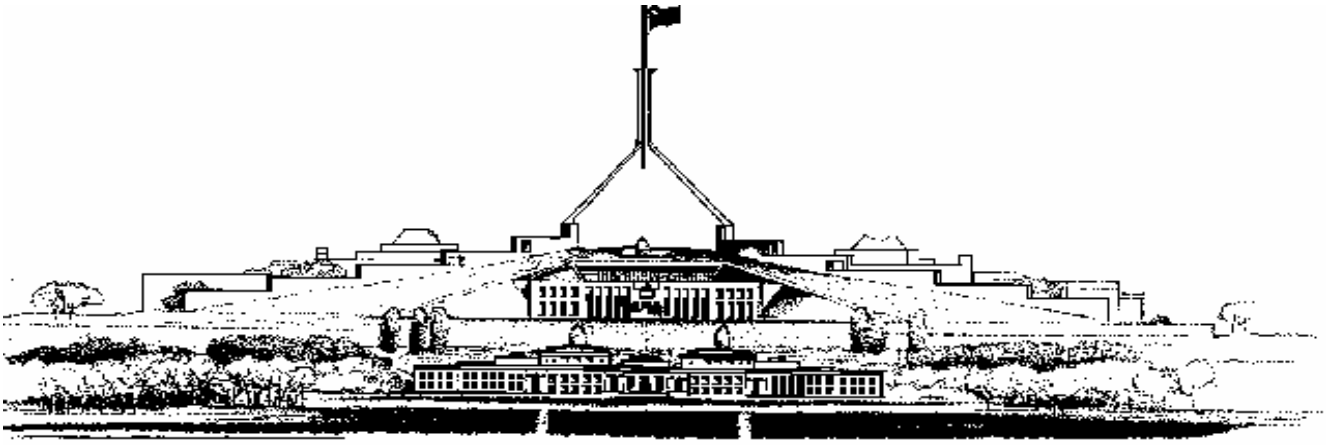
COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



House of Representatives

Official Hansard

No. 10, 2009

Wednesday, 24 June 2009

FORTY-SECOND PARLIAMENT
FIRST SESSION—FIFTH PERIOD

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

INTERNET

The Votes and Proceedings for the House of Representatives are available at
http://www.aph.gov.au/house/info/votes

Proof and Official Hansards for the House of Representatives,
the Senate and committee hearings are available at
http://www.aph.gov.au/hansard

For searching purposes use
http://parlinfoweb.aph.gov.au

SITTING DAYS—2009

Month	Date
February	3, 4, 5, 9, 10, 11, 12, 23, 24, 25, 26
March	10, 11, 12, 16, 17, 18, 19
May	12, 13, 14, 25, 26, 27, 28
June	1, 2, 3, 4, 15, 16, 17, 18, 22, 23, 24, 25
August	11, 12, 13, 17, 18, 19, 20
September	7, 8, 9, 10, 14, 15, 16, 17
October	19, 20, 21, 22, 26, 27, 28, 29
November	16, 17, 18, 19, 23, 24, 25, 26

RADIO BROADCASTS

Broadcasts of proceedings of the Parliament can be heard on ABC NewsRadio in the capital cities on:

ADELAIDE	972AM
BRISBANE	936AM
CANBERRA	103.9FM
DARWIN	102.5FM
HOBART	747AM
MELBOURNE	1026AM
PERTH	585AM
SYDNEY	630AM

For information regarding frequencies in other locations please visit
http://www.abc.net.au/newsradio/listen/frequencies.htm

FORTY-SECOND PARLIAMENT
FIRST SESSION—FIFTH 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. Christopher Maurice Pyne 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, Hon. 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, Hon. 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
Emerson, Hon. Craig Anthony	Rankin, Qld	ALP
Farmer, Hon. Patrick Francis	Macarthur, NSW	LP
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
George, Jennie	Throsby, NSW	ALP
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, Christhopher 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, Harry 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, Hon. 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

Members of the House of Representatives

Members	Division	Party
Neumann, Shayne Kenneth	Blair, Qld	ALP
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

Members of the House of Representatives

Members	Division	Party
Washer, Malcolm James	Moore, WA	LP
Windsor, Anthony Harold Curties	New England, NSW	Ind
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
Minister for Defence and Vice President of the Executive Council	Senator Hon. John Faulkner
Minister for Trade	Hon. Simon Crean MP
Minister for Foreign Affairs and Deputy Leader of the House	Hon. Stephen Smith 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 Finance and Deregulation	Hon. Lindsay Tanner 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
Cabinet Secretary, Special Minister of State 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
Minister for Financial Services, Superannuation and Corporate Law and Minister for Human Services	Hon. Chris Bowen, MP

[The above ministers constitute the cabinet]

RUDD MINISTRY—*continued*

Minister for Veterans' Affairs	Hon. Alan Griffin MP
Minister for Housing and Minister for the Status of Women	Hon. Tanya Plibersek MP
Minister for Home Affairs	Hon. Brendan O'Connor MP
Minister for Indigenous Health, Rural and Regional Health and Regional Services Delivery	Hon. Warren Snowdon MP
Minister for Small Business, Independent Contractors and the Service Economy, Minister Assisting the Finance Minister on Deregulation and Minister for Competition Policy and Consumer Affairs	Hon. Dr Craig Emerson MP
Assistant Treasurer	Senator Hon. Nick Sherry
Minister for Ageing	Hon. Justine Elliot MP
Minister for Early Childhood Education, Childcare and Youth and Minister for Sport	Hon. Kate Ellis MP
Minister for Defence Personnel, Materiel and Science and Minister Assisting the Minister for Climate Change	Hon. Greg Combet AM, MP
Minister for Employment Participation and Minister Assisting the Prime Minister on Government Service Delivery	Senator Hon. Mark Arbib
Parliamentary Secretary for Infrastructure, Transport, Regional Development and Local Government	Hon. Maxine McKew MP
Parliamentary Secretary for Defence Support and Parliamentary Secretary for Water	Hon. Dr Mike Kelly AM, MP
Parliamentary Secretary for Western and Northern Australia	Hon. Gary Gray AO, MP
Parliamentary Secretary for Disabilities and Children's Services and Parliamentary Secretary for Victorian Bushfire Reconstruction	Hon. Bill Shorten MP
Parliamentary Secretary for International Development Assistance	Hon. Bob McMullan MP
Parliamentary Secretary for Pacific Island Affairs	Hon. Duncan Kerr SC, MP
Parliamentary Secretary to the Prime Minister and Parliamentary Secretary for Trade	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 for Multicultural Affairs and Settlement Services	Hon. Laurie Ferguson MP
Parliamentary Secretary for Employment	Hon. Jason Clare MP
Parliamentary Secretary for Health	Hon. Mark Butler MP
Parliamentary Secretary for Industry and Innovation	Hon. Richard Marles MP

SHADOW MINISTRY

Leader of the Opposition	The Hon. Malcolm Turnbull MP
Shadow Minister for Foreign Affairs 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 Treasurer	The Hon. Joe Hockey MP
Shadow Minister for Education, Apprenticeships and Training and Manager of Opposition Business in the House	The Hon. Christopher Pyne MP
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 Finance, Competition Policy and Deregulation	Senator the Hon. Helen Coonan
Shadow Minister for Human Services and Deputy Leader of The Nationals	Senator the Hon. Nigel Scullion
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 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 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 Mitch Fifield
Shadow Parliamentary Secretary for Water Resources and Conservation	Mr Mark Coulton MP
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

CONTENTS

WEDNESDAY, 24 JUNE

CONTENTS—*continued*

CONTENTS—*continued*

Wednesday, 24 June 2009

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

OZCAR

Suspension of Standing and Sessional Orders

Mr TURNBULL (Wentworth—Leader of the Opposition) (9.00 am)—I move:

That so much of the standing and sessional orders be suspended as would prevent the Member for Wentworth moving immediately—That this House calls on the Government to immediately establish a full judicial inquiry into the OzCar matter including but not limited to:

(1) the full extent of the relationship between the Prime Minister, the Treasurer, the Member for Oxley, Mr Bernie Ripoll MP, and the car dealer, Mr John Grant, including investigation of the following:

  (a) all communications between Mr Grant and any of his associates with the Government including members of Parliament, government officials, ministerial and electorate staff including:

    (i) emails (from Government, parliamentary and personal accounts);

    (ii) text/SMS/MMS/Blackberry messages;

    (iii) voicemail;

    (iv) voice to text messages; and

    (v) any other written or electronic communications; and

(2) any communications, preparations and discussions in relation to the appearance of Treasury officials before the Senate Standing Committee on Economics inquiry into car dealership financing on Friday 19 June 2009;

(3) any involvement by Opposition Members of Parliament and their staff;

(4) the 51 Club;

(5) Labor fundraising; and

(6) any previous business dealings, transactions or representations in Australia and overseas involving the Prime Minister, the Treasurer and/or Mr Bernie Ripoll connected with Mr John Grant, any associates or commercial entities.

