of the House, I put on the *Hansard* record something that I have publicly said on a number of occasions and

thank him and his party for that bipartisan support. On a less generous note, I observe how jealous I was of the class of 2007 for having in their very first parliament an Indigenous welcome and an apology—something many of us had waited many years for.

Mr Speaker, I thank you for the role you play. Reflecting on my behaviour, I suspect—in fact I know—that I have not always lived up to the standards that you expect of honourable members. But I am grateful that you have not used the full force of the standing orders and precedent to exercise your authority, and in that regard I thank you for your generosity.

Chief whips do not get to choose whom they work with as Leader of the House. That is true in my case, but even if I did have a choice I would not want to work with anyone other than Mr Albanese, the Leader of the House. As Deputy Manager of Opposition Business, then Manager of Opposition Business and now Leader of the House, he has commanded my respect—and loyalty too. I think that we have developed a close friendship and good teamwork. Mr Albanese commented on the role of Jo Haylen. She is one of those many young women who work in this organisation for us. She is an outstanding talent, and her ability to do her job in the exemplary fashion that she does simply astounds me. The Leader of the House of course does not have a modest portfolio or responsibilities but rather large ones. In a joking manner, I have often called Jo the ‘acting leader of the House’. We do have a very good relationship and I am very thankful for the way she does her work and all the cooperation she extends.

Perhaps it is unusual for me to mention the Chief Opposition Whip, Alex Somlyay, but when I was Chief Opposition Whip I had an excellent relationship with Kerry Bartlett,

the then Chief Government Whip. I did not think that I was a slouch in opposition, but now that I have a better understanding of the role of Chief Government Whip I have even greater respect for Kerry. I think Alex carries on the tradition. Whips are required to make many verbal agreements during the day and the week. Alex is a man of honour and he has never broken his word to me, and I trust I have never broken my word to him. Whips do not always agree with leaders of the House or even with managers of opposition business, but I am fond of saying that if I have an agreement with Alex, it is bankable. I thank him and his staff because we both need to cooperate well.

The whips, of course, control the Main Committee, something that is sometimes lost on the leaders of the House or the managers of opposition business. Nothing can be done without the agreement of the two whips. We also organise the selection committee, where there are a fine set of papers and extensive minutes, to determine private members' business. This is all done at an informal meeting between the whips, including the Nationals' whip, Kay Hull. It is done very quickly and efficiently and the decisions are recorded by James Rees from the Table Office. So lots of things that make this place work are really done by agreement between whips. I again thank Alex and wish him and his wife, Jenny, all the best for Christmas for New Year—and the same to Kay.

Of course, there are two other government whips: Jill Hall, who has been with me since I first became a whip and put my L-plates on, and, more recently, Chris Hayes. We operate as a team. I think people do not understand the influence that Jill and Chris have, but I am certainly very much dependent on them and their judgement, which I very highly regard. Jill and Chris run the Main Committee, and I would like to thank and acknowledge the role played by not only

them but also their staff, who do an outstanding job.

The Leader of the House thanked Anna George. I would like to say that Anna George works for me, but I may be unintentionally misleading the House! Lots of people feel that I work for Anna George, and certainly I do. Anna is a very calm, efficient person who quietly goes about her business, is never fazed, always has a bright smile and treats everyone as she finds them. I could not do my job without Anna George. I would like to acknowledge the role that Joy Brogan and Matthew Tredwell play as well. In addition, I acknowledge my electorate staff Rose Maccarone, Nicole Seniloli, Barbara Williams and Ron De La Cuadra.

I acknowledge the role the clerks play and the advice that they have provided me with over the last 12 months. In fact, I extend my sympathy to Mr Harris, because there has been a section of the standing orders that he has had to provide remedial courses for so that I can fully appreciate their import. We are all dependent on their sage advice. Both Ian and Bernard are no exception.

The Leader of the House mentioned Tony Levy and the staff who work with him, the parliamentary liaison officers. I think that for the outstanding job that they do it is somewhat of a disgrace that they work out of a dogbox. I thank you, Tony, for all the work you do.

My office is particularly close to the Table Office. Surprisingly, I felt that Peter Mason had a mid-life crisis. He assures me that that was not the case and took five months of long service leave. We were all a little worried about how his shoes would be filled, but I think James Rees has stepped up to the plate in a magnificent fashion. I sincerely thank him for all his good work.

We have a lot to do with the Deputy Serjeant-at-Arms, Claressa Surtees, and the staff

who work for her. Unfortunately one of Claressa's jobs is to control the media, if that is not putting too fine a point on it. She does an excellent job. She does not always endear herself to people because she carries out the requirements of her job, but I certainly value the contribution she makes and I wish I had always let her know of some of the arrangements that we had made with the media. I also sincerely thank Rod and the other staff in her office.

We have a caucus training unit that is headed up by Koula Alexiadis. Although that unit reports to and works for the Special Minister of State under the changed arrangements, I do have an informal arrangement with that group and I would certainly like to thank Koula and her team for the outstanding job that they do.

I certainly wish my backbench a very happy Christmas. I hope they have time to spend with their families, have a break and recharge the batteries. I also thank the staff who work tirelessly for them and do a great job. Whips require a lot of assistance, cooperation and goodwill from ministers, the backbench and their staff to be effective. We have certainly received that in full measure. We sincerely thank them for it and we could not do our jobs without it.

Last, but not least, we have the honourable member for Banks as the chairman of caucus. There are a number of decisions that I need to take or implement in consultation with the honourable member for Banks. People on our side think he is doing an outstanding job and I would like to thank him for all his assistance and the easy way it is to work with him.

I think it has been a difficult year for all opposition members—a long year for you. I certainly hope that you are able to spend time with your families and are able to recharge yourselves. The political contest is a

keen one and a hard one, and we all run down our batteries, I regret to say. We recuperate with our families and, with our communities, they charge us up and give us new energy and insight. I hope all members recharge their batteries, and I certainly hope opposition members do so.

Mr HOCKEY (North Sydney—Manager of Opposition Business) (7.15 pm)—It is good to see you smiling, Mr Speaker, as we near the end of the year. I cannot recall having ever spoken at this valedictory opportunity, even though I have been a member here since 1996. Some people are cynical about the valedictories. I want to place on record that what I like most about them is that people speak from the heart. The notes are a gentle reminder of the vast number of people that we all have an obligation to thank and a responsibility to thank. The best part of it is you can take a moment to reflect on, regain and display the human qualities that make us all, hopefully, good representatives of the Australian people.

First and foremost, I want to start within this chamber. When I first came into parliament in 1996 I drew a very deep breath when I walked through the doors just over there for the first time into what is an effective coliseum. I sat in the chair next to where the member for Werriwa now sits. I was put up there at that time because the then government whip was not a great fan of mine, it is fair to say, and he deemed it appropriate for me to be furthest away from the chair and the action. I do not know whether I should disclose this to you, Mr Speaker, but I was the first Liberal MP thrown out by a Liberal Speaker. You would not believe why that occurred. I was so far up the back that when I interjected the member for Bradfield had to repeat my interjection so it would be heard. Of course, it was Speaker Halverson at the time and he was deaf in his right ear, which was rather convenient for the government

sitting to the right-hand side of the Speaker. One day he knew there were numerous interjections coming from the right-hand side of the chamber, but he could not pin it on anyone because his hearing was a little limited. He saw my lips moving and he threw me out. The worst part of it was that I was chewing gum—I had not said a word! I have never chewed gum in this chamber since because I feared being thrown out by the Speaker.

What I love about this chamber is the humanity in it. Not everyone who might watch the six o'clock news and see just a few seconds of activity in the chamber would be able to identify that there is great humanity in this chamber. There is a great deal of respect across the chamber for each other and I think that overwhelmingly there is a great deal of respect for the chamber itself and what it stands for. Each time in the 18 sitting weeks and numerous others when I drive to Canberra, I look at the building and take a little breath because I know it is an immense privilege to represent others in the parliament of the people, and particularly in the chamber of the people.

As the Leader of the House very genuinely said, it has been a tough year going from government to opposition. I was very privileged to be a minister for eight years, and in those eight years there were not many days that passed by when I did not have the opportunity to engage in banter in the chamber. It is quite a transition from government to opposition, but I do want to place on record that, even though you can understand the government using the full force of its numbers in this place, the Leader of the House has gone out of his way to communicate with me on numerous occasions—outside sitting weeks and during sitting weeks—and to keep me informed of what the government was seeking to achieve in the chamber. Whilst we have disagreed at various times, and on many occasions the gov-

ernment presented to us a range of things as a *fait accompli*, he would at least let me know it was coming before it hit me. I do appreciate the fact that he has endeavoured to do that.

The interesting thing is that I have known Albo, the Leader of the House, for many years. We both came into this place in 1996 with our whips not being very fond of us as new members. In the case of the Leader of the House, Leo McLeay was the Chief Opposition Whip and he and the member for Grayndler had a rich and vibrant history. The member for Grayndler walked into the office of the Chief Opposition Whip and said, 'I haven't got an office'—I am sure he will not mind me telling this story—and Leo McLeay, without even looking up, got out a map of Parliament House and said, 'On my reckoning, this office over here is the furthest away from mine, and that will be yours.'

I can beat that. Alan Cadman was Chief Government Whip at the time. I came down to Parliament House and looked around and he had not given me an office at all. I went to his office to complain that I had not been given an office. He said, 'Oh, what an oversight that is.' He put me in an office to share with Ian Causley! I thought, 'Hang on, I thought I got my own office in Parliament House—I'm a new member.' I went to complain again and he said, 'Oh, we'll fix that up.' Little did I know that he had allocated me a storage room in Parliament House. I am not joking. I walked into the room and it was full of furniture, boxes and everything else. They said, 'Don't worry, Mr Hockey, it will take a few days but you will get an office.' I said, 'Can I have a TV, as well? Is that okay?' They said, 'Yes, that's okay.' So we both had colourful starts to our careers in this place.

Mr Price interjecting—

Mr HOCKEY—Some tips for the government whip? From that day on we have both learnt to respect our whips. That is very wise. It is even more important when you are the Leader of the House or the Manager of Opposition Business. I really do want to place on record my enormous gratitude to Alex Somlyay, the Chief Opposition Whip. He is a man of great integrity. He is someone who has been able to manage all the emotions associated with going from government to opposition, of which there are many. Very few people in our ranks have been elated at going into opposition. Alex Somlyay, being such an impressive man with great values, has been able to manage in very difficult circumstances. I wish Alex and Jenny all the very best for Christmas. I recognise that he is both a former minister and a long-serving member of parliament. We could not be served by a better person as Chief Opposition Whip.

I also place on record my deep appreciation for the member for Ryan, who is also a whip, and the member for Forrest, Nola Marino, who replaced Geoff Prosser. As a new member it must be quite a challenge becoming a whip. I also thank Kay Hull, the member for Riverina, who is a stoic person with great fortitude, and the member for Hinkler, Paul Neville, who is a wonderful guy. He represents Bundaberg and the Bundy Bear. He has held the seat of Hinkler during some very challenging times.

I also take this opportunity to thank the Chief Government Whip and his two assistants, the member for Shortland and the member for Werriwa, for their very agreeable attitude towards the place and for their cooperation. A lot is done that keeps the place functioning but also keeps the humanity in the building. The whips do that, and it is a wonderful thing that they do and I really appreciate it. I appreciate the great touch footy skills of the member for Werriwa and I hope

he recovers from his injury soon and takes a good rest.

Even though I have dealt with the whips first I really want to place on record my appreciation to you, Mr Speaker. I do not know how effusive I should be lest it create some level of controversy. I do not always agree with Alan Ramsey but I think on this occasion I just might. Even though it can be enormously frustrating to you, as it is for us, to deal with the different challenges in the chair, I really appreciate the fact that you are engaging and consultative and that you also know, through your vast experience, when it is the right moment to take a tough stand and also when it is the right moment to just let things flow a bit. An umpire can always make the situation worse and you are able to read people and I really admire you for that. I admire you more for the fact that you did the hard yards of opposition. You were very respected as a Deputy Speaker in opposition and you have not changed as Speaker. That is what impresses me the most, Mr Speaker.

I also take this opportunity to thank the deputy speakers—Anna Burke and Bruce Scott—and all the members of the Speaker's panel. I particularly thank the clerks, Ian Harris and Bernard Wright. They are wonderful men who are very focused on the interests of the parliament and the people of Australia. I thank the clerks at the table, Robyn McClelland and Robyn Webber, and the Sergeant-at-Arms, David Elder, and the Deputy and Assistant Sergeant.

In particular I also thank my deputy, the member for Cowper. He is a really decent guy. He is so unlike his predecessor—not because his predecessor was not a decent guy but his predecessor was, as a deputy speaker, ruthless. You were never left in any doubt about his views, but I really liked him as well. I am very pleased with the fact that the people of Cowper are very well served by

decent representatives and decent men. There is no doubt that Luke Hartsuyker is a very decent man.

I also take this opportunity to thank the many people working within the framework of the House—all the House attendants and the Chamber Research Office. I totally agree with the Leader of the House about Lupco—what a great man! You know what, Lupco? I really hope you have a great Christmas with your beautiful family. There is his happy smile and his engagement every morning. I have finally got my word right with ‘dobro’. We are all learning a little bit. I grew up knowing Arabic swear words rather than ‘good morning’ or ‘good afternoon’ greetings in another language. That was part of growing up.

I would like to thank the Department of Parliamentary Services: the Secretary, Alan Thompson; the Deputy Secretary, David Kenny; the Parliamentary Librarian, Roxanne Missingham—the Parliamentary Library is an invaluable resource in opposition, as so many have said; all the Hansard staff, who do a great job and work incredible hours; very importantly, the Comcar drivers; the security staff, who are always very happy, particularly first thing in the morning; and all the attendants and cleaners, who are genuinely wonderful people and who work incredibly hard during the night, many of them working numerous jobs. We are blessed to have good people around us in this building just to remind us of why we are here.

Within the framework of the department I also thank my own staff: in particular, James Newbury, who is here, and who is the man who manages to hold us all together for question time and various other parts of the day; and my chief of staff, Andrew Kirk, who has a brain the size of Texas—and a history too; he knows where every skeleton is buried—and is a very good man whom I

really appreciate. I say to all my staff and my team: I really appreciate your work.

It has been a hell of a year, and it has been a challenging year. I want to save my greatest tribute of the year to my mate, my flat-mate and probably the most decent person I have sat in this chamber with, and that is Brendan Nelson. He is a man of great personal integrity. He took us through a very difficult time. The member for Bradfield is one of those people who, quite properly, carries his emotions with him—and thank God he does, because that makes him the human being that he is. It was a torturous year for some of us in many ways. I cannot think of anything that is more torturous than going through leadership battles. As my colleagues in the Labor Party know—and I have spoken to many of them about it—it is a terrible thing to have to do. There are a whole lot of reasons why I think that Brendan is a very decent and good man. I say on this public recording in this chamber as well as everywhere I go that I feel very blessed to call him a mate. I wish Brendan and all of his family, friends and staff all the very best for Christmas and for the days ahead.

I was very proud to serve as Brendan’s Manager of Opposition Business. There was the celebrated moment when you displayed great patience, Mr Speaker, and that was the moment of Cardboard Kev. I can now disclose publicly for the very first time that the idea for Cardboard Kev came from the member for Bradfield. He said to me, ‘How about this to close down the Friday sittings?’ I said, ‘That is beautiful.’ I do not think that when he suggested it he thought that I would continue with it. I had to firstly get a smiling photo of the Prime Minister and then it went through the whole process. It saved us from Friday sittings for a whole lot of reasons. When I showed Cardboard Kev to the member for Bradfield, he said, ‘Oh, mate’—as he does—‘that’s fantastic; if it works it’s my

idea and if it doesn't it's yours.' Sometimes visuals are far more powerful than words, and that is what we underestimate in a chamber that has a great history. That followed with: 'How am I going to get the message on alcopops?' Well, I will put some grog on the dispatch box, and that will focus people's minds. Mr Speaker, I appreciate your tolerance during those moments when we were trying to get across a very important message, which we managed to do.

I also take the opportunity to thank my very good mate and longstanding friend Malcolm Turnbull, who has taken over as the Leader of the Liberal Party and Leader of the Opposition. He is a hugely impressive person, but he also has a longstanding belief in the quality of human beings, which I admire, and which I have always admired, and that is why I have supported his work throughout his entire political career. I really enjoy working with him. He challenges you and he prods you—but do you know what? He is a really decent guy. Do you know what I admire most, Mr Speaker? I love the thought that people are prepared to make personal sacrifices to come to this place. It does not matter whether you are a person of limited means or a person of great means; anyone who comes into this place prepared to make a sacrifice to get here is someone who deserves to be here. Ted Mack once said to me: 'When you look around the chamber you might think to yourself, "How on earth did they get there?" but never underestimate anyone who stands in this place.' It was good advice because I do not underestimate anyone who comes into this place and makes great sacrifices to get here. I really appreciate that.

I very much appreciate the contribution and hard work of the member for Curtin, the Deputy Leader of the Opposition, who is someone who is incredibly determined to make a difference. I thoroughly enjoy work-

ing with her. I am glad that no-one is lip-reading over there about a whole range of different things during question time. Finally, I turn to the Leader of the National Party. Few people would recall that my first job in politics was working for a National Party member of parliament, George Souros, in the New South Wales parliament, who was minister for sport. He was also Minister Assisting the Premier, and that is where I first got involved in the sale of banks. It is ironic that today we were talking about the government owning a new bank, and I was once selling them. In fact, governments around the world are buying banks, so there is always a post-politics career in selling them again. The worm turns, doesn't it? You start your legal career selling banks and then you end up coming into government and you might end up buying them again, and then you can retire selling them. It is unbelievable.

It has been an extraordinary year. The global financial crisis is going to change our lives forever. Whilst there was no joy on my part earlier in the year predicting that we could be heading into recession, and I was maligned by the government for it—I have to speak from the heart—I could see it. There was a whole lot of reasons why. The pain really hurts today. A number of friends of mine in Sydney rang me today and said they had been made redundant. They have young families. They are in their late 30s, early 40s and they are thinking to themselves, 'How am I going to pay my bills? How can I pay the mortgage?' It is that human side of it. In this place we can debate the logical issues, we can debate the macro issues, we can even debate some of the micro issues; but it is the impact of our words and the impact of our decisions on the lives of others that comes home to roost when you see individuals in pain and you have this immense desire to do something about it.

I believe that everyone in this place genuinely wants to make a positive difference for others. There is no doubt in my mind about that. Everyone in this place, everyone in this chamber, and everyone in the Senate wants to make a positive difference for others. We have different routes that we believe should be taken, but what impresses me most is that we resolve these issues in this chamber and then we move on. I am immensely proud to be a member of parliament. I feel honoured to be given a role as Manager of Opposition Business and I feel privileged to serve with everyone else in this chamber. To all of you, I wish you a very merry Christmas, a wonderful Christmas, and a happy New Year. It gives us an opportunity to rest and, as the member for Batman said quite rightly today, to recharge not only our physical batteries but also our mental batteries. People do not take enough care of their mental health.

Christmas is also a spiritual time. It is a time for family and friends and it is a time for all of us to remind ourselves of what is important in life. I am looking forward to spending time this Christmas with my three-year-old son, who for the first time only yesterday said, 'Santa is coming,' and with my two-year-old daughter—time I never had as a minister. I barely had time to have them as a minister. I am a very late dad, but it is a great moment. Mr Speaker, thank so very much for your tolerance, your efforts and your contribution.

Dr NELSON (Bradfield) (7.40 pm)—Mr Speaker, I firstly thank you and the House for the opportunity to make some remarks during these valedictory speeches. The first thing is that we are about to celebrate Christmas, which is when Christians recognise and celebrate the birth of Christ. It is in many ways a time when we reflect on what has happened in the year that has gone and look forward to the year ahead with renewed confidence and hope, which is arguably the

most fragile yet powerful of human emotions.

It has been an extraordinary year for our country. It has also been an extraordinary year for me personally and also for our party. I would like to start by thanking my wife, Gillian. A number of people on both sides of the House and around the country have said to me that perhaps I might have been more successful if they had seen and heard more of my wife, which I took as a compliment to her. There is no doubt that none of us achieves anything in our lives without people who love us and believe in us—families who make involuntary sacrifices to allow us to serve our nation, in this case through the parliament. Having said that, though, when I was asked by a young person a year or so ago when addressing a leadership conference how you stop politicians from becoming arrogant, I said, 'When you find out can you let me know?' However, I did explain that when you are my age and you have a wife you are pretty right. In explaining that, I relate that I was education minister in 2002 and I had been invited to deliver the Chapman Oration of the Institution of Engineers Australia at the Hyatt Hotel in Melbourne to a dinner audience of 500 or so engineers and their families. If you are one or you have them in your family, you know engineers are a pretty serious lot. So when I sat down, having done this, the very earnest chief executive leaned over and said, 'Dr Nelson, I do apologise for continuing to eat when you began your speech, but your wife said I should enjoy something while you were talking.'

That is the nature of the relationship I have with Gillian. The Leader of the House earlier today said he had observed that in the press conference I was able to do after I had lost the leadership of our party my wife had said that she was looking forward to seeing more of me, and I can report after 2½ months

that just before I came down here for this sitting week she said to me, 'I think I am actually going to miss you.' That was reflecting on the fact that she had seen so little of me that I had been home enough for her to miss me coming down.

I would like to make some remarks, in thinking about the year that has gone, about a person of whom little, if anything, has been said over the last year. A giant of a man, not physically but politically, who cast a very long shadow over this parliament and across our country, and that is John Howard. John Howard, as we know, served the people of this country in the parliament representing Bennelong for close to 34 years. He suffered the ignominy of losing his seat of Bennelong, as we know, in the election of last year, and it is to the enormous credit of the new member for Bennelong and her party that they were able to achieve that. But John Howard has left a great lesson, I think, for all of us, and that is the importance of conviction and belief.

For our party and for me as a person who began life as a person born and bred in Labor politics and had my own personal involvement with the Crean family, whom I greatly admire, John Howard has arguably been the greatest exponent of our beliefs since Sir Robert Menzies. I made the observation when leader at one of the dinners held in tribute of John Howard that Robert Menzies in his period of having lost the prime ministership of the country and then thinking about his own political future gave a series of speeches entitled 'The forgotten people'. He spoke about the salary earners, the shopkeepers, the skilled artisans, the professional men and women and the farmers. Politically and economically he described them as the middle class—unorganised and unselfconscious, not rich enough to wield power in its own right and too individualistic to be organised for what he described as pressure poli-

tics. And yet Menzies observed that they were the backbone of the nation. Almost as an afterthought, he further said, 'It is in their children they see their greatest contribution to the country.' It was for that set of beliefs and for those people that John and his wife, Janette, committed their entire lives to the service of this country. Whether you agree or disagree with John Howard and his views—and I know those on the other side certainly do not agree in almost all cases—we certainly have an enormous amount of respect for what he has given to us.

I did not participate in the so-called *The Howard Years* but there is something I would like to say which is just one small window into John Howard that I would have said in that first episode. After the Port Arthur massacre, there was enormous pressure in our country to deal with guns and gun control. Equally, there were significant sections of Australian society who felt legitimately very strongly that what was being proposed should not happen, including within my own party. I will never forget attending the first party room meeting of us in government after the Port Arthur massacre. There were many of my own colleagues who were quite opposed to the idea of us embarking on national gun control. John Howard stood before us and said, 'What I am about to say to you is contrary to everything I have ever believed.' He said: 'We are going to have to pass rules to control the lives of people who have never done anything wrong and never will. We are going to have to tell the states what to do.' That is ironic when you think of what subsequently happened in the development of the government. He said, 'Never in my 23 years in public life have I been more convinced that this is the right thing to do.'

Throughout his period in government as Prime Minister of the country, he showed that kind of leadership on a number of occasions. I think it is important as we finish this

year that we reflect on his contribution and that made by his family to our country and in making us who we are and giving us what we have. From our side, naturally, we do argue that, amongst many things, he put this country in the strongest economic position that it could possibly be in to face the global financial crisis to which the member for North Sydney just referred.

I would also like to say that leading our party and being John Howard's immediate successor was an enormous privilege bestowed upon me by my colleagues. It was not something that I had anticipated. I had, of course, like many here—not all—quietly harboured the possibility that at some point in my political life I might take on the leadership of the party, but I did not expect that. It was genuinely a shock for me, as it was for all of us, when the member for Higgins, for whom I have the highest regard, decided for reasons I now fully understand that he would not take on the leadership of our party. And I appreciate and respect the efforts made by our now leader, Malcolm Turnbull, in contesting the leadership of the party at that time. It was extraordinarily difficult for us and obviously a new experience for me to go from government to opposition and at the same time be the leader of the party when our putative next leader had quite reasonably decided that he would prefer not to take it on. It was a major life event for many of us. We lost our leader, John Howard, we lost our putative leader, we lost our foreign minister and we effectively also lost our Deputy Prime Minister.

Whilst we were extraordinarily proud of what we had achieved, there were some things that we had to change. We had to support the ratification of the Kyoto agreement, and we made a mistake not having done that in government. I felt morally and practically that we must support the apology to the forcibly removed generations of Aboriginal

children. I was ridiculed and criticised for the way in which I went about trying to make sure that the very conservative members of our party understood that I knew and respected their views. I was also criticised for the way I spoke to the apology. On those apology matters, I have yet to receive an apology from one particular person for the behaviour of some people who worked for him. I have been asked whether I regret what I said. I do not regret a single word of what I said that day—not a single word—because an atypical, more than usual number of Australians were actually tuned in to Aboriginal issues that day and if it were just about us saying sorry and being deeply sorry we would have achieved nothing. Everyday Australians who work hard and live relatively comfortable lives needed to be confronted with the state of Aboriginal Australia as it is today. Our progress as a nation, in my view, will be judged not only by the economic indices with which we are so understandably concerned but by the extent to which we lift Indigenous Australia from what is largely existential despair and appalling conditions, which still exist notwithstanding the enormous effort and goodwill of governments of all persuasions.

I would like to thank the member for Curtin for the support which she gave me through my period as the then leader of the opposition. I would also like to thank the member for North Sydney, who has been a wonderful friend and always reminds me—he doesn't say it—that you have got to have a sense of humour as you go through this job. Yes, the cardboard cut-out was something that came to me. We were not happy about the idea of sitting on Fridays without a question time and we had decided that we would take a very strong, principled stand on this. I said: 'Joe, we've got to have something that cuts through'—no pun intended—'We need to make sure that the average bloke

looking for footy results in the *Herald Sun* knows that, basically, the Prime Minister is wagging school.' As you, Mr Speaker, had very helpfully agreed to props only the day before, I thought, 'We need one of those things you see at the movies, like a cardboard cut-out of Russell Crowe.' Needless to say, when Joe and our federal director presented it to me—I had specifically asked for a very nice image of the Prime Minister, and that is indeed what it was—I was so excited. I thought, 'This is going to work.' In fact I did suggest to the member for North Sydney that you could contemplate bringing in the cardboard cut-out with a Father Christmas hat on, but his judgement is obviously sounder than mine and we decided not to do that.

I would also like to thank all of my colleagues, frontbench and backbench, for all of the support they gave me through what was a difficult period. The leader of any opposition in the period that we have just been through always has someone else and there are always others who would prefer to be higher up the tree and their obvious skills have not been recognised and all of those sorts of things. But I am very proud of what we have achieved as a team in opposition this year. It has been very difficult, with an ascendant government and an extraordinarily popular Prime Minister. I also am very proud of the fact—and I hope it is the case—that I have not ever hit below the belt when it comes to dishing it out to the government.

I would also like to record my thanks and gratitude to the Prime Minister for the personal courtesies extended to me during my period as opposition leader. I had several meetings with him on a personal basis. He was particularly generous to me when I lost the leadership of the party. I would also like to express my admiration for his wife, Therese Rein. You see people in public life and sometimes you are disappointed when

you meet them; you find that some people exceed your expectations and some never meet them. I must say that the Prime Minister's wife is particularly impressive. There was that incident where she had the Aboriginal children come to the Lodge for the literacy awards and a young girl was struggling with her poem. The Prime Minister's wife said, 'I'll give you a hand,' and started reading the poem, about the child's mother, and only halfway through it realised that her mother had died; to then become quite emotional about that says an enormous amount about her. Nonetheless, in two years time I look forward to Malcolm and Lucy moving into the Lodge! So please do not read anything into that, if you know what I mean. Gary, please write that down.

I would also like to thank party members, members of the Liberal Party throughout the country. My observation is that the morale of our party was actually lower after we lost in 1993 than it has been over this past year. That is not to suggest that we were not disappointed about losing government last year, but this is a democracy and we respect the decisions that people have made. The belief of everyday members of the party who do not seek political office, who just want to see the nation shaped in Liberal values, is something which sustains all of us on our side.

I would particularly like to thank and recognise Alan Stockdale, in taking on the presidency of our party, and Brian Loughnane and our directors throughout the country for the enormous amount of work they have done. I would also like to thank not only my current staff but also the staff that I had when I was Leader of the Opposition, led by Peter Hendy. The sacrifices these people made is something that will be understood only by people that are here in the chamber. I would particularly like to record my gratitude to them.

In concluding I would like to say two things. The first is that I do believe that Malcolm Turnbull and his wife, Lucy, are a formidable couple. I agree with Joe's sentiments about the member for Wentworth's enormous intellect and strength of personality, certainly an engaging personality. I do believe that as time goes by we will see that the public will come to better understand and certainly respect and support him. I wish him and his family a wonderful Christmas.

Before I finish I want to say that amongst the life-changing events for me was to spend two years as the nation's defence minister. You come out of that job a different person from the one that you were when you went in. Today the Prime Minister and the Leader of the Opposition and many others have been to the funeral of Lieutenant Michael Fussell. In relation to Sean McCarthy, Jason Marks, David Pearce, Matthew Locke, Luke Worsley and Andrew Russell, those men who have given their lives in our name in Afghanistan, wearing our uniform and under our flag, and in relation to what has happened in Mumbai over the last week, we should not forget that our generation is engaged in a struggle against fundamentalism. We will celebrate Christmas in this country. Christians and non-Christians will observe it in different ways, but we will celebrate it and do so in peace and do our very best to love one another in the year ahead. That is not the case in many parts of the world and it is not going to happen by accident if we live in a world where, ostensibly, that is what happens everywhere.

I think that we should remember—and we have said generous things about one another here today—that we are living in many ways in a world that is characterised by fundamentalist intolerance. We live in vast ignorance of the long-term consequence of the decisions that are made by us and made on our behalf. We are certainly living in a world of

close to unprecedented economic uncertainty. The thing that we should never forget is that what we are going to need most is one another. The member for North Sydney said that people make derogatory remarks about these valedictories and so on. I have thought a bit about that over the years. As you know, Mr Speaker, some people call them 'hypocriticals'. Sometimes I must say that I have felt that some of the things that are said are a little bit hypocritical, but the truth of it is that beneath the difference of philosophy and political opinion on different issues there is genuine belief and respect for people across this chamber, and that is something that is very precious in our country and something we need to work very hard to not only understand but also defend and support.

Finally, Mr Speaker, I meant what I said when you were appointed to that position. You are a man of extraordinary—I am not trying to get favours from you, by the way!—generosity and humility. I am a very strong believer that what goes around comes around. What went around when you sat on this side was that you were always there for all of us. It did not matter where we were—where we sat in the chamber—or whether we were gifted or not so gifted, or whether we knew standing orders or not, you were always there to lend all kinds of support and help. None of us on this side forgets it.

The SPEAKER (8.00 pm)—In making some remarks in this valedictory I intend, of course, to concentrate on parliamentary matters but I will just make some remarks associated with the important things that the member for Bradfield spoke about in the latter part of his remarks when he talked about the political situation around the globe in terms of stability and security, and the economic circumstances. I want to associate myself with the remarks that have been made by him and by other people in terms of people's sincerity. These are the issues that we

are trying to tackle. Often, of course, we are tackling the issues from different directions, and this makes it difficult for us, but there is a decency in those who find themselves as members of this place when they understand, for instance, the sacrifice of those who have died in the service of Australia this year, or when they recognise that there will be some who will be doing it tough just because they happen to be in the sector of the economy that will be the first and hardest hit.

In a parliamentary sense I want to simply, from the outset, congratulate everybody who works in this building for the way in which they have ensured that this first year of the 42nd Parliament has been successful, especially considering that it had happened at the tumultuous time of a change of government. There have been a number of things that happened in this parliamentary year that have been quite fascinating and of great moment—the opening of the parliament with the Indigenous welcome, which has been mentioned; the second day of our sitting, with the apology; and the fact that during the year we celebrated the 20th anniversary of this building. All along there has been the continuing development of this great parliament of ours—the great processes of the House, whether in debates in the chamber and the Main Committee or in the work of the committees.

Mention has been made of the parliamentary leaders. For the Prime Minister, Kevin Rudd, and the Deputy Prime Minister, Julia Gillard, there is the optimism and excitement of being now in office and the enthusiasm that they show for that task. For the Leader of the Opposition, Malcolm Turnbull, the Deputy Leader of the Opposition, Julie Bishop, and the Leader of the Nationals, Warren Truss, there is a realisation of what being in opposition is really like—again, something that has been remarked upon throughout the debate.

I was going to say to the member for Bradfield—or, as I call him, Doc—that he was a terribly decent bloke, but the outing of him by the Manager of Opposition Business in his role with the cardboard cut-outs has meant that I have reassessed this, only slightly; I have still come to the conclusion that he is a thoroughly decent person. Often when we reflect on the things that we have been through and the things that we have seen we realise that sometimes good guys do run last, and that is unfortunate.

To the two great fixtures of this parliament, the Leader of the House and the Manager of Opposition—Albo and Joe—I sincerely say that I do understand that whilst I have been the inanimate object that has been the scene of the collision between you two, I understand that you are only doing your role on behalf of your side. I only wish there was a modicum less of white-line fever about what happens in the chamber, and that those same endearing qualities that you both show outside of the chamber—when you are not actually leaving the chamber to storm into my office—were shown all of the time. But to you both I say that one of the great things you share is families that are about the same age. I sincerely hope that you do get time over the Christmas and New Year period to enjoy your families at the age they are both at, because I think that that is really important.

I turn now to the Chief Government Whip, Roger Price, and the Chief Opposition Whip, Alex Somlyay. I do not know what the collective noun for ‘whips’ is but there are whips everywhere—there are government whips, opposition whips, opposition assistant whips, the National Party whip, Kay Hull, and another National Party whip. You really play an important role in keeping this place going and I think that the role that you play as very important pastoral care workers within your associated political parties is

becoming much better known. I do not think we have actually realised and paid due credit to that role, because it is a very important aspect of the role of the whips.

My two deputies, the Deputy Speaker Anna Burke and the second Deputy Speaker Bruce Scott, are both in roles that I have carried out. In Anna I could not have wished for a better Deputy Speaker. The jobs that she does in ensuring that members of the Speaker's panel are here to make sure that the chamber is going and the Main Committee is going, and the way in which she has encouraged a great collegiate spirit amongst that Speaker's panel is a great credit to her, and I really thank her for that. As most people know, Bruce Scott is a very obliging character and has been a great stalwart and support for me in my role as Speaker. Those who have been on the Speaker's panel who predominantly had not had experience in the chair have brought a consistency in the way in which the proceedings are chaired, both here and in the Main Committee, that is assisting other members in the way that they go about their duties.

To all members, whether they be ministers, shadow ministers, backbenchers or Independent members, I thank them for their generosity of spirit towards me and their co-operation. I do not really think that people actually believe me when I say that I thank them, but in the majority of cases it has made my job easier that people do have that cooperative and generous spirit.

The two Senate Presidents I have worked with this year, Alan Ferguson and John Hogg, have both given great support to me in my role as the Presiding Officer here in the House. Alan, I am sure I do not have to tell members of the coalition, is a thorough gentleman and was a great mentor for me in assisting me in those early months, and John is such an easy person to work with. I am find-

ing it very easy to cooperate with him on those matters for which we are jointly responsible.

To the staff of all those people I have mentioned I say that I absolutely realise that, without the support that we get from our personal staff, it would not be possible for us all to perform our individual roles. I think that this is what this great community, the Australian parliament, is really enriched by—it is not only the front-line people who get all the kudos or are seen in the public light; it is the way in which we are supported that is very important.

I now turn to those who assist us in our role as officers of the parliament. Mention has been made of the professionalism of Ian Harris and Bernard Wright and all those who work in the Department of the House of Representatives. One of the pleasing things is that, no matter which side of the chamber they are on, people say the same thing. They know that these people are here to give fearless independent advice to assist us all in carrying out our roles in this place. That is one of the really great strengths of our parliamentary democracy.

Something like 3,000 people work in this parliament, and it would of course be difficult to mention them all, so I hope that by listing them in groupings I make sure that I cover everybody. But, as I stressed at the outset, if there are any omissions they are not deliberate; they are accidental. I thank the table office, the clerk's office, the committee offices, chamber research, liaison and projects, the messenger service, finance, people strategies, information systems and publishing, parliamentary relations, the Serjeant's office and the people who work in the Parliamentary Education Office—they all play important roles in assisting us to go about our business.

I thank Alan Thompson, who has come on board as the Secretary of the Department of Parliamentary Services. All the staff of the Department of Parliamentary Services do a great job. This is another department that is highly professional. Given the various expectations that we have of this building and its occupants, who are working in an environment of considerable financial pressure, theirs is not an easy task. Some of them we just do not see because they work in the bowels of the basement. They appear in daylight to come to our offices to fix electrical problems or plumbing or other matters. I just wish that from time to time we could perhaps all go down there and do the tour of the basement, as I have been lucky to do, to give them credit for the great job that they do. They include the gardeners, the maintenance staff of all skills and trades, building management services, security and facilities, client support, broadcasting, Hansard, information technology and communications services, corporate services, the parliamentary shop, the health and recreation centre, the nurses centre, art services and visitor services. Visitor services assisted over 850,000 visitors to Parliament House in the financial year 2007-08. The Parliamentary Library has also been mentioned as such a valuable service.

To the contractors who work around the place, including the two new catering contractors, IHG and W Catering, I especially thank them for their assistance to the Speaker's office but also for the excellent job they have done thus far in establishing new food services for members and staff. To Comcar, Aussies, the post office, the florist, Westpac, Limro Cleaning and HRG, I wish all of the staff of those contractors all the best for the festive season.

Uncharacteristically from me, I thank the press gallery for their professional coverage of parliament. I want to ensure that the media

have the opportunity and the ability to cover the workings of the parliament in an environment where there is a more positive working relationship between the House and the media. I just make the observation that that is a two-way street. Mention has been made, quite rightly, of the deputy serjeant, Claressa Surtees, who is the front line in any battle between the competing interests of the parliament and the media. If we are to go forward we have to understand sometimes that there is an opportunity to get that middle ground.

I thank all of my colleagues because, as I said, their commitment as parliamentarians is very important. I thank my personal staff, my staff in the Speaker's office—Chris Paterson and Yvonne Bailey, who continued on from Mr Speaker Hawker's office and have given the strength of that continuity, and Debra Biggs and Cora Trevarthen, who came into the office. They all have the difficult task of making sure that I am headed in the right direction at relatively the right time. They have given great support.

Much has been made of Lupco, who is also the Speaker's attendant. He is very important in getting me to things on time. He is about the only one who can do that, because he hovers around and looks at me and I think, 'If I don't go, he's just going to drag me in.' I have to say that I have never seen him move as fast as during an incident in the House earlier this week. I saw a green flash, and I now know that Lupco will tackle me if I do not cooperate with him and move in the right direction.

Many people have mentioned that when you take on other duties you are so reliant on the staff in your electorate office. One of the aspects of being Speaker that I had not thought through was the continuing role that I had as a member and the difficulties that I would have in juggling and balancing the

two roles, but I have been assisted by people who have kept the citadel which is 'fortress Scullin' safe for democracy. To Sam Alessi, Berna Doksati, Jim Tilkeridis, Enver Erdogan and Sally Delaney: thank you very much for the support you have given me and the services you have provided the people of my electorate. I thank the electorate of Scullin for their support of me over these many years.

I thank my family. My wife, Michele, over the 22 years that I have been a member—and, even more extraordinarily, over the last few months as Speaker—has had to do a number of roles that I do not think that she particularly understood would be expected of her when she married me. She has basically brought up the kids. To Ben and his wife, Kerry, to Emlyn—I wish Em a happy birthday for tomorrow—and to my daughter Amanda: thank you. The centre of the universe of both my family and my wife's family is now Zara, who is the first granddaughter, the first great-granddaughter, the first niece and the first grand-niece. You can imagine that she will be the centre of all festive activities over Christmas and New Year.

Finally, I wish you all—not only the members but also the staff who work in this great institution—all the best for the Christmas period. May it bring you whatever you might expect of it, and that includes a great range of experiences. Whether they be spiritual or family based, it is an important time of the year. I conclude by wishing everybody a safe and prosperous New Year. I look forward to seeing most of your smiling faces in the new year. Peace and goodwill to all.

Question agreed to.

**Sitting suspended from 8.18 pm to
8.30 pm**

BROADCASTING LEGISLATION AMENDMENT (DIGITAL TELEVISION SWITCH-OVER) BILL 2008

Consideration resumed.

Second Reading

Mr GRAY (Brand—Parliamentary Secretary for Regional Development and Northern Australia) (8.30 pm)—I present a revised explanatory memorandum to this bill and move:

That this bill be now read a second time.

The Broadcasting Legislation Amendment (Digital Television Switch-over) Bill 2008 makes amendments to the Broadcasting Services Act 1992 to enable the government to set a staggered, region by region digital switch-over timetable for the transition to digital-only television.

It implements the government's policy to achieve digital switch-over by the end of 2013.

The switch-over to digital-only television represents the most fundamental change in broadcasting in Australia since analog television began over 50 years ago.

Digital television provides benefits to viewers including additional channels, and improved picture and sound quality.

The spectrum made available by switching off analog television, known as the digital dividend, has the potential to be used for a wide range of new wireless services.

A firm timetable to implement switch-over will provide certainty for customers and industry in the transition to digital.

This bill provides the mechanism for the government to set a final switch-over timetable which will conclude by 31 December 2013.

At present, switch-over dates are set in relation to television broadcasting licence areas, by setting the so-called 'simulcast pe-

riod' for the simultaneous transmission of analog and digital signals within a licence area.

At the end of the simulcast period, analog transmissions would cease while digital transmissions will continue.

The simulcast period is currently set to end on 31 December 2009 in metropolitan areas, and 31 March or 31 December 2011 in non-remote regional areas, depending on the licence area.

The simulcast period for a licence area can be extended by regulation, but not shortened.

It is widely accepted that these dates are not appropriate for a smooth transition to digital-only television.

The bill allows the Minister for Broadband, Communications and the Digital Economy to determine by legislative instrument local market areas for switch-over, and switch-over dates for those markets.

Similarly, the minister can determine the switch-over date for a television licence area by setting the simulcast period for that area.

This will mean that, if appropriate, some areas could switch off analog earlier than currently permitted.

It also allows geographical areas smaller than television licence areas to be the basis of a switch-over timetable.

This will allow the government's switch-over program to better reflect local market conditions and circumstances.

The bill also provides for switch-over dates for a particular area to be varied by up to three months before or after the date originally determined by the minister.

This will allow the government to identify a six-month window for switch-over in a particular local market or licence area, and

for the switch-over dates to be finessed in response to local issues as they arise.