The Prime Minister has been dishonest and hypocritical—

Honourable members interjecting—

The SPEAKER—The Leader of the Opposition will resume his seat. The Leader of the Opposition will resume his seat! First of all, before organising what is happening, I say to both sides: three days in a row. I know that you all think that this is a very serious matter. How about displaying how serious you believe it is by showing some sort of temperate relationship to each other.

Mr ALBANESE (Grayndler—Leader of the House) (9.03 am)—I move:

That the member be no longer heard.

Question put.

The House divided. [9.07 am]

(The Speaker—Mr Harry Jenkins)

Ayes……	72
Noes……	61
Majority……	11

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.
Byrne, A.M.	Champion, N.
Cheeseman, D.L.	Clare, J.D.
Collins, J.M.	Combet, G.
D'Ath, Y.M.	Debus, B.
Elliot, J.	Ellis, A.L.
Ellis, K.	Emerson, C.A.
Ferguson, L.D.T.	Ferguson, M.J.
Fitzgibbon, J.A.	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.	Jackson, S.M.
Kerr, D.J.C.	King, C.F.

Livermore, K.F.	Macklin, J.L.
Marles, R.D.	McClelland, R.B.
McKew, M.	McMullan, R.F.
Melham, D.	Murphy, J.
Neal, B.J.	Neumann, S.K.
O'Connor, B.P.	Owens, J.
Parke, M.	Perrett, G.D.
Price, L.R.S.	Raguse, B.B.
Rea, K.M.	Ripoll, B.F.
Rishworth, A.L.	Roxon, N.L.
Saffin, J.A.	Shorten, W.R.
Sidebottom, S.	Snowdon, W.E.
Sullivan, J.	Swan, W.M.
Symon, M.	Tanner, L.
Thomson, C.	Thomson, K.J.
Trevor, C.	Turnour, J.P.
Vamvakinou, M.	Zappia, A.

NOES

Abbott, A.J.	Andrews, K.J.
Bailey, F.E.	Baldwin, R.C.
Billson, B.F.	Bishop, B.K.
Bishop, J.I.	Briggs, J.E.
Broadbent, R.	Chester, D.
Ciobo, S.M.	Cobb, J.K.
Coulton, M.	Dutton, P.C.
Farmer, P.F.	Forrest, J.A.
Georgiou, P.	Haase, B.W.
Hartsuyker, L.	Hawke, A.
Hawker, D.P.M.	Hockey, J.B.
Hull, K.E. *	Hunt, G.A.
Irons, S.J.	Jensen, D.
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.
Moylan, J.E.	Nelson, B.J.
Neville, P.C.	Oakeshott, R.J.M.
Pearce, C.J.	Ramsey, R.
Randall, D.J.	Robb, A.
Robert, S.R.	Ruddock, P.M.
Schultz, A.	Scott, B.C.
Secker, P.D.	Simpkins, L.
Slipper, P.N.	Smith, A.D.H.
Somlyay, A.M.	Southcott, A.J.
Stone, S.N.	Tuckey, C.W.
Turnbull, M.	Vale, D.S.
Washer, M.J.	Windsor, A.H.C.
Wood, J.	

PAIRS

Gillard, J.E.	Costello, P.H.
Dreyfus, M.A.	Pyne, C.

* denotes teller

Question agreed to.

The SPEAKER—Is the motion seconded?

Mr HOCKEY (North Sydney (9.11 am)—I second the motion. A full open judicial inquiry: that is what we want.

Mr ALBANESE (Grayndler—Leader of the House) (9.12 am)—No questions on this yesterday, no mention of this yesterday morning, and I move:

That the member be no longer heard.

Question put.

The House divided. [9.13 am]

(The Speaker—Mr Harry Jenkins)

Ayes……	72
Noes……	61
Majority……	11

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.
Byrne, A.M.	Champion, N.
Cheeseman, D.L.	Clare, J.D.
Collins, J.M.	Combet, G.
D'Ath, Y.M.	Debus, B.
Elliot, J.	Ellis, A.L.
Ellis, K.	Emerson, C.A.
Ferguson, L.D.T.	Ferguson, M.J.
Fitzgibbon, J.A.	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.	Jackson, S.M.
Kerr, D.J.C.	King, C.F.
Livermore, K.F.	Macklin, J.L.
Marles, R.D.	McClelland, R.B.
McKew, M.	McMullan, R.F.
Melham, D.	Murphy, J.

Neal, B.J.	Neumann, S.K.
O'Connor, B.P.	Owens, J.
Parke, M.	Perrett, G.D.
Price, L.R.S.	Raguse, B.B.
Rea, K.M.	Ripoll, B.F.
Rishworth, A.L.	Roxon, N.L.
Saffin, J.A.	Shorten, W.R.
Sidebottom, S.	Snowdon, W.E.
Sullivan, J.	Swan, W.M.
Symon, M.	Tanner, L.
Thomson, C.	Thomson, K.J.
Trevor, C.	Turnour, J.P.
Vamvakinou, M.	Zappia, A.

NOES

Abbott, A.J.	Andrews, K.J.
Bailey, F.E.	Baldwin, R.C.
Billson, B.F.	Bishop, B.K.
Bishop, J.I.	Briggs, J.E.
Broadbent, R.	Chester, D.
Ciobo, S.M.	Cobb, J.K.
Coulton, M.	Dutton, P.C.
Farmer, P.F.	Forrest, J.A.
Georgiou, P.	Haase, B.W.
Hartsuyker, L.	Hawke, A.
Hawker, D.P.M.	Hockey, J.B.
Hull, K.E. *	Hunt, G.A.
Irons, S.J.	Jensen, D.
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.
Moylan, J.E.	Nelson, B.J.
Neville, P.C.	Oakeshott, R.J.M.
Pearce, C.J.	Ramsey, R.
Randall, D.J.	Robb, A.
Robert, S.R.	Ruddock, P.M.
Schultz, A.	Scott, B.C.
Secker, P.D.	Simpkins, L.
Slipper, P.N.	Smith, A.D.H.
Somlyay, A.M.	Southcott, A.J.
Stone, S.N.	Tuckey, C.W.
Turnbull, M.	Vale, D.S.
Washer, M.J.	Windsor, A.H.C.
Wood, J.	

PAIRS

Gillard, J.E.	Costello, P.H.
Dreyfus, M.A.	Pyne, C.

* denotes teller

Question agreed to.

Original question put:

That the motion (**Mr Turnbull's**) be agreed to.

The House divided. [9.16 am]

(The Speaker—Mr Harry Jenkins)

Ayes……	61
Noes……	72
Majority……	11

AYES

Abbott, A.J.	Andrews, K.J.
Bailey, F.E.	Baldwin, R.C.
Billson, B.F.	Bishop, B.K.
Bishop, J.I.	Briggs, J.E.
Broadbent, R.	Chester, D.
Ciobo, S.M.	Cobb, J.K.
Coulton, M.	Dutton, P.C.
Farmer, P.F.	Forrest, J.A.
Georgiou, P.	Haase, B.W.
Hartsuyker, L.	Hawke, A.
Hawker, D.P.M.	Hockey, J.B.
Hull, K.E. *	Hunt, G.A.
Irons, S.J.	Jensen, D.
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.
Moylan, J.E.	Nelson, B.J.
Neville, P.C.	Oakeshott, R.J.M.
Pearce, C.J.	Ramsey, R.
Randall, D.J.	Robb, A.
Robert, S.R.	Ruddock, P.M.
Schultz, A.	Scott, B.C.
Secker, P.D.	Simpkins, L.
Slipper, P.N.	Smith, A.D.H.
Somlyay, A.M.	Southcott, A.J.
Stone, S.N.	Tuckey, C.W.
Turnbull, M.	Vale, D.S.
Washer, M.J.	Windsor, A.H.C.
Wood, J.	

NOES

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.
Byrne, A.M.	Champion, N.
Cheeseman, D.L.	Clare, J.D.
Collins, J.M.	Combet, G.