In exceptional circumstances the switch-over date may be extended beyond the six-month window for a particular area:

- where there are significant technical or engineering reasons; and
- where those circumstances could not have reasonably been foreseen six months before the determined date by one or more of the broadcasters in that area.

The bill requires that all regions must have switched over by 31 December 2013.

Amendments to the bill passed by the Senate require minimum analog switch-off readiness criteria to be determined by the minister and that the switch-over readiness of local market areas be assessed against these criteria.

These provisions have the potential to delay the government's timetable for digital television switch-over by the end of 2013 through the possibility of switch-over being deferred if arbitrary readiness criteria are not met.

A firm switch-over timetable is important to give certainty to industry and customers.

This has been the overwhelming experience in overseas countries that have already switched, or are in the process of switching, to digital.

These items, as they stand, will be damaging to switch-over. The government intends to move amendments to the bill to remove these items.

Amendments passed by the Senate also require the minister to tender a quarterly report on digital transmission issues to each house of parliament.

The government does not accept these amendments and will introduce its own

amendments and address those of the opposition in consideration in detail.

The switch-over to digital is important to Australia.

It will not only introduce new channels for viewers but also free up valuable spectrum. This freed-up spectrum will allow for new communications services to be introduced in Australia.

It is important, therefore, we get this right and that the bill ensures the smooth introduction of digital television into Australia for all Australians.

Mr BILLSON (Dunkley) (8.35 pm)—by leave—I rise tonight to support the Broadcasting Legislation Amendment (Digital Television Switch-over) Bill 2008, a better bill than it was when it was introduced by the government in the Senate. The amendments and enhancements that the Senate has introduced into this bill deserve the support of the government. I feel sorry for my friend and colleague who had to read the second reading speech being fitted up with an explanation of what was wrong with the bill. It was actually content free, a matter of: ‘We just don’t like the Senate’s amendments and will move our own.’ So I will listen with interest to what the argument is, and I understand that he has been put in a situation by circumstance, and I admire that.

What we are here tonight discussing is a better Broadcasting Amendment (Digital Television Switch-over) Bill 2008 than the one that the government introduced into the Senate. The bill is embracing a number of practical, common-sense and constructive improvements that the Senate has embraced and that we urge the government to embrace. Something that is very clear is that for a switch-off of analog TV and a switch-over to digital we require a minister that is switched on. I am fearful that we do not actually have one of those; otherwise, I am sure that the

minister would see the value and the virtue of the amendments introduced by the Senate, which the opposition supports quite vigorously.

The bill also amends the timing of two reviews which are required under the Broadcasting Services Act. Schedule 1 of the bill amends the timing of two statutory reviews required under the Broadcasting Services Act to reflect Labor’s new timetable. Schedule 2 of the bill provides for a phased, region-by-region analog signal switch-off for a full transition to digital television in Australia with an end date of 2013, and the Minister for Broadband, Communications and the Digital Economy has produced a time frame of region-by-region six-month windows within which that switch-off will be available. The bill itself does not actually set the switch-over dates for the region, so you can imagine the opposition’s surprise when its amendments were said to be impeding the switch-off in some way. The bill does not actually address specific switch-off dates, but it does provide a mechanism whereby the minister can determine switch-over dates within that six-month window I referred to and within that period. There is also scope for the minister in this amendment to take into account exceptional circumstances to move away from the six-month window that is designated in the schedule that he has produced, so clearly there is some wiggle room there. What we are less clear on is what those exceptional circumstances are.

This brings us to the heart of the coalition’s amendments. What we do know is that shortly after the election of the Rudd government an enthusiastic and energetic new minister—after some time in opposition making all sorts of allegations, many of which have been proven to be completely unsubstantiated—came out and made a big call. He made the call to nominate an end date for the transition from analog television

to digital. What was worrying about it was that, to make such a call, you would have thought the minister would have taken into account key input that actually helped him formulate that end date. You would have thought that the minister would have taken some advice on how the transition was going, on how the coordinated and systematic efforts of the former government were progressing and on what impediments lay between where we were at the time of the election of the Rudd government and the ultimate goal. But, no, he just came out in June 2008 and made the statement that the government had a deadline—and that was it. It was a political chest-beating exercise. It was recognised as that at the time and it overlooked a number of the very real and genuine issues that need to be addressed if we are to see a successful transition from analog to digital.

The coalition's amendments—the ones that have been embraced by the Senate, the elements that are in this bill that we are debating—seek to address some of the shortcomings of the minister's approach. It is interesting that, when we ask about how decisions will be made about switch-over, we get the same answer we got from Labor when they turned off analog telephones—they simply turned them off. We get the same answer as when Labor turned off the CDMA network—they simply turned it off. What we do not ever get is an explanation, a public disclosure or an objective assessment of whether the time is right and the circumstances accommodate such a switch-off. I was thinking about what this meant, and I have come to the conclusion that Minister Conroy is actually a WIJI—he is in 'well, it just is' mode. Whenever a big public policy decision needs to be discussed, he goes into a witness protection program and will not actually engage in the debate. We have seen that this evening, just minutes ago, when in

introducing this enhanced bill into the parliament Labor indicated that they are going to fight and seek to remove the provisions that the Senate has included. They are good provisions with practical, common-sense, constructive improvements, and Labor are going to oppose them. Why? There is no explanation. They are just going to oppose them because it was not in the original bill.

The original bill, though, really just provides that framework that I touched on. What it does not do is give viewers the confidence that decisions to turn off analog television signals will be made in an informed, considered and objective manner. What the opposition sought to do successfully in the Senate through the good work of the shadow minister, Senator Nick Minchin, was to enhance the bill by requiring that the minister turn his mind to minimum analog switch-off readiness criteria. What is the public policy argument for opposing something as thoughtful as that? How can the government possibly oppose having some readiness criteria upon which it is justified and credible to switch off the analog television signal? How can the government possibly oppose the requirement that the Senate has introduced into this bill that those minimum switch-off readiness criteria actually be articulated? What is the public policy argument? There is none. This is where we go back to WIJI. We had the dodgy with Senator Conroy's broadband tender process, and now we have the WIJI: 'Well, it just is.'

What we are asked to wear here, under the government's intention to fillet out this very sensible amendment, is some framework that allows Senator Conroy and the rest of the Rudd government to turn off analog television on the basis that it just is time to turn it off. This is not the way to handle what, for the vast majority of Australians, is one of their primary entertainment and information sources. This is not like a telephone signal

that might not be so flash on one part of your property or in one area that you might commute to. This is about no television for people who are in a position to receive digital television. We have a government not even wanting to address the simple requirement of articulating some criteria against which a decision to shut off analog television will be made. This is outrageous. This is a minister drunk on power, used to having the sound bites, but with no sound public policy to back up his actions and his statements. This is another example of that.

The amendments from the opposition actually save Senator Conroy from himself. They actually give him the discipline to turn his mind to objective criteria against which the decision will be made on a profoundly significant action that could have very significant impacts on viewers—simply turning off analog television. That is not about having a bad signal. It is not about maybe losing a channel. It is not about having television that is maybe not so crisp and clear when there is a bad weather event. This is about having nothing at all. So you would have thought that a simple requirement for the minister to articulate minimum analog switch-off readiness criteria was not too much to ask for. But the government are going to oppose that. This is outrageous. All those who are listening to this broadcast, and are perhaps even interested in viewing it from time to time, might find that there is no TV because the minister has unilaterally decided to switch off the analog television signal.

Labor has form on this. It just switched off the analog phone network. It was on the basis of asking, 'Is now the right time, is this the right thing to do?' and we got the WIJI answer—'Well, it just is.' Then, with CDMA, the opposition was saying: 'Make it clear that no-one is disadvantaged by this action. If it is genuinely like-for-like cover-

age, why hide behind the need to publicly disclose whether like-for-like coverage exists?' No, it would not have that either; it would not have a bar of it. It had some process that only the minister was open to and able to engage with. No-one in the public policy area, none of those using that service and no-one with expertise in this area was able to get anywhere near that decision. And here it is again—another attempt by the Rudd government and the Labor Minister for Broadband, Communications and the Digital Economy, Senator Conroy, to avoid any sense of objective decision-making criteria. This is what we are up against here.

That is the first of the amendments—so frightening, so terrifying that Labor is going to oppose them. The second of the amendments in this bill, approved and endorsed by the Senate, takes into account the process and the need to report against the readiness criteria not less than six months before the analog television signal is cut off. What the opposition, and now the Senate, is asking the government and this House to consider are credible readiness, specific, measurable evaluation criteria—they should be defined—and then a process for reviewing actual activity in progress on the ground against those criteria and reporting on that publicly so people can actually see whether a community under this staged shutdown of analog television is in a position to benefit from digital services.

Again, what is the mischief, where is the villain and what is the public policy argument to reject a perfectly reasonable suggestion like that? There is no argument. It is common sense, it is constructive and practical. No, the minister does not want to turn his mind to publicly accounting for the basis on which he has arrived at a decision to shut off the analog network because he relies on the WIJI—'Well, it just is.' That is what he wants to be able to say: 'We have shut off

analog television to this whole region. On what basis? Well, it just is. It's time to shut it off.' So that is the second amendment.

It requires the government, through the minister, to turn its mind, the resources of the department and of ACMA to establishing what the readiness is on the ground in a region and reporting on it not less than six months before that shut-off to make sure that everybody knows whether the minimum analog switch-off readiness criteria have been addressed and, if not, what the legitimate likelihood is of meeting the criteria and what action may be taken. It takes account of whether the transmission of the service is on the same level of coverage and potential reception quality as the analog service—perfectly reasonable, I would have thought—and whether people are able to at least avail themselves of like-to-like transmission. Then it talks about the reception. Are households which receive free-to-air television coverage in analog mode able to receive the same level of coverage after switch-off through digital services? That is perfectly reasonable.

In your electorate, Mr Deputy Speaker, wouldn't your community want to know that when the analog service is shut off they have something else in its place of at least equivalent service quality? It is not unreasonable, I would have thought. Have the measures been taken for household readiness so that households are actually ready to view the new service? Do they understand digital television and what is involved with preparing their sets, whether it be the acquisition of new technology or set-top boxes or something of that kind? Is their household, as viewers, in a state of readiness to receive that service? No, apparently that is evil as well. Apparently, the government is going to refuse to disclose how the transition and preparation for digital is going before it shuts off analog services. What must it be thinking to say that this is somehow inappropriate? What possibly

could be the justification? We have not heard any justification. It has just said, 'We do not want to do it.' That is the attitude of the Rudd Labor government.

The third amendment that the opposition has put forward which the Senate has embraced deals with the question of transmission black spots. It deals with the fact that there is more to the transmission of a television service than the huge transmission towers you might see in major population centres. The coalition knows that—the National Party made sure we did. When the coalition was elected in 1996 I remember the television black spots program. I remember people vigorously pursuing opportunities through the program, right across the vast continent, both the north island the mainland and the south island of Tasmania, to try and get the transmission and retransmission infrastructure upgraded so they could get a reasonable level of analog television services. Right now there are 1,100 transmission and retransmission devices other than those huge ones you see in major population centres. Many of those have been supported by the former coalition government. Many of those have been supported by municipal councils, community organisations, groups of concerned citizens and individuals to make sure they can get a television service.

The government at no stage has articulated an idea of how it is going to go about addressing those 1,100 transmission and retransmission devices. That is why this third amendment is so important. Where there is a need on a quarterly basis for both houses of parliament to be presented with a report on just how those black spot identification and rectification processes are going, we need to make sure there is at least standard definition television in digital mode available in areas at the same level of coverage and potential reception as those under analog. This discussion about black spots seems to have gone

into the Rudd government's black hole. We have not heard how it plans to tackle this issue when we understand that this is a matter of grave concern for all those who have participated in the coalition's black spot program.

But this is just this particular bill. This is a better bill than it was when it came into the Senate because of those three amendments. This is a bill that seeks to carry forward some of the digital transition preparations put in place by the previous coalition government. This is about amending the legislative framework the coalition put in place. This is about making sure that communities are not left with no television service whatsoever. These are amendments that are perfectly reasonable to make sure that levels of service are publicly known, identified and clear when the government—through the minister—is making decisions about shutting them off.

We talked about the need for a digital action plan, and that was implemented by the coalition. It put in place a number of initiatives to drive the take-up of digital technology, to educate consumers on what it meant and to in turn foster, enhance and drive the rate of digital take-up in Australian homes. Digital technology has been recognised around the world as opening up a whole new world of delicious opportunities. It was Galperin in his piece about the transition to digital TV in the US and Britain who wrote of the transition to digital television as a:

... transition from a world of spectrum scarcity, dumb terminals, and one-way services, to a world of on-demand programming, intelligent terminals, and abundant channels ...

What we do not have is an intelligent minister able to take up the offer that has been put before us. We have a bill that has been improved by the Senate. I seek leave to continue my remarks once we have had the op-

portunity to consider more wisdom from the Senate.

Leave granted; debate adjourned.

SAFE WORK AUSTRALIA BILL 2008

Consideration of Senate Message

Message received from the Senate returning the bill and acquainting the House that the Senate insists upon the amendments disagreed to by the House.

Ordered that the amendments be considered immediately.

Senate's amendments—

- (1) Page 5 (after line 6), after clause 5, insert:

5A Objects

The objects of the establishment of Safe Work Australia are, through a partnership of governments, employers and employees, to lead and coordinate national efforts to:

- (a) prevent workplace death, injury and disease; and
 - (b) harmonise occupational health and safety laws and associated regulations and codes of practice; and
 - (c) improve national worker's compensation arrangements.
- (2) Clause 10, page 9 (lines 10 to 13), omit paragraphs (1)(d) and (e), substitute:
 - (d) 3 members nominated by the Australian Council of Trade Unions;
 - (e) 3 members nominated by the Australian Chamber of Commerce and Industry;
- (3) Clause 15, page 11 (line 16) to page 12 (line 1), omit subclauses (2) to (5), substitute:
 - (2) The Minister can only make the appointment if the person has been nominated for the appointment by the Australian Council of Trade Unions.
- (4) Clause 16, page 12 (lines 8 to 21), omit subclauses (2) to (5), substitute:
 - (2) The Minister can only make the appointment if the person has been nomi-

nated for the appointment by the Australian Chamber of Commerce and Industry.

- (5) Clause 26, page 16 (lines 18 and 19), omit "Division 4 allows the Ministerial Council to direct Safe Work Australia to amend either of the final plans."
- (6) Clause 28, page 17 (line 24) to page 18 (line 24), omit subclauses (2) to (5).
- (7) Clause 28, page 19 (lines 1 to 4), omit subclause (8).
- (8) Clause 30, page 21 (lines 1 to 31), omit subclauses (2) to (5).
- (9) Clause 30, page 22 (lines 8 to 11), omit subclause (8).
- (10) Division 4, clauses 31 and 32, page 23 (line 1) to page 25 (line 27), omit the Division.
- (11) Clause 38, page 28 (lines 21 to 29), omit subclause (2).
- (12) Clause 42, page 31 (lines 15 to 29), omit subclause (2).
- (13) Clause 42, page 31 (line 31), omit "or (2)".
- (14) Clause 42, page 32 (line 7), omit "and subparagraph (2)(a)(i)".
- (15) Clause 43, page 33 (line 13), omit "any direction", substitute "certain directions".
- (16) Clause 45, page 34 (lines 14 to 16), omit paragraph (3)(a).
- (17) Clause 46, page 35 (lines 1 and 2), omit paragraph (1)(a), substitute:
 - (a) about the performance of the CEO's functions but not in relation to operational matters; or
- (18) Clause 46, page 35 (after line 17), at the end of the clause, add:
 - (5) In this section, *operational matters* are matters addressed in the strategic and operational plans of Safe Work Australia.
- (19) Clause 57, page 39 (lines 27 to 29), omit subclause (3).
- (20) Page 45 (after line 9), after clause 67, insert:

67A Audit committee

- (1) Safe Work Australia may establish an audit committee.
- (2) The functions of the audit committee shall be:
 - (a) to receive reports and request information from the CEO on the Safe Work Australia Special Account and the financial management of Safe Work Australia;
 - (b) to make recommendations on the financial management of Safe Work Australia.

Ms GILLARD (Lalor—Acting Prime Minister) (8.54 pm)—I move:

That the bill be laid aside.

The government has taken this unusual step because the Liberal Party has made it clear in dealing with this bill that it will stand in the way of this crucial piece of legislation to enable the harmonisation of occupational health and safety laws in this country. This major reform has been sought by the business community for decades. For decades the business community has called on governments around the nation to work together to achieve uniformity of laws around the country so that, for those businesses that trade interstate—and increasingly in the modern age that is more of them—the occupational health and safety laws they face are the same.

The former government, the Howard government, in office talked a lot about achieving such uniformity in occupational health and safety laws and indeed the former Prime Minister, Mr Howard, dealt with the proposition at one meeting of the Council of Australian Governments. Unfortunately, after that effectively nothing was done by the then Liberal government to deliver uniform occupational health and safety laws. In contrast, this government, which committed itself to this difficult reform task, has been very ac-

tive in the area all year. Most particularly, at the Council of Australian Governments meeting in the middle of the year it secured an historic agreement to move forward with occupational health and safety model laws and model regulations. A process was put in place which has involved the leadership of an expert group by Mr Robin Stewart-Crompton. That group has produced its first report. Its second report is due quite early on in the new year. We were making good progress for a timetable to deliver draft model laws for consideration in May 2009.

At the centre of this new set of arrangements was to be a new body called Safe Work Australia. Safe Work Australia was to replace the ASCC, the current safety body of the federal government, and Safe Work Australia was to be the organisation that would be at the apex of dealing with these new model laws and model regulations. As I have made clear to this parliament on a number of occasions, the composition, operation and, in particular, the membership and voting structure of this new body, Safe Work Australia, were the subject of in-detail negotiations at the Workplace Relations Ministers Council and then at the Council of Australian Governments before the historic COAG deal was signed. As one would expect, in that process ministers from jurisdictions around the nation sat around the table, and they came with different views. People did not walk into that room of one mind; they walked into that room with a variety of views about what this body should look like, what its membership should be and what its voting structure should be. In order to progress the agenda and move towards this historic agreement there was, around the table, give and take. No-one got everything they wanted but everybody got enough of what they wanted for them to say that they would sign the agreement. Such is the nature of intergovernmental negotiations.

I well understand that if the shadow minister for employment and workplace relations had been a government minister he might have gone into that meeting and put a view different on the membership composition and structure that is in the legislation. Had he been a minister representing a government, that would have been his right. But what he would have found if he had gone into that meeting is that, whatever view he started with, in order to get agreement there would have been a bit of give and take and what he walked out of that room with as an agreement would not have been the same as the set of ideas he walked into the room with. Such is the essence of negotiations. So we negotiated through and we delivered this intergovernmental agreement at the Workplace Relations Ministers Council and we delivered it at COAG. I am obligated under the intergovernmental agreement to use my best endeavours to deliver Safe Work Australia in the same terms as the intergovernmental agreement. As I say, there is nothing more pivotal than the membership and the voting structures—nothing more pivotal.

Despite me explaining that on a number of occasions, the Liberal Party has taken the view that it can amend the voting structure, it can amend the membership and it can do a series of other things to this bill and that somehow it does not matter. Well, I have explained time and time again that every bit of unwinding is an offence against the intergovernmental agreement which will require me to go back to the Workplace Relations Ministers Council and to COAG to see if we can reach agreement again. Despite that explanation, and in clear knowledge of the consequences, the Liberal Party in the Senate has once again moved to amend this legislation in a way that renders it inconsistent with the intergovernmental agreement. Consequently I have taken the extraordinary step of moving that the bill be laid aside. That

means that I will go back to the Workplace Relations Ministers Council and to COAG and I will see what, if anything, we can salvage out of this process—and I am not optimistic. I believe the Liberal Party's actions have wrecked and derailed the prospect of having model laws and model rules in this country. I believe they have embarked on that course in full knowledge of the consequences. Whilst we were on a productive path to get the business community the single biggest regulatory reform they want, that productive path has now been knowingly derailed by the Liberal Party.

I anticipate that the shadow minister will say publicly that I could have gone back to workplace relations ministers and put the Liberal amendments and secured agreement. I want to indicate to the House very clearly that I reported to the last Workplace Relations Ministers Council on the proposed amendments, and they were unacceptable to the ministers who met there. I have indicated to the shadow minister in a variety of circumstances that that was the case. So, despite full well knowing that these amendments would derail this process, the Liberal Party has insisted on them. As a result of that, the government will now lay this bill aside. As a result of that, we will go back to the Workplace Relations Ministers Council and COAG and see if we can salvage an occupational health and safety uniform laws process out of this wreckage. But let me indicate very clearly to the members in this House that it is my intention to write tomorrow to the 200 biggest companies in Australia and make it abundantly clear to them what has happened in this House tonight, and I anticipate that those 200 biggest companies will make it abundantly clear to the Liberal Party that it has wrecked, it has spoiled and it has acted against the interests of the business community. Members of the Liberal Party have knowingly operated as economic van-

dals. It is amazing to me that a political party that once put itself before the Australian people on the basis of its economic management credentials could have degenerated to this, but it has. That is why I move that the bill be laid aside.

Mr KEENAN (Stirling) (9.02 pm)—Once again we have the Deputy Prime Minister coming into this House and really gilding the lily on the circumstances of why we find ourselves in this situation. She talks about the Liberal Party moving to amend the Safe Work Australia Bill 2008 in the Senate but, of course, the Liberal Party does not have the numbers in the Senate. In the Senate you need to make an argument and you need to get other people to agree with you. Nobody else in the Senate agreed with the government on Safe Work Australia. Not one other member of the Senate outside of the government parties—not the Greens, not Senator Xenophon, not Senator Fielding; none of them—would agree with the government on Safe Work Australia.

The problem with the Deputy Prime Minister is that she always refuses to engage with senators about their amendments. I offered that in very good faith to her on a number of occasions. Every time the bill came back to this House I was very happy to talk to her about these changes. The changes are relatively minor. But what we find is that, because of the Deputy Prime Minister's intransigence, because of her arrogance, because of her refusal to sit down and talk to the senators about these changes, she is now in this position. We have come to this impasse because of the government's intransigence.

I just want to go through the amendments, because they are relatively sensible. I would like to inform the House again of what they are, because once you look at these amendments you realise that it is an extraordinary

thing for the Deputy Prime Minister just to say, 'I'm not interested in talking to the senators; I insist on having my way.' What is the government's Senate strategy? Is it just going in there and standing over them and saying, 'We insist on having our own way; we're not going to negotiate; we're not going to give you anything'?

Mr Sidebottom interjecting—

Mr KEENAN—That is totally different from what the previous government did with the Senate.

Ms Neal interjecting—

Mr KEENAN—I have, actually. I will not respond to interjections, Mr Deputy Speaker.

The DEPUTY SPEAKER (Hon. BC Scott)—That would be very advisable.

Mr KEENAN—What I would like to put on the record is what these amendments actually do, because they are reasonably simple amendments. Once you look at them you realise that the government is being exceptionally bloody-minded in taking this course of action. Some of these amendments would be problematic for the intergovernmental agreement but some of them would not be. But the Deputy Prime Minister is not prepared to engage; she is far too arrogant to do that. Her idea of negotiation is to just say, 'Look, I insist on having my own way and everyone else can just go and whistle Dixie.'

The amendments outlined the objects of the new body. That is relatively simple, I think you would agree, Mr Deputy Speaker. They restored effective levels of representation to both the employer and the employee representatives. Ultimately, when it comes to occupational health and safety, it is the employers and the employees who you need to be involved. That is the tripartite model that is endorsed by, amongst others, the ACTU—and I will get to them in a minute. The rest of

the amendments introduced balanced voting processes designed to engage the very people in our community who are affected by occupational health and safety laws, and ensured that workers and industry were effectively and ably represented by these peak bodies. They freed the peak bodies from unnecessary ministerial interference and also freed the CEO of this new body from excessive ministerial interference. Finally, they established an audit committee to examine the finances and the expenditure of the new body, Safe Work Australia. None of that, I would have thought, should be particularly problematic for the government, yet they refused to talk to the senators about it, they refused to engage with the opposition, they refused to engage with the Greens and they refused to engage with Senator Xenophon and Senator Fielding. Of course, these amendments were supported by ACCI, amongst others, and, unusually I think when you find an alliance of this type, they were also supported by the ACTU.

I would like to read to the House the press release that the ACTU issued today, 4 December. It is headlined 'Safe Work Bill changes are needed to strengthen workplace health and safety laws'. I will not read the whole thing but I will seek leave to table it. It says:

All politicians should accept the Senate amendments to the Safe Work Bill and allow a swift passage for the legislation, says the ACTU.

The ACTU is not a traditional ally of the Liberal Party, as I am sure you will appreciate. So we find ourselves in this situation because we have a government that are so arrogant they insist on having their own way. They will not engage with the Senate. They will not engage with the opposition, even though we came to them in good faith and asked them to do that. Be the results tonight on your heads.

Question agreed to.

COMMITTEES

Foreign Affairs, Defence and Trade Committee Membership

The DEPUTY SPEAKER (Hon. BC Scott)—Mr Speaker has received a message from the Senate informing the House that Senator Hanson-Young has been appointed a member of the Joint Standing Committee on Foreign Affairs, Defence and Trade.

COAG REFORM FUND BILL 2008

Returned from the Senate

Message received from the Senate returning the bill without amendment or request.

BROADCASTING LEGISLATION AMENDMENT (DIGITAL TELEVISION SWITCH-OVER) BILL 2008

Second Reading

Debate resumed.

Mr BILLSON (Dunkley) (9.08 pm)—As I was saying on the Broadcasting Legislation Amendment (Digital Television Switch-over) Bill 2008, the Rudd government plan is empty in action steps and that is something that concerns the opposition considerably. The former coalition government had a digital action plan and there was a range of key policy initiatives aimed to encourage, enhance and drive the take-up of digital television in Australian homes and in the communities across our vast continent.

You might recall Andrew Townend, a very gifted civil servant of UK heritage who was very involved in the transition to digital over in the United Kingdom. He is a highly respected industry expert and his expertise and experience were recognised and valued by the coalition. We recruited Mr Townend to lead Digital Australia as it worked through the various and, in some cases, complicated issues relating to the changeover. He was

going about that work, collaborating effectively, working with industry, with the broadcasters and with consumer groups and taking account of the interests of the vast in number but largely silent viewers. The national interest and the viewer interest were driving Mr Townend's work and the former government's approach.

You might recall the fiction of Senator Conroy claiming a saving in the lead-up to the budget, when he was going to disband Digital Australia. All he did was replace the business cards. Andy Townend continues to carry out that role. Rather than head of Digital Australia, he is head of the Digital Switchover Taskforce. His functions are pretty much the same and not much has changed. There was a claim of a saving, which was replaced with new spending. Again, that proved completely pointless and was really just theatre—at a time when serious work needed to be done. The bills were considered by the Senate Standing Committee on Environment, Communications and the Arts. I feel we are going to an ad break. I seek leave to continue my remarks on this topic at a later hour this day.

Leave granted; debate adjourned.

ROAD CHARGES LEGISLATION REPEAL AND AMENDMENT BILL 2008

Consideration of Senate Message

Bill returned from the Senate with requests for amendments.

Ordered that the amendments be considered immediately.

Senate's requested amendments—

(1) Page 2 (after line 11), after clause 3, insert:

4 Review of Heavy Vehicle Safety and Productivity Program

- (1) The Minister must cause a review of the Heavy Vehicle Safety and Productivity Program to be conducted.
- (2) The review must:

- (a) start on the third anniversary of the commencement of this section; and
 - (b) be completed within 6 months.
 - (3) The Minister must cause a written report about the review to be prepared.
 - (4) The Minister must cause a copy of the report to be laid before each House of the Parliament within 15 sitting days after the Minister receives the report.
 - (2) Schedule 3, item 1, page 5 (lines 6 to 8), omit the item, substitute:

1 Subsection 43-10(3)

Omit “, determined by the *Transport Minister”, substitute “for the fuel”.

 - (3) Schedule 3, item 3, page 5 (lines 11 and 12), omit the item.
 - (4) Schedule 3, item 4, page 5 (line 15), omit the heading to subsection 43-10(7), substitute:

Determining the rate of road user charge

 - (5) Schedule 3, item 4, page 5 (lines 16 to 18), omit “The **road user charge** for taxable fuel means the following rate (as indexed in accordance with regulations made for the purposes of subsection (8))”, substitute “The amount of road user charge for taxable fuel is worked out using the following rate”.
 - (6) Schedule 3, item 4, page 5 (lines 19 and 20), omit “prescribed by the regulations for the purposes of this definition”, substitute “determined by the *Transport Minister”.
 - (7) Schedule 3, item 4, page 5 (lines 22 and 23), omit “prescribed by the regulations for the purposes of this definition”, substitute “determined by the Transport Minister”.
 - (8) Schedule 3, item 4, page 5 (lines 24 and 25), omit subsection 43-10(8), substitute:
 - (8) For the purposes of subsection (7), the *Transport Minister may determine, by legislative instrument, the rate of the road user charge.
 - (9) Before the *Transport Minister determines an increased rate of road user charge, the Transport Minister must:
 - (a) make the following publicly available for at least 60 days:
 - (i) the proposed increased rate of road user charge;
 - (ii) any information that was relied on in determining the proposed increased rate; and
 - (b) consider any comments received, within the period specified by the Transport Minister, from the public in relation to the proposed increased rate.
 - (10) However, the *Transport Minister may, as a result of considering any comments received from the public in accordance with subsection (9), determine a rate of road user charge that is different from the proposed rate that was made publicly available without making that different rate publicly available in accordance with that subsection.
- (9) Schedule 3, item 4, page 5 (after line 25), at the end of section 43-10, add:
 - (11) In determining the *road user charge, the *Transport Minister must not apply a method for indexing the charge.
- (10) Schedule 3, item 4, page 5 (after line 25), at the end of section 43-10, add:
 - (12) The *Transport Minister must not make more than one determination in a financial year if the effect of the determination would be to increase the *road user charge more than once in that financial year.
- (11) Schedule 3, items 5 to 8, page 5 (line 26) to page 6 (line 8), omit the items.

Mr ALBANESE (Grayndler—Minister for Infrastructure, Transport, Regional Development and Local Government) (9.12 pm)—I move:

That the requested amendments be made.

A number of amendments have been made to the Road Charges Legislation Repeal and Amendment Bill 2008. They go to a number of issues. One would remove the capacity to

index charges by regulation. This was a proposition recommended by the National Transport Commission which would have removed the regular raising of issues in a political way when it came to the road user charge. The second ensures that it will be adjusted by ministerial determination, which would be a disallowable instrument. That will be upon recommendation of the National Transport Commission. The third amendment is to review the \$70 million safety package after three years and to report to the parliament and the fourth is for only one determination per financial year.

This legislation will deliver equity in transport charging. It is important to note that the trucking industry itself has argued that it wants to ensure that it pays its way for infrastructure costs. It is important to recognise that the trucking industry does not pay fuel tax. What it gets is a rebate and this legislation will increase the charge from 19c to 21c. That is the result of a determination by the National Transport Commission, which looks at the costs that have been incurred in building roads and the use by trucks and heavy vehicles of those roads—that is, it is a payment by the trucking industry to recoup the money that has been expended by government. It ensures that there is a level playing field when it comes to the trucking industry compared with rail, shipping and other forms of transport.

In conjunction with this bill, we amended Commonwealth legislation earlier in this parliament to allow for funding for rest stops. As a result of the passage of this legislation, the government will provide \$70 million for rest stops and productivity measures over the forward estimates. We had to amend Commonwealth legislation because the Commonwealth over the previous 12 years did not provide funding for safety and rest stops. This is a major step forward which the Commonwealth and the Rudd government

are prepared to make, even though the amendments to the legislation made by the Senate will result in a significant fall in expected revenue as envisaged by Treasury over the forward estimates. The fact is that this government is one which takes road safety seriously. (*Extension of time granted*). This is the first time that government at the Commonwealth level has taken such action.

It is significant that the determination of the increase in the road user charge was not made by the current government. I give credit where credit is due for the increase in these charges, because the process was begun and overseen by the former Minister for Transport and Regional Services, Leader of the National Party and member for Lyne, Mark Vaile. The increase in the charge completes the process which was begun under the former government—except for the change in recommendation, which would have depoliticised this issue by allowing for indexation. The government moved amendments in the Senate to make sure that we had an absolutely transparent process.

At the Australian Transport Council ministerial meeting back on 29 February this year we agreed to the determination to essentially adopt the former government's position with two exceptions. One of those was that we agreed to delay the starting date for the road user charge increase until 1 January 2009, whereas it was envisaged that it would begin on 1 July this year. We were asked for that by the trucking industry and we complied with that. The second request by the trucking industry was for a safety and productivity package. The government listened to the trucking industry and we put in place a commitment in the budget papers for a \$70 million road safety and productivity package. The government will still pursue that, in spite of the fact that there will be potentially less revenue as a result of the changes that the Senate has made.

This is important legislation. It is important that the trucking industry pays its way, and the industry acknowledges that. It is also important that we take action on the issue of road safety, particularly for the trucking industry, not just for truck drivers and their families but also for other families who are on our roads. In recent times there have been considerable negotiations over this legislation. When these changes were put up, along with the changes to registration that have now been accepted by the Senate, they were opposed by the other place prior to the 1 July changeover. That meant that all the states would have increased their registration charges but that the Commonwealth through either FIRS, the federal scheme, or the ACT, which is covered by the Commonwealth scheme, would have had a lesser charge. I am pleased that that legislation has been approved because opposition to it was, quite frankly, irresponsible and absurd. But this legislation going through does allow for some progress.

I thank the senators who have participated in discussions. (*Extension of time granted*) I thank Senator Nick Xenophon from South Australia, a strong advocate for his state. I thank the Greens, who were constructive in their arguments, particularly on the issue of safety. I thank Senator Fielding for the fact that he was prepared to engage in constructive dialogue. I find it extraordinary that the opposition did not engage more constructively, given that this was essentially legislation that originated under their government in 2007. During the break I think the opposition need to have a real think about their role as a responsible political party, because you cannot go out there and argue about fiscal policy whilst you are prepared to tear holes in budgets and vote against proposals even when they have originated from your own side of politics—and that is what we have seen with this.

I believe the amended legislation is a step forward. I am pleased that the House will adopt the legislation with the Senate amendments and that we can then progress these issues, particularly so that we can progress the issue of improving road safety for the trucking industry.

Mr TRUSS (Wide Bay—Leader of the Nationals) (9.24 pm)—The Road Charges Legislation Repeal and Amendment Bill 2008 introduces another series of Labor taxes—tax rises, new taxes. That is what Labor is about in government. It is part of its \$19 billion tax grab out of the budget. This adds additional costs to every Australian family. The legislation before the House will put up the price of food in every supermarket around the nation. Make no mistake: this is not some isolated slug on the trucking sector that will not have an impact on the economy overall. The reality is that this is a tax increase and it will affect every Australian.

The amendments that the government are putting before the House tonight are basically a rewrite of amendments the coalition moved in this House, so those two amendments will not be opposed by the opposition. However, we did move two other very important amendments to this legislation, amendments that would have put some performance criteria on the government to ensure that they actually deliver on stated commitments to provide road stops and deliver a safety package. We also wanted the government to start delivering on their empty rhetoric about harmonising regulations and laws between the states. Through our amendments we would have guaranteed that there were road stops built with the \$70 million package that is being provided and that, in fact, if they were not built, there would be no further increases. It would put a lock on the government putting in another tax increase. Our proposals would have guaranteed some performance.

States have been promising for years to deliver common regulations and they have failed. In my speech on the second reading I highlighted scores of examples of inefficiencies and unnecessary costs in the system because successive governments have failed to reach agreement on the issue of common standards. Containers have to be two foot shorter in one state than in others and bales a couple of inches narrower. All of this kind of nonsense needs to be stopped. The government, with this legislation, is under no obligation to actually deliver on what it says.

The minister said in his earlier comments that the government had to change the legislation to fund rest stops because the previous government had not funded rest stops. That is simply not true. It is a dishonest statement. The previous government funded many rest stops. If he goes and has a look around he will be able to find them quite easily. There is one in my electorate.

Mr Albanese—Of course there is—under Regional Partnerships!

Mr TRUSS—No, they were not. They were funded under the national highway program. There is one not very far from my own town. There are scores of them across the country. I do not have Fort Street High School in my electorate, which gets all this special treatment. But I do know that there are federally funded rest stops around the country. The amendment was made to the legislation. The minister admitted, when he brought it in, that it was a technical amendment to ensure that expenditure in that regard was covered by the legislation and to clarify any doubt in that regard.

So we will not be opposing these amendments, but we will be opposing the bill in the upper house. This is still a tax increase, and the government has refused to give any commitment to honour its promises. As a result of the Labor Party's unwillingness to

accept our amendment, there is no guarantee that a single rest stop will be built. There is no guarantee that any of the mishmash of state laws will be harmonised. The government is walking away from its responsibility. When those opposite were in opposition they demanded transparency and performance all the time. They were continually demanding that there be transparency in decision making. Now that they are in government they will not have a bar of it. They will not have any performance criteria. They do not want anybody looking over their shoulder.

While we cannot on our own defeat these tax increases in the upper house, what we can do is give the government a guarantee that we will not allow any further increases unless they have actually delivered on the rest stops, unless they have actually delivered on the transport reform. Do not come in here again and ask us to vote for legislation like this unless you have actually delivered on your promises. Frankly, I have no confidence that the government are ever going to deliver on their promises. It has been a year—(*Time expired*)

Mr ALBANESE (Grayndler—Minister for Infrastructure, Transport, Regional Development and Local Government) (9.30 pm)—What an extraordinary performance from the Leader of the National Party.

Mr TRUSS (Wide Bay—Leader of the Nationals) (9.30 pm)—I move:

That the question be now put.

Question put.

The House divided. [9.34 pm]

(The Deputy Speaker—Hon. Peter Slipper)

Ayes.....	45
Noes.....	<u>68</u>
Majority.....	<u>23</u>

AYES

Bailey, F.E.
 Bishop, B.K.
 Chester, D.
 Coulton, M.
 Haase, B.W.
 Hawke, A.
 Hull, K.E. *
 Irons, S.J.
 Keenan, M.
 Ley, S.P.
 Macfarlane, I.E.
 Markus, L.E.
 Mirabella, S.
 Nelson, B.J.
 Pyne, C.
 Robb, A.
 Ruddock, P.M.
 Scott, B.C.
 Simpkins, L.
 Southcott, A.J.
 Truss, W.E.
 Vale, D.S.
 Wood, J.

NOES

Adams, D.G.H.
 Bevis, A.R.
 Bird, S.
 Bradbury, D.J.
 Burke, A.S.
 Campbell, J.
 Cheeseman, D.L.
 Combet, G.
 Danby, M.
 Dreyfus, M.A.
 Ellis, K.
 Ferguson, L.D.T.
 Garrett, P.
 George, J.
 Gray, G.
 Griffin, A.P.
 Hall, J.G. *
 Irwin, J.
 Kerr, D.J.C.
 Macklin, J.L.
 McClelland, R.B.
 Melham, D.
 Neal, B.J.
 O'Connor, B.P.
 Parke, M.
 Plibersek, T.
 Raguse, B.B.

Billson, B.F.
 Briggs, J.E.
 Cobb, J.K.
 Forrest, J.A.
 Hartsuyker, L.
 Hockey, J.B.
 Hunt, G.A.
 Johnson, M.A. *
 Laming, A.
 Lindsay, P.J.
 Marino, N.B.
 May, M.A.
 Morrison, S.J.
 Pearce, C.J.
 Ramsey, R.
 Robert, S.R.
 Schultz, A.
 Secker, P.D.
 Somlyay, A.M.
 Stone, S.N.
 Tuckey, C.W.
 Washer, M.J.

Albanese, A.N.
 Bidgood, J.
 Bowen, C.
 Burke, A.E.
 Butler, M.C.
 Champion, N.
 Clare, J.D.
 D'Ath, Y.M.
 Debus, B.
 Ellis, A.L.
 Emerson, C.A.
 Ferguson, M.J.
 Georganas, S.
 Gibbons, S.W.
 Grierson, S.J.
 Hale, D.F.
 Haynes, C.P. *
 Kelly, M.J.
 Livermore, K.F.
 Marles, R.D.
 McKew, M.
 Murphy, J.
 Neumann, S.K.
 Owens, J.
 Perrett, G.D.
 Price, L.R.S.
 Rea, K.M.

Ripoll, B.F.
 Saffin, J.A.
 Sidebottom, S.
 Sullivan, J.
 Tanner, L.
 Thomson, K.J.
 Turnour, J.P.

Rishworth, A.L.
 Shorten, W.R.
 Snowdon, W.E.
 Symon, M.
 Thomson, C.
 Trevor, C.
 Zappia, A.

PAIRS

Gash, J.
 Moylan, J.E.
 Ciobo, S.M.
 Smith, A.D.H.
 Baldwin, R.C.
 Georgiou, P.
 Hawker, D.P.M.
 Jensen, D.
 Bishop, J.I.

Smith, S.F.
 Vamvakinou, M.
 McMullan, R.F.
 Jackson, S.M.
 King, C.F.
 Fitzgibbon, J.A.
 Elliot, J.
 Roxon, N.L.
 Byrne, A.M.

* denotes teller

Question negated.

Mr ALBANESE (Grayndler—Minister for Infrastructure, Transport, Regional Development and Local Government) (9.40 pm)—Even Cuba was more successful at generational change than the National Party. They went from Fidel to Raul and the National Party have gone from Mark Vaile to Warren Truss—and we just saw evidence there. Of course, this was National Party legislation. In a speech given in June 2007 entitled 'The coalition government's transport reform agenda', the then federal Minister for Transport and Regional Services and Leader of the Nationals said:

The National Transport Commission will develop a new heavy vehicle charges determination to be implemented from 1 July 2008.

The new determination will aim to recover the heavy vehicles' allocated infrastructure costs in total and will also aim to remove cross-subsidisation across heavy vehicle classes.

It is pretty clear where this legislation originated. The government listened to the trucking industry and made changes to the program in the recommendations to the Australian Transport Council meeting held on 29 February. In terms of this legislation, the

Leader of the National Party has told the parliament tonight that they will not vote for any further decreases unless various conditions are met—but they are not voting for these, even though the trucking industry indicates that it wants to pay its own way. This is an important reform. It is significant that for the first time we have engaged with the industry in making changes to allow Commonwealth funding for rest stops. That is about safety for truck drivers and their families and for other families on the road. I commend the amendments to the House.

Question agreed to.

**INTERSTATE ROAD TRANSPORT
CHARGE AMENDMENT BILL (No. 2)
2008**

Returned from the Senate

Message received from the Senate returning the bill without amendment or request.

**BROADCASTING LEGISLATION
AMENDMENT (DIGITAL TELEVISION
SWITCH-OVER) BILL 2008**

Second Reading

Debate resumed.

Mr BILLSON (Dunkley) (9.44 pm)—I will try to pick up where I left off. The coalition government had a rounded and comprehensive plan to support the transition to digital television. Many of my colleagues would remember that fantastic election commitment to establish a dedicated new children's channel on ABC, with an emphasis on educational entertainment content for all ages from preschool through to late teens. That was about providing new content, a reason for people to make the conversion from analog to digital—a new opportunity, a new viewing experience. That is what brings about the kind of change that is needed to see this transition. That funding, an extra \$82 million over four years, was a very important commitment for a new advertising-free channel.