D'Ath, Y.M.	Debus, B.
Elliot, J.	Ellis, A.L.
Ellis, K.	Emerson, C.A.
Ferguson, L.D.T.	Ferguson, M.J.
Fitzgibbon, J.A.	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.	Jackson, S.M.
Kerr, D.J.C.	King, C.F.
Livermore, K.F.	Macklin, J.L.
Marles, R.D.	McClelland, R.B.
McKew, M.	McMullan, R.F.
Melham, D.	Murphy, J.
Neal, B.J.	Neumann, S.K.
O'Connor, B.P.	Owens, J.
Parke, M.	Perrett, G.D.
Price, L.R.S.	Raguse, B.B.
Rea, K.M.	Ripoll, B.F.
Rishworth, A.L.	Roxon, N.L.
Saffin, J.A.	Shorten, W.R.
Sidebottom, S.	Snowdon, W.E.
Sullivan, J.	Swan, W.M.
Symon, M.	Tanner, L.
Thomson, C.	Thomson, K.J.
Trevor, C.	Turnour, J.P.
Vamvakinou, M.	Zappia, A.

PAIRS

Gillard, J.E.	Costello, P.H.
Dreyfus, M.A.	Pyne, C.

* denotes teller

Question negatived.

The SPEAKER—Order! Would members please resume their places or, if leaving the chamber, do so quickly and quietly. Would those members who feel obliged to conference not do so within the chamber and in the aisles. I am pleased that the minister and the member for Flinders are getting on so well.

Mr Albanese—I was congratulating the member for Aston on his decision.

The SPEAKER—Order! The Leader of the House!

Mr Albanese—I was being nice!

The SPEAKER—I appreciate that might be the case.

DELEGATION REPORTS

Australian Parliamentary Delegation to the 120th Assembly of the Inter-Parliamentary Union, Addis Ababa, Ethiopia and Bilateral Visit to Switzerland

The SPEAKER (9.20 am)—For the information of members, I present the report of the Australian Parliamentary Delegation to the 120th Assembly of the Inter-Parliamentary Union held in Addis Ababa, Ethiopia, from 4 to 10 April, and a bilateral visit to Switzerland, from 11 to 18 April 2009. The detailed report I have just tabled demonstrates the success of the hardworking, conscientious parliamentary delegation that attended the 120th assembly of the IPU in Addis Ababa and a bilateral visit to Switzerland. I do not have time to go through all of the achievements, but I wish to outline some of the highlights.

In Addis the Australian delegation participated fully in the work of the IPU and its various debates and meetings. From the point of view of the Australian delegation, the most important debate was the IPU debate on 'Advancing nuclear nonproliferation and disarmament and securing the entry into force of the Comprehensive Nuclear Test Ban Treaty: the role of parliaments'. A year ago in Cape Town the Australian delegation proposed—and the IPU agreed—to have a full debate on this important international issue. The Chief Government Whip, the member for Chifley, took a leading role on this issue. He was appointed corapporteur for the debate. He participated in a successful panel discussion on the matter in Geneva in late 2008 and in Addis, as corapporteur and chair of the drafting committee, was instrumental in finalising a resolution that was adopted by the plenary session of the IPU. This was not an easy task, but the final resolution reflects the outstanding role that Australia, and in particular Roger Price, played

in the IPU agreeing to a decisive final resolution on nuclear nonproliferation and disarmament.

Similarly, the member for Mackellar participated in the committee that debated the issue, 'Freedom of expression and the right to information'. Mrs Bishop was appointed to the drafting committee to finalise the resolution. She was elected rapporteur of that drafting committee and presented a report on the deliberations when the resolution was considered and adopted by the assembly. The member for Canberra, Annette Ellis, who joined the delegation at very short notice, enthusiastically participated in several meetings of the IPU, including its debate on climate change, sustainable development models and renewable energies. Senator Judith Troeth, the deputy leader of the delegation, was a great support to me as leader of the delegation not only in Ethiopia but also in Switzerland, and, along with the member for Canberra, she attended the meeting of women parliamentarians. With other delegates she attended panel discussions, geopolitical group meetings and bilateral meetings with delegates from other parliaments.

I participated in the debate on an emergency agenda item on the role of parliaments in mitigating the social and political impact of the international and economic financial crisis on the most vulnerable sectors of the global community, especially in Africa. The message that I conveyed in my speech to the delegates from the 123 countries attending the IPU was that restricting trade flows will not help fix the global financial crisis, indeed that such measures will make it worse and that free and fair trade is part of the solution to the crisis, not part of the problem.

The delegation was good enough to give me the wonderful opportunity to take part in a field visit organised by the IPU and UNICEF to projects in Addis Ababa for vulnerable children and adolescents, with an emphasis on education, health and nutrition, and social cash transfers.

During the assembly the delegation had the privilege of visiting the Addis Ababa Fistula Hospital. There we had the great honour of meeting Dr Catherine Hamlin and her staff, inspecting the hospital and receiving a briefing on its work and that of the midwifery colleges located in Addis Ababa and regional Ethiopia. It was wonderful to see firsthand the excellent facilities at the hospital in Addis and the outstanding results being achieved, to experience the commitment and enthusiasm of the team of people who work with Dr Hamlin and to be reassured that her work is expanding and enduring. In this regard, the delegation noted that the Australian government will contribute a further $2.3 million for the expansion of the hospital and maternity colleges. This particular visit left a lasting impression on each and every member of the delegation and reinforced our regard and respect for the many Australians who, like Dr Hamlin, make wonderful contributions to those in need in many countries around the world.

A longer term issue that the members of the delegation have become aware of is the fact that few if any Pacific nations attend meetings of the IPU. Members of the delegation have discussed ways to facilitate the participation of Pacific countries in the important work of the IPU and, to this end, have raised the matter with Mr Anders Johnsson, Secretary-General of the IPU. We understand that the IPU President, Dr Theo-Ben Gurirab, is very much aware of this issue, and we have assured the secretary-general that members of the Australian delegation will welcome further discussions on concrete proposals to encourage participation of Pacific nations at the IPU.

I am sure that I speak on behalf of all delegates when I say that our bilateral visit to Switzerland was worth while and excellently organised. In Switzerland the delegation participated in a comprehensive program that allowed it to gain an appreciation of key international developments, including the global financial crisis and climate change. To this end the delegation had informative meetings with representatives of Credit Suisse, the Swiss National Bank, the Swiss Federal Department of Finance and Federal Department of Foreign Affairs and the department of environment. The delegation was also pleased to meet with the President of the Swiss Council of States, Mr Alain Berset, and members of the Swiss parliament. The delegation's program included meetings with several United Nations agencies in Geneva, such as the World Trade Organisation, the World Meteorological Organisation, the ILO and the Office of the United Nations Commissioner for Human Rights. Other meetings included the International Committee of the Red Cross; the Secretary-General of the IPU; a lunch hosted by Ambassador Caroline Millar, with several Australians actively involved in the UN system and NGO system in Geneva; a dinner hosted by Ambassador Peter Grey, with Dr Francis Gurry, the newly elected Director-General of the World Intellectual Property Organisation, the most senior ranking Australian in the UN system in Geneva, and Mr Keith Rockwell, the Director of Information and External Relations Division of the WTO.

The delegation found these meetings informative and useful and is certainly of the view that it is important for members of the Australian parliament to have the opportunity to engage and increase their understanding of the roles and works of the UN system and other international agencies. The delegation records its sincere appreciation of Ambassador Ian Kemish and the staff at the Australian Embassy in Berlin, Ambassador Peter Grey, Ambassador Caroline Millar and the staff at the permanent missions in Geneva for their considerable efforts to make the delegation's visit such a success, notwithstanding the short time frame they had in which to arrange what turned out to be an outstanding program.

We especially thank Mr Chester Cunningham for his work in the earlier part of the Switzerland delegation, and Steve Thom in Geneva for their tireless efforts during the delegation's visit. The delegation would also like to recognise the excellent advice and support provided by Mr Nicholas Sergi, a policy adviser from the Department of Foreign Affairs and Trade, during the IPU assembly. We also thank Federal Agent Jeff Smith for his tireless effort in coordinating security and other arrangements in Addis; his contribution was much appreciated. I also express my sincere gratitude to the secretary of the delegation, Neil Bessell. Once again his breadth of knowledge on matters to do with the IPU was important to the ongoing success of Australia's contribution.

I commend the report to the House.

Mrs BRONWYN BISHOP (Mackellar) (9.28 am)—by leave—I rise to endorse the remarks you have made, Mr Speaker, with regard to the delegation that went to the IPU and to Switzerland, and I would like to make some remarks myself. Firstly, 123 countries took part in the work of the IPU assembly in Ethiopia, of which there were 1,193 delegates, 27.6 per cent of whom were women. Although during the five days of the assembly there were many formal and informal meetings, the main work of the IPU is dealing with the standing committees of the IPU, the first of which deals with matters relating to peace and international security, which you yourself mentioned, Mr Speaker; the second deals with sustainable development,

finance and trade; and the third standing committee, whose terms of reference relate to democracy and human rights, is the one in which I took part very specifically. We had before us in that committee the issue of freedom of expression and the right to information.

The committee held three sittings, which were chaired by Mr Canepa from Uruguay. The committee dealt with a report and a preliminary draft resolution drawn up by corapporteurs from India and the United Kingdom, along with amendments to the draft resolution from 13 delegations. I participated in the original debate and then had the honour of being appointed by the Asia-Pacific geopolitical group to be its representative on the drafting committee along with delegates from Bahrain, Canada, Chile, Congo, Germany, Iraq, Mali, Mexico, Switzerland and Zimbabwe. The committee was chaired by Mr Winkler, a delegate from Germany. At that meeting I was elected rapporteur.

The committee considered the draft in detail, incorporated some of the amendments which had been put forward and managed to accommodate, in whole or in part, amendments that came from 10 of those 13 delegations. The committee, having considered the draft resolution, presented it to the general committee for adoption, which was done unanimously. I was then asked to be rapporteur for the report on the resolution to the assembly. In that assembly there was one reservation from Australia relating to freedom of information, and that was that it should apply to governments and not to the private sector. Again, that was accepted unanimously by the assembly.

You may remember that in this chamber I spoke on the Evidence Amendment (Journalists' Privilege) Bill 2009 on 14 May this year and referred quite extensively to the final IPU resolution, to argue the proposition that legislation should be improved to ensure that journalists did not have to disclose their sources, and explained how important it was that in a country such as ours, which was in the first league of freedom of information in encouraging other countries which had virtually no such provisions, we ought to be quite fulsome in protecting journalists' rights in that way.

Mr Speaker, you also mentioned the important visit we made to Dr Catherine Hamlin and her fistula hospital. It was moving to be in the presence of such a woman. She has given 50 years of service to restoring women to the status of being acceptable human beings in the community. We walked into that hospital and saw rows and rows of young women whose lives had been destroyed by, quite frankly, lack of prenatal care. Their bodies had been subjected to unacceptable results following very difficult births and they were in a position where they were not accepted by any of their communities and lived as hermits. Some of them lay dormant for years, with their legs and muscles wasting away, because they thought that if they stayed still the problem of the leakage would go away. Her compassion, her work and the joy that she could bring to the lives of those women was extraordinary. We saw a young baby that one mother brought in. The woman had had seven miscarriages, finally having the fistula problem. Dr Hamlin brought her back, she had a caesarean and she gave birth to a live baby, which was Dr Hamlin's promise to her. It was an extraordinarily moving event. I was very, very proud to be an Australian and to see her work.

A lot of us took rugs that were made by people from the St George and Sutherland shire in New South Wales and assembled by the Hon. Danna Vale, the member for Hughes. We all carried those rugs and gave them because the women, when they first come to the hospital, wear those rugs. Be-

cause of the shame, the rugs would be over their faces, but after their operations they put them around their shoulders and they become a source of warmth. Thank you to Danna.

From there we went on to Switzerland. We had very important meetings in Switzerland, particularly with Credit Suisse and the department of finance. Mr Rohner from Credit Suisse and members that he had with him were very fulsome in their discussions about what had happened with regard to the collapse of the financial system globally. It was particularly illuminating to hear a blow-by-blow description of what had happened when Lehman Brothers was decided to be let go. The insight that we were privileged to have gave us a greater understanding of what had happened. From my personal point of view, I was most interested to see that in Switzerland they are not following a Keynesian model. Credit Suisse itself got out of trading in derivatives very early, which contrasted with UBS, which did not, which was very much into CDOs. Credit Suisse has said it will take no government funding and raised $10 billion itself, whereas UBS is taking government money. I found that also their department of finance, again, were not following a Keynesian model and were being far more conservative in the way that they were spending money with regard to stimulus packages. There was no cash splash as we have had here. They also recognise the fact that, because Germany is the largest exporting country in the world and largely dependent on manufacturing, Switzerland would suffer also as a result of Germany's downturn.

The delegation's program also included informative meetings with several United Nations agencies in Geneva and we welcomed the opportunity to participate in a lunch hosted by Ambassador Caroline Millar, with several Australians actively involved in the UN system, and a dinner hosted by Ambassador Peter Grey, with Dr Francis Gurry, the newly elected Director-General of the World Intellectual Property Organisation—a pretty fierce fight that had been, too—and Mr Keith Rockwell, Director of the Information and External Relations Division of the WTO.

Mr Speaker, I thank you for your leadership during the delegation and also thank my colleagues for what was a very productive and informative visit.

The SPEAKER (9.36 am)—I thank the honourable member for Mackellar for her comments. I wish to rectify some omissions that I made about our Swiss visit. We had a very informative briefing from Economic Swiss and the Swiss Business Federation, which is an umbrella group representing the Swiss business and industry sector. I hope that the Minister for Health and Ageing does not think that I am touting for business for CSL Behring, but we visited CSL Behring in Berne and I think that that was a really good example of an Australian based company making a real impact on the world stage especially in very important pharmaceuticals.

HEALTH LEGISLATION AMENDMENT (MIDWIVES AND NURSE PRACTITIONERS) BILL 2009

First Reading

Bill and explanatory memorandum presented by **Ms Roxon**.

Bill read a first time.

Second Reading

Ms ROXON (Gellibrand—Minister for Health and Ageing) (9.38 am)—I move:

That this bill be now read a second time.

The Health Legislation Amendment (Midwives and Nurse Practitioners) Bill 2009 will amend the Health Insurance Act 1973 and the National Health Act 1953 to support

greater choice and access to health services for Australians.

I am very proud to be introducing this bill, one of the centrepieces of the Rudd government's workforce and primary healthcare reform agenda.

The bill is a landmark change for Australia's nurses and midwives. It will facilitate access by patients of appropriately qualified and experienced midwives and nurse practitioners to the Medicare Benefits Schedule and the Pharmaceutical Benefits Scheme. Under this reform, nurse practitioners and midwives will be able to request certain diagnostic imaging and pathology services for which Medicare benefits may be paid, as well as make appropriate referrals.

In short, this bill removes barriers to the provision of care and will lead to improved access to services for the community. It is a long overdue recognition of our highly skilled and capable nursing and midwifery workforce.

In my travels around our nation's health system as minister, this issue has been constantly raised with me by the nurses and midwives that I meet. It did not make sense to them that they were denied access to the PBS and MBS, and the government agrees with them.

The bill will commence on royal assent, with amendments relating to Medicare benefits and pharmaceutical benefits to commence the day after royal assent, and the new Medicare benefits and pharmaceutical benefits arrangements made available from 1 November 2010.

The amendments that are a consequence of the Midwife Professional Indemnity (Commonwealth Contribution) Scheme Bill 2009 will commence on 1 July 2010.

The successful implementation of the bill will also require professional indemnity cover to be available to the midwives wishing to access the new arrangements. This cover has not been available for midwives since 2002.

It will be delivered by the Midwife Professional Indemnity (Commonwealth Contribution) Scheme Bill 2009 and associated Midwife Professional Indemnity (Run-off Cover Support Payment) Bill 2009, which are being introduced also today.

These bills will mean that eligible midwives working in collaborative arrangements with obstetricians or GP obstetricians will be able to access the new government supported professional indemnity scheme.

Maternity reform

This bill is a key plank of the government's $120.5 million maternity reform package announced in this year's budget. This package will improve choices for Australian women to access high-quality, safe maternity care, as well as provide support for the maternity services workforce.

It is a critical step towards delivering the government's election commitment to develop a national plan for maternity services across Australia and, of course, to improve choice for women.

The reform initiatives supported by this legislation represent significant steps forward in maternity care in Australia within a strong framework of quality and safety for mothers and babies.

These arrangements support models of care with an enhanced role for midwives. These will develop in a way that involves collaborative teamwork with other members of the maternity care team, most notably obstetricians and GP obstetricians.

By making better use of the maternity services workforce, new arrangements are also expected to provide greater access to mater-

nity care closer to home, thereby reducing family disruption.

The maternity reform package responds to the maternity services review, which canvassed a diverse range of views through an extensive consultation process.

The review heard from a wide range of stakeholders with over 900 submissions received—many from women sharing their individual experiences.

Nearly all of these women expressed frustration at the limited options available to them, and called for midwifery models of care that provide continuity of care over the spectrum of antenatal, birthing and postnatal services.

Many professional groups participating in the review also acknowledged the need for change, with general consensus about the importance of collaborative, multidisciplinary maternity care.