You might also recall the channel A and channel B action. Those initiatives were designed to bring new narrowcast offerings into the marketplace to provide a platform for community television to transition to digital. The current government has decided to step back from that. No-one quite knows what that means. All we know is it is not stepping forward. No-one is really clear on whether channel A and channel B or the spectrum that it represents is still being considered for alternate uses to encourage conversion to digital. More worryingly, community television is wondering where its spectrum is. We have already seen Access 31 in Perth shut down as a result of the uncertainty. They were saying channel surfers in the west, in that great city of Perth, could not pick up Channel 31. They have no digital transmission capability. Their prospects of hooking their wagon along with other community channels to the channel A and channel B process have been lost by this step back by Senator Conroy and they are crying out for some clarity.

What we have before the parliament tonight is a better bill than went to the Senate. It embraces some of the recommendations from the review of the Senate Standing Committee on Environment, Communications and the Arts. One of the main areas they highlighted was an absolute lack of clarity about what an adequate level of take-up was before a switch-over from analog to digital took place. This is when the simulcast would stop, where the only way you could get your free-to-air television was through digital technologies and analog would just black out. Surely it is reasonable to want to know what those benchmarks are, to know how the government is going to achieve those benchmarks and to get some public clarity about whether they are getting nearer or not. Even if just a small percentage of people are not ready for the switch from analog, surely it is reasonable to want to know

just how many tens of thousands of viewers will have no television at all. Surely whether there is a need to vary or to defer or to take other action to bring about a successful transition over to digital is something that is important enough to be publicly canvassed, to be evaluated against an objective set of criteria, to be reported on and to be reflected on. These are perfectly sensible recommendations.

What has happened, though, in the bravado and the bluster in the other place, is that Senator Conroy has completely rejected these recommendations on what I have described as the 'WIJI' basis. 'Well, it just is,' is his argument when there is a debate on content, on policy. However, we saw moments ago some amendments that the government are now going to move in the House. So horrible were these suggestions that they fought tooth and nail against them in the Senate. They rejected outright engaging with the coalition and other parties in the Senate, and now they have come in with some amendments of their own, which have just landed. Some of them mimic the ideas that the opposition had introduced into the Senate. We are having a look at them right now, but how remarkable to completely and flatly refuse them and to put forward what can only be described as more of Conroy's counterfeit logic as to why these things should be rejected, only to bring something that is trying to look like those amendment into this parliament.

Despite what Senator Conroy claims, the coalition's amendments do not in any way move to change or alter switch-over deadlines. Our amendments are designed to save Senator Conroy from himself. Senator Conroy has dreadful form when it comes to meeting his own deadlines. Look at the national broadband network debacle. What a disaster, what a shambolic process that is. And we learnt today that the cost of adminis-

tering that process is twice what is in the appropriations bill. There is a doubling of the amount of money: another \$10 million just to handle a process that was supposed to have selected a tenderer some months ago—and work was supposed to have started today. So the process now costs twice as much to administer without a hole being dug anywhere. This is a process where one of the lead tenderers, Telstra, say they cannot go within a bull's roar of the tender specification and where, if someone else wins it, we are likely to have litigation at 20 feet for as long as you can imagine. That is an example of why we in the opposition need to help Senator Conroy, to save him from himself.

These amendments put in place evaluation criteria, an objective framework upon which a decision to turn analog televisions blank can be determined so that we know what the impact of that switch-off will be on viewers. I commend the bill to the House. I encourage it to embrace the bill as it was embraced by the Senate. I am amused and interested in the government's—I was going to say eleventh hour; it is not quite there yet—last-minute change of heart. It was something it flatly refused, and now it has tried to come up with its own amendments that have some of the language and some of the ideas but leave out some of the critical things that we were aiming for. That has now been dropped in this parliament. We are having a look at that, but at least Senator Conroy has recognised a constructive, a pragmatic, a positive opposition adds value to his processes, because Senator Conroy and shambolic are two words that travel together. I commend the bill to the House.

Mr SIDEBOTTOM (Braddon) (9.50 pm)—Fancy having the other mob, the mob on that side, lecturing us on telecommunications and communications! Talk about waffle and bluster. I bring the House's memory back to the pitiful record on telecommunica-

tions of those opposite. They were going to try to introduce, on the flimsiest of evidence, an out-of-date wireless broadband system that could never work. Under them, the concentration of media ownership in this country was probably second to none. They have an appalling record in that, and they have an appalling record of computers in schools and broadband generally. Then, of course, there is the appalling uptake—which is the reason we are talking about digital switch-over—of digital television in this country. So the member for Dunkley, whom I like a lot—he has a great deal of good swagger and bonhomie and a hell of a lot of bluster and a hell of a lot more waffle—talks about WIJI. Well, the word we are using—and you will be interested in this—is SWAGOnWI, not WIJI.

Mr Bowen—This will be good!

Mr SIDEBOTTOM—That's right. 'Stop the waffle and get on with it'—that is the basis of the Broadcasting Legislation Amendment (Digital Television Switch-over) Bill 2008. We have waited for those opposite to do something about this for ages. Nothing of substance was done. The rollout has been appalling, and you know it. The technical side of the rollout has been appalling, and unless you get on with it with a bit of whip and stick it is never going to happen. So, for all your bluster and all your amendments, nothing was going to change. This bill is crucial to ensuring that the changeover to digital television can be managed sensibly and effectively and ultimately provide a much superior television service to people across the country, both in the cities and in the rural areas.

The television industry is one that I have a long and quite sentimental attachment to, as my dad spent many years—indeed, his whole working life—as a television and radio technician. Indeed, we were blessed to have one of the first televisions in our street, and I re-

member that lots of neighbours used to come and sit with us as we watched the black-and-white test pattern, as some in this House might still remember.

Opposition members interjecting—

Mr SIDEBOTTOM—Indeed. Of course, my dad was part and parcel of the growth of television in Tasmania. So, whereas some people like to look at the birds, the bees and the trees when they go travelling, when I went travelling as a kid I used to—and I still do—look at antennae: where the TV antennae are pointing, what type they are, what type of reception they are picking up and so forth. I do not have my dad's technical skill, but I have this interest when I go and visit people and doorknock—'What's your TV reception like?'—and I try and do a bit of tuning if it is at all possible.

I have also been part of a group which worked to improve the television reception in my home area of Forth through a self-help program which has greatly increased the standard of the television we view in my valley. Our valley village and surrounds have had to rely for many years now on a community translator, community established and owned, to receive TV. The member for Dunkley quite rightly talked about the black spots program, and I congratulate the former government on that program. I wish to see something very similar from this government, and no doubt many of you in regional areas will join with me in wanting to see that happen—all in good time, but let us start rolling out digital television.

The community translator was a result of a battle long fought and was a motivator for me to get elected to the Central Coast Council, my local council, in 1996—which, you will be pleased to know, eventually led me to this place. So there you go. I have had a lot to thank inadequate TV reception for, and I know this bill will go a long way to prevent-

ing others from getting into this place on the same grounds. We have had three versions—I say for your interest, Member for Dunkley—of our transmitter over a decade, and the current one was a result of community funding, council auspices and the federal TV black spot funding. Unfortunately—I have to share this with you—it was a case of one step forward and two steps backwards. When I finally got TV reception for my valley after four years—there was only one person left on the committee, and that was me—and after we finally got it turned on, I sat down and was relieved to watch the programs coming through fairly clearly, and I got a phone call from a neighbouring community that blamed me for ruining their reception, because it affected their district. So you cannot win, and I have never won that community ever since. However, I blame the former federal government for that.

Tasmania, of course, is scheduled to completely switch to digital by mid-2013, and it is incumbent on the commercial channels and public broadcasters to meet this deadline. Hence, we want to get on with it. However, there are a number of community translators in my electorate, such as my own and those in places like Circular Head, Sisters Beach, Gunns Plains, Eugenana and more, which are not the responsibility of the major providers across the country. They will need to be publicly supported to switch over. I have already raised this with the federal Minister for Broadband, Communications and the Digital Economy, Senator Conroy, several times, and I will be relying on the Minister for Finance and Deregulation, at the table, to ensure that there is adequate finance to bring this about.

It is in regional areas like mine that this bill could well have the most benefit, as it will allow the switch-over to better reflect geographic, infrastructure and consumer interests in the local market. It is not a simple

matter of just throwing a switch and, presto, everyone is watching a digital signal. We know that is not the case. Achieving this aim will require careful cooperation among everyone involved, and I do not just mean the government and broadcasters. This must flow down through the regulators and providers of digital television to viewers and electrical and antenna retailers and installers. Everyone will need to play their part, and it would be naive to think that it will be achieved across the country in a short period of time.

My colleague Minister Conroy, so unfairly blackened in his reputation by the former speaker, has likened this changeover to the scale of the change to decimal currency in 1966, but this changeover will be even more difficult to manage because the system for delivery of currency was uniform across the country. You did not have to use a different type of note or coin in one area to what you had to use in another even though they might be only a few kilometres apart. You were also dealing, essentially, with one provider through the government and did not have to consider the vagaries of competition which exist in our television markets. So getting all these different factors and groups to work together for the digital television changeover will be a much more elaborate juggling act. But, contrary to the sentiments expressed by the member for Dunkley, cooperation and consultation have been a hallmark of this legislative process. I refer to the *Bills Digest* of 8 October 2008, because I do not wish to plagiarise. I will read it for the edification of the member for Dunkley. It says:

There appear to have been no recent concerns about this bill raised by relevant interest groups. This may be, as noted, because the measures continue a framework which already acknowledges that conversion to digital will require approaches that recognise the different needs of various re-

gions. This may also be because the government—

As I said—

has sought to address any concerns through consultation with a non-statutory industry advisory group it has established to support its digital transition strategy. Amendments regarding the statutory reviews also only change timing, not their proposed purpose.

Just to reinforce this consultation and cooperation in the drawing up of this legislation, may I name some of the organisations that were consulted and had their say in this legislation. There was ABC Television, SBS Television, the Nine Network, Network Ten, the Seven Network, Free TV Australia, the Regional Broadcasters Association, the Australian Community Television Alliance, the Australian Electrical and Electronic Manufacturers Association, the Australian Subscription Television and Radio Association, the Consumer Electronics Suppliers Association, the Australian Retailers Association, Broadcast Australia, the Australian Communications and Media Authority—is there a tie missing tonight on one of the members?—and the National Community Titles Institute. Goodness gracious! What is happening to the dress standards of this House? There is a member opposite without a coat and tie!

Mr Lindsay—I'll put a shoelace on!

Mr SIDEBOTTOM—You do that. The main aim of this bill is to amend the act to allow a staggered regional digital switch-over to be finished by the end of 2013. At present, the current legislation includes a switch-over date of 31 December 2009 for metropolitan areas and two dates, 31 March and 31 December 2011, for regional areas depending on the licence involved. These switch-over dates—

Opposition members interjecting—

Mr SIDEBOTTOM—Wait for it—you will get the rest of it, although I think we are

going to be interrupted. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

NATION-BUILDING FUNDS BILL 2008

Consideration of Senate Message

Bill returned from the Senate with amendments.

Ordered that the amendment be considered immediately.

Senate's amendments—

- (1) Clause 4, page 5 (after line 29), after the definition of **COAG Reform Fund**, insert:

committee means the Parliamentary Joint Committee on Nation-Building for the time being constituted under Part 2.5A.

committee member means a member of the Parliamentary Joint Committee on Nation-Building.

- (2) Clause 4, page 6 (after line 2), after the definition of **Communications Minister**, insert:

Competitive Neutrality Guidelines means the *Australian Government Competitive Neutrality Guidelines for Managers* contained in Finance Management Guidance No. 9, published by the Department of Finance and Deregulation, as in force from time to time.

- (3) Clause 11, page 15 (lines 10 and 11), omit:

The balance of the Communications Fund is to be transferred to the Building Australia Fund.

- (4) Clause 11, page 16 (lines 12 to 14), omit note 1.
- (5) Clause 14, page 18 (lines 15 to 18), omit notes 1 and 2.
- (6) Clause 14, page 18 (lines 23 to 26), omit subclauses (4) and (5), substitute:
 - (4) A determination under subsection (1) is a legislative instrument.
- (7) Clause 15, page 19 (lines 10 to 12), omit subclause (3), substitute:

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- (3) A determination under subsection (1) is a legislative instrument.
- (8) Clause 16, page 19 (lines 13 to 23), omit the clause.
- (9) Clause 17, page 20 (lines 3 to 5), omit subclause (3), substitute:
- (3) A determination under subsection (1) is a legislative instrument.
- (10) Clause 19, page 23 (lines 1 to 7), omit paragraph (b).
- (11) Clause 19, page 23 (lines 13 to 17), omit paragraph (d).
- (12) Clause 19, page 23 (lines 20 to 22), omit note 2.
- (13) Clause 33, page 32 (line 19) to page 33 (line 9), omit the clause.
- (14) Clause 52, page 46 (lines 26 to 29), omit subclause (2), substitute:
- (2) The Infrastructure Minister must not make a recommendation under subsection (1) in relation to a payment unless Infrastructure Australia has advised under section 116 that:
- (a) the payment satisfies the relevant BAF evaluation criteria; and
- (b) if the payment will result in the creation or development of an asset—the owners of the asset will meet all the whole-of-life asset costs, including operational costs; and
- (c) the payment will not be made in relation to a project that requires the payment of an upfront fee.
- (15) Clause 52, page 47 (after line 7), after subclause (3), insert:
- (3A) If the Infrastructure Minister makes a recommendation under subsection (1) in relation to a payment, the Infrastructure Minister must cause a written statement of reasons for the recommendation to be laid before each House of the Parliament within 9 sitting days of that House.
- (16) Clause 52, page 47 (lines 12 to 15), omit subclause (5), substitute:
- (5) The Communications Minister must not make a recommendation under subsection (4) in relation to a payment unless Infrastructure Australia has advised under section 117 that:
- (a) the payment satisfies the relevant BAF evaluation criteria; and
- (b) if the payment will result in the creation or development of an asset—the owners of the asset will meet all the whole-of-life asset costs, including operational costs; and
- (c) the payment will not be made in relation to a project that requires the payment of an upfront fee.
- (17) Clause 52, page 47 (after line 23), after subclause (6), insert:
- (6A) If the Communications Minister makes a recommendation under subsection (4) in relation to a payment, the Communications Minister must cause a written statement of reasons for the recommendation to be laid before each House of the Parliament within 9 sitting days of that House.
- (18) Clause 52, page 47 (after line 27), after subclause (7), insert:
- (7A) If the Communications Minister makes a recommendation under subsection (7) in relation to a payment, the Communications Minister must cause a written statement of reasons for the recommendation to be laid before each House of the Parliament within 9 sitting days of that House.
- (19) Clause 52, page 48 (lines 1 to 4), omit subclause (9), substitute:
- (9) The Energy Minister must not make a recommendation under subsection (8) in relation to a payment unless Infrastructure Australia has advised under section 118 that:
- (a) the payment satisfies the relevant BAF evaluation criteria; and
- (b) if the payment will result in the creation or development of an as-
-

- set—the owners of the asset will meet all the whole-of-life asset costs, including operational costs; and
- (c) the payment will not be made in relation to a project that requires the payment of an upfront fee.
- (20) Clause 52, page 48 (after line 11), after subclause (10), insert:
- (10A) If the Energy Minister makes a recommendation under subsection (8) in relation to a payment, the Energy Minister must cause a written statement of reasons for the recommendation to be laid before each House of the Parliament within 9 sitting days of that House.
- (21) Clause 52, page 48 (lines 16 to 19), omit subclause (12), substitute:
- (12) The Water Minister must not make a recommendation under subsection (11) in relation to a payment unless Infrastructure Australia has advised under section 119 that:
- (a) the payment satisfies the relevant BAF evaluation criteria; and
- (b) if the payment will result in the creation or development of an asset—the owners of the asset will meet all the whole-of-life asset costs, including operational costs; and
- (c) the payment will not be made in relation to a project that requires the payment of an upfront fee.
- (22) Clause 52, page 48 (after line 26), at the end of the clause, add:
- (14) If the Water Minister makes a recommendation under subsection (11) in relation to a payment, the Water Minister must cause a written statement of reasons for the recommendation to be laid before each House of the Parliament within 9 sitting days of that House.
- (23) Clause 64, page 55 (lines 14 to 17), omit subclause (2), substitute:
- (2) The Infrastructure Minister must not make a recommendation under subsection (1) in relation to a payment unless Infrastructure Australia has advised under section 116 that:
- (a) the payment satisfies the relevant BAF evaluation criteria; and
- (b) if the payment will result in the creation or development of an asset—the owners of the asset will meet all the whole-of-life asset costs, including operational costs; and
- (c) the payment will not be made in relation to a project that requires the payment of an upfront fee.
- (24) Clause 64, page 55 (after line 24), at the end of the clause, add:
- (4) If the Infrastructure Minister makes a recommendation under subsection (1) in relation to a payment, the Infrastructure Minister must cause a written statement of reasons for the recommendation to be laid before each House of the Parliament within 9 sitting days of that House.
- (25) Clause 71, page 59 (lines 27 to 30), omit subclause (2), substitute:
- (2) The Communications Minister must not make a recommendation under subsection (1) in relation to a payment unless Infrastructure Australia has advised under section 117 that:
- (a) the payment satisfies the relevant BAF evaluation criteria; and
- (b) if the payment will result in the creation or development of an asset—the owners of the asset will meet all the whole-of-life asset costs, including operational costs; and
- (c) the payment will not be made in relation to a project that requires the payment of an upfront fee.
- (26) Clause 71, page 60 (after line 8), after subclause (3), insert:
- (3A) If the Communications Minister makes a recommendation under subsection (1) in relation to a payment, the Communi-

- cations Minister must cause a written statement of reasons for the recommendation to be laid before each House of the Parliament within 9 sitting days of that House.
- (27) Clause 78, page 63 (lines 13 to 16), omit subclause (2), substitute:
- (2) The Energy Minister must not make a recommendation under subsection (1) in relation to a payment unless Infrastructure Australia has advised under section 118 that:
- (a) the payment satisfies the relevant BAF evaluation criteria; and
- (b) if the payment will result in the creation or development of an asset—the owners of the asset will meet all the whole-of-life asset costs, including operational costs; and
- (c) the payment will not be made in relation to a project that requires the payment of an upfront fee.
- (28) Clause 78, page 63 (after line 23), at the end of the clause, add:
- (4) If the Energy Minister makes a recommendation under subsection (1) in relation to a payment, the Energy Minister must cause a written statement of reasons for the recommendation to be laid before each House of the Parliament within 9 sitting days of that House.
- (29) Clause 85, page 67 (lines 13 to 16), omit subclause (2), substitute:
- (2) The Water Minister must not make a recommendation under subsection (1) in relation to a payment unless Infrastructure Australia has advised under section 119 that:
- (a) the payment satisfies the relevant BAF evaluation criteria; and
- (b) if the payment will result in the creation or development of an asset—the owners of the asset will meet all the whole-of-life asset costs, including operational costs; and
- (c) the payment will not be made in relation to a project that requires the payment of an upfront fee.
- (30) Clause 85, page 67 (after line 23), at the end of the clause, add:
- (4) If the Water Minister makes a recommendation under subsection (1) in relation to a payment, the Water Minister must cause a written statement of reasons for the recommendation to be laid before each House of the Parliament within 9 sitting days of that House.
- (31) Clause 90, page 71 (lines 6 to 9), omit subclause (2), substitute:
- (2) The Infrastructure Minister must not make a recommendation under subsection (1) in relation to a grant unless Infrastructure Australia has advised under section 116 that:
- (a) the grant satisfies the relevant BAF evaluation criteria; and
- (b) if the grant will result in the creation or development of an asset—the owners of the asset will meet all the whole-of-life asset costs, including operational costs; and
- (c) the grant will not be made in relation to a project that requires the payment of an upfront fee.
- (32) Clause 90, page 71 (after line 16), at the end of the clause, add:
- (4) If the Infrastructure Minister makes a recommendation under subsection (1) in relation to a payment, the Infrastructure Minister must cause a written statement of reasons for the recommendation to be laid before each House of the Parliament within 9 sitting days of that House.
- (33) Clause 95, page 74 (lines 9 to 12), omit subclause (2), substitute:
- (2) The Communications Minister must not make a recommendation under subsection (1) in relation to a grant unless Infrastructure Australia has advised under section 117 that:

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- (a) the grant satisfies the relevant BAF evaluation criteria; and
- (b) if the grant will result in the creation or development of an asset—the owners of the asset will meet all the whole-of-life asset costs, including operational costs; and
- (c) the grant will not be made in relation to a project that requires the payment of an upfront fee.
- (34) Clause 95, page 74 (after line 19), at the end of the clause, add:
- (4) If the Communications Minister makes a recommendation under subsection (1) in relation to a payment, the Communications Minister must cause a written statement of reasons for the recommendation to be laid before each House of the Parliament within 9 sitting days of that House.
- (35) Clause 100, page 77 (lines 15 to 18), omit subclause (2), substitute:
- (2) The Energy Minister must not make a recommendation under subsection (1) in relation to a grant unless Infrastructure Australia has advised under section 118 that:
- (a) the grant satisfies the relevant BAF evaluation criteria; and
- (b) if the grant will result in the creation or development of an asset—the owners of the asset will meet all the whole-of-life asset costs, including operational costs; and
- (c) the grant will not be made in relation to a project that requires the payment of an upfront fee.
- (36) Clause 100, page 77 (after line 25), at the end of the clause, add:
- (4) If the Energy Minister makes a recommendation under subsection (1) in relation to a payment, the Energy Minister must cause a written statement of reasons for the recommendation to be laid before each House of the Parliament within 9 sitting days of that House.
- (37) Clause 105, page 80 (lines 19 to 22), omit subclause (2), substitute:
- (2) The Water Minister must not make a recommendation under subsection (1) in relation to a grant unless Infrastructure Australia has advised under section 119 that:
- (a) the grant satisfies the relevant BAF evaluation criteria; and
- (b) if the grant will result in the creation or development of an asset—the owners of the asset will meet all the whole-of-life asset costs, including operational costs; and
- (c) the grant will not be made in relation to a project that requires the payment of an upfront fee.
- (38) Clause 105, page 80 (after line 29), at the end of the clause, add:
- (4) If the Water Minister makes a recommendation under subsection (1) in relation to a payment, the Water Minister must cause a written statement of reasons for the recommendation to be laid before each House of the Parliament within 9 sitting days of that House.
- (39) Page 90 (after line 22), after Part 2.5, insert:
- PART 2.5A—PARLIAMENTARY JOINT COMMITTEE ON NATION-BUILDING**
- 115A Parliamentary Joint Committee on Nation-Building**
- (1) As soon as practicable after the commencement of the first session of each Parliament, a joint committee of members of the Parliament to be known as the Parliamentary Joint Committee on Nation-Building is to be appointed according to the practice of the Parliament with reference to the appointment of members to serve on joint select committees of both Houses of the Parliament.
- (2) The committee must consist of 12 committee members, namely, 6 members of the Senate appointed by the Senate, at least one of whom is to be nominated by any minority group or
-

groups or independent senator or independent senators, and 6 members of the House of Representatives appointed by that House, provided that there must not be more than 5 committee members in total from either the Government or the Opposition.

- (3) A member of the Parliament is not eligible for appointment as a committee member if he or she is:
- (a) a Minister;
 - (b) the President of the Senate;
 - (c) the Speaker of the House of Representatives; or
 - (d) the Deputy-President and Chairman of Committees of the Senate or the Chairman of Committees of the House of Representatives.
- (4) A committee member ceases to hold office:
- (a) when the House of Representatives expires by effluxion of time or is dissolved;
 - (b) if he or she becomes the holder of an office specified in any of the paragraphs of subsection (3);
 - (c) if he or she ceases to be a member of the House of the Parliament by which he or she was appointed; or
 - (d) if he or she resigns his or her office as provided by subsection (5) or (6).
- (5) A committee member appointed by the Senate may resign his or her office by writing signed by him or her and delivered to the President of the Senate.
- (6) A committee member appointed by the House of Representatives may resign his or her office by writing signed by him or her and delivered to the Speaker of that House.
- (7) Either House of the Parliament may appoint one of its members to fill a vacancy amongst the committee members appointed by that House.

115B Powers and proceedings of the committee

All matters relating to the powers and proceedings of the committee must be determined by resolution of both Houses of the Parliament.

115C Duties of the committee

The duties of the Committee are:

- (a) to consider Infrastructure Australia advice that is referred to the committee under section 119B;
- (b) to consider EIF Advisory Board advice that is referred to the committee under section 171A;
- (c) to consider HHF Advisory Board advice that is referred to the committee under section 246A;
- (d) to consider relevant Ministers' statements of reasons;
- (e) to report to both Houses of the Parliament, with such comments as it thinks fit, on any advice referred to it under paragraph (a), (b) or (c), and on any matter appertaining to or connected with that advice to which, in the opinion of the committee, the attention of the Parliament should be directed;
- (f) to examine each annual report on Infrastructure Australia and report to the Parliament on any matter appearing in, or arising out of, any such annual report;
- (g) to examine trends and changes in infrastructure provision and provision of education, health and hospital services and report to both Houses of the Parliament any change which the committee thinks desirable to:
 - (i) the functions, structure and operations of Infrastructure Australia, the EIF Advisory Board or the HHF Advisory Board; or
 - (ii) the operation of the Building Australia Fund, the Education Investment Fund or the Health and Hospitals Fund;

- (h) to inquire into any question in connection with its duties that is referred to it by either House of the Parliament, and to report to that House upon that question.
- (40) Clause 116, page 91 (lines 11 and 12), omit subclause (2), substitute:
- (2) In giving advice under subsection (1), Infrastructure Australia must:
- (a) apply the BAF evaluation criteria; and
 - (b) apply the Competitive Neutrality Guidelines, if applicable; and
 - (c) if the payment will result in the creation or development of an asset—take into account whether the owners of the asset will meet all the whole-of-life asset costs, including operational costs; and
 - (d) take into account whether or not the project will require the payment of an upfront fee.
- (41) Clause 117, page 91 (lines 23 and 24), omit subclause (2), substitute:
- (2) In giving advice under subsection (1), Infrastructure Australia must:
- (a) apply the BAF evaluation criteria; and
 - (b) apply the Competitive Neutrality Guidelines, if applicable; and
 - (c) if the payment will result in the creation or development of an asset—take into account whether or not the owner or owners of the asset will pay the whole-of-life costs; and
 - (d) take into account whether or not the project will require the payment of an upfront fee.
- (42) Clause 118, page 92 (lines 11 and 12), omit subclause (2), substitute:
- (2) In giving advice under subsection (1), Infrastructure Australia must:
- (a) apply the BAF evaluation criteria; and
 - (b) apply the Competitive Neutrality Guidelines, if applicable; and
- (c) if the payment will result in the creation or development of an asset—take into account whether or not the owner or owners of the asset will pay the whole-of-life costs; and
- (d) take into account whether or not the project will require the payment of an upfront fee.
- (43) Clause 119, page 92 (lines 27 and 28), omit subclause (2), substitute:
- (2) In giving advice under subsection (1), Infrastructure Australia must:
- (a) apply the BAF evaluation criteria; and
 - (b) apply the Competitive Neutrality Guidelines, if applicable; and
 - (c) if the payment will result in the creation or development of an asset—take into account whether or not the owner or owners of the asset will pay the whole-of-life costs; and
 - (d) take into account whether or not the project will require the payment of an upfront fee.
- (44) Page 93 (after line 4), after clause 119, insert:
- 119A Infrastructure Australia advice to be tabled**
- On receiving any advice prepared by Infrastructure Australia under subsection 116(1), 117(1), 118(1) or 119(1), the relevant Minister must cause a copy of the advice to be laid before each House of the Parliament within 3 sitting days of that House after the day on which he or she receives the advice.
- (45) Page 93 (after line 4), after clause 119, insert:
- 119B Reference of advice of Infrastructure Australia to the Parliamentary Joint Committee on Nation-Building**
- (1) If Infrastructure Australia provides advice in accordance with subsection 116(1), 117(1), 118(1) or 119(1) in support of infrastructure the estimated cost of which exceeds the threshold

- amount, the advice and any document it considered when formulating that advice stands referred to the Parliamentary Joint Committee on Nation-Building for consideration and report.
- (2) If Infrastructure Australia provides advice in accordance with subsection 116(1), 117(1), 118(1) or 119(1) in support of infrastructure the estimated cost of which does not exceed the threshold amount, the advice and any document it considered when formulating that advice must be provided to the Parliamentary Joint Committee on Nation-Building.
- (3) On receiving the advice of Infrastructure Australia in support of infrastructure the estimated cost of which exceeds the threshold amount, the Minister must cause a copy of the advice to be laid before each House of the Parliament within 3 sitting days of that House after the day on which the Minister receives the advice, together with such plans, specifications and other particulars as the Minister thinks necessary.
- (4) Development of infrastructure which is the subject of advice that has been referred to the committee in accordance with this section must not commence before a report of the committee concerning the work has been presented to both Houses of the Parliament.
- (5) If, after a report of the committee in accordance with subsection (1) has been presented to both Houses of the Parliament and before the development of the infrastructure has commenced, each House resolves that, for reasons or purposes stated in the resolution, the advice of Infrastructure Australia is again referred to the committee for consideration and report, the committee must further consider the advice and the development of the infrastructure must not commence before a further report of the committee concerning the advice has been presented to both Houses.
- (6) In this section:
- estimated cost*, in relation to the development of infrastructure, means an estimate of cost made when all the particulars of the development of the infrastructure substantially affecting its cost have been determined and includes the life-cycle costs of the infrastructure.
- threshold amount* means:
- (a) \$50,000,000; or
- (b) if another lower amount is specified in the regulations for the purposes of this definition—that other amount.
- (46) Clause 133, page 103 (lines 22 to 25), omit subclauses (4) and (5), substitute:
- (4) A determination under subsection (1) is a legislative instrument.
- (47) Clause 134, page 104 (lines 8 to 10), omit subclause (3), substitute:
- (3) A determination under subsection (1) is a legislative instrument.
- (48) Clause 171, page 132 (lines 20 and 21), omit subclause (4), substitute:
- (4) In giving advice under paragraph (1)(a) or (b), the EIF Advisory Board must:
- (a) apply the EIF evaluation criteria; and
- (b) apply the Competitive Neutrality Guidelines, if applicable; and
- (c) if the payment will result in the creation or development of an asset—take into account whether or not the owner or owners of the asset will pay the whole-of-life costs; and
- (d) take into account whether or not the project will require the payment of an upfront fee.
- (49) Clause 171, page 132 (after line 21), after subclause (4), insert:
- (4A) On receiving any advice prepared by the EIF Advisory Board under subsection (1) or (6), the relevant Minister must cause a copy of the advice to be

laid before each House of the Parliament within 3 sitting days of that House after the day on which he or she receives the advice.

- (50) Page 133 (after line 7), after clause 171, insert:

171A Reference of advice of EIF Board to the Parliamentary Joint Committee on Nation-Building

- (1) If the EIF Advisory Board provides advice in accordance with subsection 171(1) or (6) in support of infrastructure the estimated cost of which exceeds the threshold amount, the advice and any document it considered when formulating that advice stands referred to the Parliamentary Joint Committee on Nation-Building for consideration and report.
 - (2) If the EIF Advisory Board provides advice in accordance with subsection 171(1) or (6) in support of infrastructure the estimated cost of which does not exceed the threshold amount, the advice and any document it considered when formulating that advice must be provided to the Parliamentary Joint Committee on Nation-Building.
 - (3) On receiving the advice of the EIF Advisory Board in support of infrastructure the estimated cost of which exceeds the threshold amount, the Minister must cause a copy of the advice to be laid before each House of the Parliament within 3 sitting days of that House after the day on which the Minister receives the advice, together with such plans, specifications and other particulars as the Minister thinks necessary.
 - (4) Development of infrastructure which is the subject of advice that has been referred to the committee in accordance with this section must not commence before a report of the committee concerning the work has been presented to both Houses of the Parliament.
 - (5) If, after a report of the committee in accordance with subsection (1) has been presented to both Houses of the Parliament and before the development of the infrastructure has commenced, each House resolves that, for reasons or purposes stated in the resolution, the advice of the EIF Advisory Board is again referred to the committee for consideration and report, the committee must further consider the advice and the development of the infrastructure must not commence before a further report of the committee concerning the advice has been presented to both Houses.
 - (6) In this section:
 - estimated cost*, in relation to the development of infrastructure, means an estimate of cost made when all the particulars of the development of the infrastructure substantially affecting its cost have been determined and includes the life-cycle costs of the infrastructure.
 - threshold amount* means:
 - (a) \$50,000,000; or
 - (b) if another lower amount is specified in the regulations for the purposes of this definition—that other amount.
- (51) Clause 177, page 135 (line 27) to page 136 (line 2), omit subclause (2), substitute:
- (2) The Education Minister must not make a recommendation under subsection (1) in relation to a payment unless the EIF Advisory Board has advised under paragraph 171(1)(a) that:
 - (a) the payment satisfies the relevant EIF evaluation criteria; and
 - (b) if the payment will result in the creation or development of an asset—the owners of the asset will meet all the whole-of-life asset costs, including operational costs; and
 - (c) the payment will not be made in relation to a project that requires the payment of an upfront fee.

- (52) Clause 177, page 136 (after line 10), after subclause (3), insert:
- (3A) If the Education Minister makes a recommendation under subsection (1) in relation to a payment, the Education Minister must cause a written statement of reasons for the recommendation to be laid before each House of the Parliament within 9 sitting days of that House.
- (53) Clause 177, page 136 (lines 15 to 18), omit subclause (5), substitute:
- (5) The Research Minister must not make a recommendation under subsection (4) in relation to a payment unless the EIF Advisory Board has advised under paragraph 171(1)(b) that:
- (a) the payment satisfies the relevant EIF evaluation criteria; and
- (b) if the payment will result in the creation or development of an asset—the owners of the asset will meet all the whole-of-life asset costs, including operational costs; and
- (c) the payment will not be made in relation to a project that requires the payment of an upfront fee.
- (54) Clause 177, page 136 (after line 26), after subclause (6), insert:
- (6A) If the Research Minister makes a recommendation under subsection (4) in relation to a payment, the Research Minister must cause a written statement of reasons for the recommendation to be laid before each House of the Parliament within 9 sitting days of that House.
- (55) Clause 177, page 136 (line 31) to page 137 (line 2), omit subclause (8), substitute:
- (8) The EIF designated Ministers must not make a recommendation under subsection (7) in relation to a payment unless the EIF Advisory Board has:
- (a) given advice under subsection 171(6) about the payment; and
- (b) if the payment will result in the creation or development of an asset—advised that the owners of the asset will meet all the whole-of-life asset costs, including operational costs; and
- (c) advised that the payment will not be made in relation to a project that requires the payment of an upfront fee.
- (56) Clause 177, page 137 (after line 10), at the end of the clause, add:
- (10) If the EIF designated Ministers make a recommendation under subsection (7) in relation to a payment, the EIF designated Ministers must cause a written statement of reasons for the recommendation to be laid before each House of the Parliament within 9 sitting days of that House.
- (57) Clause 184, page 141 (lines 9 to 12), omit subclause (2), substitute:
- (2) The Education Minister must not make a recommendation under subsection (1) in relation to a payment unless the EIF Advisory Board has advised under paragraph 171(1)(a) that:
- (a) the payment satisfies the relevant EIF evaluation criteria; and
- (b) if the payment will result in the creation or development of an asset—the owners of the asset will meet all the whole-of-life asset costs, including operational costs; and
- (c) the payment will not be made in relation to a project that requires the payment of an upfront fee.
- (58) Clause 184, page 141 (after line 20), after subclause (3), insert:
- (3A) If the Education Minister makes a recommendation under subsection (1) in relation to a payment, the Education Minister must cause a written statement of reasons for the recommendation to be laid before each House of the Par-

- liament within 9 sitting days of that House.
- (59) Clause 184, page 141 (lines 25 to 28), omit subclause (5), substitute:
- (5) The EIF designated Ministers must not make a recommendation under subsection (4) in relation to a payment unless the EIF Advisory Board has:
- (a) given advice under subsection 171(6) about the payment; and
- (b) if the payment will result in the creation or development of an asset—advised that the owners of the asset will meet all the whole-of-life asset costs, including operational costs; and
- (c) advised that the payment will not be made in relation to a project that requires the payment of an upfront fee.
- (60) Clause 184, page 142 (after line 2), at the end of the clause, add:
- (7) If the EIF designated Ministers make a recommendation under subsection (4) in relation to a payment, the EIF designated Ministers must cause a written statement of reasons for the recommendation to be laid before each House of the Parliament within 9 sitting days of that House.
- (61) Clause 191, page 145 (lines 22 to 25), omit subclause (2), substitute:
- (2) The Research Minister must not make a recommendation under subsection (1) in relation to a payment unless the EIF Advisory Board has advised under paragraph 171(1)(b) that:
- (a) the payment satisfies the relevant EIF evaluation criteria; and
- (b) if the payment will result in the creation or development of an asset—the owners of the asset will meet all the whole-of-life asset costs, including operational costs; and
- (c) the payment will not be made in relation to a project that requires the payment of an upfront fee.
- (62) Clause 191, page 146 (after line 2), after subclause (3), insert:
- (3A) If the Research Minister makes a recommendation under subsection (1) in relation to a payment, the Research Minister must cause a written statement of reasons for the recommendation to be laid before each House of the Parliament within 9 sitting days of that House.
- (63) Clause 191, page 146 (lines 7 to 10), omit subclause (5), substitute:
- (5) The EIF designated Ministers must not make a recommendation under subsection (4) in relation to a payment unless the EIF Advisory Board has:
- (a) given advice under subsection 171(6) about the payment; and
- (b) if the payment will result in the creation or development of an asset—advised that the owners of the asset will meet all the whole-of-life asset costs, including operational costs; and
- (c) advised that the payment will not be made in relation to a project that requires the payment of an upfront fee.
- (64) Clause 191, page 146 (after line 18), at the end of the clause, add:
- (7) If the EIF designated Ministers make a recommendation under subsection (4) in relation to a payment, the EIF designated Ministers must cause a written statement of reasons for the recommendation to be laid before each House of the Parliament within 9 sitting days of that House.
- (65) Clause 195, page 149 (lines 5 to 8), omit subclause (2), substitute:
- (2) The Education Minister must not make a recommendation under subsection (1) in relation to a grant unless the EIF

Advisory Board has advised under paragraph 171(1)(a) that:

- (a) the grant satisfies the relevant EIF evaluation criteria; and
 - (b) if the grant will result in the creation or development of an asset—the owners of the asset will meet all the whole-of-life asset costs, including operational costs; and
 - (c) the grant will not be made in relation to a project that requires the payment of an upfront fee.
- (66) Clause 195, page 149 (after line 16), at the end of the clause, add:
- (4) If the Education Minister makes a recommendation under subsection (1) in relation to a payment, the Education Minister must cause a written statement of reasons for the recommendation to be laid before each House of the Parliament within 9 sitting days of that House.
- (67) Clause 216, page 164 (lines 17 to 20), omit subclauses (4) and (5), substitute:
- (4) A determination under subsection (1) is a legislative instrument.
- (68) Clause 217, page 165 (lines 3 to 5), omit subclause (3), substitute:
- (3) A determination under subsection (1) is a legislative instrument.
- (69) Clause 246, page 186 (lines 7 and 8), omit subclause (2), substitute:
- (2) In giving advice under paragraph (1)(a), the HHF Advisory Board must:
 - (a) apply the HHF evaluation criteria; and
 - (b) apply the Competitive Neutrality Guidelines, if applicable; and
 - (c) if the payment will result in the creation or development of an asset—take into account whether or not the owner or owners of the asset will pay the whole-of-life costs; and
 - (d) take into account whether or not the project will require the payment of an upfront fee.
- (70) Clause 246, page 186 (after line 8), at the end of the clause, add:
- (3) On receiving any advice prepared by the HHF Advisory Board under subsection (1), the Health Minister must cause a copy of the advice to be laid before each House of the Parliament within 3 sitting days of that House after the day on which he or she receives the advice.
- (71) Page 186 (after line 8), after clause 246, insert:
- 246A Reference of advice of HHF Board to the Parliamentary Joint Committee on Nation-Building**
- (1) If the HHF Advisory Board provides advice in accordance with subsection 246(1) in support of infrastructure the estimated cost of which exceeds the threshold amount, the advice and any document it considered when formulating that advice stands referred to the Parliamentary Joint Committee on Nation-Building for consideration and report.
 - (2) If the HHF Advisory Board provides advice in accordance with subsection 246(1) in support of infrastructure the estimated cost of which does not exceed the threshold amount, the advice and any document it considered when formulating that advice must be provided to the Parliamentary Joint Committee on Nation-Building.
 - (3) On receiving the advice of the HHF Advisory Board in support of infrastructure the estimated cost of which exceeds the threshold amount, the Minister must cause a copy of the advice to be laid before each House of the Parliament within 3 sitting days of that House after the day on which the Minister receives the advice, together with such plans, specifications and other particulars as the Minister thinks necessary.

- (4) Development of infrastructure which is the subject of advice that has been referred to the committee in accordance with this section must not commence before a report of the committee concerning the work has been presented to both Houses of the Parliament.
- (5) If, after a report of the committee in accordance with subsection (1) has been presented to both Houses of the Parliament and before the development of the infrastructure has commenced, each House resolves that, for reasons or purposes stated in the resolution, the advice of the HHF Advisory Board is again referred to the committee for consideration and report, the committee must further consider the advice and the development of the infrastructure must not commence before a further report of the committee concerning the advice has been presented to both Houses.
- (6) In this section:
estimated cost, in relation to the development of infrastructure, means an estimate of cost made when all the particulars of the development of the infrastructure substantially affecting its cost have been determined and includes the life-cycle costs of the infrastructure.
threshold amount means:
 (a) \$50,000,000; or
 (b) if another lower amount is specified in the regulations for the purposes of this definition—that other amount.
- (72) Clause 252, page 188 (lines 13 to 16), omit subclause (2), substitute:
 (2) The Health Minister must not make a recommendation under subsection (1) in relation to a payment unless the HHF Advisory Board has advised under paragraph 246(1)(a) that:
 (a) the payment satisfies the relevant HHF evaluation criteria; and
 (b) if the payment will result in the creation or development of an asset—the owners of the asset will meet all the whole-of-life asset costs, including operational costs; and
 (c) the payment will not be made in relation to a project that requires the payment of an upfront fee.
- (73) Clause 252, page 188 (after line 24), at the end of the clause, add:
 (4) If the Health Minister makes a recommendation under subsection (1) in relation to a payment, the Health Minister must cause a written statement of reasons for the recommendation to be laid before each House of the Parliament within 9 sitting days of that House.
- (74) Clause 258, page 191 (lines 12 to 15), omit subclause (2), substitute:
 (2) The Health Minister must not make a recommendation under subsection (1) in relation to a payment unless the HHF Advisory Board has advised under paragraph 246(1)(a) that:
 (a) the payment satisfies the relevant HHF evaluation criteria; and
 (b) if the payment will result in the creation or development of an asset—the owners of the asset will meet all the whole-of-life asset costs, including operational costs; and
 (c) the payment will not be made in relation to a project that requires the payment of an upfront fee.
- (75) Clause 258, page 191 (after line 23), at the end of the clause, add:
 (4) If the Health Minister makes a recommendation under subsection (1) in relation to a payment, the Health Minister must cause a written statement of reasons for the recommendation to be laid before each House of the Parliament within 9 sitting days of that House.
- (76) Clause 263, page 194 (line 29) to page 195 (line 2), omit subclause (2), substitute:
 (2) The Health Minister must not make a recommendation under subsection (1)

in relation to a grant unless the HHF Advisory Board has advised under paragraph 246(1)(a) that:

- (a) the grant satisfies the relevant HHF evaluation criteria; and
- (b) if the grant will result in the creation or development of an asset—the owners of the asset will meet all the whole-of-life asset costs, including operational costs; and
- (c) the grant will not be made in relation to a project that requires the payment of an upfront fee.