The government has listened to the collective voice of Australia's mothers, and we have listened to the considered views put forward by the midwifery workforce.

Granting access to the PBS and MBS for midwives will expand maternity care options for Australian women without risking the professional relationships that are essential in providing safe, high-quality maternity care.

At this stage, the Commonwealth is not proposing to extend the new arrangements for midwives to include homebirths. Medicare benefits and PBS prescribing will not be approved for deliveries outside clinical settings, and the Commonwealth supported professional indemnity cover will not respond to claims relating to homebirths.

These arrangements will be subject to agreement with the states and territories on a national maternity services plan that will be asked to make complementary commitments and investments particularly around the provision of birthing centres and rural maternity units.

Nurse practitioner reform

Let me turn now to nurse practitioner reform as well. Internationally, the role of nurse practitioners has been successful in improving access to primary care services.

This bill boosts the role of nurse practitioners and enacts the government's 2009-2010 nurse practitioner workforce budget measure which provides for access to appropriate items under the Medicare Benefits Schedule, as well as rights to refer to specialists and consultant physicians and the authority to prescribe certain Pharmaceutical Benefits Scheme subsidised medicines subject to state and territory legislation.

Greater use of nurse practitioners will help improve overall capacity and productivity and increase the efficiency, effectiveness and responsiveness of the health workforce.

Nurse practitioners already provide advanced services and have prescribing rights in the majority of states and territories and have been performing this role for some time.

The arrangements enabled by this bill will better facilitate access to primary care services.

We believe that nurse practitioners are well placed to play a key role as part of the team of health professionals providing collaborative care to the community, and this bill will enable the removal of the barriers that until now have prevented nurse practitioners from fully utilising their skills.

This is good news particularly for rural and regional health services, which are still struggling with the legacy of the previous government's decade-long neglect of our health workforce and where shortages are still chronic in many places.

The Commonwealth's reforms are designed to complement and boost the work performed by our doctors and specialists as part of a collaborative, team based environment. Our reforms are not about challenging vested interests. Improving patient outcomes was, is and always will be the government's No. 1 priority.

Who can access the new arrangements

The Health Insurance Act and the National Health Act will be amended to provide access to the new arrangements.

Under the Health Insurance Act, a 'participating nurse practitioner' or 'participating midwife' will be able to request or provide certain Medicare services.

An 'authorised nurse practitioner' or 'authorised midwife' will be authorised to prescribe certain medicines under the Pharmaceutical Benefits Scheme.

Nurse practitioners and midwives will need to meet eligibility requirements to access the new arrangements.

The core criterion for the new Medicare and Pharmaceutical Benefits Scheme arrangements is that the nurse practitioner or midwife is an 'eligible nurse practitioner' or 'eligible midwife'.

This will also be a core requirement for midwives to access the new government supported professional indemnity schemes, which will be established under the Midwife Professional Indemnity (Commonwealth Contribution) Scheme Bill 2009 and associated Midwife Professional Indemnity (Run-off Cover Support Payment) Bill 2009.

To meet the core requirement of being an 'eligible midwife', the bill requires registration as a midwife and, in addition, that requirements specified in delegated legislation must be met.

Additional requirements are likely to be based on having appropriate advanced qualifications, experience and/or competencies.

The further eligibility requirements for midwives, and for nurse practitioners if additional requirements to those provided for under state law are considered appropriate, will be determined in close consultation with relevant stakeholders.

The government recognises that with the increasing burden of chronic and complex disease it is increasingly important to ensure that health care is coordinated.

At the same time, it is important that the system enables patients to see the right health care professional for their health care needs at the right time.

Nurse practitioners and midwives wishing to provide treatment or prescribe under the new Medicare and Pharmaceutical Benefits Scheme arrangements will need to demonstrate that they have collaborative arrangements in place, including appropriate referral pathways with hospitals and doctors to ensure that patients receive coordinated care and the appropriate expertise and treatment as the clinical need arises.

The new Medicare arrangements

The bill will support the inclusion of participating nurse practitioners and participating midwives under the Medicare Benefits Schedule.

In order for participating nurse practitioners and participating midwives to provide a comprehensive service to their patients, the bill will enable these groups to request diagnostic imaging and pathology services appropriate to their scope of practice for which Medicare benefits may be paid.

In addition to the changes made by the bill, new Medicare items for services provided by participating nurse practitioners and

participating midwives working collaboratively with doctors will be created.

For participating midwives, this will include antenatal, birthing and postnatal care and collaborative care arrangements between these midwives and obstetricians or GP obstetricians.

Participating nurse practitioners will be limited to providing services within their authorised scope of practice and level of experience and competency.

The details of these Medicare items will be finalised in consultation with professions and specified in delegated legislation.

The new Pharmaceutical Benefits Scheme arrangements

The bill will amend the National Health Act to support the inclusion of authorised nurse practitioners and authorised midwives under the Pharmaceutical Benefits Scheme.

The reforms will enable patients to access certain Pharmaceutical Benefits Scheme medicines prescribed by authorised nurse practitioners and authorised midwives.

These nurse practitioners and midwives can only prescribe certain medicines under the Pharmaceutical Benefits Scheme within the scope of their practice and in accordance with the state and territory legislation under which they work.

The Pharmaceutical Benefits Advisory Committee will be consulted in relation to the range of medicines that each group can prescribe and the circumstances under which the medicines can be prescribed.

Advice will also be sought from clinical experts and health professionals practising in the relevant clinical fields.

These changes provide a rational and consistent basis in supporting midwives and nurse practitioners to work in their fields of expertise and, most importantly, provide much more convenience to patients.

Nurse practitioners already have prescribing rights under state and territory arrangements and have been performing this role for some time. The government will be encouraging nationally consistent prescribing approaches across Australia. Of course, the cost implications for patients change significantly with the introduction and passing of this legislation.

The bill also contains a number of consequential amendments to the Health Insurance Act and the National Health Act to ensure that regulatory provisions in those acts apply appropriately to participating and authorised midwives and nurse practitioners. For example, a number of offence provisions have been adjusted; part IIB, dealing with prohibited practices in relation to pathology services and diagnostic imaging services, has been applied; and also the Professional Services Review Scheme and Medicare Participation Review Committee processes have been applied.

Conclusion

In summary, the bill will facilitate significant changes to the Medicare Benefits Schedule and Pharmaceutical Benefits Scheme and demonstrate that this government is willing to adapt and strengthen working systems to better meet the needs of Australians, without putting at risk our strong record of safety and quality.

The Rudd government is implementing these reforms for a simple reason. We want to expand the level of health services, and access to health services, in the community. It supports our efforts to improve primary health care services, especially in rural and regional areas.

It takes us another step towards building a multidisciplinary, highly skilled and complementary health workforce.

It will improve the overall capacity, efficiency and productivity of Australia's health

workforce. It is also a sensible and practical response to helping address the workforce shortages that this government inherited. But most importantly it will improve access and choice for Australians, particularly Australian mothers.

This government is a firm and passionate advocate for Australia's nurses and midwives. We think they are the backbone of our health workforce. This is long overdue recognition and I commend the bill to the House.

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

MIDWIFE PROFESSIONAL INDEMNITY (COMMONWEALTH CONTRIBUTION) SCHEME BILL 2009

First Reading

Bill and explanatory memorandum presented by **Ms Roxon**.

Bill read a first time.

Second Reading

Ms ROXON (Gellibrand—Minister for Health and Ageing) (9.52 am)—I move:

That this bill be now read a second time.

The Midwife Professional Indemnity (Commonwealth Contribution) Scheme Bill 2009 obviously flows from the Health Legislation Amendment (Midwives and Nurse Practitioners) Bill 2009, which was just introduced into the House and I spoke at length on. The purpose of this bill is to allow the Commonwealth to provide, via a contracted private sector insurer, affordable professional indemnity insurance to eligible privately practising midwives.

This bill is an important component of the government's maternity reform package. The package will improve the choices that are available to women in relation to maternity care.

The bill will effectively remove a long-standing barrier for appropriately qualified and experienced midwives who wish to provide high-quality midwifery services to Australian women as part of a collaborative team with doctors and other health professionals.

There is currently no professional indemnity insurance product available for such midwives, as the risk is perceived to be high and the potential pool of premiums to be relatively small.

In order to address this gap, the bill establishes a scheme to provide support for eligible midwives.

The government will, through a tender process, engage an insurer to create a suitable insurance product for eligible midwives.

This insurer will manage claims and provide valuable support to midwives—many of whom would never have had their own professional insurance cover.

When claims arise, the government will contribute an amount to the insurer in relation to claims against a midwife if the claim exceeds the threshold set in the legislation.

The thresholds that will apply for claims against eligible midwives are:

- for claims more than $100,000 but less than $2 million—the government will contribute 80c in the dollar; and
- for claims more than $2 million—the government will contribute 100c in the dollar.

The bill is not intended to provide for direct subsidy to individual midwives. It does, however, ensure that midwives who meet eligibility requirements and wish to purchase professional indemnity insurance will be able to purchase such cover at an affordable cost.

For the purposes of this bill, an eligible midwife is one who is licensed, registered or authorised to practise midwifery under a

state or territory law and who meets any other requirements specified in the rules.

The scheme proposed under the bill will be administered by Medicare Australia. There are also mechanisms in this bill to ensure that funds are paid out accurately and appropriately.

Overall, this bill contributes to a new era for midwifery services in this country, by addressing a longstanding impediment that has limited the availability of a wider choice for women.

I commend this bill to the House.

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

MIDWIFE PROFESSIONAL INDEMNITY (RUN-OFF COVER SUPPORT PAYMENT) BILL 2009

First Reading

Bill and explanatory memorandum presented by **Ms Roxon**.

Bill read a first time.

Second Reading

Ms ROXON (Gellibrand—Minister for Health and Ageing) (9.55 am)—I move:

That this bill be now read a second time.

The scheme established by this bill will ensure that professional indemnity insurance protection extends to eligible midwives once they have ceased to practise.

The purpose of the Midwife Professional Indemnity (Run-off Cover Support Payment) Bill 2009 is to impose a tax—the run-off cover scheme, or ROCS, support payment.

This tax will apply to premium payments for professional indemnity insurance by eligible midwives and will help to cover the costs of run-off cover claims against their colleagues who cease to practise due to retirement, disability or maternity.

The government will commit $5 million in 2010-11 to assist in covering such claims in the period before sufficient funds are accumulated through the ongoing contribution of ROCS support payments.

The bill provides that the rate of ROCS support payments must not exceed 15 per cent.

The actual rate will be set through rules detailed in a legislative instrument that will be tabled in parliament.

It is expected that the actual rate will be initially set, on the advice of the Australian Government Actuary, at 10 per cent of premiums.

This is the rate at which ROCS contributions started in the initial years of the Run-off Cover Scheme for doctors.

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

NATIONAL HEALTH SECURITY AMENDMENT BILL 2009

First Reading

Bill and explanatory memorandum presented by **Mrs Elliot**, for **Ms Roxon**.

Bill read a first time.

Second Reading

Mrs ELLIOT (Richmond—Minister for Ageing) (9.57 am)—I move:

That this bill be now read a second time.

This bill amends the National Health Security Act 2007 to enhance Australia's obligations for securing certain biological agents that could be used as weapons. Such a biological agent is also known as a security sensitive biological agent, or SSBA, and includes Ebola virus and foot-and-mouth disease virus.

The bill reinforces the Rudd government's ongoing commitment to seek to protect all Australians from emerging health and security threats.

The regulatory scheme for SSBAs currently includes stringent requirements on the notification of the type and location of SSBAs in Australia, along with standards that must be met by organisations handling SSBAs. The standards are on matters such as the secure handling and movement of SSBAs, along with personnel requirements and risk management strategies.

Over the past year and a half the Rudd government has worked closely with organisations that handle SSBAs, and other experts in the field, to ensure smooth implementation of the legislation. During this time, a number of areas have been highlighted where improvements to the scheme might be made. The bill I have introduced today enhances the SSBA Regulatory Scheme in three important ways.

First, the proposed amendments enable the responsible minister to respond immediately and appropriately to safeguard public health and safety in the event of an SSBA related disease outbreak. The proposed changes enable the suspension of certain existing regulatory requirements and the imposition of new conditions to ensure that adequate controls are maintained.

The proposed amendments also ensure that the responsible minister has all relevant information to hand, including advice from the Secretary to the Department of Health and Ageing, the Chief Medical Officer, the Chief Veterinary Officer and others with scientific or technical expertise in SSBAs.

Second, the amendments will extend reporting controls to biological agents 'suspected' to be SSBAs. This measure will clarify the obligations of entities at the early stage of handling a biological agent when, after having performed all of their usual testing procedures for that biological agent, there is a positive presumptive identification for an SSBA. The new provisions will require an entity to report its handling of suspected SSBAs, including transfers of those agents, and will require entities to comply with new SSBA standards for suspected SSBAs.

Third, the bill will enhance the investigation powers available under the National Health Security Act. The act currently provides inspectors with monitoring warrants which do not extend to seizing evidential material. This new measure introduces offence-related warrants that provide powers to search premises and seize evidential material. Importantly, this increase in investigation powers is complemented by necessary safeguards to ensure proper use of the powers. This includes safeguards such as authorisation by a magistrate and provisions governing the return of seized property and compensation for damage.

The bill also makes some less significant but equally important amendments to improve the operation of the legislation and provide greater clarity for those working with SSBAs.

In particular, the bill requires that, in addition to reporting certain events (such as loss or theft of an SSBA) to the Secretary to the Department of Health and Ageing, the entity must also make a report to local police. While entities would, as a matter of practice, make a report to police in these circumstances, the proposed changes put the matter beyond doubt and ensure a comprehensive investigation of the incident including law enforcement input.

Other measures in the bill deal with the administration of the reporting scheme. Entities dealing with SSBAs are currently required to report any changes recorded on the national register (such as changes to contact details) annually or biannually. The proposed amendments will require registered entities to lodge 'nil' annual and biannual reports

rather than simply lodging no report at all. Nil reporting will ensure that entities do not forget to check if they have changes that need reporting and will ensure that information recorded on the national register is kept up to date.

The proposed amendments also enable the Secretary to the Department of Health and Ageing, on application by a registered entity, to cancel the registration of an entity or its facility if they no longer handle any SSBA. This is a sensible change that simply ensures that the entity or its facility is no longer captured by the act and its reporting obligations.

Finally, the proposed amendments include a new definition of 'biological agents'. The definition of 'biological agents' currently includes bacteria and viruses 'that can spread rapidly'. The requirement that the bacteria or virus be able to spread rapidly unnecessarily limits the definition of biological agent and excludes agents such as anthrax that do not spread between humans but are highly dangerous. An amendment is therefore proposed to address this issue.

Given the importance of the National Health Security Act, the Minister for Health and Ageing has ensured that the proposed changes have been subject to extensive consultation with experts. This has included consultation on an exposure draft of the bill with agencies such as ASIO who assess the risks and threats from SSBAs, public health laboratories, state and territory government agencies and other experts in SSBAs.

I am confident that the bill before us appropriately enhances the existing regulatory scheme for SSBAs. It underlines the Rudd government's continuing commitment to keep Australia secure from potential threats and uphold the health and security of all Australians. I commend the bill to the House.

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

AVIATION TRANSPORT SECURITY AMENDMENT (2009 MEASURES No. 1) BILL 2009

First Reading

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

Bill read a first time.

Second Reading

Mr ALBANESE (Grayndler—Minister for Infrastructure, Transport, Regional Development and Local Government) (10.04 am)—I move:

That this bill be now read a second time.

The framework of Australia's aviation security legislation has a number of layers to ensure the deterrence, detection and prevention of acts of unlawful interference with an aircraft.

That framework is under constant review to ensure it is responsive to changing threats to the Australian aviation industry.

This bill contains four key amendments to the Aviation Transport Security Act 2004 to strengthen the enforcement powers of the Office of Transport Security, Australia's aviation security regulator.

The first amendment will enable the Secretary to the Department of Infrastructure, Transport, Regional Development and Local Government to designate, by notice, a security controlled airport as a particular category of airport. Currently, the declaration of an airport as a security controlled airport places the same legislative requirements on all such airports, regardless of their size, location and type of aircraft operating from the airport. This amendment will allow regulations to be made that prescribe different legislative requirements for each category of security controlled airport. This will ensure regulatory activity is better targeted to reflect the relative risk associated with each category of airport.

A second amendment will allow an aviation security inspector to enter the premises of an aviation industry participant or accredited air cargo agent who is not on an airport site and inspect their activities without notice. Currently, inspectors can only undertake these inspections on-airport, despite many critical aviation-related businesses being located well away from an airport. Current requirements to provide reasonable notice of inspections off-airport limit the effectiveness of such activity. This is particularly the case for many businesses within the air cargo sector, as their security obligations are largely procedural in nature and, with notice, can be changed briefly during an inspection. Inspectors will be allowed to enter premises, observe and discuss procedures and in so doing access documents and records. This amendment does not however allow this activity to be undertaken in residences.