(77) Clause 263, page 195 (after line 9), at the end of the clause, add:

- (4) If the Health Minister makes a recommendation under subsection (1) in relation to a payment, the Health Minister must cause a written statement of reasons for the recommendation to be laid before each House of the Parliament within 9 sitting days of that House.

(78) Page 204 (after line 9), at the end of the bill, add:

Schedule 1—Amendment of other Acts
Infrastructure Australia Act 2008

1 At the end of section 5

Add:

- (6) On receiving any advice or other document prepared by Infrastructure Australia under subsection (1) or (2), the Minister must cause a copy of the advice or other document, as the case may be, to be laid before each House of the Parliament within 3 sitting days of that House after the day on which the Minister receives the advice or other document, as the case may be.

Mr TANNER (Melbourne—Minister for Finance and Deregulation) (10.03 pm)—I move:

That the amendments be disagreed to.

We have heard the word ‘infrastructure’ pass Liberal lips more times in the past day than we have in the past decade and it has taken a

Labor government to pursue its nation-building funds legislation in order to bring about that outcome. We have had a decade or more of neglect by the former government, of ignoring one of the nation’s fundamental economic problems, and the Rudd government is committed to not only redressing the problems that arise from that but also investing for the future in the productivity-generating, job-generating infrastructure that is so crucial to the nation’s economy. The government has resolved to vote against all the amendments that have been passed by the Senate, and I will present the reasons for that in due course.

Mr ROBB (Goldstein) (10.04 pm)—The coalition are very strong believers in infrastructure. That is why we want to improve the Nation-building Funds Bill 2008 and why we have sought with others in the Senate, apart from the government members, to have overwhelming support for a number of major improvements. Our intention was to move amendments that had been advanced in good faith to improve this bill. We have been concerned, and we have made this concern known for a long time, that these funds, these critical billions of dollars of taxpayer funds, could end up being used as a slush fund to bail out failed Labor states. We have got to do things which can preclude that.

Our concern about that was exacerbated by the fact that the Minister for Finance and Deregulation pulled this bill at short notice some weeks ago because of his concern that the Minister for Infrastructure, Transport, Regional Development and Local Government had sought too much discretion. Clearly, the minister for finance lost that battle and we saw the bill that we have got in front of us. We need a number of improvements to provide transparency to this bill. It is quite critical that we get a situation where a joint standing committee on nation building can sit and look at all of the workings

and the many recommendations that have come from Infrastructure Australia and the benefit cost analyses.

This is a government whose members have now for some two years told us endlessly about the importance of transparency and accountability. Every day those opposite are on their feet. Now they have got an opportunity to have transparency and accountability. In fact, it was the Prime Minister who said in an answer to me in the House on Monday:

... every family and every community group in the country has, frankly, had a gutful. They want ... transparency and they want to know what is actually being delivered by virtue of the taxpayer dollars, which are being invested.

We agree 100 per cent. That is the thrust of these amendments. It will be hypocrisy in the extreme if the government does not support these amendments. The quality of debate by Senator Sherry in the other place was absolutely appalling. It was embarrassing, it was hollow, it was shallow and it was hypocritical. He had no defence to the arguments and the amendments that have been put forward by all of those in the Senate other than the government members. These amendments are quite critical. We cannot have a situation where a state government—or any other government, for that matter—requires an upfront fee and compromises the bill.

We are also keen to see the Communications Fund do what it was intended to do. In good faith, some time ago, the coalition put into a fund in perpetuity some \$2 billion. This has been overridden by this government, and the Senate has approved the retention of that fund as it was intended. We insist on the amendments passed in the Senate. These amendments improve the bill, they are consistent with the rhetoric of the government if not the actions of the government and they will give the community the comfort that these vital funds, these taxpayer dol-

lars amounting to billions of dollars, will not become a slush fund to bail out failed Labor states.

Question put:

That the amendments be disagreed to.

The House divided. [10.12 pm]

(The Deputy Speaker—Ms AE Burke)

Ayes.....	67
Noes.....	48
Majority.....	19

AYES

Adams, D.G.H.	Albanese, A.N.
Bevis, A.R.	Bidgood, J.
Bird, S.	Bowen, C.
Bradbury, D.J.	Burke, A.S.
Butler, M.C.	Campbell, J.
Champion, N.	Cheeseman, D.L.
Clare, J.D.	Combet, G.
D'Ath, Y.M.	Danby, M.
Debus, B.	Dreyfus, M.A.
Ellis, A.L.	Ellis, K.
Emerson, C.A.	Ferguson, L.D.T.
Ferguson, M.J.	Garrett, P.
Georganas, S.	George, J.
Gibbons, S.W.	Gray, G.
Grierson, S.J.	Griffin, A.P.
Hale, D.F.	Hall, J.G. *
Hayes, C.P. *	Irwin, J.
Kelly, M.J.	Kerr, D.J.C.
Livermore, K.F.	Macklin, J.L.
Marles, R.D.	McClelland, R.B.
McKew, M.	Melham, D.
Murphy, J.	Neal, B.J.
Neumann, S.K.	O'Connor, B.P.
Owens, J.	Parke, M.
Perrett, G.D.	Plibersek, T.
Price, L.R.S.	Raguse, B.B.
Rea, K.M.	Ripoll, B.F.
Rishworth, A.L.	Saffin, J.A.
Shorten, W.R.	Sidebottom, S.
Snowdon, W.E.	Sullivan, J.
Symon, M.	Tanner, L.
Thomson, C.	Thomson, K.J.
Trevor, C.	Turnour, J.P.
Zappia, A.	

NOES

Bailey, F.E.	Billson, B.F.
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Bishop, B.K.	Bishop, J.I.
Briggs, J.E.	Chester, D.
Cobb, J.K.	Coulton, M.
Forrest, J.A.	Haase, B.W.
Hartsuyker, L.	Hawke, A.
Hockey, J.B.	Hull, K.E. *
Hunt, G.A.	Irons, S.J.
Johnson, M.A. *	Keenan, M.
Laming, A.	Ley, S.P.
Lindsay, P.J.	Macfarlane, I.E.
Marino, N.B.	Markus, L.E.
May, M.A.	Mirabella, S.
Morrison, S.J.	Nelson, B.J.
Neville, P.C.	Pearce, C.J.
Pyne, C.	Ramsey, R.
Robb, A.	Robert, S.R.
Ruddock, P.M.	Schultz, A.
Scott, B.C.	Secker, P.D.
Simpkins, L.	Slipper, P.N.
Somlyay, A.M.	Southcott, A.J.
Stone, S.N.	Truss, W.E.
Tuckey, C.W.	Vale, D.S.
Washer, M.J.	Wood, J.

PAIRS

Smith, S.F.	Gash, J.
Vamvakinou, M.	Moylan, J.E.
McMullan, R.F.	Ciobo, S.M.
Jackson, S.M.	Smith, A.D.H.
King, C.F.	Baldwin, R.C.
Fitzgibbon, J.A.	Georgiou, P.
Elliot, J.	Hawker, D.P.M.
Roxon, N.L.	Jensen, D.

* denotes teller

Question agreed to.

Mr TANNER (Melbourne—Minister for Finance and Deregulation) (10.18 pm)—I present the reasons for the House disagreeing to the Senate amendments, and I move:

That the reasons be adopted.

Question agreed to.

**NATION-BUILDING FUNDS
(CONSEQUENTIAL AMENDMENTS)
BILL 2008**

Consideration of Senate Message

Bill returned from the Senate with amendments.

Ordered that the amendments be considered immediately.

Senate's amendments—

- (1) Schedule 2, page 16 (line 11), omit “*Telstra Corporation Act 1991*”.
- (2) Schedule 2, items 51 to 56, page 16 (lines 12 to 26), omit the items.

Mr TANNER (Melbourne—Minister for Finance and Deregulation) (10.19 pm)—I move:

That the amendments be disagreed to.

Question put.

The House divided. [10.20 pm]

(The Deputy Speaker—Ms AE Burke)

Ayes.....	67
Noes.....	48
Majority.....	19

AYES

Adams, D.G.H.	Albanese, A.N.
Bevis, A.R.	Bidgood, J.
Bird, S.	Bowen, C.
Bradbury, D.J.	Burke, A.S.
Butler, M.C.	Campbell, J.
Champion, N.	Cheeseman, D.L.
Clare, J.D.	Combet, G.
D'Ath, Y.M.	Danby, M.
Debus, B.	Dreyfus, M.A.
Ellis, A.L.	Ellis, K.
Emerson, C.A.	Ferguson, L.D.T.
Ferguson, M.J.	Garrett, P.
Georganas, S.	George, J.
Gibbons, S.W.	Gray, G.
Grierson, S.J.	Griffin, A.P.
Hale, D.F.	Hall, J.G. *
Hayes, C.P. *	Irwin, J.
Kelly, M.J.	Kerr, D.J.C.
Livermore, K.F.	Macklin, J.L.
Marles, R.D.	McClelland, R.B.
McKew, M.	Melham, D.
Murphy, J.	Neal, B.J.
Neumann, S.K.	O'Connor, B.P.
Owens, J.	Parke, M.
Perrett, G.D.	Plibersek, T.
Price, L.R.S.	Raguse, B.B.
Rea, K.M.	Ripoll, B.F.
Rishworth, A.L.	Saffin, J.A.

Shorten, W.R.
Snowdon, W.E.
Symon, M.
Thomson, C.
Trevor, C.
Zappia, A.

Sidebottom, S.
Sullivan, J.
Tanner, L.
Thomson, K.J.
Turnour, J.P.

NOES

Bailey, F.E.
Bishop, B.K.
Briggs, J.E.
Cobb, J.K.
Forrest, J.A.
Hartsuyker, L.
Hockey, J.B.
Hunt, G.A.
Johnson, M.A. *
Laming, A.
Lindsay, P.J.
Marino, N.B.
May, M.A.
Morrison, S.J.
Neville, P.C.
Pyne, C.
Robb, A.
Ruddock, P.M.
Scott, B.C.
Simpkins, L.
Somlyay, A.M.
Stone, S.N.
Tuckey, C.W.
Washer, M.J.

Billson, B.F.
Bishop, J.I.
Chester, D.
Coulton, M.
Haase, B.W.
Hawke, A.
Hull, K.E. *
Irons, S.J.
Keenan, M.
Ley, S.P.
Macfarlane, I.E.
Markus, L.E.
Mirabella, S.
Nelson, B.J.
Pearce, C.J.
Ramsey, R.
Robert, S.R.
Schultz, A.
Secker, P.D.
Slipper, P.N.
Southcott, A.J.
Truss, W.E.
Vale, D.S.
Wood, J.

PAIRS

Smith, S.F.
Vamvakinou, M.
McMullan, R.F.
Jackson, S.M.
King, C.F.
Fitzgibbon, J.A.
Elliot, J.
Roxon, N.L.

Gash, J.
Moylan, J.E.
Ciobo, S.M.
Smith, A.D.H.
Baldwin, R.C.
Georgiou, P.
Hawker, D.P.M.
Jensen, D.

* denotes teller

Question agreed to.

Mr TANNER (Melbourne—Minister for Finance and Deregulation) (10.22 pm)—I present the reasons for the House disagreeing to the Senate amendments, and I move:

That the reasons be adopted.

Question agreed to.

TEMPORARY RESIDENTS' SUPERANNUATION LEGISLATION AMENDMENT BILL 2008

Consideration of Senate Message

Message from the Governor-General recommending appropriation for requested amendments announced.

Bill returned from the Senate with requested amendments.

Ordered that the amendments be considered immediately.

Senate's requested amendments—

- (1) Schedule 1, item 16, page 13 (after line 36), after subsection 20H(2), insert:
 - (2A) The Commissioner must also pay to the person, fund or legal personal representative the amount (if any) of interest worked out under subsection (2B), if the Commissioner is satisfied that:
 - (a) the person is (or was just before dying) an Australian citizen or, under the *Migration Act 1958*, the holder of a permanent visa; and
 - (b) after 30 June 2007 either:
 - (i) the person left Australia; or
 - (ii) the person was, under the *Migration Act 1958*, the holder of a temporary visa.
 - (2B) Work out, in accordance with the regulations, the amount of interest:
 - (a) on so much (if any) of the excess as is attributable (directly or indirectly) to one or more amounts paid to the Commissioner under subsection 20F(1) and not to payments to or by the Commissioner under section 17; and
 - (b) at a rate equal to the annual yield on Treasury bonds with a 10-year term or, if another rate is prescribed by the regulations, that other rate.

Note: The regulations may provide for various matters relevant to working out the interest, such as working out the periods for

which particular rates apply to particular amounts of principal (which will affect any compounding of the interest, among other things).

- (2C) Regulations for the purposes of subsection (2B) may prescribe different rates for different periods over which the interest accrues, including a nil rate for any period starting when the person turns 65. This does not limit the ways in which the regulations may provide for working out the amount of interest under that subsection.
- (2) Schedule 1, item 16, page 14 (line 9), omit “excess”, substitute “total of the excess and any interest that would be payable under subsection (2A) apart from this subsection”.
- (3) Schedule 1, item 16, page 14 (line 16), omit the formula, substitute:

$$\frac{\text{Total of the excess and any interest that would be payable under subsection (2A) apart from subsection (3)}}{\text{Total described in paragraph (3)(a) for the death beneficiary}} \times \frac{\text{Sum of the totals described in paragraph (3)(a) for all the death beneficiaries}}{\text{Sum of the totals described in paragraph (3)(a) for all the death beneficiaries}}$$

Mr ALBANESE (Grayndler—Minister for Infrastructure, Transport, Regional Development and Local Government) (10.23 pm)—I move:

That the requested amendments be made.

Question agreed to.

BROADCASTING LEGISLATION AMENDMENT (DIGITAL TELEVISION SWITCH-OVER) BILL 2008

Second Reading

Debate resumed.

Mr ALBANESE (Grayndler—Minister for Infrastructure, Transport, Regional Development and Local Government) (10.24 pm)—I move:

That the question be now put.

Question put.

The House divided. [10.29 pm]

(The Speaker—Mr Harry Jenkins)

Ayes..... 69

Noes..... 48

Majority..... 21

AYES

Adams, D.G.H.	Albanese, A.N.
Bevis, A.R.	Bidgood, J.
Bird, S.	Bowen, C.
Bradbury, D.J.	Burke, A.E.
Burke, A.S.	Butler, M.C.
Campbell, J.	Champion, N.
Cheeseman, D.L.	Clare, J.D.
Combet, G.	D'Ath, Y.M.
Danby, M.	Debus, B.
Dreyfus, M.A.	Ellis, A.L.
Ellis, K.	Emerson, C.A.
Ferguson, L.D.T.	Ferguson, M.J.
Garrett, P.	Georganas, S.
George, J.	Gibbons, S.W.
Gillard, J.E.	Gray, G.
Grierson, S.J.	Griffin, A.P.
Hale, D.F.	Hall, J.G. *
Hayes, C.P. *	Irwin, J.
Kelly, M.J.	Kerr, D.J.C.
Livermore, K.F.	Macklin, J.L.
Marles, R.D.	McClelland, R.B.
McKew, M.	Melham, D.
Murphy, J.	Neal, B.J.
Neumann, S.K.	O'Connor, B.P.
Owens, J.	Parke, M.
Perrett, G.D.	Plibersek, T.
Price, L.R.S.	Raguse, B.B.
Rea, K.M.	Ripoll, B.F.
Rishworth, A.L.	Saffin, J.A.
Shorten, W.R.	Sidebottom, S.
Snowdon, W.E.	Sullivan, J.
Symon, M.	Tanner, L.
Thomson, C.	Thomson, K.J.
Trevor, C.	Turnour, J.P.
Zappia, A.	

NOES

Bailey, F.E.	Billson, B.F.
Bishop, B.K.	Bishop, J.I.
Briggs, J.E.	Chester, D.
Cobb, J.K.	Coulton, M.
Forrest, J.A.	Haase, B.W.
Hartsuyker, L.	Hawke, A.
Hockey, J.B.	Hull, K.E. *
Hunt, G.A.	Irons, S.J.

Johnson, M.A. *
 Laming, A.
 Lindsay, P.J.
 Marino, N.B.
 May, M.A.
 Morrison, S.J.
 Neville, P.C.
 Pyne, C.
 Robb, A.
 Ruddock, P.M.
 Scott, B.C.
 Simpkins, L.
 Somlyay, A.M.
 Stone, S.N.
 Tuckey, C.W.
 Washer, M.J.

Keenan, M.
 Ley, S.P.
 Macfarlane, I.E.
 Markus, L.E.
 Mirabella, S.
 Nelson, B.J.
 Pearce, C.J.
 Ramsey, R.
 Robert, S.R.
 Schultz, A.
 Secker, P.D.
 Slipper, P.N.
 Southcott, A.J.
 Truss, W.E.
 Vale, D.S.
 Wood, J.

PAIRS

Smith, S.F.
 Vamvakinou, M.
 McMullan, R.F.
 Jackson, S.M.
 King, C.F.
 Fitzgibbon, J.A.
 Elliot, J.
 Roxon, N.L.

Gash, J.
 Moylan, J.E.
 Ciobo, S.M.
 Smith, A.D.H.
 Baldwin, R.C.
 Georgiou, P.
 Hawker, D.P.M.
 Jensen, D.

* denotes teller

Question agreed to.

Original question agreed to.

Bill read a second time.

Consideration in Detail

Bill—by leave—taken as a whole.

Mr ALBANESE (Grayndler—Minister for Infrastructure, Transport, Regional Development and Local Government) (10.31 pm)—by leave—I move government amendments (1) to (7):

- (1) Schedule 2, item 3A, page 4 (lines 14 to 17), omit the item.
- (2) Schedule 2, page 4 (before line 18), before item 4, insert:

3B Clause 2 of Schedule 4

Insert:

quarter means a period of 3 months beginning on 1 January, 1 April, 1 July or 1 October of a year.

- (3) Schedule 2, item 4A, page 6 (line 1) to page 7 (line 12), omit the item.
- (4) Schedule 2, item 4B, page 7 (lines 13 to 28), omit the item.
- (5) Schedule 2, page 11 (after line 5), after item 12, insert:

12A After clause 11 of Schedule 4

Insert:

11A Quarterly reports

- (1) The commercial television conversion scheme must require the ACMA to:
 - (a) prepare a report for each quarter about the following matters:
 - (i) the extent to which the objective in paragraph 6(3)(f) is being met for each licence area to which that paragraph applies;
 - (ii) if that objective is not being met for a particular licence area—the steps that holders of commercial television broadcasting licences are taking to ensure that the objective will be met; and
 - (b) publish the report on the ACMA's website.
- (2) Subclause (1) does not apply to a quarter that begins after the end of the simulcast period for the licence area concerned.

- (6) Schedule 2, page 11 (after line 30), after item 17, insert:

17A After clause 25 of Schedule 4

Insert:

25A Quarterly reports

- (1) The national television conversion scheme must require the ACMA to:
 - (a) prepare a report for each quarter about the following matters:
 - (i) the extent to which the objective in paragraph 19(3)(f) is being met for each coverage area to which that paragraph applies;
 - (ii) if that objective is not being met for a particular coverage area—the steps that the national broad-

- casters are taking to ensure that the objective will be met; and
- (b) publish the report on the ACMA's website.
 - (2) Subclause (1) does not apply to a quarter that begins after the end of the simulcast period for the coverage area concerned.
- (7) Schedule 2, page 12 (after line 8), after item 20, insert:

20A At the end of Schedule 4

Add:

PART 12—MINISTERIAL REPORTS

65 Ministerial reports—self-help re-transmission services and blackspots

- (1) As soon as practicable after:
 - (a) the 6-month period ending on 30 June 2009; and
 - (b) each later 6-month period;
 the Minister must cause to be prepared a report about:
 - (c) progress in converting self-help television re-transmission services from analog mode to digital mode; and
 - (d) the identification and rectification of blackspots in relation to the reception of:
 - (i) commercial television broadcasting services; and
 - (ii) national television broadcasting services; in digital mode.
- (2) The Minister must consult the ACMA in relation to the preparation of a report under subclause (1).
- (3) The Minister must cause copies of a report under subclause (1) to be tabled in each House of the Parliament within 15 sitting days of that House after the completion of the report.
- (4) In this clause:

self-help television re-transmission service means a television re-transmission service that:

- (a) is covered by subsection 212(1); and
- (b) is provided by a self-help provider (within the meaning of section 212A).

I present a supplementary explanatory memorandum to the bill.

Mr BILLSON (Dunkley) (10.32 pm)—

The opposition opposes these amendments. These amendments are to create a veneer of accountability around decisions that would affect everybody who watches television around this continent from the Yankalilla district, which I know the member for Mayo is very concerned about, to communities right across the country that rely on 1,100 retransmission devices, who have not had the opportunity to be heard tonight when the government gagged its own speaker on this bill. These amendments deserve to be opposed. They do nothing more than shift the burden for digital transmission away from the government and away from the minister and put it fairly and squarely in the lap of the national broadcasters. We have heard a lot tonight about this being a collaborative exercise. These amendments do nothing of the kind. In fact, they free the minister. This is free Stephen, not free Willy, from any accountability to do with the very significant decision of saying there is no more analog television available to communities across Australia.

The coalition's amendments are thoughtful and principled, and they have been developed in full consultation with the stakeholders. They are inspired by the national interest and, once again, the Liberal and the National parties in this parliament are the voice for the ordinary people who want to make sure they have got television. It seems as though all the government is interested in is grabbing hold of the spectrum and flog-

ging it—maybe to sell the spectrum and the people of Mildura, the guinea pigs for this exercise. The member for Forrest has been denied the opportunity to speak. An opportunity for him and all the other members in this place to represent their communities has been denied by the government. This is about ensuring that Australian viewers are not disenfranchised, not left in the dark and not left with an analog television that serves no purpose other than ornamental value in their lounge rooms. They want to know that they can keep watching television, and they want to know what the government is doing to replace those 1,100 retransmission devices. We consulted up until the last moment to make sure that this amendment has the support of industry and is something that provides safeguards to all TV viewers across the country.

For those people in this House who want to know what the opposition's amendments were, let me run through them again. There were some amendments relating to the need to set readiness benchmarks so that everyone knew upfront where communities needed to be before their analog televisions were shut off. They wanted some benchmarks, some objective criteria. What could possibly be the public policy argument against that? Is there anyone in this place who could argue—knowing what the state is of the conversion to digital and where that is at—that it could possibly be a bad thing to have objective criteria to make that decision?

The other part of the amendments that the opposition introduced is to actually have a reporting arrangement where, six months prior to analog television being cut off, a report is prepared, with the minister having the responsibility to know what the situation is on the ground—whether people had taken up the opportunities to convert and whether there are going to be tens and thousands of people who will not have any television. Let

us remember that, if there are only a couple of per cent who are not ready to make the conversion when the analog signal is cut off, there will be tens of thousands of people with no television.

Let me also refer to one of the other criteria. The third provision that we argued for was that if there was clear evidence that a community was not ready to have analog television services in their community finish—with the guinea pig being Mildura—then there would be an open public process to establish the degree of readiness. It cannot be a bad thing—can it?—to know whether a community is ready to have the information available and to make the minister accountable for such a big decision affecting the lives of many in our community.

Mr SIDEBOTTOM (Braddon) (10.37 pm)—Just so that members of the House have not been confused by that waffle, I want to point out clearly what the Broadcasting Legislation Amendment (Digital Television Switch-over) Bill 2008 is all about. This debate is being broadcast and there are many millions of Australians who want to know what is going on here and they have not been edified by the good member for Dunkley. So let me remind you. The bill allows the minister to determine local market areas for switch-over, switch-over dates for those markets and the simulcast period for entire television licence areas. This would mean that some areas could switch off analog earlier than currently permitted—common sense. And the geographical areas smaller than television licence areas could be the basis for a switch-over timetable—common sense.

The bill allows the minister to vary the switch-over date three months either side of the initial date. No problems with that—common sense. This will effectively provide a six-month window which the government

can use to finetune dates for switch-over in particular areas to respond to specific local circumstances. Switch-over can be extended beyond three months only in exceptional circumstances where the initial date would cause significant technical problems for broadcasters and where those problems could not have been reasonably foreseen up to six months before the switch-over date—common sense.

So having an understanding now of what it takes to get a service in a regional area up and running, I believe we need to allow time for the changeover but also flexibility. That is the key word: flexibility. This flexibility may also include areas that are ahead of schedule, although there are not many ahead of schedule currently and that is the problem we have. Few Australians are taking up digital television, and the reason is the mob on the other side did not do anything about it. And now they want to slow it down.

This flexibility may also include areas that are ahead of schedule, as I mentioned, and ready to switch off analog services before the planned date, saving costs on simulcasting—common sense.

Mr Schultz interjecting—

Mr SIDEBOTTOM—Common sense, Member for Hume—and you are out your seat. A staggered switch-over will also reduce the potential for significant strain on retailers, equipment suppliers and antenna technicians and technical and engineering resources of broadcasters across the country if analog switch-off were to be attempted at the one time. Digital television, colleagues, is a wonderful advance in technology and should be extended to every corner of the nation as soon as is technically and financially possible. Digital switch-over is important for all Australians as it not only provides access to such things as better picture and sound quality and additional channels but it

will also free up spectrum which can be used for delivery of new and improved broadcasting and communications services.

Colleagues, I can imagine how my village at Forth will feel when it can finally convert to digital TV in the future. I am fortunate enough to receive pay TV at home and can vouch for the quality of the digital signal even on a four-year-old, 106-centimetre plasma TV. Colleagues, my fellow TV watchers on King Island—a beautiful part of my electorate and I hope you can visit it—will hopefully be viewing five-channel digital TV by April of next year thanks to this government's \$300,000 commitment made before the last election to convert the island's signal from a relatively-okay-to-terrible analog signal to digital.

This process of licence gathering and technical planning has been long and thorough and I wish to thank the relevant communications authorities, particularly the ABC, SBS, the King Island Council and the technically brilliant project driver and adviser, Peter White. Without Peter's contribution this funding and project may not have occurred. Well done to everyone involved and I know the long wait will be worth the effort—much better TV reception for more people spread over a much larger area. Merry Christmas to all you TV viewers. (*Time expired*)

Mr NEVILLE (Hinkler) (10.42 pm)—Notwithstanding the levity of the last night in the parliament, this issue is very important to the people in my electorate. In this debate I could barely hear the previous speaker, and even less the member for Dunkley. I say to my colleagues tonight that this Broadcasting Legislation Amendment (Digital Television Switch-over) Bill 2008 is a very ill-considered, rushed through piece of legislation that every member of this House on both sides is going to burn on. Let me explain to

you why I say that. If you turn off analog television for digital before you have the right mechanisms in place you are going to do two things. You are going to force an extraordinary expense on regional television stations which may cripple some of them. That is No. 1. And No. 2 is: pray tell how the 20 or 30 per cent of people in cities as well as in the country are going to get digital television when the analog is switched off. Where have we discussed in this debate how people are going to do it?

This is not confined to the country, my friends. There are black spots in Sydney, Melbourne, Brisbane, Adelaide and the rest where people will not have television. The fact that the minister has some overriding power to consider will not do it. The British parliament has been through this, and what they have done is to create a method whereby people who cannot afford digital television can be provided by government with a set-top box so that they can convert, albeit in a very basic way, their analog television to digital.

I am surprised that we can treat a matter of such gravity and seriousness as the prime media outlet of this country, television, with such great levity. The chamber tonight—with the greatest respect to you, Mr Speaker—has degenerated into a circus. We should pull ourselves together and think seriously about this bill. We are opposing the bill not for some political purpose against the ALP but because it is not going to work.

Mr FORREST (Mallee) (10.45 pm)—The member for Braddon was boasting lyrically about all the hard work he has done on television broadcasting down there in Braddon. Let me tell you the story of Mallee. Let me tell you of the indignation the constituents of mine feel at being the guinea pigs of this so-called transition. We have had 15 years of the fight to get decent television

across the north-west of Victoria. In 1993, when I was first elected, they had one commercial channel and one ABC channel and nothing else. Most of the rest of the nation had full aggregation, which came through in the mid-1980s. I finally got things settled down on television in Mallee and could get on with battling for veterans and all the other things we are confronted with as members of parliament.

I have been through two conversions from analog to digital. Despite what the member for Braddon asserts while wishing everyone a Merry Christmas, this is inferior technology in terms of its geographical coverage. We went through this with mobile phones and it was a nightmare. Where analog used to work because it is different technology—it could go through trees unaffected by the atmosphere and all the rest—digital cannot provide that quality in geographic coverage.

All that these amendments to the Broadcasting Legislation Amendment (Digital Television Switch-over) Bill 2008 that the opposition have put will do is give some assurance that there will be proper process, that the ACMA will be out there making measurements to fill the holes—despite all the work I have done with two black spots programs—where digital will not deliver so that remote areas do not miss out and become black spots. All the good citizens of Mildura, Ouyen and Murrayville want to know in advance is what the process will be by which they can be assured that at the cutthroat stage, which is only 12 months away, they are not going to be disadvantaged in terms of their television reception. That is all our amendments are asking for—a description of process.

I wrote to the ACMA last week and invited them to come down and calm down the good constituents I have in Ouyen and Murrayville who know they are going to miss out

because, like me, they know that digital is not the same quality. So I will make one more plea. I note that the government has made some response with its amendments, but they are extremely—

Government members interjecting—

Mr FORREST—No! I am going to have my say. I am not going to be denied an opportunity to speak on behalf of the citizens of Mildura. I notice on the schedule that the first 10 sites to be converted to digital are all in coalition seats. What is to stop me from being cynical about that? Why not practise on guinea pigs in the cities where people are more concentrated? It is alleged that Mildura is first because it has the highest concentration of digital set-top boxes and digital technology. I am not convinced by that. I want to see the process that we put in our amendments put in place and I want the regulators and the authorities out there making sure that, when analog is switched off, my constituents do not miss out.

Question put:

That the amendments (**Mr Albanese's**) be agreed to.

The House divided. [10.53 pm]

(The Speaker—Mr Harry Jenkins)

Ayes.....	68
Noes.....	<u>48</u>
Majority.....	<u>20</u>

AYES

Adams, D.G.H.	Albanese, A.N.
Bevis, A.R.	Bidgood, J.
Bird, S.	Bowen, C.
Bradbury, D.J.	Burke, A.E.
Burke, A.S.	Butler, M.C.
Campbell, J.	Champion, N.
Cheeseman, D.L.	Clare, J.D.
Combet, G.	D'Ath, Y.M.
Danby, M.	Debus, B.
Dreyfus, M.A.	Ellis, A.L.
Ellis, K.	Emerson, C.A.
Ferguson, L.D.T.	Ferguson, M.J.

Garrett, P.	Georganas, S.
George, J.	Gibbons, S.W.
Gray, G.	Grierson, S.J.
Griffin, A.P.	Hale, D.F.
Hall, J.G. *	Hayes, C.P. *
Irwin, J.	Kelly, M.J.
Kerr, D.J.C.	Livermore, K.F.
Macklin, J.L.	Marles, R.D.
McClelland, R.B.	McKew, M.
Melham, D.	Murphy, J.
Neal, B.J.	Neumann, S.K.
O'Connor, B.P.	Owens, J.
Parke, M.	Perrett, G.D.
Plibersek, T.	Price, L.R.S.
Raguse, B.B.	Rea, K.M.
Ripoll, B.F.	Rishworth, A.L.
Saffin, J.A.	Shorten, W.R.
Sidebottom, S.	Snowdon, W.E.
Sullivan, J.	Symon, M.
Tanner, L.	Thomson, C.
Thomson, K.J.	Trevor, C.
Turnour, J.P.	Zappia, A.

NOES

Bailey, F.E.	Billson, B.F.
Bishop, B.K.	Bishop, J.I.
Briggs, J.E.	Chester, D.
Cobb, J.K.	Coulton, M.
Forrest, J.A.	Haase, B.W.
Hartsuyker, L.	Hawke, A.
Hockey, J.B.	Hull, K.E. *
Hunt, G.A.	Irons, S.J.
Johnson, M.A. *	Keenan, M.
Laming, A.	Ley, S.P.
Lindsay, P.J.	Macfarlane, I.E.
Marino, N.B.	Markus, L.E.
May, M.A.	Mirabella, S.
Morrison, S.J.	Nelson, B.J.
Neville, P.C.	Pearce, C.J.
Pyne, C.	Ramsey, R.
Robb, A.	Robert, S.R.
Ruddock, P.M.	Schultz, A.
Scott, B.C.	Secker, P.D.
Simpkins, L.	Slipper, P.N.
Somlyay, A.M.	Southcott, A.J.
Stone, S.N.	Truss, W.E.
Tuckey, C.W.	Vale, D.S.
Washer, M.J.	Wood, J.

PAIRS

Smith, S.F.	Gash, J.
Vamvakinou, M.	Moylan, J.E.

Jackson, S.M.
King, C.F.
Fitzgibbon, J.A.
Elliot, J.
Roxon, N.L.
McMullan, R.F.

* denotes teller

Question agreed to.

Question put:

That the bill, as amended, be agreed to.

The House divided. [10.59 pm]

(The Speaker—Mr Harry Jenkins)

Ayes.....	68
Noes.....	<u>48</u>
Majority.....	<u>20</u>

AYES

Adams, D.G.H.
Bevis, A.R.
Bird, S.
Bradbury, D.J.
Burke, A.S.
Campbell, J.
Cheeseman, D.L.
Combet, G.
Danby, M.
Dreyfus, M.A.
Ellis, K.
Ferguson, L.D.T.
Garrett, P.
George, J.
Gray, G.
Griffin, A.P.
Hall, J.G. *
Irwin, J.
Kerr, D.J.C.
Macklin, J.L.
McClelland, R.B.
Melham, D.
Neal, B.J.
O'Connor, B.P.
Parke, M.
Plibersek, T.
Raguse, B.B.
Ripoll, B.F.
Saffin, J.A.
Sidebottom, S.
Sullivan, J.

Smith, A.D.H.
Baldwin, R.C.
Georgiou, P.
Hawker, D.P.M.
Jensen, D.
Ciobo, S.M.

Albanese, A.N.
Bidgood, J.
Bowen, C.
Burke, A.E.
Butler, M.C.
Champion, N.
Clare, J.D.
D'Ath, Y.M.
Debus, B.
Ellis, A.L.
Emerson, C.A.
Ferguson, M.J.
Georganas, S.
Gibbons, S.W.
Grierson, S.J.
Hale, D.F.
Hayes, C.P. *
Kelly, M.J.
Livermore, K.F.
Marles, R.D.
McKew, M.
Murphy, J.
Neumann, S.K.
Owens, J.
Perrett, G.D.
Price, L.R.S.
Rea, K.M.
Rishworth, A.L.
Shorten, W.R.
Snowdon, W.E.
Symon, M.

Tanner, L.
Thomson, K.J.
Turnour, J.P.

NOES

Bailey, F.E.
Bishop, B.K.
Briggs, J.E.
Cobb, J.K.
Forrest, J.A.
Hartsuyker, L.
Hockey, J.B.
Hunt, G.A.
Johnson, M.A. *
Laming, A.
Lindsay, P.J.
Marino, N.B.
May, M.A.
Morrison, S.J.
Neville, P.C.
Pyne, C.
Robb, A.
Ruddock, P.M.
Scott, B.C.
Simpkins, L.
Somlyay, A.M.
Stone, S.N.
Tuckey, C.W.
Washer, M.J.

Thomson, C.
Trevor, C.
Zappia, A.

Billson, B.F.
Bishop, J.I.
Chester, D.
Coulton, M.
Haase, B.W.
Hawke, A.
Hull, K.E. *
Irons, S.J.
Keenan, M.
Ley, S.P.
Macfarlane, I.E.
Markus, L.E.
Mirabella, S.
Nelson, B.J.
Pearce, C.J.
Ramsey, R.
Robert, S.R.
Schultz, A.
Secker, P.D.
Slipper, P.N.
Southcott, A.J.
Truss, W.E.
Vale, D.S.
Wood, J.

PAIRS

Smith, S.F.
Vamvakinou, M.
Jackson, S.M.
King, C.F.
Fitzgibbon, J.A.
Elliot, J.
Roxon, N.L.
McMullan, R.F.

Gash, J.
Moylan, J.E.
Smith, A.D.H.
Baldwin, R.C.
Georgiou, P.
Hawker, D.P.M.
Jensen, D.
Ciobo, S.M.

* denotes teller

Question agreed to.

Bill, as amended, agreed to.

Third Reading

Mr ALBANESE (Grayndler—Minister for Infrastructure, Transport, Regional Development and Local Government) (11.00 pm)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

BUSINESS

Mr ALBANESE (Grayndler—Leader of the House) (11.01 pm)—I might assist members by giving some advice to the best of our knowledge, given that the workings of the Senate are sometimes complex, that it is intended that very soon we will be suspending the sitting and we will return at 9 am tomorrow. There has been an attempt tonight, might I say with good cooperation from the Manager of Opposition Business—I thank the opposition for the cooperation that has been shown—to try to get to a situation whereby we did not have to sit tomorrow, given that I know that electorate commitments have been made. We will be as quick as is possible, given that some of that might be determined by how long the Senate takes to consider issues. But it is envisaged that it will be done as quickly as possible. I know that once we go past an hour there will be difficulties in people getting flights out of Canberra. So we will sit and deal with the business that we have to deal with tomorrow morning.

SUPERANNUATION (DEPARTING AUSTRALIA SUPERANNUATION PAYMENTS TAX) AMENDMENT BILL 2008

CORPORATIONS AMENDMENT (SHORT SELLING) BILL 2008

AGED CARE AMENDMENT (2008 MEASURES No. 2) BILL 2008

TAX LAWS AMENDMENT (LUXURY CAR TAX—MINOR AMENDMENTS) BILL 2008

Returned from the Senate

Message received from the Senate returning the bills without amendment or request.

MEMBER for DAWSON

The SPEAKER (11.03 pm)—Yesterday I indicated that I would advise the House of

any appropriate course of action in relation to the use of photographs taken by the member for Dawson. I believe my powers in relation to this matter are limited. Notwithstanding this, after consultation with the Clerk, at my request the Serjeant-at-Arms investigated the matter.

Following the investigation, in relation to the question of whether the member for Dawson interfered with security matters in the authorised assembly area, the matter most directly in my area of responsibility, I have concluded his actions did not cause interference. In relation to all other questions raised, I have concluded that the actions may have been insensitive and inappropriate, as described by the member for Dawson himself. I do not recommend any further action.

Yesterday, I said that the incident was another reminder of the desirability of consideration of a code of conduct for members. I note that the Committee of Privileges and Members' Interests has informed the House that it proposes to review the question of a members code of conduct and to report back to the House. In the context of this review, I will refer this incident to the committee as an example of an incident of concern.

Mr HOCKEY (North Sydney—Manager of Opposition Business) (11.05 pm)—Mr Speaker, given the hour and given the fact that we have only just been advised of your deliberations, I would ask that you give us the opportunity overnight to consider your deliberations with a view that we may well recommend to the House that the matter be referred to the Privileges Committee for further investigation. I know that it should be done at the earliest opportunity but in order to be fair to the respective parties that have an interest in this, and given that it is now five past 11 at night, I would respectfully request that you give us that opportunity when we meet again tomorrow morning.

The SPEAKER—I believe that in the circumstances it would probably suit the convenience of the House if I allowed that course of action because the upshot of my statement is that the matter resides in the lap of the House.

Mr ALBANESE (Grayndler—Leader of the House) (11.06 pm)—Mr Speaker, I certainly respect your ruling. I think the member for North Sydney has put forward a reasonable proposition, that it be considered overnight, and you have agreed to grant them that. However, might I put on the record that my initial response as the Leader of the House is that you have dealt with this issue expeditiously and in a manner which is in accordance with your duties as the Speaker and is appropriate.

The SPEAKER—As I understand it, it now suits the House that I suspend the sitting until 9 am tomorrow.

**Sitting suspended from 11.07 pm to
9.00 am**

Friday, 5 December 2008

Mr HOCKEY (North Sydney—Manager of Opposition Business) (9.00 am)—On indulgence, Mr Speaker: last night you reported back to the chamber on the behaviour of the member for Dawson outside of this place earlier in the week. The opposition has reflected on your words and considered them carefully. In the first place, in a more general area, you suggested that there should be consideration in this chamber about a code of conduct. Let me say this: whilst we would be interested to see where your suggestion heads, neither a code of conduct nor any legislation can prevent someone from acting stupidly. No code of conduct can prevent bad behaviour or irresponsible behaviour. I am satisfied that people on both sides of this House found the actions of the member for Dawson repugnant. I accept the apology

from the member for Dawson but it does not matter that I or any other member of this chamber accepts it; ultimately it is the victim and his family who are the ones to accept it, because they are the people who have been most hurt by the taking and the sale of the photos. That is all that matters. In that regard, we are prepared to leave the matter where it stands.

The second matter is in relation to the member for Dawson's statement that the photo was sold for a donation. Whilst we have received conflicting reports about the statement that there was no attempt to gain personally from the sale of the photo, we have to take the member for Dawson at his word that it was all about a donation. If any evidence arises that the member for Dawson sought personal gain as a result of the sale of the photo rather than the money going to charity, we will revisit the matter at the earliest possible opportunity.

Finally, I say this: in New South Wales yesterday the state Labor government referred a matter to the Legislative Council Privileges Committee in relation to Andrew Fraser. That may well have been an appropriate referral; I do not know. Whilst in this chamber from time to time there have been referrals to the Privileges Committee—and I, in one sense, share your exasperation at the fact that we need to have a safety valve for the reputation of the chamber and individual members of parliament, and the Privileges Committee has from time to time been that safety valve—ultimately we are all responsible for our own actions and, at the end of the day, the people we represent form a judgement about us. That is why I and others are reluctant to head down the path of codes of conduct or behaviour, because we will all be judged on how we treat each other and the people that we represent in this place. We are not seeking to gain any advantage out of this. It is a very, very sad incident, incredibly dis-

trekking for all of those involved, and the matter stands where you have laid it.

**SOCIAL SECURITY AND VETERANS'
ENTITLEMENTS LEGISLATION
AMENDMENT (SCHOOLING
REQUIREMENTS) BILL 2008**

Consideration of Senate Message

Message received from the Senate returning the bill without amendment or request.

**ROAD CHARGES LEGISLATION
REPEAL AND AMENDMENT BILL 2008**

Consideration of Senate Message

Message received from the Senate returning the bill and informing the House that the Senate has agreed to the bill as amended by the House at the request of the Senate.

**NATION-BUILDING FUNDS BILL 2008
NATION-BUILDING FUNDS
(CONSEQUENTIAL AMENDMENTS)
BILL 2008**

Consideration of Senate Message

Message received from the Senate returning the bills and informing the House that the Senate does not insist on its amendments to which the House had disagreed.

COMMITTEES

Intelligence and Security Committee

Membership

The SPEAKER—I have received a message from the Senate informing the House that Senator Nash has been discharged from attendance on the Parliamentary Joint Committee on Intelligence and Security and that Senator Coonan has been appointed a member of the committee.

**TEMPORARY RESIDENTS'
SUPERANNUATION LEGISLATION
AMENDMENT BILL 2008**

Consideration of Senate Message

Bill returned from the Senate with amendments.

Ordered that the amendments be considered immediately.

Senate's amendments—

- (1) Schedule 1, item 4, page 4 (line 10), after "amount he or she has received", insert "(and interest, in some cases)".
- (2) Schedule 1, item 12, page 5 (lines 13 to 16), omit the item.
- (3) Schedule 1, item 16, page 6 (lines 27 and 28), omit " , by the next date set for the purpose by the Commissioner".
- (4) Schedule 1, item 16, page 7 (line 2), after "interest", insert "by the next date set for the purpose by the Commissioner".
- (5) Schedule 1, item 16, page 7 (line 10), after "claim the amount", insert "(and interest, in some cases)".
- (6) Schedule 1, item 16, page 10 (line 13), omit "by scheduled statement day".
- (7) Schedule 1, item 16, page 10 (line 23), omit "day.", substitute "day; or".
- (8) Schedule 1, item 16, page 10 (after line 23), at the end of subsection 20F(1), add:
 - (c) if a day is identified for the superannuation provider under the regulations that is later than the day described in paragraph (a) and later than the day described in paragraph (b) if it is relevant—that later day.
- (9) Schedule 1, item 16, page 12 (after line 4), after subsection 20F(4), insert:

Regulations for the purposes of paragraph (1)(c)

 - (4A) Regulations for the purposes of paragraph (1)(c) may provide for a day to be identified by the Commissioner or the Australian Prudential Regulation Authority. This does not limit the provision that the regulations may make for identification of a day for those purposes.
- (10) Schedule 1, item 16, page 15 (after line 31), after subparagraph 20J(6)(a)(i), insert:
 - (ia) paragraph 20F(1)(c); and

(11) Schedule 1, item 35, page 24 (line 30) to page 25 (line 3), omit subsection 307-142(3), substitute:

(3) The *taxable component is so much of the payment as is attributable to either or both of the following:

(a) so much of the amounts paid to the Commissioner under subsection 17(1) or 20F(1) of that Act in respect of the person as would, if those amounts had instead been paid to the person as *superannuation benefits, have been the taxable components of those superannuation benefits;

(b) subsection 20H(2A) of that Act (which is about interest payable in certain circumstances).

(12) Schedule 1, item 37, page 26 (lines 1 to 7), omit subsection 307-300(3), substitute:

(3) The *element untaxed in the fund* is so much (if any) of the *taxable component as is attributable to either or both of the following:

(a) so much of the amounts paid to the Commissioner under subsection 17(1) or 20F(1) of that Act in respect of the person as would, if those amounts had instead been paid to the person as *superannuation benefits, have been the elements untaxed in the fund of the taxable components of those superannuation benefits;

(b) subsection 20H(2A) of that Act (which is about interest payable in certain circumstances).

Mr BOWEN (Prospect—Minister for Competition Policy and Consumer Affairs, and Assistant Treasurer) (9.06 am)—I move:

That the amendments be agreed to.

The amendments proposed by the other house are, in the government's view, sensible, unlike the amendments which it was flagged the opposition would support, which would have led us to a different situation. In

the other house, Senator Xenophon moved an amendment and Senator Coonan indicated that the Liberal and National parties would be supporting amendments. Those amendments would have gutted this legislation. Those amendments potentially would have put an \$860 million hole in the budget surplus. That was the situation we had—that the Liberal and National parties were talking about the need for a budget surplus at the same time that they were undermining that budget surplus. The amendments that were proposed and that the Liberal and National parties were proposing to support were fundamentally flawed. We pointed that out; we pointed it out in this House and in the other house. When that was pointed out, I am very glad to say that the Minister for Superannuation and Corporate Governance received a telephone call from Senator Coonan advising that the Liberal and National parties would not be supporting the amendments any further and that the legislation would be passed effectively intact. So we are very glad that the other side saw reason and reversed their position—as we are very glad that on a couple of matters this week the opposition have seen reason and reversed their position.

The amendments proposed by the other house are largely technical and are supported by the government. They ensure that the legislation is passed in the form that the government intended. Of course we have always given credit where this is due. This has been a matter that both sides of the parliament have been seeking to progress for some time. It is appropriate that this legislation pass because superannuation is very important to the Australian economy, but it is also very important to the individuals involved. I commend the bill to the House.

Mr PEARCE (Aston) (9.09 am)—The opposition is pleased to see this bill progress. This was our policy at the time we were in government, and the Assistant Treasurer

really has not given us due regard in reference to that. This was an announcement that we made in the 2007-08 Mid-Year Economic and Fiscal Outlook.

Mr Bowen—I said it in the House the other day!

Mr PEARCE—Well, you did not say it this morning. It is a coalition policy and I am pleased to see that the government has finally got around to implementing yet again another policy that we announced. It would be good to see the government initiate some new policy of their own in this area, instead of just copying our policy and introducing it.

Mr Hockey—Plagiarism!

Mr PEARCE—It is another case of plagiarism by the government of Australia. But we are pleased to see this bill progress.

Question agreed to.

BROADCASTING LEGISLATION AMENDMENT (DIGITAL TELEVISION SWITCH-OVER) BILL 2008

Consideration of Senate Message

Message received from the Senate returning the bill and informing the House that the Senate has agreed to certain amendments made by the House and has disagreed to other amendments made by the House, has made a consequential amendment and requests the House to reconsider the bill in respect of the amendments disagreed to by the Senate and requests the concurrence of the House in the consequential amendment made by the Senate.

Ordered that the amendments be considered immediately.

Senate's amendment—

- (1) Schedule 2, page 7 (lines 16 and 17), omit “after the making of the first determination under subclause 5G(1),”, substitute “from 1 April 2009”.

Mr ALBANESE (Grayndler—Minister for Infrastructure, Transport, Regional De-

velopment and Local Government) (9.11 am)—I move:

That the House does not insist on its amendments Nos 2, 4, 5, 6 and 7 disagreed to by the Senate and agrees to the consequential amendment made by the Senate.

Digital television is not just about the introduction of new channels, interactive applications and a clearer picture for viewers. The transition will also free up valuable spectrum. This freed-up spectrum will allow for new communications services to be introduced in Australia. The previous government's 12 years of inaction on digital television left Australia lagging behind the majority of the developed world and has delayed the realisation of these significant benefits. It is important, therefore, that there are no further delays. While we consider that the opposition amendment on black spot reporting is poorly drafted, the government is determined to keep digital switch-over on track. The government is committed to ensuring that all Australians who receive analog television are able to receive digital television, no matter where they live. For this reason, the government will support the bill as amended by the Senate and we will get on with the job of switching to digital and modernising our communications infrastructure. I commend the bill to the House.

Mr BILLSON (Dunkley) (9.12 am)—We welcome the government recognising the merit of some of the opposition's amendments. What is worth drawing to the attention of the House is that what is actually being rejected by the government is the establishment of switch-off readiness criteria. These are objective criteria that would have let all the viewing public know at what point the government thought it was appropriate to switch off analog television. We believe that is a sensible, reasonable, thoughtful amendment. Most people thought that, except the Minister for Broadband, Communications

and the Digital Economy, Senator Conroy, and the government. We were actually seeking to save Senator Conroy from himself and make it clear what was needed, what policy requirements needed to be met, before analog television is switched off and before possibly tens of thousands of viewers are left with no television whatsoever.

Strangely, the government has rejected that proposition. It has rejected a process where, having established those minimum analog switch-off standards, there would be a reporting arrangement six months before there is no more analog television to account for progress with the conversion, to take account of areas where there was not a level of readiness that would support such a switch-over and to put a positive onus on the government to take action to address that. How on earth the opposition could just stand here and listen to the government arguing that that somehow impeded the process is just beyond me. It is absolute nonsense. I do not think anybody who has any familiarity with this could possibly endorse what the government is saying about our amendments somehow impeding or compromising the switch-off process. It is just ridiculous. We were not adjusting the dates in any way. We were not at all changing the spirit or intent of the legislation but in fact carrying forward a vision for digital television established by the then coalition government.

What we were aiming to do was make sure that the public was informed and that the minister was accountable. As we have seen, over and over again, whenever there is some effort to scrutinise the actions of the government and hold the minister accountable, the argument from the government is: 'You are holding up the whole show.' That is just ridiculous but it is a mantra we are used to now, and it has come out again in the case of this digital television legislation.

We want to hold the government to account to try and make sure viewers are factored into the government's decision making so that when there is no more analog television it is done on the basis of clear, objective criteria. That is all—no imposition, no holding up, no blackballing, no nothing; just some accountability—and we have seen how the government has responded to that. That balanced and reasonable proposal has been rejected by the government. So be it. The opposition are not going to die in a ditch over that because we actually thought that would help the government. We believed that openness would be helpful for the process. Instead, we have seen the government trying to shirk any responsibility about establishing a degree of readiness before a switch-over, and it is just appalling.

Why might they do that? Why might they oppose an amendment that had at its heart the interest of viewers? All we can imagine is that this will be a shut-down whatever happens, and when questions are asked about why now is the time we will simply get the WIJI: 'Well, it just is.' 'Well, it just is' will be the answer and there will be no basis to engage in a discussion about whether that is a reasonable conclusion or not. Or—and I fear this is the real reason—the spectrum is valuable. The coalition set the nation on the course for digital television and, as part of that process, loaned spectrum to the broadcasters so they could broadcast digital and analog television through this simulcast period. Once analog is shut off, that spectrum becomes available—and that spectrum is invisible gold. It is incredibly valuable and, no doubt, with the parlous state of the budget and the abandonment of some of the economic responsibilities of the coalition government, the Labor government will be busting to get their hands on that spectrum. They will be hungrily trying to get hold of the value of that spectrum to hand over to the

states or to prop up a deteriorating budget. That may be what this is about. That may be why they would junk a proposal from the Senate, developed by the opposition, to make it clear whether a community was ready to have its analog television sets shut off and blacked out—no more transmission. Why would they do that? Because they want to get their hands on the spectrum. This could well be another phase of Khemlani—or ‘Kevlani’, in this case. Rather than running off to get some petrodollars, they have thought, ‘That is not publicly saleable; let’s run off and grab hold of the revenue that comes from the spectrum.’ (*Time expired*)

The SPEAKER—To assist the House, I am going to repeat the question. The question is:

That the House does not insist on its amendments Nos 2, 4, 5, 6 and 7 disagreed to by the Senate and agrees to the consequential amendment made by the Senate.

Mr BILLSON (Dunkley) (9.18 am)—I appreciate your wise counsel there, Mr Speaker. We are talking about the amendments that are not being insisted upon and why, which brings me to the one that the government is accepting—the one relating to the black spots. I made it clear in this place last night that—with 1,100 transmission and retransmission devices providing analog services right across the continent and given that television black spots were an enormous problem inherited by the Howard government in 1996 and a comprehensive program to address them saw television coverage delivered to communities that never imagined it being there—all of that work on the basis of analog television now needs to be backed up by the same commitment and conviction for digital. Thankfully, the government has realised that this is a compelling issue that needs attention, and that is why we are delighted that the government has at least embraced that amendment of the opposition,

which was insisted upon by the Senate. It just shows you that a bit of consultation can make a difference.

We will be supporting this amended bill, with those enormous caveats—recognising that, having left the black spot transmission amendments in the bill, all Australians, and certainly the opposition, will now be looking for the resources that are required to back up that provision. We need to see in the next federal budget funding to support communities to make their conversions from analog to digital and to make sure all the gains made in television coverage during the coalition government are not lost overnight. That is why we are very pleased to support that amendment staying in this bill. But we put the government on notice: we are very much looking for the resources needed to give effect to the machinery that has been left in the bill.

Mr NEVILLE (Hinkler) (9.20 am)—I would like to support the shadow minister on this matter. To some extent we cannot hold this up much longer, but I get the impression that the thing has not been thought through. I spoke about this last night, and I apologise if I got a bit overexcited—

Mr Bruce Scott—No, you didn’t; you were on the money.

Mr Sullivan interjecting—

Mr Briggs—Mr Speaker—

The SPEAKER—Order! The member for Longman will withdraw.

Mr Sullivan—I withdraw.

Mr NEVILLE—As the member for Dunkley said, it is what happens consequent to this that is important. We went to a lot of trouble. I have to disagree with the statement by the Leader of the House that for 12 years we did nothing—quite the contrary. We expanded television right throughout Australia. We introduced the black spots program, which filled all those little pockets—all those

towns—that could not get better than 60 per cent reception. That was done by having a program of \$25,000 per channel not received plus an additional \$25,000 for base infrastructure—a piece of land to put a tower on and an air-conditioned donga in which to put the transmission facilities. We are not aware of what the government is going to do with all those black-spots towers. It may not be a big task. We are not sure in those marginal areas whether analog will cover the full digital footprint. It will mean that there may even have to be new towers in some areas, and it may be that there will have to be transponders on existing towers. If we are going to get out into the whole of Australia then that is going to be one of the things that has to happen.

In addition to that, we have a situation where community television is caught between a rock and a hard place because, again, as the shadow minister said, until that spectrum is freed up we are not sure whether you will be able to give these community television stations a block of spectrum. If they continue to broadcast in analog while the rest of Australia is transferring over to digital then their sponsorship market will be greatly reduced, and that will have an impact on them. That could have been attended to. My view is that there could have been spectrum found—initially if the right negotiations had been done with SBS and the ABC, but that is my personal view not the opposition's view.

In addition to that, we have to make sure that we cover the whole of Australia. When the original bill came out regional areas were to be given another four years beyond the capital cities. What has happened in this Broadcasting Legislation Amendment (Digital Television Switch-over) Bill 2008 is that we have turned it round the other way: the country areas are going to switch off first—they will be the guinea pigs, if you like—and

then, when everything has been well tested, we will change over the capital cities. But we should remember that there are black spots in the capital cities as well.

It is a big expense for country TV stations to have to transmit through both analog and digital. They want us to move forward—and I do not say we have to retain that four-year buffer, but we do have to make provision for people who are in that circumstance to get television. The British government have gone to the trouble of having a system whereby people can get set-top boxes to convert their analog TVs to digital. We need to have a similar program.

So the shadow minister is quite right: we are going into uncharted waters with this bill. It is a pity that some of our amendments have been rejected, but I would appeal to the government to get on to the detailed work now or we are going to be a lot of trouble and there is going to be a lot of heartburn throughout regional Australia and in the black spot areas in capital cities.

Ms MARINO (Forrest) (9.25 am)—I rise to speak strongly on behalf of the people in my electorate of Forrest and I concur with what the previous speaker, the member for Hinkler, and the shadow minister, the member for Dunkley, said, particularly since, with the topography of my electorate, the black spot issue is a significant one. The funds that are going to be applied through this bill, the Broadcasting Legislation Amendment (Digital Television Switch-over) Bill 2008, are particularly important from here, so I am very keen to see what happens and how those issues will be eliminated from my electorate. Let me tell you, I will receive a lot of pressure, and therefore so will the government, if this is not done correctly. I am glad our amendments have been embraced, but we must ensure that no-one is excluded by this switch-over.

The one thing that is not well understood is what television means to very remote and regional viewers, whether they are in centres or extremely isolated areas. We take it for granted. There are places in my electorate that cannot get local ABC coverage, including emergency and local information, because their feed comes from the north-west, 2,000 kilometres away. They struggle for information now, and if we do not have decent television coverage with a local source then those same people are going to be completely disadvantaged. I am also told that unless the signal is delivered correctly, whereas with analog the graduation to a loss of signal is when you see the snow, with digital the loss of signal is like falling off a cliff; that is the effect. So this needs to be done particularly well and it needs to be able to service the communities in my area.

The other issue I have is about the assistance that is going to be provided through the budget for community organisations, shires and others who rebroadcast. There will be a number of them throughout Australia that do not necessarily have the funds for this within their capacity. So there is another issue in resourcing those groups that will need assistance to do this—as will some low-income earners and a range of people who may not have the funds for the technology that is needed to make this transition.

I am concerned that ACMA has had a cut to its budget. We have been told that this switch-over is going to be moving ahead—we will see if it moves quickly—but for ACMA to be able to discharge its responsibilities in this area, including black spots and, now, a whole raft of other requirements, it needs increased resources as opposed to cuts to its budget that the government has already agreed to. People within my electorate need to know without any shadow of a doubt, and I need to know, that every current viewer that has access to analog television

and all of the safety and day-to-day information in their lives that comes from having good communications and access to television will have access to them once the analog system is switched off, and that those who need the assistance in the process will be given the resources to do so.

Mr BRUCE SCOTT (Maranoa) (9.29 am)—I concur with our shadow minister, the member for Dunkley, on this in that we support the intent of this legislation, the Broadcasting Legislation Amendment (Digital Television Switch-over) Bill 2008, but we must make this point. We have got an arrogant, out-of-touch Labor government. With one of the most important pieces of communications legislation in this House, they rock it up to us and they say, ‘We’re going to gag you because we want to get this bill through the House; we want to get home.’

The Labor Party continually boast that they hold more seats in rural and regional Australia, where this is going to have a dramatic effect on the people—the working families and those people who live out in rural and remote Australia. They say that they are concerned and that they hold more seats in those areas than this side of the House does. Where are the members for Forde and Blair on this issue? Have they spoken on this? Are they concerned about their constituency in relation to this legislation? What about the member for Leichhardt? He has probably scooted home already. Where are the members for Capricornia, Richmond, Page and Flynn? I see the member for Flynn here. He represents a large constituency that would be concerned about this, but we have not heard a peep out of him. I hope he has been to the Leader of the House and said, ‘I want to speak on this because I am concerned about this legislation.’

They continually say that they hold more seats in rural and regional Australia than this

side of the House but they have no concern for them. They are arrogant and they take those votes for granted. Let me assure those members that we on this side of the House are here on this issue and we will debate this as long as we need to, because we cannot take this government and this minister at their word that they are going to provide funding in next year's federal budget to deal with some of the critical issues in relation to this bill, particularly in relation to black spots.

We have here the members for Farrer, Gippsland, Forrest—who has just spoken—Mayo, Riverina, Grey, Calare, Kalgoorlie, Herbert, Fairfax, Cowper and Hinkler, and the list goes on. These are members from rural and regional Australia who understand this issue. We are all here to debate this because we are concerned about the mismanagement, the ineptitude and the lack of understanding of the importance of this bill to people right across Australia.

As the member for Hinkler said, this is not about those huge towers outside of our capital cities; this is about the 11,000 transponders across regional, rural and outer metropolitan Australia, where that technology has to be changed to digital technology and where you have a very thin advertising market. Do you think that the commercial television channels are going to have the funds to convert these transponders to digital technology? What about the families that have to convert an analog television in these tough economic times? Do you think they have got the money to go out and convert their television? They are not going to be buying huge plasma TVs; they cannot afford it. And yet that is what this government is going to impose on working families and people in rural and remote Australia with the passage of this bill.

The government are saying: 'Take us on trust. Listen to our words—not what we will do to you; listen to the words. We'll find money and we'll have it in next year's budget.' I have to say to you, Minister, I am not prepared to take you at your word on this one because we have seen what you have done with the communications trust fund. You have raided that, you insisted on those amendments in the upper house and you have taken that money that was designed to ensure, where markets fail in the future, there would be earnings from a fund that would deliver upgrades in rural communications into the future. So we are just not prepared to take you at your word; and we will make sure we keep you honest on it, I can assure you, Leader of House.

The SPEAKER—The member will refer his remarks through the chair.

Mr BRUCE SCOTT—I will just touch on the issue of those many small rural communities. Where there is a community of 1,000 or fewer people—and the member for Flynn would have a number of these in his electorate—it is actually the council that pays for the rebroadcast of television into those small communities, not the commercial television provider. Who is going to pay those councils to convert those transponders? In those communities of 1,000 or fewer people, they will have to pay. They do not have free-to-air TV; they have pay TV, and the government are going to ask them to pay more with the passage of this legislation. They say: 'Listen to us. We'll find some money in next year's federal budget.'

This is legislation that has been rushed through. The government have lost control of the economy, they have mismanaged the economy and they have mismanaged the legislative program that they put forward. They have had 12 months and more to deal with this—we are into the 13th month. It just

demonstrates that we have an arrogant, out-of-touch Labor government in control of the House. (*Time expired*)

Mr BRIGGS (Mayo) (9.34 am)—I will be brief in order to assist in the functioning of the House. I have a significant issue about TV reception in my electorate. The district council area of Yankalilla is one of the most beautiful parts of Australia, and I urge all members on the other side of the House to come and visit Yankalilla at some point. Yankalilla has a topography which creates real difficulties with TV transmission. The people are very concerned. It is a poor council because it has a small number of ratepayers. A lot of people holiday in the area, so services are expected. But they have an issue with the changeover of equipment, which will cost about \$1.4 million. I rise today simply to urge the government to assist these small councils and regional areas with particular topography issues in handling the switch-over.

I am a big supporter of digital TV. I think it is the right technology. It will create a lot of additional spectrum, which will create a lot of additional revenue for the government at some point in time. But we should help these small areas who need this assistance to switch over. I urge the government to quickly announce a package of assistance in the next budget.

Mr JOHN COBB (Calare) (9.35 am)—I would like to associate myself with the very articulate and learned comments made by the member for Hinkler and the member for Mayo. The point I would like to make is not just in relation to the seat of Calare; all over country Australia, there are many people who are only just getting analog TV now and who are going to be so disadvantaged and so at risk for their reception once it goes digital. Without making all the safeguards mentioned by the member for Hinkler, we are

going to be very disadvantaged by this legislation.

Mr KATTER (Kennedy) (9.36 am)—I will be uncharacteristically brief. Our motor vehicle highways have fallen into a terrible state of deterioration over the last 15 to 20 years. Most of those roads that I represent are over 20 years old, and highways are only supposed to last for 25 years. I would say the vast bulk of them are over 40 years old. But the cyber highway is available to us, and it is the cyber highway that we desperately need. If we cannot have the other highways, we would like to at least have the cyber highways. It makes us remarkably part of Australia. We can get 35 television channels in the Gulf Country, the same as a person in Sydney or Melbourne. We see a great opportunity for us to be able to be part of Australia and to restore the opportunities we had some 25 years ago when the great McEwen built the beef road scheme for Australia.

In this legislation, once again we see the work of the economic rationalists and the user-pays principle. The user-pays principle applies this way: we privatise the railways in country New South Wales and in country Queensland but we do not privatise the commuter systems in Sydney and Brisbane. So the commuter systems in Sydney and Brisbane get a \$3,000 million golden handshake every year, whilst we have the user-pays principle applied to us.

You want to have export industries. Next year you are going to see the price of not having export industries. You will find out next year the price that a country has to pay when it has got nothing that it can produce for itself and nothing that it can produce to export. Last year was the first year—

Mr Hockey interjecting—

Mr KATTER—I would not be too smart if I were you. Last year was the first year in Australian history that fruit and vegetable

imports exceeded exports. In other words, this country cannot feed itself.

Mr Hockey interjecting—

Mr KATTER—I would be very quiet if I were in the opposition. They were there for 12½ years. You sowed the wind; you will now reap the whirlwind.

Mr Bruce Scott interjecting—

Mr KATTER—I am speaking about the communications issue and we pay tribute to the opposition in securing the changes. They have not gone anywhere near as far and the principle is still out there of user pays, so I do not want to go too far in my gratitude. Christmas spirit only extends so far! Let me say thank you and congratulate them on having achieved a certain amount.

If you apply the huge cost structures which have been applied to rural Australia and you do not give us a fair go, then you will have no export industries. That is the price that you are now paying. Last year, for the first time ever, Australia could not feed itself in fruit and vegetables. Australia cannot feed itself. It is only a matter of time before that extends across agriculture completely. Isn't that a proud achievement for a nation which is supposed to be the food bowl of Asia, as Mr Fisher used to say? We say thank you for the movement forward from the opposition. We say to the government that you have to give us a fair go because what little you have out there you will not have for much longer. We find it so difficult to get our sons and daughters to come back into our mines and onto our farms. It is so difficult to do that and you make it infinitely more difficult if you create a situation where the city has one set of advantages which are simply not available to people outside of the great cities of Australia.

Mrs HULL (Riverina) (9.41 am)—We are back to the Keating decision to turn off analog phones without an alternative for ru-

ral and regional Australia. It was an absolute disgrace that the people in rural and regional Australia who had fought so hard and had built their own towers—councils right across Australia had built their receivers and the towers at great expense to themselves—found that their analog service was going to be shut down in 1999.

Mr Neville—Before a replacement.

Mrs HULL—There was no replacement on the cards when Keating decided that would be it—sunset, finished. In December 1999 it was all over. We are back to those days. Then we were able to initiate, through the enormous efforts of the former Deputy Prime Minister, Tim Fischer, having a CDMA network installed for rural and regional Australians. He identified that this was a network that could be up and running relatively quickly. But even then, when we had that CDMA network up and running relatively quickly, we had enormous fallout because the CDMA coverage did not extend to where the analog coverage had extended previously. That was supposedly called 'fortuitous' coverage by Telstra and others when they were rolling out their CDMA and we were having complaints and people who had been used to having mobile phones no longer had a service. But they had 'fortuitous' coverage.

This is exactly the same problem that is going to occur now. This is a safeguard, a protection, for Australian television viewers, primarily in rural and regional areas, when it is determined that the switch-over should occur—unlike the analog CDMA service. In fact, when Telstra were introducing 3G, I was still trying to fill the black spots of the CDMA service. Now 3G is in there and I still have enormous black spots. Do the members of this House and the government not learn from experience? Do they not have these same issues in their electorates? I am sure

they do. But are they willing to speak out on them? That is the very great difference.

These are particularly relevant amendments that focus on the transmission black spots and the transparency of the legislation. There is an enormous amount of work needed to rectify the black spots in advance of the switch-over, and you need to know where those black spots are. There need to be studies of where those black spots are. I live in the city of Wagga Wagga of 60,000 people. My house sits right in a black spot. It does not bother me, but the fact of the matter is there are people in regional centres who are in black spots as well. It is not just that you think we on this side of the House expect the coverage to extend to every gum tree, to every kangaroo and to every wombat in Australia. You treat us as though we are gum trees, kangaroos and wombats that do not deserve consideration when it comes to having access to the primary fundamentals that are available to all other people.

This is a sensible proposal to recognise where these black spots are before the shutdown of analog occurs. Without these amendments there is no incentive, there is no pressure, to make any changes. There is no incentive to ensure that people are not going to be left just watching black screens. We have been there before. We have done that—

Mr Bruce Scott—They won't even have the test pattern!

Mrs HULL—Exactly. When TV first came in, rural and regional Australia watched a test pattern for five years. This is about what we are entitled to—the rights and equity of all Australians. Mr Speaker, this is an absolute insult to the people of Australia who have had no consideration from the government. I urge them to let their conscience show through and come on over and support their people. (*Time expired*)

Mr HARTSUYKER (Cowper) (9.46 am)—I would like to add my voice to those of my National Party colleagues in relation to the issue of availability of television reception for people in regional and rural areas. Certainly the area that I represent is hardly remote—it has very large centres—but one of the concerns that many people around Coffs Harbour have is that, despite the size of the city, there are large areas where you cannot get high-quality television reception, and this legislation certainly does nothing to improve that situation.

It is incumbent on the government to provide access for all Australians to quality TV reception. It is a very important medium. People who are conducting commerce need TV reception to be adequate in their area. We certainly do not have that around Coffs Harbour at the moment or in a range of areas in the electorate of Cowper. This legislation, as it is currently drafted, has the potential to disadvantage many people around Australia. Its impact is certainly of grave concern to me and my National Party colleagues.

Mr RAMSEY (Grey) (9.47 am)—I would particularly like to associate myself with the remarks of the member for Riverina, who likened this shutdown to the closure of the analog network of telephones. I am well aware that we do need to make changes; we do need to get on with the business of rolling out a modern digital network. My local television stations are quite keen to see this happen because of the added cost they have of broadcasting in both bands at the moment, but it is very important that we get the safety net right.

Like other members who have spoken from this side of the House who have highlighted various black spots in their electorates, I too have a number of residents who, for one reason or another, did not avail themselves of the previous black spot program. In

particular, I draw your attention to the residents of western Yorke Peninsula, where they are largely in a broadcast shadow from metropolitan television stations. They find it very difficult to get reception under current conditions. The people around Wallaroo and Port Pirie already build large television aerials so they can receive the analog signal. They are very concerned that the new digital signal will not be as strong.

I also take the opportunity to draw the attention of the House to the situation which exists where I live. I live about 180 kilometres from Whyalla, where there is a broadcast service in analog, but my local news service comes from Rockhampton. I am always very interested to see what is going on in the member for Hinkler's electorate, but as I am sometimes fortunate enough to be on the local news program that is broadcast throughout the rest of my electorate, I do not actually ever get to see myself when I am home. I know that may not be disappointing to you, Mr Speaker, but it is something that I find fairly galling. And one of the things that we do not fully understand is how the shutdown of the analog network is going to affect the digital signals of the satellite system that serves a lot of Australia. There are unanswered questions there at the moment. We need to know that the government is going to make the commitment in the next budget to iron out these problems and that we do not just get this cold-turkey shutdown with the government saying, 'You're on your own, boys and girls.'

Mr Bruce Scott—They're all walking out.

The SPEAKER—Order, the member for Maranoa! There has been a lot of tolerance shown in this debate. The consideration of Senate amendments is not an opening for revisiting the second reading debate, as the honourable member for Maranoa well

knows, so I would think that, given the tolerance that has been given, he might show an example by his behaviour. I remind the House that we are debating a motion moved by the minister that arises from the consideration of a Senate amendment to a bill.

Mr CHESTER (Gippsland) (9.50 am)—I rise briefly to endorse some of the earlier comments made by the members for Riverina, Maranoa, Hinkler, Forrest, Mayo, Calare and Grey. I appeal to the minister, in the spirit of Christmas, by saying that we have just had more than 100 years of practical representational experience in this House speak with a great deal of passion, common sense and practical knowledge of what is happening on the ground in rural and regional areas.

Mr Albanese interjecting—

Mr CHESTER—I take up the minister's point about a lot of emotion. There is a lot of emotion and passion associated with this issue—

Mr Albanese interjecting—

The SPEAKER—Order! The minister is not assisting now.

Mr CHESTER—because we are talking about the social and economic importance of the communication services in regional areas. I take up the point from the member for Grey in relation to the news services. Our regional TV services are very important in keeping our social connectivity going, and I say to the minister that he ignores these warnings at his own peril, because the people of regional areas are watching with a great deal of interest and they would like to keep watching in the future.

Mr COULTON (Parkes) (9.51 am)—I rise to endorse the remarks of my colleagues and also in support of my community and my electorate, which is a large regional area that is going to be severely disadvantaged if

digital TV is turned on without a replacement. I will say briefly that prior to coming to this place I was the mayor of a shire council, and we had one of these small community transmitters, which was funded by the previous government and managed by the council. From time to time it would break down, and I know what the people of Australia do when they do not have television to watch: they turn to one thing, and that is the telephone. They would telephone me as a mayor in that position. So I have a word of advice to my colleagues on the other side: when the televisions are switched off in my electorate, I am going to furnish my constituents with the phone number of every member of the Labor Party so that they can fill in their idle nights speaking to them.

Mr ALBANESE (Grayndler—Minister for Infrastructure, Transport, Regional Development and Local Government) (9.52 am)—I thank all the members who have contributed to the debate, particularly the one member who actually addressed the motion that is before the House, but I indicate and remind members that this is a debate in which there is agreement across the chamber with the government's amended motion and that we are about to vote together in support of the amended legislation. For those listening to the debate, that might not have been as clear as it probably should be. I moved the motion that is before the House and that you all spoke on, and you are voting on the motion moved by the Minister representing the Minister for Broadband, Communications and the Digital Economy in this House.

It is certainly the case that this bill has the support of the government—which, I note, has a majority of members in this House from regional Australia. More than any other political party, the government ensures that regional Australia is represented. I am pleased to support this in my capacity as regional development minister. It is certainly

the case with these amendments that, whilst the government believes that one of the amendments is particularly poorly drafted, the government wants to ensure that the digital switch-over is kept on track. Hence, we are supporting the legislation.

I can understand why the coalition would want a debate about an issue on which there is agreement in the House to perhaps distract from the absolute chaos in the Senate last night over nation building and Labor's infrastructure agenda. It is no wonder that there was an attempt today to have a distraction. The government has allowed everyone an opportunity to speak on this bill. The fact is that this bill was not gagged last night at all. Therefore, we have been able to receive the legislation back this morning. The chaos in the Senate last night over the infrastructure legislation was such that not only were the National Party and Liberal Party divided but the Liberal Party was then divided within itself, with some members going with the National Party, some leaving and some voting in accordance with what they said.

I am very pleased to commend the motion to the House. I take this opportunity to say that it is important that the last piece of legislation carried by the House for this year is about a forward-looking issue such as digital television.

Question agreed to.

HOUSE OF REPRESENTATIVES CHAMBER GALLERIES

Mr HOCKEY (North Sydney—Manager of Opposition Business) (9.56 am)—On indulgence: Mr Speaker, the day before yesterday there was a visitor in the gallery with a young child. The young lady raised with me the issue that she was embarrassed about the child crying in the chamber. I said to her that she should not be embarrassed at all. It is a great sound, in fact. I was reflecting on what she said and recalled there are closed-in gal-

leries here, some of which are not used. I was wondering if you could consider over the break whether there would be the capacity for parents with young children to go into some of those galleries to observe question time in a more family-friendly environment, particularly with a little toddler running around or something. The ones up above the chamber would certainly provide a good opportunity for that, even though a lot of the closed-in galleries are used for schoolchildren.

Finally, Mr Speaker, merry Christmas! To the Leader of the House, thank you for your cooperation last night. To all members of parliament, I hope you have a really safe, happy and blessed Christmas, a wonderful new year, good health and that all your dreams come true.

The SPEAKER (9.58 am)—In response to the comments of the member for North Sydney, I totally agree that the mother concerned should not have been in any way embarrassed. A crying baby in the gallery, from the point of view of those in the chair, is the least of our worries. On the serious proposal, there has from time to time been discussion about the matters raised by the member for North Sydney. Regrettably, the access to the galleries used by the schools presents challenges for wheelchairs, prams and the like. But I think it is an apt reminder, and we can revisit the proposal that the member for North Sydney has raised.

Mr ALBANESE (Grayndler—Leader of the House) (9.59 am)—On indulgence: Mr Speaker, I would like to associate myself with the comments of the member for North Sydney when it comes to the issue of babies and young children. I think that we should be doing whatever we can practically to make this a family-friendly environment. So I commend the comments of the Manager of Opposition Business and look forward to

your consideration of that. I wish you in particular, but also all members and senators, a merry Christmas and a happy New Year.

House adjourned at 10 am.

Thursday, 4 December 2008

The DEPUTY SPEAKER (Ms AE Burke) took the chair at 9.30 am.

CONSTITUENCY STATEMENTS

Petition: Paterson Electorate Roads

Mr BALDWIN (Paterson) (9.30 am)—I rise today to present a petition signed by over 1,500 constituents from the electorate of Paterson who are concerned about the current state of the Bucketts Way—one of the most significant roads in the Hunter region, connecting the rural communities of Raymond Terrace and Gloucester, Wingham and Taree. This petition, which is over 64 pages long, refers to the urgent need for the Rudd Labor government to match a coalition multimillion dollar pledge if re-elected to develop passing lanes along the Bucketts Way or risk needlessly ending the lives of countless people prematurely due to unsafe driving conditions. The coalition committed \$12 million if re-elected to introduce passing lanes at various points along the Bucketts Way. These lanes would have ranged in length from 500 metres to 800 metres on both the northern and southbound lanes.

Whilst in government the coalition committed to the betterment of roads in the Paterson electorate by providing invaluable assistance and I demand that the Rudd Labor government continue to keep up this legacy and ensure the wellbeing of Paterson residents and tourists alike. The need for passing lanes along the Bucketts Way is dire. With Christmas time fast approaching it is a poignant reminder of the stress incurred by thousands of local residents who live in close proximity to the Bucketts Way and have to cope with increased congestion on their roads.

Unfortunately, most years around the holiday season there is an accident located along the Pacific Highway. Consequently the RTA management plan is often to divert traffic along the Bucketts Way—a road which in its present state is essentially a country road without any passing lanes. It is not adequately equipped to handle such heavy traffic conditions safely. Bucketts Way is a major route in the Paterson electorate and requires immediate attention. The Rudd Labor government must listen to the cries of over 1,500 constituents of the Paterson electorate and fund passing lanes along the Bucketts Way to improve driver safety, ease congestion and decrease risk-taking and possible road fatalities.

The constituents who have signed this petition demand that these improvements take place on the principle that if they are not met then lives will be lost needlessly on roads that are not up to standard. The Prime Minister and the Minister for Infrastructure, Transport, Regional Development and Local Government should quit wasting time pondering political point-scoring that may eventuate from injecting money into fixing the Bucketts Way and instead use that time productively to contribute funds to repairing one of the major transport arteries of the Paterson electorate.

People die on roads, and asking for more funding is not out of line—it is my duty as a representative of the people and I will not rest until the needs of the Paterson community are served. I present the petition to the House.

The petition read as follows—

To the Speaker and the Members of the House of Representatives Parliament House Canberra ACT 2600

MAIN COMMITTEE

The Bucketts Way is one of the most significant roads in the Hunter Region connecting the rural communities of Raymond Terrace with Gloucester, Wingham and Taree. Passing lanes are imperative to improve safety and save lives.

A re-elected Coalition Government committed \$12 million to introduce passing lanes at various points on the Bucketts Way. The lanes would range in length from 500m to 800m and be both north and south bound.

We the undersigned demand the Rudd Labor Government match this pledge to save the lives of the people of our community.

from 1344 citizens

Petition received.

World AIDS Day

Ms PLIBERSEK (Sydney—Minister for Housing and Minister for the Status of Women) (9.33 am)—This week was the 20th anniversary of the first World AIDS Day. HIV is an illness that is not going to go away. There are now about 10,000 people in NSW living with HIV. Of course the nature of the illness has changed a great deal in recent decades. People are living much longer and living much healthier and more productive lives thanks to many advances in medicine. Of course, even though the general experience is that people are living longer and staying healthier, not everyone with HIV has been made ‘well’ by antiretroviral drug regimes. There are still many people who experience ill health from HIV, and a lot of people also have problems with security of income, housing and staying connected to the community to combat social isolation.

The theme of this year’s World AIDS Day is: ‘Enjoy life. Take control. Stop HIV/AIDS.’ As I said, while AIDS may no longer be a death sentence, there is still no known cure or vaccine. This means that it is still very important for people to be vigilant, to practise safe sex and to look after themselves. There are many organisations in my electorate that serve my constituents who are living with HIV—organisations like the Bobby Goldsmith Foundation, ACON, *Positive Living* and the Luncheon Club.

I was very happy to note this week that the Minister for Health and Ageing, Nicola Roxon, announced \$150,000 over two years to the Albion Street Centre in my electorate to coordinate a network of 30 regional World Health Organisation collaborating centres for HIV-AIDS across 10 countries in the Asia-Pacific region. It is important that, while we continue to be vigilant in Australia and to ensure that we keep new infection rates low, we also play a role in our region. We have on our doorstep countries like PNG and Indonesia where infection rates are very high, potentially reaching epidemic proportions, and it is very important for Australia to do its bit to help get the prevention message into those communities and reduce infection rates there.

In New South Wales there are over 10,000 people living with HIV, and the HIV infection rate has increased by around five per cent each year. The infection rate, of course, has slowed, but it is very important to understand that new infections continue to arise in the community and that we do have a responsibility to do all we can to keep those infection rates low and also to make life as good in quality as possible for those people who live with HIV.

Barker Electorate: Lake Bonney

Mr SECKER (Barker) (9.36 am)—I rise to speak about Lake Bonney, which is the geographic centre of the Riverland in South Australia, in the mighty electorate of Barker. The natural, sparkling freshwater lake is fed from the Murray River via Chambers Creek—I should say it was fed, until the Rann state Labor government stoppage of River Murray water flow into Lake Bonney in September 2007. On the lake is the township of Barmera, which has a population of approximately 4,000 people. Being a tourist town and in a major fruit-growing area, the township of Barmera depends on Lake Bonney for much of its income. The system of water allocation to date has been controlled by the states, and greed rather than common sense frequently dictated the allocation of water. Notwithstanding that South Australians are very efficient users of water—indeed, our state only uses around six per cent of the total water allocated out of the system—Lake Bonney's and South Australia's biggest problem is that we are at the end of the line.

As a consequence of being cut off from the Murray River last year, the Lake Bonney water-line wetland has receded and become saline. Recently we saw massive amounts of fish of a number of species die off at Lake Bonney. Just last week, hundreds of golden perch, redfin, bony bream and carp were found dead on the shores of the lake, where 10 dead Murray cod have also been found. One cod, estimated to be about 25 years old, was more than 1.3 metres long. University of Adelaide studies indicate that the fish were killed by a lack of oxygen caused by reduced water flows and dying plant life.

Environmental and community groups have been calling for the government to save the lake since it was cut off from the River Murray more than a year ago. The blame for allowing water in the lake to reach high salinity levels lies with state Labor governments for failing to take earlier action. In June of this year, the South Australian Murray-Darling Basin Natural Resources Management Board recommended that Lake Bonney in South Australia be provided with a water allocation of 20 gigalitres by October to prevent ecological problems. Whilst I am pleased to note that 10 gigalitres will be delivered over the next few months, it will only be a partial refill.

Last year Minister Maywald said that temporary closure of Lake Bonney was necessary to ensure delivery of water to Adelaide. This is a city-centric mindset whereby natural wetlands are sacrificed to a city which draws 80 gigalitres of water from the Murray for consumption and yet, according to the government's own figures, allows 160 gigalitres of stormwater to flow out into the Gulf of St Vincent. We can no longer afford to let precious water go out to sea. It is a waste and ecological madness. We need to ensure that Adelaide manages water effectively and, in doing so, reduces its reliance on the River Murray. This in turn will provide additional environmental flows and additional water for food producers and irrigators who rely on the river.

Petition: Make Poverty History Campaign

Ms HALL (Shortland) (9.39 am)—I rise to table a petition about an issue that has been raised by constituents of mine, the Baptist Church in Kotara and St Luke's Uniting Church in Belmont, about the Make Poverty History campaign. The petition highlights issues of great importance in that campaign. Members of those churches are asking for the parliament to pledge support to reduce child mortality and improve maternal health, which are two of the eight Millennium Development Goals. They highlight the point that, in South Asia and the

Pacific, 16 of the 22 developing countries are not on track to achieve millennium goal 4, a reduction in mortality of two-thirds, and seven countries are not on track to achieve millennium goal 5, to reduce the mortality rate.