The third amendment would allow the secretary of my department to enter into enforceable undertakings with aviation industry participants in relation to all matters that are dealt with under the act. This amendment has been developed as a result of the current lack of middle-range sanctions to address regulatory issues and contraventions of the act. Introducing enforceable undertakings as a midrange administrative enforcement tool enables a more responsive regulatory approach, which would generate more confidence on the part of both the travelling public and industry, and encourage better industry compliance.

Under the amendment, the secretary would not be able to force a participant to enter into an enforceable undertaking and, at the same time, the secretary would not be compelled to accept an enforceable undertaking. An aviation industry participant may withdraw or vary the undertaking at any time with the written consent of the secretary. In addition, the secretary may, by written notice given to the participant, cancel the undertaking. Should a participant breach an enforceable undertaking, the secretary may apply to the Federal Court for an order which may include an order directing compliance with the undertaking.

Lastly, this bill will expand the scope of compliance control directions under the act to allow an aviation security inspector to direct operators of security controlled airports, screening authorities or screening officers to take specified action in relation to the airport or screening points at the airport. Currently, there is no scope for aviation security inspectors to issue compliance control directions to airport operators or screening authorities, and there have been instances where it would have been useful for such directions to be issued. For example, an inspector may wish to issue a compliance control direction to an airport operator or a screening authority that all passengers and their luggage on a particular flight must be screened or rescreened before the aircraft can depart from the airport to ensure compliance with the ATSA.

I commend the bill to the House.

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

STATUTE STOCKTAKE (REGULATORY AND OTHER LAWS) BILL 2009

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) (10.09 am)—I move:

That this bill be now read a second time.

The government is delivering an ambitious regulatory reform agenda.

Well-designed and targeted regulation is essential to reducing costs and complexity for business and the not-for-profit sector and forms a key part of the government's commitment to microeconomic reform. Well-designed regulation will raise Australia's potential economic growth rate through increasing Australia's productivity and international competitiveness and fostering innovation and structural flexibility.

Our policy approach is both far-sighted and comprehensive. The Prime Minister, speaking as opposition leader in April 2007, set out a wide-ranging better regulation agenda to systematically reduce the level of poorly designed and ineffective regulation on Australian business. The Prime Minister committed the government to maintain rigorous regulatory impact analysis to protect business from new, unnecessary regulation as well as to reform existing regulation.

The government's systematic approach contrasts with episodic regulatory reform efforts by previous Australian governments, which have not been sufficient to deliver continuous improvement in the quality of regulation. Since taking office, the Australian government has established an institutional and policy framework which consciously reflects the OECD's best practice principles for regulatory quality and performance.

Advocacy for better regulation has been significantly strengthened by giving it explicit cabinet-level status. The government has strengthened regulatory impact analysis requirements by combining the efforts of the Office of Best Practice Regulation with a new deregulation policy function within the Department of Finance and Deregulation. A 'one-in one-out' approach to regulatory proposals has been adopted as part of a range of measures to assist in managing the regulatory stock.

Strengthened policy oversight processes are providing greater quality assurance in respect of new regulatory proposals, improving policy design and providing a capacity to more readily target inefficient regulation.

Accompanying these structural initiatives to embed better regulation practices, I am undertaking a range of regulatory reform measures that will deliver clear benefits to business and the economy.

This bill is an immediate down payment on the government's commitment to continuously clean up red tape. It proposes to amend or repeal almost 30 acts where the provisions no longer have any function or purpose, including the Income Tax (Franking Deficit) Act 1987 and a number relating to the removal of the digital data service obligations.

In addition to this bill, the government is undertaking a wider regulation clean-up exercise, which I expect will result in about 200 pieces of unnecessary subordinate legislation being removed during 2009.

These redundant regulations were identified through a stocktake of redundant regulation undertaken by all Commonwealth departments during 2008. Such an exercise has not been done since the introduction of the Federal Register of Legislative Instruments in 2005, and indeed it does not appear to have occurred before then either.

Leaving outdated, redundant regulation on the books is not just sloppy housekeeping. It increases the costs for business by making it harder to identify which rules apply as well as increasing the probability of inconsistent or overlapping rules.

Furthermore, the government has initiated a major review of the stock of existing regulation. As announced in the 2008-09 Updated

Economic and Fiscal Outlook, a review of pre-2008 subordinate legislation and other regulation is underway to document those regulations which impose net costs on business and to identify scope to improve regulatory efficiency. Around 30,000 subordinate instruments are being reviewed to identify reform priorities.

Several reform projects are already underway through ministerial partnerships. My partnership with the Minister for Financial Services, Superannuation and Corporate Law to develop streamlined, accessible financial services product disclosure statements to replace the current lengthy and unduly complex documents has delivered a comprehensive and informative product disclosure statement for first home saver accounts, which extends to a mere four pages. We are now working on simplifying other financial services' product documentation for both consumers and business. Further, I am working in partnership with the Minister for Health and Ageing to review existing health technology assessment processes to wipe out the unnecessary regulatory costs inherent in the existing system and to enable people to get earlier access to innovative and cost-effective new health technology.

The government has responded to the Productivity Commission's two annual reviews of regulatory burdens on business covering the primary, manufacturing and distributive trades sectors, accepting, or accepting in principle, 68 of the commission's 84 responses. The forthcoming Productivity Commission report on regulatory burdens faced by businesses in the social and economic infrastructure services offers further scope for regulatory improvement.

Our agenda also encompasses cross-jurisdictional regulation. Business has long indicated concerns with obstacles to competitiveness through costs generated by inconsistent and duplicative regulatory regimes across the Commonwealth, states and territories.

On 29 November 2008, the Council of Australian Governments, which facilitates interjurisdictional cooperation on matters of common policy interest, agreed to reduce costs to business by committing to reform in 27 separate areas of cross-jurisdictional regulation. The Commonwealth will provide the state and territory governments with funding of up to $550 million over five years to facilitate and reward those national regulatory reforms and deliver a seamless national economy.

The COAG Business Regulation and Competition Working Group, which I co-chair with Dr Craig Emerson, the minister assisting me on deregulation, is taking forward these reforms. Substantial progress is continuing on a number of fronts:

- reforms to the regulation of consumer credit, which will collapse the eight separate regimes run by the states and territories into a single uniform national system overseen by the Commonwealth, will come into effect on 1 January 2010;
- state and territory based regulation of trustee companies will be replaced by a national regulatory scheme—removing around 300 pages of separate and sometimes contradictory state based regulations with one, clear national regime; and
- the Standard Business Reporting initiative will enable businesses to report to a range of Australian and state and territory government agencies using a standardised reporting framework, simplifying reporting and saving Australian businesses close to $800 million per year when fully implemented.

Finally, in recognition that regulatory reform is a continuing challenge, the government requested the OECD to undertake a review of regulatory settings and policy development processes in Australia. The review will provide valuable insights to support the government's commitment to strengthened processes for regulation making and review and better regulatory outcomes. I have asked the OECD to report its findings by December this year.

The challenge for all governments in these times of global economic stress is to maintain microeconomic reform efforts directed at enhancing productivity, competitiveness and growth potential, including through a sustained commitment to better regulation. This bill is an important step in delivering on the government's commitment to continuous improvement in regulation.

I commend the bill to the House.

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

PERSONAL PROPERTY SECURITIES BILL 2009

First Reading

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

Bill read a first time.

Second Reading

Mr McCLELLAND (Barton—Attorney-General) (10.17 am)—I move:

That this bill be now read a second time.

This government went to the election with an ambitious deregulation agenda—a promise to reduce the regulatory burden on Australian business and to address impediments to the growth of productivity in this country. In the 18 months since coming to office, the government has amply demonstrated its commitment to that agenda.

In a country such as ours—with a federation of Commonwealth, state and territory governments and a Constitution which divides responsibilities between the jurisdictions—each of the jurisdictions will inevitably have laws which overlap with laws in another jurisdiction. Where the laws between the jurisdictions regulate a similar issue but differ in terms, the practical outcome is that business and other users whose work crosses borders are left to grapple with a range of different legislative regimes and sometimes outcomes.

Single or harmonised laws, where they can be achieved, are the most obvious way to overcome these burdens. Identifying them and working towards single or harmonised laws, with the cooperation of the states and territories, is an important priority for the government and is part of the government's broader deregulation agenda.

And this brings me to the bill that I introduce into the parliament today.

The Personal Property Securities Bill 2009 implements a significant reform to Australia's law on secured financing using personal property.

The bill will replace the existing complex, inconsistent and ad hoc web of common law and legislation, involving over 70 Commonwealth, state and territory acts. It will implement a single national law, creating a uniform and functional approach to personal property securities.