The women from the churches are very committed to the campaign. They also asked me to thank Bob McMullan, the Parliamentary Secretary for International Development Assistance, for his commitment to invest an additional \$300,000 for water and sanitation by 2010, and the Prime Minister for his commitment to lift aid to 0.5 per cent of gross national income. They would still like to see that aid lifted to 0.7 per cent by 2015, and they highlighted the fact that, in our region, there are a number of countries that are really struggling to meet the millennium goals. In countries as close as East Timor one in 600 women die in childbirth, so a lot of work needs to be done. They highlighted that, since the adoption of the millennium goals in 2000, there has been much progress, with children attending school, immunisation and children surviving past their fifth birthday. However, they would like Australia to do a bit more and contribute a bit more to help those countries that are really struggling to meet their targets. They believe that it would be very useful if we would increase our contribution to UNICEF and other organisations such as theirs.

I table the concerns of my constituents and put on record that they are a fine group of women from fine churches that really care not only about their community but also about other struggling communities throughout the world. I am pleased to present the petition.

The DEPUTY SPEAKER (Ms AE Burke)—The document will be forwarded to the Standing Committee on Petitions for its consideration. It will be accepted subject to confirmation by the committee that it conforms to the standing orders.

Stirling Electorate: Nollamara Shopping Centre

Mr KEENAN (Stirling) (9.42 am)—I am very pleased to be able to talk today about something I worked very hard to achieve in my electorate of Stirling—that is, to make my electorate safer for local residents, especially elderly people and families. The week before last I was very pleased to welcome the Leader of the Opposition to the Stirling electorate and, jointly, we visited the Nollamara Shopping Centre, where, along with the Mayor of the City of Stirling, Councillor David Boothman, we had the pleasure of launching the new CCTV surveillance camera system. The CCTV camera system was installed at Nollamara shops by the City of Stirling after the federal government offered a grant from the National Communities Crime Prevention Program of \$85,000, as part of the previous Howard government's \$1.5 billion national security package. I am very sorry to say the Rudd Labor government has since disbanded this very effective local law and order program.

The need for increased security measures at Nollamara Shopping Centre became apparent following a vicious attack last year on a man who was using a bank ATM at the centre outside of business hours. The incident was particularly serious. This man was attacked with an axe in an absolutely unprovoked way, and urgent action was warranted to address security in the area. I was happy to join forces with the City of Stirling to lodge a funding application to the National Community Crime Prevention Program for the installation of CCTV at the shopping centre. As I just said, \$85,000 was allocated from that program and that system has now been launched. Sixteen security cameras have been installed around the shopping centre precinct. That includes six additional security cameras, which is beyond the 10 initially considered to be adequate for the scope of the project. This new CCTV system will help make the Nolla-

mara Shopping Centre safer for older people and families as well as making it easier for police to identify and subsequently catch criminals.

It was very important to secure this federal funding so the City of Stirling could proceed with this project. The city has done an excellent job in delivering the new security system; it does generally do an excellent job in providing for local security needs. The CCTV system aims to increase the feeling of safety at the centre and will be used to assist police. I am sure the new CCTV surveillance system at the Nollamara shops will increase the feeling of safety at the centre for the local community.

Following the CCTV launch, the opposition leader and I met with local residents and shop owners, and they were very pleased about the installation of the new system and very pleased that we had taken this positive step to secure the shops and the local area. I am always pleased to work with my local government area, the City of Stirling, and to help to improve safety and security within the electorate of Stirling. This project is only one of several that we were able to fund through the previous program, and I congratulate them on their efforts.

Kingsford Smith Electorate: Volunteers

Mr GARRETT (Kingsford Smith—Minister for the Environment, Heritage and the Arts) (9.45 am)—It is a great pleasure to rise to give due recognition to the role that volunteers play in our community, particularly in Kingsford Smith. I specifically want to note not only the efforts of the surf-lifesaving clubs and those who work in women's refuges and sporting clubs but also, in particular, the Kooloorra Community Centre, whose 20th anniversary celebration I attended earlier this year.

For the last 20 years, Kooloorra has played an important role in the electorate of Kingsford Smith. It is situated in Malabar and it serves some of the most disadvantaged in our community. I have had the pleasure of visiting and working with Kooloorra on a number of occasions since my election. I have been greatly impressed by the commitment of the team who work at the centre. Kooloorra provides a number of really useful and worthwhile programs: fitness for seniors, vacation child care, toddler playgroups, computer classes, a women's support network, an environment group and social bus trips, to name just a few. Of particular interest to me is a service that they provide particularly for elderly people in the community, which is the provision of fresh fruit and vegetables: volunteers collect bags of fresh fruit and veg for community members to purchase for \$10 over the week. Those are luxury items for many people, so this service ensures that those who need this healthy food the most can actually purchase it.

Additionally, Kooloorra plays a significant role in the civic life of the community. It holds 'meet the candidates' forums prior to federal and state elections. These forums give residents the opportunity to hear firsthand from the candidates of the different political parties as well as the ability to ask them penetrating and incisive questions. You are really put on your mettle when you go to the Kooloorra Community Centre.

I want to make special mention of the commitment of Julie Spies, who leads the organisation and has provided untiring and unstinting effort for many years to build the Kooloorra Community Centre into an organisation that plays a central and pivotal role in our community of Kingsford Smith. Additionally, volunteers such as George and Gillian Collinson serve tire-

lessly and provide great encouragement to others and continue to work effectively to increase the activities of Kooloora over time.

A 2006 ABS report found that the volunteer sector is worth some \$42 billion. I know everyone in the parliament recognises that the contribution of volunteers to community wellbeing is absolutely essential. Our volunteers are at the heart of our community and I want to place on the record my appreciation for the work that is done not only by the Kooloora Community Centre but also by the many other volunteers associations in the electorate of Kingsford Smith.

Finally, before my speaking time runs out, I would like to wish the Rainbow Street Child Care Centre all the best for the new premises and all the success in the coming year for the important work that they will be doing.

McEwen Electorate: Fuel Prices

FRAN BAILEY (McEwen) (9.48 am)—I rise in this place today to bring to the attention of the parliament a couple of matters which are of great concern to constituents in my electorate. The first of these is the disparity in the price of LPG between what my constituents pay at the local garage and what they pay for the same LPG if it is delivered to their homes for the purposes of heating and cooking. I want to place on record my appreciation of Ms Sally-Anne Scrivener for the fantastic work that she has done within the Macedon Ranges communities in collecting signatures for a petition which has in fact been lodged in this our national parliament.

My local residents tell me that they actually watch trucks deliver supplies of LPG to local garages and that the same trucks then go on the rounds and deliver LPG, sourced from the same supply company, to homes. This is in the rural areas of my electorate, but it does in fact occur in the outer metropolitan areas as well. Madam Deputy Speaker Burke, I am sure that you and other members of the House would be astounded to know that the same LPG has a price differential of up to 30c a litre. Some of the most disadvantaged households within my electorate have to pay so much extra money simply to be able to do their cooking and heat their homes in the middle of winter. Let me say that the Macedon Ranges in particular get very cold in winter and we frequently have snow, especially around the Woodend area.

This is a terrible inequity. I do not understand why there is that price differential. Anyone who I have sought information from cannot explain to me why there is that price differential. I pay tribute to the work that Sally-Anne has done. She has done a fantastic job in making sure that people throughout the rural areas of the McEwen electorate are aware of this. This will be an issue that I will certainly be following up in the future, not just for the people of my electorate as I am sure that this is replicated in rural areas around Australia.

Fremantle Electorate: Cantonment Hill

Ms PARKE (Fremantle) (9.52 am)—I rise today to speak about Cantonment Hill, a precious jewel in the historic city of Fremantle. In 1892, Cantonment Hill was gifted by the Crown to the City of Fremantle forever ‘for the purposes of a public garden’, equivalent to the public open space of Perth’s Kings Park. However, in the lead-up to World War I, Cantonment Hill was requisitioned by the Defence department and it remains in Defence’s hands today, despite having been classified for more than a decade as surplus to requirements. Notwith-

standing almost a century of Defence control and restricted access, Cantonment Hill remains of high value to the Fremantle community.

The site is significant in so many different ways: Indigenous, historical, environmental, social and cultural. It is closely associated with the development of Fremantle, with the state's military history and with national coastal defence system development. The site has numerous heritage listings and has cultural significance for the traditional owners, the Nyoongar people, to whom it is known as Dwerda Weearidinup, or place of the Dingo Spirit. The artillery barracks house the WA Army Museum, containing the most significant collection of military items outside the Australian War Memorial.

For 15 years, Cantonment Hill has been listed as a system 6 reserve—of the highest environmental significance—by the state. It has quality remnant bushland and the last mainland stands of Rottnest Island pine. The rare orange-breasted parrots and nesting sea eagles have been sighted there. Since the first inkling in 1989 that the site might be parcelled and sold, a steady groundswell of local community support has risen to pursue the cause of keeping the land in public hands for public use.

In 1997 the Cantonment Hill Residents Action Group was formed and in 2000 the group mobilised to block sale of the hill and the adjacent artillery barracks to Notre Dame University. In January 2001, the previous, Howard government announced it would gift the site to the state and vest it with the City of Fremantle. However this did not happen, much to the disappointment of the Fremantle community. The defence department is now considering the City of Fremantle's request for a concession sale. The city certainly could not afford to pay the market price of \$1.6 million, nor should it have to, given that the land was originally gifted by the Crown to the people of Fremantle in perpetuity. The City of Fremantle intends to restore the land for public use, in particular to maintain Tuckfield Oval, rehabilitate the signal station for the purpose of making it into an interpretation centre and public lookout, create a safe public park and regenerate the native bushland.

In September I met with John Syms and Patrick Howard of the Cantonment Hill Residents Action Group. They have been steadfast community leaders in their efforts to keep Cantonment Hill as public space and they have lobbied for this cause to many before me. It is time that this issue was put to rest. It is time that this rare earth is gifted or sold at little cost back to the City of Fremantle for the public good. I am confident that this government will ensure the right outcome for Fremantle.

Forrest Electorate: Chefs Long Table Lunch

Ms MARINO (Forrest) (9.54 am)—I rise to support the Chefs Long Table Lunch Voluntary Organising Committee in Bunbury in my electorate. The Chefs Long Table Lunch is an outstanding community event that has been held every February since 2004. This outstanding community event was the brainchild of Bunbury's own national award-winning caterer Leonie Kershaw. Not only did Leonie want to provide a showcase for the south-west's award-winning chefs to use the mostly donated wonderful local and regional food and wines to tempt the now 500 guests who sit down to a fabulous feast under huge marquees on the fore-shore in Bunbury overlooking the picturesque waterway of the Leschenault Inlet but she also wanted to contribute to the many worthwhile community charities.

There have been two major beneficiaries of the hard-working, dedicated and extremely energetic group of chefs long table volunteers who help Leonie. In 2008, \$61,000 went to the very worthwhile South West Women's Refuge, a non-profit organisation providing sanctuary and positive support to women and children experiencing violence in their family environment. An additional \$28,000 went to smaller groups and families in need. In 2007, \$46,000 was given to the Val Lishman Health Research Foundation to help fund a research project focused on youth suicide prevention in the south-west. This project launched recently in Bunbury is expected to take 18 months to complete and has been made possible by the \$46,000 donated from the Chefs Long Table Lunch of 2007. The local Riding for the Disabled group also received \$6,000. Silver Chain received \$20,000 for a car for south-west residents in 2006. The 2004-05 donations totalling \$14,000 were dedicated to the Bunbury timber jetty.

The community has embraced this wonderful concept, queuing up for tickets and then bringing their absolute determination to have a great day out as they enjoy the culinary delights, premium wines, live music and dancing on offer. I hope that I have made you all want to come along and share this event.

I wish to acknowledge Leonie Kershaw, the outstanding committee, the chefs who donate their time and talent as well as the veritable army of happy volunteers. Not only do they all combine to provide those attending with a special experience; their efforts and the community support ensure that very deserving local charitable organisations receive the funding they so desperately need.

I was delighted to see the Chefs Long Table Lunch reach the finals of the 2008 Regional Achievement and Community Awards from a very strong field of nominees from right across regional Western Australia. I congratulate and thank everyone involved and wish the chefs long table group well for the 2009 Chefs Long Table Lunch. I am going to be there.

Thorndale Foundation

Mr BRADBURY (Lindsay) (9.57 am)—I rise to take note of the valuable work being undertaken by the Thorndale Foundation. The Thorndale Foundation is a not-for-profit organisation that provides accommodation, community participation and employment opportunities for people with an intellectual disability. This year the Thorndale Foundation is celebrating its 50th anniversary. Thorndale was established in 1958 by a group of local families with children with intellectual disabilities. At this time the trend was for these children to be placed in an institution; however, these families chose to fight to ensure that their children were given the opportunity to grow up as active participants in our community.

In 1959 Mr Clem Payne approached the Mayor of Penrith requesting that a public meeting be called to discuss the possibility of starting a school for children with an intellectual disability. Various local groups and organisations were contacted and a meeting was held. A committee was formed, headed by Mr A Little, the former Headmaster of Kingswood Public School. The Ex-Naval Men's Hall in Penrith was hired as the school's first premises. On 3 June 1959 classes commenced with two teachers and 14 students. On the first day of classes the school was presented with its first bus by the Penrith Lions Club. The school was officially opened on 29 August 1959. Twelve months after opening, the school was given the name 'Thorndale' in recognition of the significant contribution made by Mrs Jean Thornley and Mr Jack Daly, neither of whom had a child with an intellectual disability.

The Thorndale Foundation has continued to grow over the years and is now housed at Rance Road, Werrington, with three residential cottages at Orchard Hills. Thorndale has provided to many people with an intellectual disability the opportunity to work and be active participants in our local community. The foundation has grown from its modest beginnings as a school to now providing a range of services, including a supported employment program, accommodation facilities and centre based community programs. These services have provided the foundation's clients with the opportunity to be active in their community, enjoy social interaction, achieve personal growth and build their own self-esteem.

Earlier this year I had the opportunity to attend an open day held by the foundation and was able to see firsthand some of the foundation's important work in my electorate. More importantly, however, I was able to see the positive impact that this foundation has had on its clients and their families. I take this opportunity to acknowledge the efforts of the CEO, Helen Carter; the board of directors, Chairperson Cathy Gault, Brian Goodridge, Jan Caspers, Peter Smith and Tim Morris; and all the staff and volunteers of the foundation. The Thorndale Foundation is a wonderful example of what can be achieved when determined people have great aspirations for their loved ones and commit themselves and their energies to ensuring that these aspirations are realised. I congratulate the foundation on its 50th anniversary and wish Thorndale all the best for the future.

The DEPUTY SPEAKER (Ms AE Burke)—Order! In accordance with standing order 193 the time for constituency statements has concluded.

CONDOLENCES

Hon. Francis (Frank) Daniel Crean

Debate resumed from 3 December, on motion by **Mr Rudd**:

That the House record its deep regret at the death on 2 December 2008 of the Honourable Frank Crean, former Federal Treasurer and Deputy Prime Minister of the Commonwealth of Australia, and place on record its appreciation of his long public service and tender its profound sympathy to his family in their bereavement.

Mr GEORGIU (Kooyong) (10.01 am)—I rise to support the motion of condolence moved by the Prime Minister for the Hon. Frank Crean. I first came into contact with Frank Crean in the 1960s through my friendship with his son the late Stephen Crean, with whom I attended Melbourne High School—‘the honourable Stephen’, as we then called him in mock deference to his father's political prominence. It was a great sadness when Stephen was lost in a blizzard.

I met Frank Crean again in the course of the 1970s when I was working for Malcolm Fraser and then again in the course of the 1980s when he was appointed a member of the Australian Institute of Multicultural Affairs, of which I was director. Frank was remarkably accessible, considerate and supportive of the institute and its objectives. Malcolm Fraser, who is not an easy person to get plaudits from, described Frank Crean as ‘one of the most decent and honourable members of parliament I have ever met’. I think it is worth noting that all the senior liberal parliamentarians who watched him move through the vicissitudes of the Whitlam government held him in the highest regard for his integrity and his decency. That at the end of this troubled period he assumed the position of Deputy Leader of the Labor Party and Deputy Prime Minister of Australia attests to his qualities and to his commitment to Australia and the

Australian Labor Party. My sincere condolences go to his wife, Mary, his sons, Simon and David, and to the family.

Mr COMBET (Charlton—Parliamentary Secretary for Defence Procurement) (10.02 am)—I of course also wish to add my voice to the condolence motion in respect of the late Hon. Frank Crean. Frank was Deputy Prime Minister in 1975 and Minister for Trade in 1974 and 1975, and prior to that was Treasurer in the Whitlam government from 1972 to 1974. He was the member for Melbourne Ports—an electorate in which I lived for 14 years—for 26 years from 1951 to 1977. Further evidence of his commitment to public service can be found in the fact that he was a member of the Victorian Legislative Assembly from 1945 to 1947, whereupon he lost the election but returned to the Legislative Assembly and served again from 1949 to 1951, when he was elected as the federal member for Melbourne Ports.

Frank Crean was unquestionably one of the great Labor politicians of the 20th century. I believe Frank Crean was the embodiment of many Labor values, including the belief in fairness and justice in society, which runs through the great Labor tradition. Although I met Frank on a number of occasions only over the last 10 years, in the latter period of his life, I have known his son Simon since 1985 when I happened to be in attendance at the ACTU executive meeting, which was his first upon his election as President of the ACTU. The meeting was held in Newcastle, where I now reside.

All who know Frank's family would concur with the fact that Frank and his wife, Mary, passed on to all their sons—Simon, David and Stephen—all the Labor values that are so important to our movement. In particular, they passed on a sense of personal decency and the importance of personal integrity and how one must conduct oneself. All of those values not only encompassed a general commitment to social justice but also accompanied a very practical understanding, embodied in Frank, of the nature of the Australian economy and of the importance of economic growth in the achievement of social justice. In his first speech to the House of Representatives on 26 June 1951, which I was perusing this morning, all of those Labor values and beliefs were firmly on display and placed on the record. In his first speech, Frank spoke extensively about economic issues and the importance of increasing productivity, for example, as a means to achieve social justice. He said:

... it is equally important, even should that productivity be increased, to consider how the total productivity is shared among the various sections of the community. That involves a matter of social justice, of quality as well as of quantity.

He went on to make observations about wages growth at the time, saying:

... sections of the community are receiving a greater proportionate share of national income at the expense of the majority of the people—

the wage earners. Frank, in his maiden speech, also articulated a very strong commitment to the machinery of the conciliation and arbitration system as a means of achieving a fairer distribution of income. Frank also understood and respected, as was observed in his conduct through his many years of service, the role of trade unions as part of the wider labour movement in pursuit of a fairer distribution of income and more just outcomes in society.

Frank also made a range of observations in his first speech that I think were pertinent about the taxation system and its distributive effect. Referring to the period immediately prior to the Second World War, he said:

... the Commonwealth relied principally upon indirect methods of taxation ... for its revenues. Such moneys were collected from the people, not according to their capacity to their pay, but according to their consumption of particular articles. But the most socially desirable form of taxation, because it is the most socially equitable, is the progressive income tax, which is levied on individuals according to their capacity to pay. A Labour government was the first administration in Australia to recognize that there were certain desirable social principles to be followed in the levying of taxes. A Labour government was the first administration in this country to impose income tax; and ... it is possible, by the use of that taxation instrument, to redistribute the national income, taking money from people according to their capacity to pay and redistributing it according to various categories of social need.

I have referred extensively to some of Frank Crean's economic observations because his practical understanding of the economy, combined with his values and principles, is evidenced throughout his 26 years of public service as a parliamentarian in this place and in the representation of his constituents. He took that experience and belief into his time as Treasurer in the Whitlam government. That is particularly pertinent because lessons learnt from that period of time have informed Labor's approach to economic management and the pursuit of its social justice goals since that time.

Within the Labor movement today, Frank Crean is rightly recognised—and most recently by the Prime Minister in his condolence motion to the House yesterday—as one of the finest ministers in the Whitlam government and as having brought a depth of economic knowledge to that role. The records of the time clearly demonstrate Frank's concern about the economic conditions in the first couple of years of the Whitlam government: the pressure of rapidly expanding expenditure and the importance of tighter fiscal policy to help contain inflation.

The cabinet submissions sponsored by Frank Crean, which have become available under the 30-years rule, demonstrate that in 1973 expenditure was growing by around 15½ per cent and that there were significant wage pressures. It is easy to gain the impression, when perusing the reports and the records from that time, that Frank Crean was something of a lone voice. One can only imagine the pressures that he must have felt. That is consistent with the theme that I was articulating a moment ago—that is, his belief that, to achieve social equity and social justice, there needed to be sound economic management and that a strong economy can lead to a fair society.

In the Labor movement I think it is fair to say that, following the Whitlam government period, the lessons and the thinking of Frank Crean as Treasurer at the time, and his thoughts in relation to that period, were subsequently enormously influential in shaping the economic approach of the Hawke and Keating governments. History demonstrates that Labor became great economic reformers in the 1980s and the 1990s and far more disciplined in economic management, cognisant of the need for market liberalisation and a more efficient allocation of resources yet retaining commitment to fair and equitable outcomes.

I think that the son of Frank and Mary, Simon, embodies this approach very strongly in today's parliament as the member for Hotham, as the Minister for Trade, as a former parliamentary leader of the Labor Party and as in fact a member of the Labor executive since 1990. I have tremendously high regard for Simon. I particularly enjoyed the time during which we worked together in leadership roles in the labour movement, he after 2001 as parliamentary leader and me as ACTU secretary. David Crean was equally influenced by the family environment and their values and the economic discourse that must have occurred around the fam-

ily. He served as a parliamentarian in the Tasmanian parliament and also as Treasurer of the state.

I have a great degree of admiration for Frank Crean's contribution to the Labor movement and I am firm in the belief, as I indicated at the outset, that he was one of the titans of the Labor movement in the 20th century. He and Mary had a partnership that extended well beyond 60 years. They experienced terrible tragedy, too, with the loss of their son Stephen in 1985. As anyone who witnesses parents who lose a child knows, it was a dreadful experience, particularly given the circumstances of that loss. I extend my condolences to Mary Crean, to Simon and David and to all of the members of the extended Crean family.

Ms GEORGE (Throsby) (10.11 am)—I join with the Prime Minister and the Leader of the Opposition to note with great sadness the passing of the Hon. Frank Crean, former Deputy Prime Minister of Australia, who, until his death, held the distinction of being the oldest former member of the House of Representatives. My connection with Frank and Mary Crean is through their son Simon, who played an instrumental role in both the National Union of Workers and the ACTU in the 1980s. In 1981, Simon Crean became vice-president of the ACTU and then its president in 1985. It was during this period that I worked closely with Simon and his very longstanding and close friend Bill Kelty.

Simon played a key role in negotiating several accords with the Labor government headed then by former ACTU president Bob Hawke. It was interesting to hear the reflections of the member for Charlton when he read excerpts from Frank Crean's first speech in this House. The economic worldview held by Frank and his approach to economic growth and productivity and social justice must have played a very important role in shaping the enormous contribution that Simon made throughout that decade in trying to forge a better Australia. As I said, it was through my friendship with Simon in that period that I got to know Frank and Mary; Simon's wife, Carole; his brother, David; and members of the extended family. Fate has it that my partner, Denis Lennen, was also a long-time friend of the Creans. He and Simon go back probably 30 years and more.

It was a very tight-knit family; a genuine Labor family. Public service was at the core of the family's beliefs. In reading and reflecting about Frank's life, one comes to understand better the meaning of 'like father, like son'. There is so much of Frank that continues to live through Simon and his brother, David. Born in Hamilton in Victoria in 1916, Frank Crean was struck by adversity at a very early age. I read that he spent a year in bed with rheumatic fever at age 13. Adversities like that help shape a person's commitments and values later in life.

I read—and I do not know if the story is right—that in that formative period of Frank's life he relied very much on books provided by one of his neighbours, who just happened to be the secretary of the local ALP branch and a member of the AWU. Frank did very well at school and went on to live in Melbourne to attend the prestigious Melbourne Boys High School, as did Simon much later. He graduated with degrees in arts and commerce and a diploma in public administration.

He had a lengthy association with the Labor Party, going back to his formal joining of the party in 1942. He was elected as the representative for the seat of Albert Park in the Victorian Legislative Assembly in 1945 and later for the seat of Prahran in 1949. He was a very earnest local member. I remember that, in the time when I lived in Melbourne, wherever you went Frank Crean was a very well-known local dignitary, and people remember his dedicated years

of service. As well as doing all that and being such a good local representative, he was also—and I did not know this—president of the Young Labor Association, president of the Victorian Fabian Society and president of the Council of Adult Education. So he was not just serving as a local representative but also contributing to the ideas and policy formation that are so important for the Labor Party.

In 1951 he contested the seat of Melbourne Ports and, amazingly, he held that seat for 26 years and through 11 federal elections. That is a distinction in its own right. When Labor won office in 1972 after 23 years in the political wilderness, Frank Crean went on to become the nation's federal Treasurer in very difficult economic times. The member for Charlton, in his contribution, outlined the challenges that faced Frank Crean in his capacity as Treasurer. Later he became the Minister for Overseas Trade—so, again, like father like son; we see our colleague Simon Crean now carrying out that role with great distinction—and later on he became the Deputy Prime Minister of this nation until the dismissal of the Whitlam government in 1975. Frank finally retired from the federal parliament in 1977. He was also, for a lengthy period of time, a member of the executive of the federal parliamentary Labor Party, holding a position on that executive from 1955 until his retirement in 1977. It is amazing to think that, although he reached the heights of being the Deputy Prime Minister of this nation, of Frank's 26 years in federal parliament only three were actually served in government, but, as I said earlier, contesting 11 elections, particularly in that part of Melbourne, is no mean feat.

Frank married Mary Findlay in 1946. Mary was Frank's bedrock in a marriage of 63 years. Mary's contribution to Frank's political career is inestimable. As well, her contribution in accepting the major responsibility of rearing three wonderful sons is something that she should take a lot of credit for—the three sons, Simon, David and Stephen, and the six wonderful grandchildren. It is no surprise that Simon and David followed in Frank's footsteps, devoting themselves to the notion of public service. It was a great tragedy for the family to lose their son and brother Stephen in very tragic circumstances, but the family has always been a very close-knit and an inspirational one. When you see all the members of that extended family gathered at the Creans' family home, you appreciate the strong bonds of affection and love that extend way beyond the immediate family.

Frank Crean was a decent, dedicated and honourable man and a Labor man through and through, deeply committed to the party he loved and to the principle of public service. I believe he served the Labor Party with great distinction. On behalf of Denis Lennen and myself, I extend my sympathy to Mary Crean, to Simon and Carole, to David and Sue and to the extended family. Our thoughts are with you in this difficult time.

Mr MURPHY (Lowe—Parliamentary Secretary to the Minister for Trade) (10.19 am)—It is with deep regret that I too note the passing of the former Deputy Prime Minister, Treasurer and Minister for Overseas Trade, the Hon. Frank Crean, MP. Being a party man to the end it is perhaps no coincidence that Frank Crean passed away on 2 December 2008, the 36th anniversary of the election of the Whitlam government.

There can be no doubt that Frank Crean was a genuine Labor legend. He was instrumental in transforming Labor into an election winning force following a long and frustrating period in opposition. We on this side of the House will never underestimate his contribution in building and rebuilding the party during some of its darkest days, culminating in his delivery in 1973 of the first Labor budget, following 23 long years in opposition. The honour of deliver-

ing that budget could not have been handed to a more dedicated and fiscally competent Treasurer. As Treasurer he faced very challenging international and domestic circumstances including a major oil shock, high inflation and rising unemployment.

Frank Crean was a fellow of the Australian Society of Accountants. He obtained a diploma in public administration, an honours degree in arts and a bachelor of commerce. He was an authority on income tax. His qualifications alone would ensure that he was one of the outstanding figures in the Labor Party and one of the leading thinkers on how Australia could become a just, effective and competitive country under a Labor government.

While the record will show that he had his disagreements with his cabinet colleagues, the record will also show he was very much respected. Frank Crean was a man with strong convictions. He was a man of passion. He was measured. He recognised that reform would only be achieved through cooperation and inclusion. Frank Crean's considerable breadth of knowledge, depth of thinking and precision in application was not accompanied by a large ego. Indeed, as we all know, he was a truly humble man. Moreover, he was a man of quiet principle and, as many have noted, he was a very decent man.

Like the majority of members on both sides of this House, Frank Crean entered parliament with an unselfish commitment to public service. He lived through two world wars and a great depression. His inspiration to redress social injustices and inequalities was no doubt stimulated by his observations of unemployment and poverty in his youth. He dedicated 30 years to parliamentary life. He pursued fundamental Labor values. He was a loyal and faithful servant of our party, the parliament and the constituents he so well represented. Despite the cynicism that can often be attached to those in parliamentary life, Frank Crean was publicly recognised as someone who did much to reaffirm the value of public service. As the Prime Minister mentioned yesterday in this place, Frank Crean was 'deeply admired, just as he was a deeply principled man'.

No one can ever doubt that he was motivated by the public interest and what was good for Australia. Those that served in this place with Frank Crean have spoken directly, personally and eloquently of his contribution. The member for Berowra has said:

He was an exemplar in the way in which he carried out his own role, but he encouraged people like me, even though I was of a different political persuasion.

Former Prime Minister Malcolm Fraser has described Frank Crean as 'one of the most decent and honourable members of parliament I have ever known'. The Leader of the Opposition, the honourable Malcolm Turnbull, said yesterday:

In many ways it is in Frank Crean's family that we find his greatest legacy.

There can be no doubt that both David and Simon Crean grew up in a political environment, an environment imbued with policy discussions and an environment focussed on positive change for the future. It is no surprise that both Simon and David have had distinguished political careers in their own right.

It is also no surprise that the unselfish values of their father have been passed on to them. I have worked very closely with Simon for many years, more recently as his Parliamentary Secretary for Trade, and observed Simon's very considerable abilities, energy, diligence, fierce determination and devotion to faithfully serve our country—as many have said, 'like father, like son'. Frank Crean's intelligence, character, values and thorough decency burn

brightly through Simon in this place today. Indeed Simon and David both provide us with a perpetual reminder of their father's humility, modesty and dedication to public service.

On behalf of my wife, Adriana, and my staff, I extend my prayers and deepest sympathy to Mrs Mary Crean, her children, Simon and David, and their respective families. Just as they mourn the passing of a dedicated husband and father, we too mourn the passing of a dedicated Australian, a dedicated parliamentarian and a dedicated Labor Party member. May Frank Crean rest in peace.

Mr DANBY (Melbourne Ports) (10.26 am)—As the present member for Melbourne Ports, the seat that Frank Crean represented in this House for 26 years, it is an honour for me to rise in support of the motion moved by the Prime Minister and supported by the Leader of the Opposition. It would have given Frank Crean great pleasure to know that he was being farewelled in this place by a Labor Prime Minister, because he devoted his whole life to the service of the great Australian labour movement, as well as to his family and the people of Melbourne Ports.

When Frank was elected as the Member for Melbourne Ports in 1951, succeeding another great Labor titan, Ted Holloway, it was a very different area to the one I now represent. It extended from Williamstown to Albert Park, and its core was the working class stronghold of Port Melbourne. It was only 20 years since the Depression and most of the people of the area had vivid memories of the unemployment, hunger and poverty they had suffered in those terrible years, brought about by the failure, as they saw it, of the capitalist system. It was Frank's job to speak for that community here in Canberra, and he never forgot why he was here or who he represented.

Other members have given an outline of Frank Crean's career, which took him from Hamilton in the western district, where his father was a miner and a bicycle maker, to Melbourne University and then on to the office of Deputy Prime Minister. It was Frank Crean's misfortune to be part of a generation of Labor politicians who were destined to spend most of their careers in opposition during the long rule of Sir Robert Menzies. These were the bitter years of division in the Labor movement between communists and groupers, and they often battled those groups in the Port Melbourne docks.

Although Frank Crean had been preselected in 1951 as a supporter of the Left, he was always at heart a realist. He stayed loyal to the Labor Party in the great split of the 1950s, but he was never part of the outlandish ideological debates that took place in Victoria and he always supported a realistic line on issues. He was a proud graduate of Melbourne High School. I have, since 1988, continued the tradition of association with Melbourne High and the students of the VCE who have such an abiding interest in politics.

Frank Crean was one of the first Labor members with a university education in economics, and he gradually steered Labor from its increasingly obsolete ideology of the Chifley era and helped lay the foundations for Gough Whitlam's modernisation of the Labor Party in the 1960s. As many people have said, Frank was a modest and humble man. Frank and Mary Crean lived the whole of their married lives in Albert Park, and Frank was often seen riding the South Melbourne tram or shopping at the local market in Prahran. In fact, I often met him on the tram and/or at the Prahran market with my kids when they were little. He was always available to the working people of Port Melbourne, Albert Park and South Melbourne, which were not the gentrified suburbs they are today. He never thought he was better than them be-

cause he had a university degree or because he was an MP. In the days before MPs employed social workers in their electoral offices, Frank saw his electors himself whenever he could and did what he could to solve their problems.

In 1969 the boundaries of Melbourne Ports were enlarged to include St Kilda and Elwood, which were then largely middle-class and Liberal voting areas. On the new boundaries, Melbourne Ports became a notionally Liberal seat. It is a tribute to Frank's campaigning skills and his rapport with people that he rapidly won over these new areas for Labor and made Melbourne Ports nearly as safe as it was before.

I think it is fair to say that when Frank Crean finally got to be a minister in 1972 he found the experience disappointing. Just as is happening now, the Liberals, having coasted for years on boom times, left Labor to cope with a crisis driven by overseas forces—in Frank's case, the global recession that followed the oil shock of 1973. Frank Crean did not trust the orthodox economic advice he was getting from the Treasury but he sometimes lacked the support of his colleagues in cabinet for taking a different line. He was undermined by Jim Cairns and his supporters, and eventually Gough Whitlam shifted him from Treasury to trade. When Cairns self-destructed in the loans affair of 1975, Frank justly succeeded him as Deputy Prime Minister, an honour he fully deserved in view of his long and loyal service.

After leaving politics, Frank could have retired to the Gold Coast, but he and Mary stayed in Albert Park and continued to work for the local people and for the Labor Party. He took a particular interest in the welfare of new immigrants who had moved into the area since the 1970s. He continued to go to local branch meetings and every election day—the last time was in 2001, when I think he was 85—he stood like an old soldier handing out how-to-vote cards at the Middle Park polling booth. I would see him when I was going round the booths.

Frank was sustained by his strong Labor principles, his firm religious faith and the support of Mary Crean, the most loyal of partners. It was these things that gave him strength during the ordeal of their son Stephen's death in 1985. He was very proud, and rightly so, of his sons Simon, our colleague in this House and our trade minister, and David, formerly a Labor government minister in Tasmania. The members and supporters of the Australian Labor Party in Melbourne Ports are deeply thankful for Frank Crean's lifetime of service to them and to our cause. In their name as well as my own I extend my deepest sympathies to Mary, Simon, David and all members of the Crean family.

DISTINGUISHED VISITORS

The DEPUTY SPEAKER (Mr PD Secker)—Before I call the member for Blair, on behalf of all members I welcome members of the parliament of the Republic of Iraq to our second chamber.

Honourable members—Hear, hear!

CONDOLENCES

Hon. Francis (Frank) Daniel Crean

Debate resumed.

Mr NEUMANN (Blair) (10.32 am)—Names like Crean, Cameron, Cairns, Hayden—these are the people that gave my parents hope in the sixties and seventies. In the very dark days of Labor oblivion, really—we were out of power for 23 years—it was men like Frank Crean who

sustained us and were heroes to so many people, including my parents and me as a child. In government, he was a voice of reason, economic stability and prudence in a cabinet that was not necessarily renowned for strict adherence to economic issues.

Frank Crean came from a Labor family, and he laboured for Labor. The third of five children, raised in a Christian household, he was a Presbyterian, a Sunday school teacher, active in the life of his church and community. The son of a mineworker and a schoolteacher, he suffered ill-health in childhood, and his experiences as a child and what he saw gave him a deep commitment to those who suffered from disadvantage and were dispossessed. Like many on our side of the House, education was the key to his success—not just a good family life but the opportunities that education gave to him. He graduated with honours from high school, was employed at what we now call the Australian Taxation Office and qualified in accountancy at 19 years of age. He went on to earn two university degrees, a BA and a Bachelor of Commerce, as well as a diploma in public administration.

Frank joined the Labor Party in 1942, so he had a lifelong commitment to the ALP. A state member for two terms, from 1945 to 1947, he knew the thrill of victory in Albert Park and the despair of defeat—and there are those on this side of the House who have experienced both. He was a state member again in 1949, when he married Mary, his lifelong companion.

I am privileged to have been in a relationship with the same woman for 25 years but I hope to be in a relationship with her for decades to come. The partners of politicians endure much, and Mary obviously did, but she stuck with Frank through thick and thin. They had the privilege of having children, and children really are a blessing. They had three sons, one of whom was Stephen, who died tragically in the mid-eighties. David was a cabinet minister in the Tasmanian government and served his local community well. I see much of Frank in Simon: the decency, the humility, the modesty, the amiability. Simon is a tremendous fellow. He has made a great contribution to the political life of this country and is a credit to his parents.

Frank won the federal seat of Melbourne Ports in 1951 and held it for 11 terms—that is, 11 victories. It is hard to conceive. I have won once and have lost once, in 2004, but to go through election after election and make what was then a marginal seat into a fairly safe Labor seat would have been difficult. There were swings and roundabouts for him, I am sure. He was a founding member of the Parliamentary Christian Fellowship. He stands in that great tradition of Christian nonconformism in the Labor Party. There is a secular humanistic tradition in the ALP—a tradition of the Irish Catholics—but there is also another tradition, and I am happy to be in that tradition, that of the Christian nonconformists, who are influenced so much by the Christian socialists of the 19th century, and Frank was one of them. But he was not a patsy; he was an independent-minded person. He was the forerunner of the participants in the Victorian ALP who really had a big influence and whose commitment to economic responsibility and to political success drove Victorian Labor from the depths of defeat to victory. We very much see that today. For a long time, the Labor Party has been a great success for Victoria, with the Bracks and the Brumby governments.

Gough Whitlam made a terrible blue with Frank: he got rid of him as the Treasurer. Frank served as the Treasurer from December 1972 until late 1974. It was a shocking mistake; Gough should never have done it. He sacked him in favour of Jim Cairns. For all of Jim Cairns's virtues and activism—his commitment to social justice and equality of opportunity and his fervour against the Vietnam War—Jim was not the right guy to put in the Treasury. In

part, Gough remedied the situation by putting Bill Hayden in the Treasury position. Bill delivered a budget which the coalition government, then under Malcolm Fraser, agreed with. Bill, who was my federal member until 1988, was someone who, like Frank, believed in economic responsibility and that Labor governments could deliver economic stability as well as help those who were disadvantaged.

Frank had the honour of being the Deputy Prime Minister for a short time, not just the Minister for International Trade. Simon is also the Minister for Trade. It is a great honour for both of them. Frank nearly became the Leader of the Australian Labor Party. It is not too well known these days, but he nearly did it. When Arthur Calwell failed to win the 1966 federal election, he agreed to step down on 8 February 1967. It is interesting that Frank was Arthur Calwell's first choice. He wanted Frank to assume the leadership of the federal ALP. Nevertheless, Whitlam got 39 votes and Crean and Cairns shared the other 29 votes, so Gough won pretty comfortably. Frank set about doing his work with good humour, humility, modesty and diligence.

Frank had a second tilt at the leadership of the ALP; he had a second go. After 1975, the legend goes in my part of Ipswich that Gough approached Bill to take on the leadership of the ALP. Bill said no. Bill had faced some pretty tragic circumstances and he nearly lost in 1975—I remember that as a kid. He got there by the skin of his teeth, so Bill decided not to take on the leadership of the federal ALP. Frank had another tilt at the leadership when Bill refused to stand. Whitlam beat Frank and Lionel Bowen, again pretty comfortably in the circumstances. There was a lot of affection for Gough which meant that Frank did not get it.

Frank served as Treasurer for this country. He said something which I will never forget and which really influenced me. Clyde Cameron recorded these words in his book, and I will finish with this. Frank said that we raise taxes in order to buy civilisation. I have spoken on a few tax bills in the year that I have been here and I have pointed out a couple of times that it is the taxes that we raise which help us build schools, roads and hospitals—the infrastructure which our country needs. And it is a big country. But it is also taxes which help us help those in need and show compassion. That is the legacy of that very modest and humble man Frank Crean. He in his own way went about helping civilisation and helping those who were disadvantaged and dispossessed. He showed that you could do that and still be a good economic manager. Frank showed what he could do for this country in his two years as Treasurer. It is a great shame that he did not spend more time on the government benches as a cabinet minister making even a greater contribution to the welfare of this country and his local community.

My sympathies go to his family, particularly to Simon, who I know well as a good man. We on this side of the House loved Frank Crean. He was a legend and a hero and we honour his legacy.

The DEPUTY SPEAKER (Mr PD Secker)—I understand it is the wish of honourable members to signify at this stage their respect and sympathy by rising in their places.

Honourable members having stood in their places—

The DEPUTY SPEAKER—I thank the Committee.

Ms HALL (Shortland) (10.43 am)—I move:

That further proceedings be conducted in the House.

Question agreed to.

ADJOURNMENT

Ms HALL (Shortland) (10.43 am)—I move:

That the Main Committee do now adjourn.

Senator Chris Ellison

Mr SIMPKINS (Cowan) (10.43 am)—The pastor at my church, Bruce Stewart, when he talks about being a Christian often talks about being real, which is by my reckoning another way of talking about being authentic. The great majority in this place are very authentic people. They care about the people of Australia and they care about this great country. This sitting week will see the end of the parliamentary service of Senator the Hon. Christopher Martin Ellison, a man who I am most fortunate to be able to call my friend and my colleague. There are few people in this place or in the Senate who are more authentic than Chris Ellison, and I would like to take this opportunity to pay tribute to him.

I choose my words carefully when I talk of the parliamentary service of Chris Ellison, because the alternative is often stated as being a career in politics. I prefer the term ‘service’ because it indicates the authenticity of a commitment and devotion to the people who elected us to this place. That is what this service is really all about, whereas the term ‘career’ is indicative of a commitment to one’s own interests. So I think it is important that, when we are being authentic, we talk about service as opposed to a political career.

I would say that in the time I have known Chris Ellison, some five years, he has always shown exemplary standards of honesty and integrity. He is utterly consistent in his personal and parliamentary standards, and I think that is why he is held in such high regard in the parliament and in Western Australia. That is also why he served as a minister in the Howard government for 10½ years, serving as the Minister for Customs and Consumer Affairs, Minister Assisting the Attorney-General, Minister for Schools, Vocational Education and Training, Special Minister of State and—over six years, which as I understand it is the longest service ever in this portfolio—Minister for Justice and Customs, before being elevated to the Cabinet as the Minister for Human Services from March 2007.

As I said, I first met Chris Ellison about five years ago, during the earliest days of the 2004 election campaign, when I was again running for Cowan. Over the time that I have known Chris Ellison he has always been a great source of appropriate and timely advice and guidance. In fact, I consider myself most fortunate that for two years I was able to use my background in the Army and the Federal Police as a security adviser on his staff. Whilst there, as for those who have passed through his office before me, I was certainly imbued with a lot of the standards that he provided—strong personal standards and a dedication to the people of Western Australia. I have no doubt that I talk on behalf of my colleagues at the state level—including Donna Faragher, who is a Western Australian minister—and, in the federal Senate, Senator Mathias Cormann, amongst others who have gone on to elected office and been selected by the people to serve.

Apart from those who have worked for Chris and known him as a friend, he has been there for a lot of people in Western Australia. Again, his guidance and advice have helped many a person. Whether members of the many diverse communities within Western Australia or companies, employers and businesses, a wide range of interests have sought and received the assistance of Senator Ellison. I thank him for those over 15 years of service that he has given. I

MAIN COMMITTEE

say again that he has always been a very strong advocate for Western Australia. He has been a good federalist and a strong senator in every regard, protecting the interests of that place and our state.

I know, given the commitment that he has made over this time, that his family will certainly appreciate him being around a lot more—Caroline, his wife, and their children, Siena, Sebastian and Nicholas. I thank them for their dedication and their support of him over his time, and ultimately I thank Senator Ellison for a great effort and for being a great Australian, a great senator and a great friend.

Wine Industry

Ms RISHWORTH (Kingston) (10.48 am)—I rise today to talk specifically about one of the great export industries of South Australia, the wine industry. In the electorate of Kingston we have the beautiful area of McLaren Vale, which is world renowned for its shirazes but also has many other great varieties of wine. Slowly McLaren Vale is also becoming known as a place for food, whether it be olives or cheeses. It is certainly an area which I would encourage the majority of members to visit, but in South Australia we also have many other great regions. Mr Deputy Speaker Secker, you would be well aware of the number of those regions, including the Coonawarra, the Barossa, the Clare Valley and the Limestone Coast area. I think South Australia is very proud of its role in exporting wine.

I was very pleased to hear the announcement on 1 December by the Minister for Agriculture, Fisheries and Forestry, the Hon. Tony Burke, who announced that the Minister for Foreign Affairs, Stephen Smith, had overnight signed a new Australian-European Community agreement on trade in wine. This agreement, signed in conjunction with the European Union Commissioner, is a very important agreement because it really indicates that the wine of Australia has stepped up to the plate and is now internationally recognised as an incredibly great product. This agreement really advances the 1994 agreement and includes a lot of measures that ensure we have a much better opportunity to export our wine to the European market.

In 2007-08 Australia exported 397 million litres of wine to the EC and we imported 18 million litres from Europe. You can see that the benefits from a wine trade agreement are particularly important for Australian wine. The benefits to Australian producers of this agreement will include European recognition of an additional 16 Australian wine making techniques, including the use of oak chips to add flavour. There will also be simpler arrangements for the approval of wine making techniques that may be developed in the future and a simplifying of the label requirements for Australian wine to be sold in European markets, as well as protection within Europe of Australia's 112 registered geographical indicators. Australia will also be able to continue to use a number of traditional expressions such as 'vintage', 'tawny' and 'ruby'.

This agreement marks much more than the specific issues in the agreement. It is really recognition from the European Community of just how far Australian wine has come. I was lucky enough to be on a delegation to visit China recently and I was speaking with their trade department head who talked about how well recognised Australian wine is becoming. It is a new market for us in Australia. I think, from talking with people in China, there is a huge opportunity for Australian wine there. I am certainly keen to see it grow. The Chinese were talking about taking a little while to become accustomed to the dry nature of Australian wine but,

as we have seen in other places around the world, Australian wine is becoming particularly important.

I would like also to congratulate a couple of wineries in my electorate that have recently been nominated for an Australian Export Award. They are wines I am sure many people in this place are familiar with: Fox Creek Wines and d'Arenberg wines. I wish them the best of success in the Australian Export Awards. Fox Creek Wines has also recently won some state-wide export awards, so they are certainly doing their bit for the region. I would also like to congratulate the people of the McLaren Vale region who, whether they work in grapes, wine, tourism or food, always work together to really promote the brand of the region. I think they are a good example of how working together can really make a region grow.

Parliamentary Year

Mr CHESTER (Gippsland) (10.54 am)—I wish the member for Kingston good health. I know she has been feeling poorly and I wish her well for the Christmas season. It is in that spirit of Christmas that I rise and extend my personal best wishes to all MPs from both sides of the House, to the parliamentary staff and to our families. I would like to capture the goodwill of the PM's valedictory speech just moments ago in the House and perhaps echo the sentiments of the Leader of the Opposition about his reflections on the standards of behaviour here in the parliament, the level of interaction we can have as members of parliament and the opportunity for us to raise the level of debate. I believe we can hold each other to account without some of the animosity which sometimes trickles into debate and I think we are all lessened by those types of comments.

I think that we can aspire to higher standards, and I believe that the people of Australia expect us to do better. To win their respect we will need to do better in the future. It does reflect poorly on the House when we sometimes descend into the juvenile heckling and name-calling that we have seen in the past. I guess that none of us are saints; we have all done it, but I look forward to, perhaps, a New Years resolution from all of us to aim for higher standards.

As a newly elected member of parliament—this being my first year in parliament—I would like to thank the people of Gippsland for entrusting me with their vote and for honouring me with this important role that I have to carry out. In doing so, I wish all Gippslanders a very happy and safe Christmas, particularly on our roads. It is a busy time of year and I wish them all safe passage as they travel throughout our region. The holiday season in Gippsland is a very busy time, and we encourage people to just slow down and enjoy the festive season with their loved ones.

I would also like to extend a personal thank you to my staff for the magnificent support that I have received in my first six months in office—in particular, Joanne Crawford, Diane Lilburne, Jenny Graham, Heather Buntine, Renae Cook, Nicole Conway, Kirsten Collins and Ruth Lucas. It may seem like there are a lot of them, but they do work in a job-sharing type arrangement. My staff have brought to my office an incredible amount of experience, developed over many years working with the former member, Peter McGauran, and having such highly-skilled staff to support me has made my transition into this high office for the people of Gippsland a far easier one. I could not have done it without them.

I would also like to mention my own family and the support I have received from them during the last six months—my wife, Julie, and my four children: Morgan, Jamieson, Clancy

and Lachlan. The difficulties partners face when members of parliament are away for extended periods of time has been reflected upon many times today already, and I extend my best wishes to the families of all members of parliament at this time of the year.

Finally, I want to reflect on a little fellow who did not quite make it to his first Christmas. Riley O'Brien was born here in Canberra on 14 September, and, despite the love of his parents, Danny and Vicky, and the dedication of hospital staff, he passed away within hours of his birth. It may have been a brief life but he touched the hearts of many. Adding to the tragedy is that Riley's twin brother, Finn, is also facing many challenges and is in hospital as I speak. He is a seriously ill boy. Many members on this side of the House will know the boys' father, Danny, well. Danny was an adviser to former Deputy Prime Minister Mark Vaile and a former chief of staff to the Victorian leader of the Nationals, Peter Ryan. The enormous courage that he and Vicky have displayed in the past three months has been inspirational to us all. All those who love and care for the O'Brien family send their best wishes at this time of the year. To Danny and Vicky, the love and support of National Party families is with you at this special time of the year, and we pray that you get to enjoy Finn's company at home on Christmas Day.

Regardless of our religious beliefs, Christmas is a time of great love, fellowship and sharing of good times with family and friends. It is also a chance for us to reflect on the year just past. There have been many challenges for us all on both sides of the House, and this is a good time to set our course for the future. For many of us Christmas is also, hopefully, a time to get some rest and some quiet time with our families. I look forward to returning in the New Year refreshed and ready to take on the challenges of that time.

It is a great honour and privilege to serve in this parliament; to be here on behalf of this great nation. As I mentioned earlier, I would like to see us aspire to higher standards of personal interaction with each other on both sides of the House. The experience that I have had already on committees in the very short time I have been in this place shows that there are many things that we can do by working together. I believe that the sum of us is greater when we do work together than when we descend into the heckling and name-calling that is sometimes an inglorious feature of this place. I would like to wish all a very Merry Christmas and a safe New Year.

Geelong Manufacturing Industry

Mr MARLES (Corio) (10.59 am)—The announcement on Tuesday night that the Ford FG Falcon XT has been awarded Best Large Car of 2008, as judged by the nation's motoring clubs, is just one of several announcements over the last three weeks that have reinvigorated the Geelong manufacturing sector and, more specifically, the Ford Motor Company's operations in the greater Geelong region. Prior to November this year, a series of announcements by Ford Australia indicated that the company would be seeking to lay-off hundreds of workers over the coming years. But all of this changed on 10 November, when the Prime Minister announced the \$6.2 billion A New Car Plan for a Greener Future, designed to assist the Australian automotive industry in becoming a more economically and environmentally sustainable sector by 2020. Based on that announcement and a series of negotiations that followed, we had what was a fantastic announcement by Ford Australia's CEO, Mr Marin Burela, a Geelong boy who got his start on the Ford shop floor in Geelong some 24 years ago. On 20 November Mr Burela declared that Ford would reverse an earlier decision to cut some 400 jobs

and focus on developing a new in-line six-cylinder engine that meets Euro 4 environmental standards, thanks in part to a direct contribution by this federal government of \$13 million.

On top of this we had Tuesday night's announcement by the Australian Automobile Association, the nation's peak body for the various state and territory based motoring clubs, that the Ford FG Falcon XT swept the field in the large car category, taking out the title of Australia's Best Large Car. This is a great outcome for Ford and Geelong in a competition that is described as being the nation's most comprehensive, independent, consumer focused vehicle-testing and awards program.

To suggest that Geelong is a manufacturing town really does not encapsulate the importance of the sector to the region's prosperity. According to the Geelong Manufacturing Council, the manufacturing sector in Geelong currently employs some 14,000 people across 500 companies, equating to 41 per cent of the region's employment, and this in turn translates into approximately \$500 million in wages for the Geelong community, while the sector accounts for around 51 per cent of the region's gross domestic product. As we now progress through the first decade of the 21st century, Geelong manufacturing is undergoing something of a renaissance. Recent announcements have included Basell Australia commissioning a \$100 million plant upgrade, Blue Circle Southern Cement investing \$75 million in its Geelong operations, Axiom Energy investing in a \$50 million biodiesel refinery and Shell spending \$220 million to increase the production of clean fuels. Also, in a major coup for the region's information technology sector, Indian computer firm Satyam will invest \$75 million in the creation of a 10-hectare research and development facility on the Deakin University's Waurin Ponds campus—an investment, it is anticipated, that will create 2,000 jobs over the next eight years.

As Geelong looks to its future, it is this type of investment and industry that can sustain us through the years and decades ahead. Smart, high-tech, highly evolved and environmentally-friendly industry is not only Geelong's future but also the nation's and the world's future. By staying ahead of the curve, by developing and producing the engines, fuels, information technologies and other products that are in demand in a more environmentally aware world, we are positioning Geelong for future growth and future success.

In April 2007 the then opposition leader, Kevin Rudd, said:

... I don't want to be Prime Minister of a country which doesn't make things anymore.

Later he went further, adding:

... I believe passionately in an activist industry policy for this country.

This was an underlying commitment that the Labor Party took to the people of Australia in the 2007 election and is absolutely the mantra by which we have conducted ourselves ever since.

This is no more visible than in Geelong. This government, along with state and local governments, has assisted in transitioning our region's industry to compete in the 21st century through support for individual enterprises and by investing in critical infrastructure. This has aided in establishing Geelong, in my opinion, as the best-connected industrial city in Australia. Links to the national rail grid, the national highway system, a national airport, the Geelong Ring Road and a major industrial seaport are all infrastructure components that will help carry Geelong industry into the future. We are working to develop these further by seeking to upgrade Avalon Airport into an international gateway and creating an intermodal transport hub in the Heales Road industrial precinct.

Geelong absolutely has a future in the manufacturing sector. It lies in creating smart, high-tech products that will meet the needs of an increasingly interconnected and environmentally conscious world and in exploiting our natural and man-made infrastructure. Geelong also has a future in developing and manufacturing automotive components and cars, and the recent announcements and successes of Ford in Geelong are an absolute testament to that.

Left Right Think Tank

Mr LINDSAY (Herbert) (11.04 am)—I have an unusual presentation to the parliament today, because I rise to talk about an inspiring movement of young Australians dedicated to empowering all young people to contribute to public policy, an inspiring movement of young Australians seeking to go beyond the traditional left-right paradigm and embrace the marketplace of ideas. The Left Right Think Tank is Australia's first think tank of young minds. As the House would agree, young people are increasingly passionate and we all have a responsibility to support and encourage those that represent our country's future.

As this House would agree, in essence the Left Right Think Tank wants to facilitate a relationship between the policymakers and the youth of our country. It wants to encourage these voices of young people to be heard and their ideas to be considered, and, most importantly, it wants to give them the confidence to create change. Today in the parliament we have Thom Woodroffe, who is the Executive Director. Welcome, Thom. I know that you have been spending the last two days having meetings with the leaders of our country and discussing the ideas of the Left Right Think Tank with those leaders.

Left Right is a unique organisation. Australia has approximately 35 think tanks—or 36 now—but Left Right is entirely composed of young people between the ages of 15 and 25. Think tanks are one of the many largely-overlooked gifts of American thinking to the world of public policy and the consolidation of effective democracy. They are an important element of a healthy democracy and help us, as elected officials of the country, to navigate to the future. Indeed, think tanks contribute a lot to our great democracy. They can help structure the public debate. They can improve the quality of that debate through research. They can produce specific new ideas. They can do things that are too difficult or too complicated for governments or oppositions.

In many ways, though, Left Right is more than a think tank. Left Right wants to not only involve young people in thinking about policy approaches; it wants to involve them in the entire public policy cycle. Accordingly, the organisation seeks to achieve its mission through seven principle areas. These are: developing policy based on sound research across the public policy spectrum; fostering discussion on the greatest challenges of our generation through the community; advocating policy ideals with various stakeholders and across government; promoting a new genre of thinking in the public policy cycle; educating young Australians through various elements and programs; motivating individuals to harness their potential in contributing to public policy debates; and empowering the next generation of leaders by providing them with unique opportunities for development. In doing so it aims to meet the following objectives over the next few years: to reach two-plus million Australians through media and publicity, raising awareness of their work; to engage 20,000-plus young Australians directly through various events, programs and initiatives; and to empower 5,000-plus young Australians through close involvement as members of volunteer staff.

For far too long the ideas debate has been framed within the context of left or of right. What excites me, and what unites the incredibly motivated young volunteers at Left Right, is a great optimism for Australia's future. What these passionate young volunteers are looking to produce are new ideas for our nation's future. Indeed, Left Right wishes to encourage public debate where young people can actively be drawn in and readily take part in overcoming the challenges we face as a nation in the 21st century. As they eloquently put it, the challenges we face are great, as are the solutions they have to offer with their 'hard heads, soft hearts and young minds'. As the country's elected representatives, we must remember the most powerful force of ideas, talent and energy is the Australian people themselves. Left Right Think Tank embodies that principle, and I certainly commend Left Right Think Tank to the House. I wish them well. I know that they will be eminently successful in what they do because they are the future of our country and they are doing it for the right reasons.

Environment

Mr KELVIN THOMSON (Wills) (11.09 am)—The Humane Society International has put forward two legislative proposals for consideration to help protect the world's rainforests. The first proposal is for the creation of a federal 'debt for nature' or 'debt for carbon' scheme, which would enable the foreign debt that a country owes to Australia to be reduced or cancelled if that country instead takes action to protect its tropical forests. The second proposal is to amend the Environment Protection and Biodiversity Conservation Act to prohibit the importation of illegal or unsustainably sourced timber products and to regulate the importation of timber, palm oil and other tropical forest products from developing countries.

Humane Society International points out that the proposals are not without precedents. Legislation for debt for nature swaps and for prohibitions on illegally harvested wood products is operating successfully in the United States, and the Illegally Logged Timber (Prohibition of Sale and Distribution) Bill 2007-08 was introduced to the British parliament in April. The United States' Tropical Forest Conservation Act 1998 enables eligible developing countries to relieve the debt they owe to the United States by investing moneys to support local tropical forest conservation activities. At least 10 countries have agreements with the US under the act, which recognises both the biodiversity benefits and the carbon benefits of protecting tropical forests in developing countries. A similar act could be introduced into Australia. The Environmental Defenders Office of New South Wales states that Australia is owed more than \$1.5 billion in debt by developing countries with significant reserves of tropical forests, including Papua New Guinea, the Philippines and Sri Lanka. This presents considerable opportunities for a debt for nature scheme.

The proposal to ban illegally logged timber imports would be consistent with the National Strategy for Ecologically Sustainable Development of 1992, our obligations under the United Nations Convention on Biological Diversity and the International Tropical Timber Agreement. The Environment Protection and Biodiversity Conservation Act, in my view, is the appropriate place for the regulation of tropical forest imports. A new part could be introduced to deal with international movement of tropical forest products similar to that concerning the international movement of wildlife specimens in accordance with the Convention on International Trade in Endangered Species.

Recently, the United States became the first jurisdiction in the world to prohibit the import, sale or trade of illegally harvested wood and wood products. Australia is, after China and Ja-

pan, the third biggest consumer of timber and timber products in the Asia-Pacific region, and in 2005 a Department of Agriculture, Fisheries and Forestry commissioned report found that approximately nine per cent, or \$452 million, of all timber and timber products imported into Australia came from an illicit source. Clearly we need to tackle this.

I note that there are other measures being taken to protect the world's rainforests, and I welcome those measures. In particular, the Papua New Guinea-Australia Forest Carbon Partnership was announced in March this year and it is noted as part of that partnership that:

Rainforests contribute to global climate stability and underpin our global ecosystem. Nearly two thirds of Papua New Guinea's land area is forested, hosting some of the richest flora and fauna in the world and more than seven percent of the planet's biodiversity.

It was also noted that:

Australia and Papua New Guinea supported the December 2007 Bali Climate Change Conference mandate that reducing emissions from deforestation and forest degradation in developing countries should be part of a future international climate change framework..

It is noted that between 18 and 25 per cent of the entire world's carbon emissions come from deforestation and land use changes. So I commend the work that has been done around those issues but I also think that the proposals that have been put forward by the Humane Society International involving the potential amendment of Australian legislation could be of benefit, and I commend them for consideration to the government and the parliament.

I take this opportunity to acknowledge the hard work and the contributions that have been made throughout the House of Representatives this year by colleagues and members on all sides and I wish them, their families and the parliamentary staff, who I know have been making a mighty contribution throughout the course of the past year, all the best for Christmas and for the New Year.

Child Care

Mr JOHNSON (Ryan) (11.14 am)—It has been some five weeks now since a constituent of mine from the electorate of Ryan, Mr Matthew Preston, was in contact with the federal government and I want to raise on his behalf his concerns about the way the federal government has dealt with an issue of significant importance not only to him as a small business owner but also to this particular industry. He has not had a response from the federal government, in particular from the Deputy Prime Minister's office—which has responsibility for the area in which this issue of deep concern occurs.

Matthew Preston is co-owner and licensee of two childcare centres in Burpengary. He also owns a childcare centre called Happy Times Childcare Centre and Kindergarten. When I made contact with him following his approach to me our conversations and our exchange of emails revealed a most disturbing attitude by the Rudd Labor government and the Deputy Prime Minister's office to dealing with the issue of child care. I think the best way I can proceed in parliament is to read his email to me, because it reflects deep concern and it really does embrace very precisely the issue that he is most concerned with—not only on his behalf but also, he suspects, on behalf of many other child-care centre owners. This is what he says:

I am the joint owner and licensee of two childcare centres in Burpengary. Each of the centres are adjacent to each other (connected) however one is on Station Rd, Burpengary and the other, David St. Currently the centres are running at about 64% occupancy which means that we would have vacancies for about 54 children of all ages. On the same street (Station Rd) is an ABC Childcare centre, which has

been placed on the list of ABC centres for Operational Review. There are another 3 childcare centres in the local area of Burpengary. One is an ABC centre which is on the “safe” list and the other 2 are privately owned—like ours. I know that these centres also have a number of vacancies, most likely more than us due to the good reputation we have in the local area.

He then comes to the central issue:

What I have difficulty with is the justification for the ABC centre on Station Rd being kept open with government funding when we have the places available for the children? The Government has the statistics as they collect the vacancy data from us each week. Therefore at an absolute minimum they could select which centres need to be kept open due to a lack of supply.

Mr Preston now has little time for the Rudd Labor government and he makes his point very clearly by saying:

I also feel that the government has, since its election, done nothing but attack the private childcare sector. This undoubtedly helped lead to the collapse of ABC, and has significantly devalued childcare centres as a direct result of the prospect of the government building centres on public land, thereby placing the industry under a very dark cloud.

He talks about when he contacted the government and followed their instructions about contacting the my.child.gov website on 11 November. He says:

On 11 November I provided information by fax and also online to the my.child.gov website to have our centres’ details uploaded and despite asking for updates or an estimate as to when it would be uploaded, there has been no response. The only contact provided to childcare centres is the contact for the general public.

So I raise this in the parliament today and my question to the government is: what about those who are in business and who run child-care centres? I think that the lack of response from the Rudd Labor government and the Deputy Prime Minister in this case is appalling, insensitive and thoughtless. This constituent of mine is running his own business. He tells me that he has been running his child-care business since September 1995, so he clearly has more than a decade of experience. I suspect that if he has been running his business successfully since 1995 then he has earned the goodwill and respect of all parents who have put their children into his care—and he would not be raising this if he was not very serious about it and very concerned. He has places available for some 54 children of all ages. I raise this in the parliament because I think it is a very valid point—it is a legitimate point and I just want the government to address it. I ask the Deputy Prime Minister to respond to Mr Matthew Preston, who has given me consent to mention his name and his business in the parliament today. (*Time expired*)

Australia Day Awards

Mr ADAMS (Lyons) (11.19 am)—I wish to speak on the Australian of the Year awards. There are four categories to this award: the Senior Australian of the Year for people over 60; the Young Australian of the Year for people 16 to 30; and the Australian Local Hero. The Australia Day Awards are a way of recognising eminent Australians who have made a significant contribution to creating a better Australia and who are role models for us all.

The Local Hero category was introduced to the Australia Day Awards in 2003. It recognises people who have made a special contribution to their local community. It acknowledges ordinary Australians who give something back to their community, which we all share. There were four finalists in the national Local Hero award this year, and I would like to speak about

one of them. Layton Hodgetts lives at New Norfolk, in the Derwent Valley. He is one of the local Tasmanian finalists chosen to come to Canberra for the finals of the Australian Local Hero award for this year, which will be held on Australia Day next year.

Layton has spent his life as a music teacher. He has been teaching children music in the Derwent Valley and in other areas of Tasmania. He took on the role of developing the Derwent Valley Community Band. The band has toured the world, performing in Japan, China and Europe. This year the band won a major award in the European band finals. Layton has been much honoured in Tasmania for achieving that success.

I must confess that Layton is my cousin. We began with Thomas Hodgetts and Harriet Hodgetts, who came to Sydney on the Second Fleet—Thomas as a convict and Harriet as a free woman. Thomas was a blacksmith and, after some years on Norfolk Island, settled in Tasmania at Norfolk Plains. Thomas and Harriet became great citizens of our state. Layton's grandfather and my grandmother were brother and sister.

Layton built the Derwent Valley Community Band with the help of others in the Derwent Valley, but he has been its driving force. He has now been recognised for his work and has been asked to participate on a world body dealing with community bands. He is serving the state of Tasmania and the nation in this way, as well as giving enormous opportunities to so many young people and to many not-so-young people in southern Tasmania to perform in this great band, the Derwent Valley Community Band. We have the wonderful opportunity of listening to the great community band of the Derwent Valley when any occasion arises for it to perform.

Layton is a great achiever. He has been well recognised as a local hero; he is a local hero. He inspires people in the Derwent Valley and in southern Tasmania through his work. I am very pleased that he has been recognised in this way, and I am sure that many other people will also feel that Layton has served his community in a tremendous way. As a local hero, he inspires many young people to work at their endeavours in the same the way that he does in serving so many in his community. He is a great role model, a great local hero. I certainly wish him well when he comes to Canberra for the national awards early next year.

Mr Bill Trevor

Mr NEVILLE (Hinkler) (11.24 am)—The Wide Bay Burnett Area Consultative Committee has just bid farewell to its longstanding chair, Bill Trevor, and I commend his service to the organisation and the entire region. Bill is probably best known in his former role of mayor of the Isis shire and for the incredible leadership role he played in the tragic Childers backpacker hostel fire in 2000. Bill's compassion, common sense and clear thinking came to the fore at that terrible time and, if he was not already, he became a rallying force for the community and a wonderful advocate for regional areas.

Bill is renowned for his capacity to give back to the community, playing a pivotal role in the establishment of the Wide Bay Burnett Regional Organisation of Councils, of which he became the chair, and he has been credited with breathing life back into many chambers of commerce. Bill is also a life member of Apex and a patron of the Scouts movement and Little Athletics, and, under his leadership, the WBBACC became one of the most dynamic and proactive ACCs in Australia.

Bill was an exceptional candidate for the role of Chair of the WBBACC having been a farmer, sportsman, lifelong resident of the region, councillor and mayor of Isis shire. In fact, Bill only stepped down from his role as mayor at the recent local government elections. Under his leadership, the ACC delivered many millions of dollars in economic and community capacity-building projects across the entire region. Bill championed regional building projects of all shapes and sizes, from a new skate park precinct at Eidsvold through to the expansion of facilities at the Abbotsleigh Citrus orchard near Gin Gin and a community service centre at Murgon. Bill was also involved in the unique Bundaberg Futures program which I negotiated with the former Deputy Prime Minister John Anderson. It took the redundant Austoft cane harvester site in North Bundaberg and turned it into a leading manufacturing and engineering hub now employing over 250 people.

For 12 years Bill gave up an enormous part of his life for the wider community—something all too rare these days. Last year he was one of only eight ACC chairs to be recognised with a 10-year medal. Quite simply, he has set an example of leadership which is the envy of ACCs around Australia. He displayed excellent judgement in being able to encourage and work up projects which have helped the entire Wide Bay area's social and economic development. To have maintained such strong leadership over so long a period is as inspiring as it is remarkable, and he has set a high standard for others to follow.

Of course Bill did not achieve all this single-handedly. He had the backup and support of a great team, including his Deputy Chair Donna Neilson, Syd Collins, Peter Sawyer, Roger Nunn, Nina Temperton, Cameron Bisley, Steve Dixon, Mary Walsh, Phil Ainsworth, Bruce Serisier, Ron Dyne, Julie Gee, Percy Iszlaub, Michael Nolan, Danielle Power, Beryl Spencer, Russell Stewart, Ian Williams, Kerren Smith, Ros Gregor, Gerard O'Connell and Patrice Bates. Others who have since retired from Bill's ACC include the former executive officer, Joan Brazier, and members Bill Roberts and Joy Jensen.

In his mayoral role, Bill took an innovative approach to road building, encouraged civic restoration, brought new businesses and quality urban developments into his shire and even built a stadium in conjunction with the state government which doubles as a sports venue and a high school assembly hall.

Now Bill is taking a break from his public career of 23 years, he intends to take advantage of some quality time with his grandchildren, get his hands dirty again on the family farm and even squeeze in an extended holiday to Europe next year.

Bill's stewardship and vision have helped create better services, a better lifestyle and more jobs for the people of the Wide Bay Burnett area, and his presence within the organisation will be greatly missed by all. I went to Nanango in the South Burnett on Sunday night where Bill was surrounded by 40 or 50 of his colleagues and friends from the ACC. The praise and credit that was attributed to him was quite inspiring and I rate him as a friend, a colleague and an inspirational character in our district.

Blair Electorate

Mr NEUMANN (Blair) (11.29 am)—Today I rise to congratulate the community of Boonah and the Scenic Rim Regional Council, who had the foresight to allocate \$480,000 of the money that we gave them as part of our \$300 million local infrastructure fund to the Boonah hydrotherapy complex. The local community at Boonah has raised \$480,000. They

raised that money themselves. It is a small community. It is the equivalent of about two suburbs in Ipswich, and they raised that money locally. It is a great tribute to people like Sel Pfeffer. Sel and his wife have contributed tens of thousands of dollars for the project themselves. They have been a great inspiration for many others. It was not just them but also the Rotary Club and Ray Squire; people like Kevin McDonald, who is Chair of the Boonah Hydrotherapy Pool Committee and his very committed wife Natalie, who has also worked very hard; the Red Cross; Apex; the Lions Club; the Rotary Club; and many others. I cannot forget Ray Squire, who is the real genius behind so much of the technology which will be used in terms of renewables that will limit the use of electricity and other forms of energy in the complex. This is a tourism magnet, not just something for the rehabilitation of many people in what has become an area with an ageing population. This will be a great project for the local community. It is the sort of project which we have talked about in our new Regional and Local Community Infrastructure Program.

On 17 December, the Parliamentary Secretary for Regional Development and Northern Australia, the Hon. Gary Gray, came to Boonah and met members of the local committee and also the council, including the Deputy Mayor Dave Coburn and the Mayor John Brent and many of the civic leaders in the local area. He stressed to them the fact that we are committed to local government and that this was the kind of project that is in line with the federal government's commitment to local infrastructure. We had a great meeting that particular day. I am pleased to say that the money was allocated the next day. Boonah received \$667,000. I should say the Scenic Rim received that money. I have the old Boonah section. I apologise to my comrade the member for Forde—he has the rest of the Scenic Rim. But he has not been left out, because I understand that this week, at a special meeting of the Scenic Rim Regional Council, they have not left out the federal electorate of Forde. They have decided to allocate \$30,000 to Tamborine Mountain for a project and \$200,000 for work on the Zamia Theatre at Mount Tamborine. So the residents of Forde have not missed out. I am pleased to say that they have allocated, dollar for dollar, \$480,000 to Boonah, and that is in keeping with the commitment of the local people, who have raised money in all kinds of ways, through raffles and cake stalls, including at the very successful Spa Festival. They have produced books and sold them in the local area. I have rarely seen a project with such community support and dedication. The local people are to be commended. They have worked tirelessly for this project.

I can just imagine the Brisbane Lions AFL team and the Brisbane Broncos going there. I think it would probably do the Brisbane Broncos good to go to Boonah and spend the weekend at the hydrotherapy complex after a hard game. I am a Brisbane Broncos supporter—a great fan. Living in Ipswich with Alf Langer and the Walters brothers, you cannot help but be a supporter of the Broncos. They could go there and spend the weekend in Boonah and enjoy themselves. The hydrotherapy pool project is a great project. I commend the local community and the council, including Mayor John Brent and Deputy Mayor David Coburn. The foresight shown by the committee and the council is to be commended. I will work successfully with them in the future on other projects, including the House of Living Water project, which is another great project that recognises the Christian heritage of the area. It is being run by the Moogerah Passion Play Association. Congratulations to the local community.

Fuel Prices

Mr BRUCE SCOTT (Maranoa) (11.34 am)—I rise to talk about the cost of petrol, particularly the contrast between the cost of petrol and the cost of diesel today. People in the bush, and indeed across Australia, have seen record high prices for fuel. Thankfully we are now starting to see in some urban fuel outlets a rapid decrease in prices, in fact petrol prices have fallen to below a dollar per litre. Certainly, that is good news for families and drivers, particularly as we travel across the country at this time of year at Christmas, when families come together to meet with friends and, of course, celebrate the spirit of Christmas. But the affordability of fuel pricing comes only with healthy competition—we all agree with that—and for many in rural and remote Australia competitive prices are simply not available.

Yet for the people of the bush the affordability of fuel is perhaps even more important than for those in the cities. Out in the bush, there is no subsidised urban transport—no subsidised urban buses or subsidised urban trains. I acknowledge the need to subsidise and bring down the cost of public transport in urban situations to ease congestion on the urban road systems, but I say to the Main Committee that people out in the bush do not have that same option—they have to use their motor vehicles to commute and to take their children to school.

In fact the great freight task of this nation is carried on the back of trucks, and particularly in my electorate where we have type 2 road trains hauling cattle to market. We have type 2 road trains—that is, three trailers behind one large prime mover—taking dry goods as far north as Darwin, coming out of Brisbane and the southern capital cities. They of course all use diesel as well. So for people out in rural areas, whether it is for a family or whether it is for a business person, the price of fuel is a huge issue for the family or the business budget. On the disparity in price today between diesel and petrol, I do not believe I or any of us in this place have had a satisfactory answer as to why diesel can be 20c or 30c per litre more expensive at the bowser, even in urban situations, than petrol is.

As the committee would be aware, the Liberal-Nationals have always had a focus on the importance of keeping fuel costs as low as possible. In fact, in 2000 and 2001 in government we actually reduced the excise on fuel by a total of 8.2c a litre—and, importantly, we also abolished the automatic indexation of fuel, which was a legacy of the Labor era of Hawke and Keating. Had we not done that, fuel would be some 17.7c a litre dearer than it is today. Whether it is the price of petrol in the city or whether it is the price of diesel in the city, that is the fact of the matter. By abolishing that automatic indexation, fuel today is—whether it is diesel or petrol—17.7c a litre cheaper than it would otherwise have been under a Labor policy. We know that the minister was trying to introduce that into the trucking sector again, but, thanks to our senators in the upper house, we were able to block that move by the minister, who wanted to reintroduce the automatic indexation of fuel excise in the trucking sector without coming back to parliament for approval.

I have had this raised with me on a number of occasions, particularly in my own electorate. As we travel around and as we come up to Christmas it is becoming a bigger and bigger issue with the tighter economic situation that many families are confronting this Christmas. I just want to quote from a letter I received from a constituent out in the west of my electorate:

... Diesel versus petrol pricing—as diesel is a lesser refined product, it would mean a lower cost of manufacturing. Why is it then that the cost of diesel exceeds petrol by roughly \$0.30 /lt?

He goes on to say:

MAIN COMMITTEE

There is little option to the man in the street to voice concern over this matter which is why I am putting forth my issue to you.

As their federal representative, I bring this issue to the Main Committee. This is a serious issue and I call on the Petrol Commissioner to say what he is doing about it. Is he doing anything or is he just watching the price disparity between diesel and petrol? This is something for the Petrol Commissioner and also something for the ACCC to look at. We do not want them to be toothless tigers. They must do something about the price disparity between diesel and petrol. (*Time expired*)

Dobell Electorate: Water

Mr CRAIG THOMSON (Dobell) (11.39 am)—I rise to speak about and express concern as to the progress that is not being made on a promise of the Rudd government regarding a pipeline on the Central Coast. The lack of progress is not of course the problem of the Rudd government, who quite promptly handed over the \$80.3 million that we promised at election time. We have at the moment a problem with one of the local councils, which continually prevaricates about where this pipeline is going to go. In a sense, it is understandable that it is a little slow now, because we have had council elections and a changeover; 70 per cent of the council turned over. I am urging the council to move as quickly as possible to confirm the route of the pipeline so that work can begin and the water supply of the Central Coast can be guaranteed.

The Central Coast experienced the effects of the drought as badly as did any area in Australia. Our water supply dropped to a little under 12 per cent. We were down to 12 per cent of the water supply and, were the drought to continue, it looked very much like we were going to run out of water on the Central Coast. The Gosford/Wyong Councils Water Authority provides water to over 300,000 residents, and we were down to just less than 12 per cent. The Rudd government promised \$80.3 million to build a pipeline between two dams, one of which is in the catchment area. It is a very small dam but it is always collecting water because it is where the rain actually falls. From this, there would be a pipeline up to a large storage dam, which has largely been close to empty for many, many years. This bit of vital infrastructure is something that the local council or state or federal government over the last 10 to 15 years should have acted on. We should not have been in the situation where our water supply was perilously close to empty, as it actually was. Thankfully, the Rudd government made good its promise. The money was given to the two local councils and the joint water authority for the pipeline to proceed.

The pipeline route has been recommended by experts. It goes through the private land of various people, and there has been extensive consultation over that. The joint water authority has recommended a route to both councils but both councils have to approve it. Unfortunately, the Wyong Shire Council has said that—despite our going through an almost 12-month period of consultation with the community—because it is a new council, it wants to again open up the issue and go out and walk the route. This of course has the potential to cause major delays. There is a council meeting next Wednesday. If this issue is not resolved by then, it will not have the chance to be resolved by the local council until the council's February meeting. Of course, this would put back this vital bit of infrastructure, because until it is approved the pipeline cannot commence.

This is vital infrastructure for the Central Coast. It is estimated that, once the pipeline has been built, within five years the water supply, on average rainfall, will lift our dam levels to 80 per cent. We were at less than 12 per cent. With the pipeline being built and with just average rainfall, we would go to 80 per cent within five years. If the worst of the drought conditions were to continue, if there were to be maximum drought conditions—and factoring in the expected 75,000 more people who will be moving into the area—then within five years we would still see an increase from around 12 per cent to 55 per cent. You can see just how vital this pipeline is—just how necessary it is. We need the local council to move as quickly as possible to approve it.

Perhaps what we really need to consider in relation to this is making sure that the water authority on the Central Coast is an independent water authority, rather than one in a bureaucratic structure where we have to go back to councils even after the water authority has made recommendations based on solid scientific evidence and solid consultation with the community. It is vital that the building of this pipeline start. We need the Wyong council to approve the route of the pipeline, and we need it to be done immediately so that this pipeline can go ahead and the water supply of the Central Coast can be assured.

Mackellar Electorate: Mona Vale Hospital

Mrs BRONWYN BISHOP (Mackellar) (11.45 am)—I rise to speak about Mona Vale Hospital, in my electorate of Mackellar. It is a vital institution for the people who live there, particularly for those in the north of Mona Vale but also for the electorate at large. I rise to speak on this for two reasons. The state of health in New South Wales is just appalling. I think we have all become aware of the way in which public hospitals have become run down, but in New South Wales it is worse. There has been an attempt by the Labor government in New South Wales to close Mona Vale Hospital and Manly Hospital, take their land, sell it off and supposedly build a new hospital at Frenchs Forest. The proposed hospital at Frenchs Forest has now been cancelled. They wished to knock our hospitals down and sell off that land a long time before they even planned to build the new one, and we as a community have fought to make sure that our Mona Vale Hospital, which is in my electorate, remains exactly where it is.

We have a huge influx of people as visitors to our electorate through the summer season. As we come into that period, we know how important that hospital is. There are people who swim in the surf and are not as skilled as they ought to be, and lifesavers save them. If they are in need of a hospital, Mona Vale Hospital is, of course, where they go straight away. The stories of people who live in the electorate and who owe their lives to that hospital are legion. When we first had our big rally, back in 2002, I wrote to the people in the electorate and 7,000 people turned up. We have had many more rallies where there have been 1,500 or 3,000 people. Whenever we were threatened with something—for example, that the intensive care unit would go—the people would turn out. For that reason, that hospital is still there and functioning. The care and the dedication of the staff are absolutely fantastic.

We are a community that say: ‘We are prepared to do our bit.’ Four years ago, when we badgered the state government into finally building a new emergency ward, it had no new equipment. I hosted a dinner with the hospital auxiliary—women who work fantastically hard—and we raised \$90,000 to buy all the new equipment for emergencies. Again, just recently, the hospital needed equipment. It needed new humidicribs. It needed a very expensive

piece of equipment, \$19,000 worth. Humidicribs are \$15,000 each. We needed a whole range of other equipment—again, \$90,000 worth. Two weeks ago I hosted another dinner, a community dinner, with the hospital auxiliary. I thought that, in this climate, we would be doing very well if we got half that amount. And yet these wonderful people—including the IGA grocers at Belrose; the Rotary Club of Brookvale; Richard Rowe; the Brennans of Avalon; the Blackmore Foundation; the Master Builders Association; Roy Mustaca, who owns the Warriewood theatre and who donated the premises and all the food; and the Bayfield family, who provided all the drinks and refreshments—raised a staggering \$107,000 at that function, and it may even top that yet.

The community are prepared to put in and buy what is needed but we need the state government to make money available to us, a Liberal electorate where the state government seems so reluctant to give us anything at all. We need money to come into that hospital. I was in there several times in the last week visiting people and watching the paint peel off the walls. The dedication of the staff is there and we can get the equipment in there, but the hospital needs an upgrade. It needs the state government to do its bit and furnish the hospital with everything it needs so that it can go on and serve the community. As I said, the proposed Frenchs Forest hospital is gone. They have just put out a report and they talk about closing the emergency ward of Manly Hospital. They are saying Mona Vale is needed. But it is no good having that report and having people saying they are prepared to support it unless the state government comes to the party. We need this federal government to say to that state government, 'Give that money to Mona Vale Hospital to allow the staff to do the things they do so well, to preserve the lives that it saves and to build its reputation so that people know that the dedication of the community and the staff together produce a fantastic outcome.'

Death Penalty

Mr HAYES (Werriwa) (11.49 am)—I rise to speak again in respect of the death penalty involving Australian citizens, and I do so particularly in the aftermath of the execution in Indonesia of the Bali bombers. I am concerned that we as a parliament should do all we can to save the lives of three young Australian citizens now on death row in Bali. I speak not just in pursuit of what I regard as a genuine human rights issue but also as a parent who holds the view that, regardless of what our children do, nothing extinguishes the love and the care we have for our kids. It is as a parent that I empathise with Lee and Christine Rush. As members are aware, I have previously received a number of letters from their son Scott, who is one of the three young Australians on death row in Kerobokan Prison in Bali. Soon after the execution of the Bali bombers, I received a further letter from Scott, dated 16 November 2008. I would like to share with members what he wrote to me:

Dear Mr Hayes

I am writing to you again a week after the execution of the Bali bombers. Things are very tense here. Nobody really knows what is going to happen.

We found out about the executions last Sunday morning. The words went around the Prison like a bush fire. Everyone knows now that Indonesia is serious about executing prisoners. Everybody on death row is just that much closer to death.

My opinion is irrelevant but if you ask me is the world a better place because the bombers are dead? I don't think so. Anyway I don't care much for Amrozi and the other bombers, but now there is a danger they could become heroes. Inside the death tower we are very nervous.

I'm trying to keep myself strong by exercising and keeping my body fit. I want you to know how much we all really appreciate what you and your colleagues are doing for us.

I really hope when your motion in Parliament gets debated how much it may help other stupid people like me in the future, also to save much pain for their parents.

There is not much I can share with you from here but there is a passage in Galatians that we read often. It is about receiving and sharing the gifts of the spirit. We will read this tonight and share the gifts of the spirit with you.

That's about it from here. Please remember me to your wife Bernadette and to your family.

Yours sincerely

Scott Rush

P.S I am really trying to stay strong.

I share this letter because it reflects Scott's efforts to show good behaviour and his rehabilitation.

Recently I became aware of comments attributed to the Indonesian Deputy Attorney-General in the aftermath of the Bali bombings. Some reports indicate that foreigners who have extinguished all their legal review procedures will be executed soon. I hasten to add that Scott and the other two Australians on death row have not extinguished all their avenues of legal review. I urge the Australian Attorney-General to seek assurances from his Indonesian counterpart that these three young Australians will be given full opportunity and time to prepare and file their motions for reconsideration in the Supreme Court.

Consistent with my notice of motion in the *Notice Paper*, I urge the government to make all appropriate representations to advance one of the key recommendations of the Indonesian Constitutional Court in its judgement of 30 October 2007, in respect to the Indonesian criminal law. If its recommendations were to be adopted, it would allow a change to the mandatory implementation of the death penalty by providing an option of a probation period of ten years. Where a prisoner could show good behaviour, the death sentence could be commuted to life imprisonment or imprisonment for 20 years. If adopted by the Indonesian authorities within the next 12 months, it could well assist in securing the life of Scott Rush and the other Australians now on death row at Kerobokan Prison.

Finally, I urge the government to move to implement the Second Optional Protocol to the International Convention of Civil and Political Rights in Australia's domestic law for the reasons I indicated in my notice of motion. You will recall, Madam Deputy Speaker, in that notice of motion I have advocated strongly that the government take this stance so that it not only demonstrates a prohibition on the death penalty here in Australia to all its states and territories but firmly establishes, in front of the world at large, its credentials as an abolitionist country and, as such, plays a significant leadership role in that respect. I honestly believe that Australia and the Republic of Indonesia, in partnership, can show great leadership in advocating human rights not simply through our region but through the world. Given what I now see as a change in the political context in Indonesia that has occurred since the execution of the Bali bombers, I believe this becomes particularly urgent. I encourage all members of parliament to do what they can to advocate for the abolition of the death penalty, and keep these three prisoners in their prayers over Christmas.

Murray-Darling Basin

FRAN BAILEY (McEwen) (11.55 am)—I rise on what perhaps will be the last opportunity to raise an issue which I feel passionately about, as do the people of my electorate—one that I think that anyone who cares about the future of the Murray-Darling Basin, anyone throughout the country, would feel passionate about. I rise on this opportunity to speak because it probably will be my last opportunity before the parliament rises for the end of the year.

Let me begin, Madam Deputy Speaker, by describing this to you. A couple of weeks ago I was driving from the township of Yea in my electorate of McEwen down to Healesville. This is an area that both of the government members in the chamber at the moment would know well because they participated in the Pollie Pedal. They rode up the Melba Highway, so they will be very familiar with this part of my electorate that I want to describe to you.

I noticed several police cars on the side of the road and a number of four-wheel drive vehicles. Guessing that it had something to do with the north-south pipeline that is being constructed, almost running parallel for virtually all of the Melba Highway from Yea right down to Yarra Glen in my electorate, I pulled over to the side of the road. I know the local police—I know them all very well—and I said, ‘What’s going on here?’ To my utter dismay what was being perpetrated was—and it was being perpetrated by Melbourne Water officials, of whom, by the way, one of the police in attendance said to me, ‘They have more power in Victoria today than the Victoria Police’—that these Melbourne Water officials were dragging drilling equipment and heavy vehicles, without firstly doing the biosecurity checks on those vehicles, onto private property.

This farmer had had his pastures locked up to make hay. The only opportunity he has to earn money over the summer months is from the hay that he makes that he can sell and, of course, use on his property. But Melbourne Water would not wait another couple of days to enable this farmer to make his hay. I asked the Melbourne Water official on the spot, ‘Would you please ring your boss and just get permission; wait another couple of days.’ ‘Oh,’ he said, ‘mobile phones don’t work here’. I said, ‘Well, actually, mine does; use mine.’ He rang his boss at Melbourne Water and the ruling came back: ‘We are on a deadline here; you have to continue work.’

This is the sort of activity that is happening the length and breadth of the Melba Highway in my electorate: Melbourne Water officials are gaining access to private property—

Mr Briggs—You’re joking.

FRAN BAILEY—I have, believe it or not, my constituents being arrested on their own property for trying to defend their own properties. I sometimes have to stop and say: ‘Well, what is it? Isn’t this Australia? Is this really Australia that these grossly undemocratic actions are taking place in?’ This is of terrible concern to my constituents, but this of course is also of national concern. It is good that the member for Mayo is sitting here in the chamber with me today, because it affects the people in his electorate and the people of South Australia, because the purpose of this pipeline is to take unaudited water, saved, which is meant to be going into the Living Murray initiative for the benefit of all Australians. It is being taken, by the rogue action of the Victorian government, and sent down this pipeline to the Sugarloaf dam. It is just so difficult to try to convey the degree of hurt that my constituents are experiencing. But a

much bigger issue is the degree of hurt that all Australians are going to feel as a result of these absolutely rogue actions by Premier Brumby and the Victorian Labor government.

Universal Declaration of Human Rights

Mr DREYFUS (Isaacs) (12.00 pm)—I want to take this opportunity to note the 60th anniversary of the Universal Declaration of Human Rights on 10 December. I wholeheartedly support the motion moved by the Prime Minister on Tuesday and debated yesterday. Today, I wish to reiterate the significance of the 30 rights enshrined in the universal declaration by the UN General Assembly. The President of the UN General Assembly in 1948, the former High Court judge and federal parliamentary Labor leader, Dr H V Evatt, concisely summed up its importance, saying that the declaration was:

...the first occasion on which the organised community of nations had made a declaration of human rights and fundamental freedoms. That document was backed by the authority of the body of opinion of the United Nations as a whole and millions of people, men, women and children all over the world, would turn to it for help, guidance and inspiration.

One merely has to look at the text of the universal declaration to admire the powerful messages contained within its simple and elegant prose. The articles of the declaration have become the ideological bedrock in the development of human rights instruments such as the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights when they were introduced, after 18 years of negotiation, in December 1966.

As Dr Evatt envisaged on 10 December 60 years ago, the men, women and children of the world still look to the universal declaration for guidance today. While war and violence still grip many corners of our world, the universal declaration remains as the inalienable right of all. Sixty years on, it has been translated into more than 360 languages and is cited by the United Nations as its most translated document. A quick check on the UN's website notes that it has been translated from Abkhaz—a language from Georgia, the Ukraine and Turkey—to Zulu.

We should also take this time to remember the labours of individuals such as Dr Evatt, the Canadian jurist John Peters Humphrey, Rene Cassin and Eleanor Roosevelt, who chaired the inaugural commission of human rights which drafted the declaration. The former UN High Commissioner for Human Rights, the Canadian Louise Arbour, had this to say about the declaration:

It is difficult to imagine today just what a fundamental shift the Universal Declaration of Human Rights represented when it was adopted sixty years ago. In a post-war world scarred by the Holocaust, divided by colonialism and wracked by inequality, a charter setting out the first global and solemn commitment to the inherent dignity and equality of all human beings, regardless of colour, creed or origin, was a bold and daring undertaking.

It is worth remembering that just 10 years earlier, at the intergovernmental Evian Conference on refugees, held in July 1938 to formulate a response to refugees fleeing from the horrors of the Nazi oppression in Europe, the Australian representative, Lieutenant-Colonel TW White, infamously said, as a response from Australia:

It will no doubt be appreciated also that, as we have no real racial problems, we are not desirous of importing one by encouraging any scheme of large-scale foreign migration.

That in 1948, after the horrors of the Holocaust and the Second World War, Australian representatives could play a crucial role in the formulation of the universal declaration is a fine example of the 'fundamental shift' that Louise Arbour described.

I look forward to further progress in the protection of human rights in this country, which I hope will come from the consultation process that is a commitment of the Rudd Labor government. That process will actively engage with the Australian people about the potential for a national charter of rights. I hope that it will lead to such a charter, building on the charters of rights and responsibilities that have already been introduced in the Australian Capital Territory and in Victoria. I hope that, if the consultation does produce the outcome that this parliament is invited to legislate in relation to a charter of rights and responsibilities, the kind of language we will see in the charter uses, as closely as possible, the fine words of the universal declaration.

Fadden Electorate: Economy

Mr ROBERT (Fadden) (12.05 pm)—Christmas, the Yuletide season, is upon us. It is a time when we remember our Christian heritage as a nation, going back through our roots in Britain, and of course a time when we remember the meaning of Christmas, a celebration of the birth of Jesus Christ. In a celebration of Christmas, I sent out Christmas cards to all of my constituents to wish them all the very best for this wonderful season, and I included a magnet that had a list of emergency phone numbers so that if, in dreadful and dire circumstances, one of my constituents needed to know a range of key emergency numbers, the magnet would have them.

Because it is Christmas and we are leading into the new year, a time when people make new year's resolutions, we should, before we make the next set of resolutions, reflect upon the past year. Looking at the past year in my electorate, the news has not been particularly good. The government's funding cuts to Regional Partnerships has meant that the application for the Oxenford and Coomera youth centre was not assessed and not passed. Fadden is the fastest-growing electorate in the nation. It has grown 31.6 per cent between the 2001 and the 2006 census details. The library believes that within 3½ years my electorate will be 19.8 per cent oversubscribed. It is by far the fastest-growing electorate of any in the House. That growth is in the north of my electorate. There is only one community centre, the Oxenford and Coomera youth centre, whose AGM is in two weeks time, and funding has been cut from it because the Regional Partnerships program has been cut as well. We cannot get a roof for Riding for the Disabled, because Regional Partnerships has been cut.

Businesses were also left in the lurch when the \$700 million Commercial Ready program was cut. We recently had storms lashing the coast, affecting many residents, especially in the suburb of Labrador. If we keep reflecting on the last 12 months and the impact it has had on my electorate, if we look at the KFC—the 'Kevin financial crisis'—and the adverse effects, it is ironic that we are the only nation in the world whose government's decisions have made us worse off.

The bungled bank guarantee saw massive distortion of the market. Thirteen out of the top 20 cash and property management funds froze redemptions. Over 270,000 Australians have had redemptions frozen, and when I met with ING a few days ago they said they believe that is a very conservative number. I have spoken to many of my constituents who cannot get access to their own funds because of the distortion of the market caused by this government.

I look at the state of our health system, our hospitals. In Queensland there are 36,000 people on waiting lists for elective surgery, and there are 159,000 waiting to get on the waiting list. At the Gold Coast Hospital, where all of my constituents go, 48 per cent of people will spend over eight hours waiting in the emergency department. It is the busiest emergency department of any hospital in Queensland. The Australasian College for Emergency Medicine believes that, if you spend longer than eight hours waiting in an emergency department, you have a 30 per cent higher chance of a higher morbidity or mortality rate. You have a 30 per cent chance, or more, of dying by waiting over eight hours in the Gold Coast accident and emergency department.

I look at how Queensland state Labor debt is ballooning and at how they hide the debt in government owned corporations so that it does not appear in the balance sheet. Then, yesterday, I saw that the 'Kevlani' bank is about to be launched, as this Prime Minister does exactly the same thing that Queensland state Labor are trying to do. The concept of a Kevlani bank is of a state owned bank that can borrow in a vain attempt to keep that debt off the government's balance sheet, so that the government does not have to report to the nation that, within 12 months, it has gone into deficit. That is the sole reason for a Kevlani bank.

Governments can borrow for whatever they need. There is no issue with governments borrowing money as in the mechanism of borrowing. We contend in the opposition that there is no need to go into debt when growth is still strong, and we will not give the government a leave pass. But to generate a Kevlani bank, to go and trace petrodollars in such a Whitlamesque move simply to keep a deficit from the balance sheet of the federal government, is simply and utterly outrageous.

So the reflection on the 12 months is not good. It took us 12 years to get out of Labor's last debt and to actually amass a surplus, and it has taken this government 12 months to spend it and go back into deficit. As I look forward to the next 12 months, I simply ask the government, I plead with them, I challenge them: can you simply do better? You cannot do any worse, but for the sake of my constituents of Fadden, can you simply do better?

Rudd Government

Newcastle Electorate

Ms GRIERSON (Newcastle) (12.10 pm)—I would also like to reflect on the first 12 months of the Rudd Labor government. For the people of Newcastle, I am very proud to say that we have been able to deliver on all our election commitments. We have seen \$10 million for our stadium, the Energy Australia Stadium. The government has certainly delivered that. The construction has commenced and the building of the new western grandstand, with the cooperation of the state government, is also underway.

We have seen the completion of the \$51.8 million Weakleys Drive overpass. I was delighted to attend the opening of that overpass to traffic in October. I acknowledge that that was a project that began with the support of Mr Baldwin, the member for Paterson, prior to my taking over that area of his seat in the redistribution. It has been a good relationship with RTA—one that has delivered a very much needed traffic solution, particularly for the people in the Thornton area of my electorate.

Health has been an outstanding achievement over the first 12 months of the Rudd Labor government for the people of Newcastle. The government not only provided a Medicare li-

cence for the Mater hospital PET scanner; we also gave \$2.2 million to improve and upgrade the scanning equipment and the facilities. I must thank Minister Roxon. It was on her visit to those facilities where she observed firsthand the need for them to be upgraded. We are very lucky that people who are suffering from cancer, in particular, are now able to have the benefit of the PET scanner, which makes very good diagnoses for treatment and prognoses.

We have also delivered to the people of Newcastle 50 new mental health nursing places at Newcastle university. Being a regional city, we provide services to the whole region for mental health. There is a critical workforce shortage in this area, and those 50 new mental health nursing places will be well received. We also delivered on an election promise that we would fund the completion of the Hunter Dementia and Memory Resource Centre. We provided \$200,000 to complete that facility, and I congratulate Alzheimer's Australia for working so well with us in the region and also the community who helped to fund that very much needed centre. We have also made sure that the GP Access After Hours service is assured of three years funding. Tenders have been called for a Medicare licence for one MRI machine in the Newcastle-Hunter-Maitland region. The Mater hospital in my electorate is the biggest deliverer of oncology services in the state and I am sure its tender will be competitive.

We have also delivered an education revolution. I know that Newcastle university were pleased to receive \$13.7 million to improve infrastructure and student amenities. Our stage 1 computer roll-out saw 2,500 computers allocated to my electorate. We have also started scoping for the new early learning centre that will be built in the Hamilton-Merewether area. I look forward to a further announcement about that before the end of the year, making sure that that is delivered.

On the front of fighting climate change, we are a carbon dependent economy and for two years now the community, industry and I have worked very hard together to shape our economy in the future direction of sustainability and clean energy. There was \$25 million for clean coal research at CSIRO Newcastle as delivered in the May budget. Scoping is almost complete for the National Solar Institute, which will have its headquarters at CSIRO, Newcastle. And we have tendered for the Clean Energy Enterprise Connect Centre—something I would very much like to see located in the Newcastle electorate to give the critical mass to that direction of our economy. So, overall, not only have we delivered wonderful outcomes to the people of Newcastle but also they have also been recognised in some wonderful ways.

I thank the Prime Minister for the community cabinet coming to Newcastle. I also thank him for being part of Andrew Johns's walk, the Joey Johns walk to Sydney to draw attention to mental illness and to bipolar disorder earlier this year. I also congratulate three people in particular: Newcastle's teacher of the year, who won the national teacher of the year, Carolyn Hayden; Dr John Wright, who was awarded the lifetime achievement medal by CSIRO; and the young Master Builders Australia national apprentice of the year, Andrew George. A wonderful year for Newcastle.

Mr Keith Payne

Mrs MAY (McPherson) (12.15 pm)—Today I rise to speak about someone who I believe is really an Australian hero. The man I would like to tell the parliament about today is a Queenslander. He is a man I have come to know well and a man I call a friend. In my view, he is a brave and inspirational Queenslander and certainly an inspiration to many young people in

this country. However, he is more than that. Apart from being an Australian hero, he is a man from a time when the word 'hero' meant so much more than it does today.

Keith Payne grew up in Ingham in North Queensland and he now calls Mackay his home when he is not travelling. Keith recently celebrated his 75th birthday, which is a milestone in anyone's life. Keith started his working life as an apprentice cabinetmaker, but spending his life as a tradesman really wasn't what Keith wanted to do. In August 1951 he joined the Army and was posted to the 1st Battalion, Royal Australian Regiment, in September of 1952. He served with his unit in Korea between April 1952 and March 1953. Back in Brisbane on a training course Keith met a young member of the Women's Royal Australian Army Corps, Florence Plaw. They were married in December 1954 and this year they celebrate 54 years of marriage.

Keith then served with the 3rd Battalion in Malaya, followed by a posting to Papua New Guinea, before being sent to fight in Vietnam. In May 1969, Keith was commanding the 212th company of the 1st Mobile Strike Force Battalion when it was attacked by a North Vietnamese force. His company was surrounded on three sides. He was wounded in the hands and arms whilst under heavy fire, but this did not prevent him from providing coverage to his troops as they withdrew and organised into a defensive perimeter. With his troops in position, Keith, wounded himself, spent three hours searching for any wounded soldiers whilst somehow also managing to avoid the enemy's relentless and heavy fire. Keith found 40 wounded men. With tenacity and bravery under fire, Keith brought in some of his wounded men by himself; some of them he organised to be rescued. Many years later Keith was asked whether he had been afraid. His response was honest: 'My God yes. Yes, I was.'

Keith Payne's remarkable and courageous actions on that day earned him the Victoria Cross, which he later received from Queen Elizabeth aboard the *Britannia* while it was berthed in Brisbane. Keith also received the Distinguished Service Cross and the Silver Star from the United States and the Republic of Vietnam awarded him the Cross of Gallantry with Bronze Star. Keith holds the honour of being the last Australian awarded the Victoria Cross. He is one of only two living Australian recipients of the Victoria Cross. The other is Ted Kenna, from Hamilton, in Victoria, who turned 89 in July.

Keith suffered from post-traumatic stress after his return from Vietnam. Any member in this chamber who has met a veteran suffering from post-traumatic stress knows the intense fear they go through, their sense of helplessness and the overwhelming horror they suffer from the time they spent serving our country. But Keith decided he could help those veterans who had come home, those who needed assistance, and he began working with them to sort through their problems, even though he was having his own, undertaking a welfare course with the Department of Veterans' Affairs so he could be of assistance to those people who came home and needed that extra assistance.

Today Keith continues to work closely with veterans and their issues. He certainly represents their issues to us in this House and works with our cadets throughout Australia. He travels throughout Australia talking to veterans and young people about the service he gave to his country and what young people can do for their country.

He is often a visitor to the Gold Coast. He and Flo visit us regularly. They are there for Anzac Day and other commemorative occasions that veterans get involved in. Today I want to pay tribute not only to Keith but also to our other service men and women who we know are

serving our country overseas. As we approach Christmas I pay tribute to all our service men and women and extend to them our sincere thanks on behalf of our parliament and our country for the service they give to each and every one of us.

Moreton Electorate: Sherwood Community Street Festival

Mr PERRETT (Moreton) (12.20 pm)—Madam Deputy Speaker, as you well know, successful communities are those that regularly come together. We all live busy, often isolated, lives, so it is important that we have opportunities to meet our neighbours and those in surrounding streets. Community events are a tried and true way to bring people together and build community spirit. They are great fun in the good times and a bulwark against the bad times. They bring schools, sports clubs, churches, community and social groups, businesses and individuals together and provide an opportunity for people to meet, build friendships and create a greater sense of belonging.

Last Friday night I was thrilled to attend such an event in my electorate, the Sherwood Community Street Festival. The festival is held every year in November in the Sherwood shopping precinct on Sherwood Road, where they block off the street and pedestrians take over the area. Sherwood is a beautiful, leafy part of Brisbane, nestled between the Brisbane River and Oxley Creek Common. Over the last 13 years this festival has become a community institution. It is a great way to build social capital, foster community spirit, showcase local talent and culture and, more importantly, to give our younger kids an early taste of Santa Claus.

It has everything you would expect of a great festival: entertainment, food, music, stage acts, community arts, street acts, crafts, gifts, government stalls and—my son Stan's favourite—a jumping castle. It was very hard to get him off! All of the stalls express the diverse and friendly nature of my local community of Sherwood.

The event receives some funding from the Brisbane City Council—and I thank them for this great use of ratepayer dollars—but it is coordinated by local volunteers doing their bit for the local community. I would like to make special mention of the organising committee which gives so much of their own time, energy and skills, with many challenges, for their community: the committee president, Vivian Rodgers; the vice-president and stall convenor, Jan Oliver; the secretary, Carmel Cole, who deserves special mention; the technical coordinator, Frank Thomson; and entertainment convenor, Kelly Smith. I am sure there are many other people who also did extra work. But I cannot go through all of the names; it would take too long. I thank all of you for your great work on behalf of the wider community. Thanks also to the many local businesses that sponsor the event. Many do so anonymously year after year. However, I would particularly like to thank my friend Cameron Miller and his company for their very significant contribution.

The Sherwood Community Street Festival started back in 1995 when the local veterinarian at the time, Dr Malcolm Mackenzie, suggested the idea at a local traders dinner. Dr Mackenzie invited local business and community leaders to be involved, formed a committee and it quickly grew to become a thriving community festival, attracting thousands of people from all over Brisbane every year. So a particular thank you to Dr Malcolm Mackenzie.

The event received the lord mayor's 2008 Australia Day Community Event of the Year Award. I am the first to acknowledge that on occasion our Liberal lord mayor really gets it

right. Congratulations to the Sherwood community and the organising committee for the fine work that they did in ensuring that all of the people in the Sherwood community got to experience Christmas early. I was particularly impressed by the nativity scene where they had real camels, real animals parading through the street. It was a real treat for the younger kids. Also, the singers were fantastic.

North Sydney Electorate: Community Organisations

Mr HOCKEY (North Sydney) (12.24 pm)—All of our electorates are strengthened by the community organisations which work so hard, usually on the back of the efforts of volunteers, to make our places, our community and our areas a better place to live. Today in this parliament I want to acknowledge the contribution of two organisations in my electorate that have celebrated significant milestones this year.

This Saturday the North Shore Historical Society will be marking its 50th anniversary. I look forward to being at the lunch where we will do just that—celebrate the North Shore Historical Society's 50th anniversary. My electorate has been shaped both by its physical environs, particularly Sydney Harbour, and also by the many heritage places that go towards making North Sydney a rich tapestry of both the old and the new. These heritage places are often significant because of their aesthetic qualities. More importantly, they are treasured because of the story they tell about human endeavour, both locally and nationally. In North Sydney that includes Indigenous archaeological sites in places like Balls Head and Berry Island that date back centuries and longer. And our European heritage is very much integral to the development of Sydney as one of the world's greatest cities. My constituents understandably feel passionately about the preservation of this heritage and time and again they have mustered in force when that heritage has been threatened. In my time as member for North Sydney I think particularly of the battle to save Nutcote and, more recently, the fight—which is ongoing—to save the historic Graythwaite estate.

For the last 50 years one organisation that stands out in fighting for the preservation of our heritage and promoting a greater understanding of both the physical and human aspects of our society has been the North Shore Historical Society. The society was founded in 1958 in response to plans to demolish the historic house Bellvue on Blues Point to make way for Harry Seidler's Blues Point Tower. While they may have failed to stop that tower, it was through community agitation that plans to demolish much of McMahons Point for similar developments were thwarted. Since then the society has had many successes—for example, saving Don Bank Cottage in the heart of North Sydney—but just as importantly it has adopted as one of its core roles the education of local residents about the heritage that surrounds them. Its journal is perhaps the most significant record of North Sydney's history and through various school prizes it has promoted a greater understanding of heritage values among younger residents. It is to be congratulated for all that it has done to keep the history and heritage of the North Shore alive and I particularly acknowledge its longstanding president, Brian Evesson.

I also want to pay tribute to another organisation that has marked a significant milestone this year. All of us in this place are familiar with the absolutely extraordinary contribution that Rotary makes to our community—not just in Australia but around the world. One of the oldest Rotary clubs in Australia is the North Sydney club, which turned 80 this year. As a member of North Sydney Rotary I am perhaps biased, but I think by any objective measure this club is one of the best. In addition to the fellowship that it provides to its members, the Rotary Club

of North Sydney has made a significant contribution to our local community through its community outreach program. The breadth of its program far outweighs what one could reasonably expect of a club of its size.

Some of those activities have included raising funds for a men's shed, its lunches for local seniors, its work for the disabled—particularly through the saleability program—its support for young people and also its work in promoting health awareness. Internationally it has helped to fund the construction of a new school in China and just this year has given considerably to one of our local youth organisations, Phoenix House. The Rotary Club of North Sydney has been blessed with outstanding members and outstanding leaders—too many to mention in this place tonight—but I want to acknowledge its current president, Gary Long, and also its president-elect, Jenny Thomas, who, in particular, has led the club's community fundraising programs. My electorate is all the richer for being home to both the North Shore Historical Society and the Rotary Club of North Sydney.

Newcastle Electorate

Ms GRIERSON (Newcastle) (12.29 pm)—I am delighted to stand and speak further to my previous speech about the achievements of this first year of the Rudd government and extend it to the future agenda for the electorate of Newcastle. I would like to lay out some of the areas we have succeeded in and where we will be building on our strengths in the future. One of the good things that Newcastle has done—and fortunately I have been able to work with our stakeholders for the last seven years very successfully—has been to build the knowledge base of our economy. Manufacturers were some of the first people to take on quality standards and to position themselves as a knowledge based industry. Of course, the challenge for them in the future, as in the whole nation, is to increase exports. That is an area I look forward to working on with them in my electorate.

We have certainly built a knowledge base around clean energy at CSIRO Newcastle, the energy flagship in the Energy Division, and at Newcastle University. Since we started a couple of years ago working towards a more sustainable economy, we certainly have seen CSIRO strengthened with the National Solar Institute to be put there, and Newcastle University has set up a clean energy research centre. BHP, unfortunately, has closed its technology centre, but we are negotiating as hard as we can to see if there is a possibility to keep them involved in the clean energy research sector in Newcastle, and I hope that those talks can progress satisfactorily. It is important now that we have our research entities in Newcastle working so well that we do attract more partnerships with national, regional and international corporations.

In the field of medical research, we are very hopeful that Hunter Medical Research Institute will receive the infrastructure funding it does need in the future. We know there are competing needs, but it is a well-established medical research institute, it is a collaboration between Newcastle University and the Hunter New England Area Health Service, and through that partnership they make changes through research to clinical practice. For example, its discoveries in asthma research in Newcastle have led to millions of dollars per annum savings on the PBS. Its work on stroke and the handling of stroke patients has seen a reduction in bed days for patients, so it is important that our medical research area be funded and embedded into our community.

We also do want to continue to showcase innovation, and I pay tribute to Neville Sawyer particularly, who guided the very successful Newcastle innovation festival this year around clean energy and the work we are doing there. Neville was also one of the people who set up the Hunter Founders Forum to showcase new companies and to link with financial institutions for venture capital opportunities.

Another area of research in our region that we are very proud of is the work of the Hunter Valley Research Foundation. It recently gave a presentation at a breakfast where the speaker was Wayne Swan, the Treasurer, and it emphasised that one of the things holding back our region is our retention rates. Although many of our young students continue on to a TAFE place, a training place or into work, unfortunately our take-up of tertiary education, higher education places at university, is not high enough. That is certainly an area in which I look forward to working with the Hunter Valley Research Foundation and our education institutions to see what we can do as part of the education revolution to bring our most needy students up to the level we want them to be and certainly to have the take-up of university places increased. I think the policies that were announced by the Deputy Prime Minister are going to be very much central to that.

The next challenge for our city is its sustainability as an economic entity, a social entity and a survivable entity. Having gone through the June storms in 2007 and seeing Queensland suffering the same sort of extreme weather event, I think we are accepting that these events are going to continue more regularly and that there has to be some review of our cities under the Major Cities unit. Part of that will be not only the way cities function but the way they survive some of the challenges thrown to us by climate change in the future.

Part of that challenge for the sustainability of the economy of the city of Newcastle is building up its service sector, and I look forward to a Federal Court building being constructed in our area. We are the next cab off the rank, so for the city of Newcastle there is a great future. I think the forward planning and projections are excellent.

Pensions and Benefits

Local Government Elections

Mr BILLSON (Dunkley) (12.34 pm)—There has been much said about the term ‘maximum pass through’ in relation to interest rate reductions from the Reserve Bank and their cash rate reductions being fully transferred on to account holders of and borrowers from our banks. There is another maximum pass through though that does not seem to have attracted quite the same attention, and that is the maximum pass through that part pensioners in my electorate expect from the Rudd government in relation to the reductions in deeming rates.

I think two tests need to be applied. Maximum pass through needs to be evaluated in terms of the total pass through and also the timeliness. I have had some analysis done on the delays in seeing interest rate movements pass through in changes to deeming rates and there are plenty of reasons why part pensioners would feel they are not quite getting the support that they would expect from the Rudd government. The delay in seeing these interest rate reductions reflected in reduced deeming rates, and therefore in many cases in improved eligibility for a part pension, is very important for part pensioners in the Dunkley electorate.

It is particularly important when you think that many of them have had their investments frozen. I have been approached by part pensioners. There is a case in particular that is very

vivid in my mind where a part pensioner, who is very thoughtful in her budgeting and in her planning of her cash flow for the year, recognises that around Christmas the demands of the season are not the main and sole drain on her resources. It is a time when insurance needs to be paid; it is a time when other major outlays are required of her. She ordinarily would draw those funds from her investments, but this year she is confronted with the trauma and very significant dilemma of not being able to access those funds that would normally be available from her investments to make those significant once-a-year payments over and above her normal day-to-day expenses.

She has approached me looking for some assistance. I have pursued this with Centrelink, which has said that there are really two options available to her. One is to have Centrelink identify her investments as non-performing—which, as a former veterans affairs minister, is something we used to do from time to time when a person had no prospect of those funds being available and certainly no prospect of them earning an income. In this case the income is still thought to be available; the problem is accessing the capital—the initial deposit—that should be available in the normal course of events but, as a result of the way the banking guarantee has been applied by the Rudd government, is not available. She is faced with this dilemma and Centrelink advised me that it is highly improbable that investments of this kind would be recognised as non-performing and therefore excluded from the assets and income test.

The other option was to take out a loan, either privately or through Centrelink by some advance payments. Both of those prospects are not adequate in the eyes of my part pensioner, firstly, because the Centrelink loan vehicle is not sufficient to cover the cost and, secondly, she is concerned about going into further debt at a time when we are encouraging people to reflect on their level of indebtedness—and particularly when she has resources available but she just cannot get to them. This is one of the dilemmas we face and I would encourage the government to take this seriously and respond to the maximum pass through both in total and in timeliness for part pensioners by adjustments in the deeming rate.

Another area I would like to briefly touch on in the time available is the local government elections. I would like to thank all of the councillors from the city of Frankston and Mornington Peninsula Shire Council who have chosen not to continue their municipal careers or those who, through the process of the ballot box, have had that decision made for them. I would like to acknowledge and recognise all candidates who contested the elections. That also is a nourishment for our democratic process. Particularly, I would like to congratulate those councillors who have been elected and I look forward to collaborating with them and the newly formed councils. I would encourage the new councillors to embrace the energy, the insights and the advice of local community organisations, the many selfless civic leaders that give of their time generously, and of the council officers, who have much to offer.

Finally, I would like to close by extending my sincere best wishes for a happy Christmas New Year season. My greetings to all of the Dunkley residents and the many which, hopefully, will come visiting the Mornington Peninsula over the summer break. That includes an encouragement to be thoughtful and mindful of the impact of celebration on those around them. I would particularly like to extend my love and devotion to my delightful wife, Kate, and to Alex, Zoe and Maddie. This will be Maddie's first Christmas and it is great that Alex

and Zoe are helping to inform her how to liaise with Santa at this important time of year. *(Time expired)*.

Shortland Electorate: Christmas

Ms HALL (Shortland) (12.39 pm)—I take this opportunity to wish all members all the best for the Christmas season and a very happy new year. It is a time when we all spend a little bit of time with our family and we can be back in our electorates doing things that we do not get time to do at other times of the year. Christmas is very much a family time, very much a time you spend with your friends and your family. That brings me to the point that there are many people in each and every one of our electorates who do not always have the luxury of enjoying Christmas in the way that we do. There are people in each and every one of our electorates who do not have family and friends and they do not have the support that they need at Christmas. For those people it can be a very sad and sorry time. Many people in our electorates cannot afford Christmas dinner and the presents they need for their children.

That is why each year in my electorate I have a Smith Family Christmas tree. In addition, my office is a drop-off point for people in the electorate who would like to leave some Christmas goodies. On the Monday before Christmas, my electorate staff and I go out and distribute those goods to people in the community or to organisations in the community. One of the places I always like to give donations to is the Merrigum Centre at Windale. That is an organisation that operates under the Anglican Church. They do fantastic work in the community at Windale and are a role model for any organisation that is prepared to operate in the community. As a church, it gives support to those people in most need.

I would like to put a call out to all local businesses and to all residents in the Shortland electorate to dig deep and to give freely, to drop some food items off at my office so that they can be included in the hamper that I deliver to the Merrigum Centre, the Samaritans and St Vincent de Paul within the local area. In addition, I would like to encourage people who drop a present in to take one of the little tags from the Christmas tree that I have in my office that identifies the appropriate age and sex of recipients of presents put under the tree. Then we will deliver those presents to the Smith Family. I know I am not the only member in the House who does this. I think one of the roles of a member of parliament is to ensure that we support our communities, and one way of supporting our communities is to make sure that at Christmas time we can help those who need it. And I know there are some members who actually go out and help cook Christmas dinner in the community. I encourage people if they have got any spare capacity to support those who may be lonely at Christmas time.

I come back to where I started, and that is thanking people for the work that they have done in the community. I emphasise my thanks to the Prime Minister for the way he has led the government this year. There have been some major changes in Australia and changes that have been for the better. I think that Australia at the end of 2008 is a very different place from the Australia that existed at the time of the election. It is a much more inclusive, more caring society, one in which every person is valued. By donating at Christmas time we are really linking into that theme of inclusiveness and community. I thank all those involved. *(Time expired)*

Murray-Darling River System

Mr HUNT (Flinders) (12.44 pm)—I recently had the very powerful experience of driving from the Darling Downs to the mouth of the Murray, 3½ thousand kilometres through the Murray-Darling Basin. On the way I met with farmers and irrigators, people from the street, environmental groups and those concerned with the health of this magnificent area, but in no place was I more affected than at Yelta Fresh Vineyards in Mildura. In particular, I visited the home of Darren and Christine Argiro. What they said to me was very powerful, and I will quote from Christine's subsequent follow-up letter:

I am the fourth generation here in the Sunraysia area. I am married and with my husband we run 100 acres of table grapes and winery. Our future looked very bright for our four children and ourselves until the drought hit or the mismanagement of the Murray to be more to the point.

What she told me was very simple. Her family was desperate, small block farmers were desperate, and I promised to Christine that I would not forget and that I would take her issue up.

What we have just done today is to give the federal government an opportunity and no excuses to make sure that they help farmers such as Christine with direct funding for assisting with water efficiency. Six-hundred billion litres of water savings are available to be shared between the Murray and the farmers if, finally, the \$5.8 billion of rural re-plumbing money is unfrozen by Senator Wong. That money is vital to farming families such as Darren and Christine Argiro. If they can get that funding, if they can get the support, then their children will have an opportunity, and I made that pledge to Christine that we would fight for that money.

As of today, with the passage of the federal water bill with our support, there is no excuse for the federal government to deny that money. Unfreeze the \$5.8 billion, help re-plumb rural Australia, Senator Wong, and above all else give Christine Argiro and her husband, Darren, a future for their children. (*Time expired*)

Parliamentary Year

Mr IRONS (Swan) (12.47 pm)—I would like to thank my colleague, the member for Flinders, for allowing me to stand up. The year 2008 has been an historic year for our nation. This year we have seen starkly what we have created with our increasingly interconnected world. The global financial crisis started in the United States but had an immediate impact on markets around the world. I have spoken twice on this matter in parliament this year and still maintain that we need to act in genuine bipartisanship. Beijing's successful hosting of the Olympic Games in August symbolised the rise in the prominence of the Asian giant. The world order is changing.

This year has been significant for me as my first year in parliament. I would like to take this opportunity to thank the members on my side of the House for the support that they have given me during the year and also the members on the other side who have put forward their hand in friendship, helped me, spoken to me and encouraged me along the way. My staff in the East Victoria Park electorate office have worked exceptionally hard. I would like to also thank my head office manager, Karen McGrath, for the excellent work that she has done for me during the year. My constituents have been particularly affected by the housing affordability crisis this year, and we have often used Centrelink and people from the Department of Immigration and Citizenship to help them as well, so I thank the people in those two areas.

During my maiden speech, I spoke about how important family is, and I would also like to mention my son Jarrad, who lives with me. I am a single father, and he has understood the time we have spent apart during this year and the reason I have to travel. I would like to thank him for his patience and say that I do miss him while I am away. I would also like to mention that my niece Rosie Massey is in the House today. She has been up here for work experience for the week and has been of tremendous assistance to me. It is great to have a family member here. I did not spend time with her when she was growing up, but it is great to see she has turned into a lovely young lady and she has been of assistance this week, so I hope to see more of her in the future.

I would also like to thank the Liberal Party—Chris Ellison particularly, who retired this week. During the campaign he was of much assistance to me, guiding me in certain ways that helped me win the seat, and I congratulate him and wish him all the best in the future.

Parliamentary Year

Mr RAGUSE (Forde) (12.49 pm)—This is the end of my first year in parliament and it is a very important week for all of us in the class of 2007—and I know that my colleague the member for Swan is one of the class of 2007. There were 42 new members elected to the House in 2007 and, if you consider those elected to the Senate as well, it was quite a large intake. It has been a huge honour for me to represent the people of Forde. Looking back on what has been a very fast moving year, the achievements we have made as a government and the work that we have collectively done as new and existing members on both sides of the House, it has been a good year for the parliament on both sides of the House.

I would like to thank the Speaker, the Deputy Speaker and the Speaker's panel for all their work and support and the mentoring we have had in learning about the processes of parliament. I thank the clerks and the clerk assistants for their work as well. I have been learning about and trying to understand the internal machinations of parliament and how this place works, with the support of everyone involved.

The Prime Minister recently visited my electorate. He is one of a number of ministers we have recently had through the electorate. I would like to thank him for his support for members of parliament generally and for visiting my electorate and Beenleigh High School. It was a commitment he made early in the year and he has certainly taken that on board. It was great to see him in my electorate.

Our Treasurer, Wayne Swan, has spent time in my electorate and continues to have a commitment to the region I represent. Minister Albanese, Minister Burke, Minister Plibersek, Minister Ferguson, Minister Elliot and Attorney-General McClelland have all visited the electorate of Forde. I put up a challenge early in the year that they should come and have a look at the beautiful region of Forde. One of the clerks here today would know that I talk a lot about Duck Creek Road. It is good for people to come and experience the enjoyment of the electorate of Forde and get to understand the complexities of the electorate I represent. I thank Parliamentary Secretaries Kelly and Shorten, who have also visited the electorate, and there are five other ministers who have made a commitment to come and have a look and learn a bit about the electorate of Forde. I look forward to continuing that involvement and I look forward to their support.

I would like to thank the members of my staff. Members of parliament rely very heavily on their staff. They put in a huge number of hours and they are just as excited as members are about getting the work done. I have immensely appreciated the involvement of my staff over the last 12 months. I would like to mention the people involved: Maarten Sherrington, who leads the team in my office; Stuart Fenech; Annette Curry; Jason Whitlock; and Colin Foot and Jim Dennis, regular helpers who come and help out in my office. I appreciate the work that everyone collectively has done.

I would like to mention the committee work that we have all been involved in and those who have been on some of the international tours we do as part of our parliamentary duty. I would like to thank the Parliamentary Education Office and, in particular, Roberta Molson, who was a delegation secretary just recently on a trip which Deputy Speaker Kelvin Thomson was also involved in. The work that these people do to support us as members of parliament is very important.

I would like to pay special tribute to my friends and family. We do not do this alone, and our staff are certainly a big part of it. I would like to thank my four children—Aaron, Matthew, Hannah and Emma. They have been a great support, certainly during the election campaign, when all families get involved. My sons are in their 20s and my daughters are teenagers. It has been quite a time for them, but they have worked well to keep us all together as a family. I would like to make particular mention of Marlene, my partner, for her love and support. It is an amazing feat for our partners to be there for us and weather the storm during the time we are away, and I greatly appreciate it.

Human Trafficking

Ms LEY (Farrer) (12.54 pm)—I appreciate the opportunity to speak on the very important subject of human trafficking, particularly for sex slavery. My attention was drawn to two articles in the *Daily Telegraph* yesterday. In fact, the story on the front page, ‘Brothel Slave Case Collapses’, disturbed me greatly. It concerned a long investigation by the Australian Federal Police into sex trafficking, and, at the final hurdle, the DPP was unable to go ahead and prosecute the case. I want to highlight the good work that the AFP does in this area, leading on from a coalition commitment in 2003 to fight this most heinous crime.

People trafficking is not the same as people smuggling. Traffickers use a variety of methods to recruit their victims. They target vulnerable individuals, mainly from South-East Asia, by placing advertisements for comparatively well-paid employment positions in destination countries—for example, as dancers, waitresses or domestic workers. But, once the individuals arrive, they find that they have been deceived about the work they are required to do. Traffickers have a number of ways of preventing their victims from escaping—amongst them are debt, bondage, threats and violence, detention and the withholding of personal documents. They threaten to hurt or kill a victim’s children or family in their home country. Further uncertainty about their migration status and fear of being detained or deported makes victims reluctant to seek help.

The second article in yesterday’s *Daily Telegraph* suggested that some women who come to this country and find themselves described as ‘sex workers who have been trafficked’ are in fact telling lies and using their position to get a migration outcome. This article describes one such case. I cannot comment on that case because I do not know about it. But, no doubt, these things have taken place. However, I think it is most important that we recognise that this is

not a problem of anyone's imagination. The Joint Committee on the Australian Crime Commission conducted an inquiry into the trafficking of women for sexual servitude in 2004, and it did indeed find that most of the women trafficked into Australia are recruited from South-East Asia and China for the sex industry. Traffickers facilitate the women's entry to Australia, providing them false passports, funds and visas. They are then sent to brothels around the country, where their movements are restricted. It is not unknown for women to be forced to repay debts of up to \$40,000.

In October 2003 the Australian government announced a \$20 million package of additional anti-trafficking measures, including a new AFP unit—the Transnational Sexual Exploitation and Trafficking Team—new visa arrangements for trafficking victims; and victim support measures, including counselling and legal and medical support, to be administered by the Office for the Status of Women. Following the highlighting of this issue in the press this week, I would like the government to recommit to this package. I would like the government to recognise that, although it is not necessarily a frequent crime, it is an extremely serious one. In the case that I mentioned—against the Sydney brothel madam Kwang Suk Ra, which collapsed yesterday—apparently, the evidence did not amount to 'exploitation involving threat, force or deception'. That decision by the DPP followed on from a previous decision, handed down in late August, regarding a Melbourne brothel owner—and that redefined what is and is not exploitation.

We need the laws to change so that, where a young woman is trafficked into Australia for the purposes of sex and held against her will, denied her documents and denied access to medical, legal and personal help—in fact, trapped in a condition of modern-day slavery—she is actually able to get help and that the laws of this country are amended to provide that help. It is not uncommon that, as judgments take place, amendments to laws have to follow. We clearly cannot let the work of our AFP team of tireless workers, in what is a horrendous working environment, come to nought. It is simply not good enough. And I want to pay tribute to the AFP for their hours of investigation, the telephone intercepts and their hard work on behalf of the most defenceless women in the world today. This serious crime of people trafficking needs to be prevented in Australia, because we are a civilised country. We would not let our own citizens be treated in this manner overseas and we have absolutely every obligation to prevent foreign citizens who come to this country from experiencing what these young girls are currently experiencing.

Question agreed to.

Main Committee adjourned at 1.00 pm, until Wednesday, 4 February 2009, at 9.30 am, unless in accordance with standing order 186 an alternative date or time is fixed.

QUESTIONS IN WRITING**Small Business Field Offices Program****(Question No. 327)**

Mr Truss asked the Minister for Small Business, Independent Contractors and the Service Economy, in writing, on 15 September 2008:

In respect of the article praising Small Business Field Offices in the winter edition of Centrelink's Rural News, why did the Government abolish the Small Business Field Offices program two months before the article was published?

Dr Emerson—The answer to the honourable member's question is as follows:

The Small Business Field Officer (SBFO) program was identified during the election as a budget saving. SBFO contracts expired as scheduled on 30 June 2008.