Personal property is any form of property other than land. It includes goods such as cars, machinery, even crops and livestock, financial property such as currency and letters of credit and intangibles such as intellectual property rights.

The bill will apply to all transactions which create an interest in personal property that secures a loan or other obligation.

Secured finance using personal property is a major area of business for Australia's banking and finance sectors. And borrowing using personal property has the potential to assist business to grow—particularly small and medium sized businesses.

The government's reform in this area recognises the need to make it easier for businesses to use personal property to obtain finance. Given the current uncertainty in the global financial markets, improving the capacity of businesses to borrow is crucial. And, of course, this is bound to have positive flow-on effects in terms of jobs growth and overall productivity.

The bill will more closely align Australia's secured transactions law with that in other jurisdictions. In doing so, it will increase the confidence of international investors and creditors in Australia's secured transactions law and should make it easier for Australian businesses to secure finance in international capital markets.

Why reform is necessary

Personal property securities reform is necessary to facilitate investment and to ensure Australia remains a competitive economy both domestically and in the international arena.

The complexity of the existing secured lending arrangements, and the lack of consistency between them, is a major source of uncertainty.

By harmonising existing laws, the bill will reduce that complexity and increase consistency in the arrangements for creating, dealing with and enforcing security interests in personal property.

In streamlining lending arrangements in this way, the bill will provide greater certainty for both lenders and borrowers. It will lower the risk for lenders, improve the efficiency of secured financing and increase competition among providers of finance.

Under the functional approach implemented by the bill, a security interest will be a transaction that 'in substance' secures payment or performance of an obligation.

The bill will focus the law on the real or economic effect of the transaction and not on the legal form of the borrower or the financial arrangement or the location or nature of the property.

The reform will be supported by a single national online register of personal property securities, replacing the existing confusing array of both electronic and paper-based national, state and territory registers.

This is 21st century reform for 21st century circumstances.

The bill takes advantage of the technology available to us in this digital age, by creating a real-time online noticeboard of personal property over which a security interest has been, or may be, taken.

Users will be able to search the register via a web browser or, alternatively, via their mobile phone using SMS message connectivity.

This is in stark contrast to some of the registers that are currently used for recording an interest in personal property. There are, for example, paper registers that have been around since the 1920s and 1930s, which continue in use today.

If nothing else, this bill will simplify things—not just from the perspective of convenience but also from a costs perspective.

A telephone contact centre will also be available to facilitate access to the register.

The bill also includes transitional arrangements to transfer the data on the existing registers to the new personal property securities register. The migration of data will

take place before the register goes live and is available to the public.

History of PPS reform

I might just say a few words about the history of reform in this area.

It has had a long history in this country, with initial discussions about personal property securities reform commencing in the early 1970s.

In June 1990, the then Attorney-General, Michael Duffy, referred a review of the adequacy of personal property securities law to the Australian Law Reform Commission.

In 1995, Attorney-General Michael Lavarch released a discussion paper on the draft legislation and issues raised in the Australian Law Reform Commission's report.

This began a process of further development of reform options through several options papers and extensive consultation with stakeholders right across the country.

At this point, I should acknowledge the contribution of my predecessor, the member for Berowra and former Attorney-General, Philip Ruddock, who was genuinely interested in this reform and who made sure it was given the priority that it deserved.

It would also be remiss of me not to acknowledge that this reform is being pursued by all Australian governments through the Council of Australian Governments.

In April 2007, COAG endorsed the need for a national system to deal with the creation and enforcement of security interests in personal property.

COAG signed an intergovernmental agreement in October 2008, making clear its commitment to this issue.

Since then, personal property securities reform has been included as part of the seamless national economy national partnership agreement reached between the Australian government and the states and territories.

In November 2008, a draft bill was referred to the Senate Legal and Constitutional Affairs Committee. That committee considered the bill and consulted with stakeholders over a number of months.

The committee tabled its report on the draft bill in March this year, and made a number of recommendations for improving the bill, and I congratulate and commend the committee on the very detailed work that was undertaken.

I am pleased to say that the government tabled a reply to that report in the Senate last week, accepting or agreeing to give further consideration to all of the committee's recommendations.

Following from this, the bill has been reviewed to simplify its language and structure. It is more consistent with comparable legislation in Canada, New Zealand and the United States, while taking into account some of the unique circumstances surrounding Australian consumer law, commercial practices and recent technological advances. As far as can be done in this relatively complex area, the bill has been prepared in plain English terms.

Privacy concerns raised by the committee have also been addressed.

In addition, the government has carefully considered the committee's recommendation to delay implementing the new register to May 2011.

The significance of this reform for business cannot be underestimated and the government is committed to making sure business and the financial sector are prepared for the reform—particularly in view of the realities of the economic situation faced by business in the current climate. There is a need for an orderly transition to the new system.

The government will consult with the states and territories about the most appropriate start date for the reform and should be in a position to make an announcement about this shortly.

I wish to extend my thanks to the members of the Senate Legal and Constitutional Affairs Committee for their work and their recommendations on the bill.

I mentioned before that the bill has been the subject of extensive consultation. In fact, the private sector has been heavily involved in developing the bill right from the start. There will of course be a difference of views among those who have contributed to the process, but we believe overall an appropriate balance has been struck.

The support shown by members of the personal property securities consultative group, the business community, the legal profession and the banking and finance sectors has been invaluable.

And the contribution of the many professionals who have commented on the bill has helped shape this into a bill that meets the needs of Australian businesses.

The cooperation of state and territory governments in advancing this reform has been essential.

The Standing Committee of Attorneys-General has played an important role in the development of this bill, and I am encouraged by the commitment of my state and territory colleagues to the process of legal harmonisation.

The measures contained in the bill not only demonstrate this government's commitment to deregulation but also demonstrate the continued cooperation between the Commonwealth, the states and territories on regulatory reform.

This bill demonstrates precisely the kind of thing that can be achieved by the simple act of governments working together, consulting with the community to bring about the kind of reform that is absolutely essential to a modern, functional economy.

Given the constitutional arrangements in this country, the Personal Property Securities Bill will be supported by a referral of legislative power by the states and I am pleased to say that the referral process has already begun.

The first of the state referral bills was passed by the New South Wales parliament last week and I commend my colleague the New South Wales Attorney-General, John Hatzistergos, for leading the charge, so to speak, in that respect. I look forward to the remaining states passing their referral legislation shortly.

Specifics of the bill

I turn now to a few specific aspects of the bill to briefly highlight those.

All kinds of personal property will be covered by the bill, subject to some very limited exceptions such as fixtures and water rights.

These kinds of property have been excluded as there are existing schemes in place to deal with security interests in those areas.

The bill will also establish the offices of registrar and deputy registrar to oversee the Personal Property Securities Register and its functions.

The bill provides default rules for the creation, priority and enforcement of security interests in personal property. The bill deals with most aspects of personal property security transactions, such as when they are enforceable between parties and against others, how a priority dispute will be resolved, how they are to be enforced and when security interests will be extinguished.

It goes without saying that having one law in this area will significantly simplify per-

sonal property security arrangements and make it easier for parties to establish and arrange the terms of their particular security agreement. We genuinely believe that a significant amount of disputation and litigation will be avoided as a result of these reforms.

Conclusion

In conclusion, as I have said, the Personal Property Securities Bill will increase certainty for all users of secured finance by removing barriers that inhibit businesses and individuals from securing credit over personal property. We believe it will ultimately bring down the cost of obtaining credit at the same time as increasing the propensity of lenders to lend to small business, thereby increasing the availability of credit.

By reducing complexity and introducing greater consistency among the different kinds of secured finance, the bill will generate wide-ranging benefits for all parties who secure personal property to raise finance.

This bill will meet the needs of businesses and other users of secured finance. It will simplify the way they conduct their business and, more importantly, it will contribute to the growth of productivity and jobs in this country.

I commend this very important bill to the House.

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

CRIMES LEGISLATION AMENDMENT (SERIOUS AND ORGANISED CRIME) BILL 2009

First Reading

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

Bill read a first time.

Second Reading

Mr McCLELLAND (Barton—Attorney-General) (10.32 am)—I move:

That this bill be now read a second time.

General introduction

Organised crime affects many areas of social and economic activity, inflicting substantial harm on the community, business and government.

It has been estimated to cost the Australian economy at least $15 billion each year. That is not $15 million; it is an estimated cost to the Australian economy of at least $15 billion each year.

In his inaugural national security statement, the Prime Minister, the Hon. Kevin Rudd, gave an assurance that the government would act to address the threat posed by organised criminal activity. The Crimes Legislation Amendment (Serious and Organised Crime) Bill 2009 delivers on that assurance.

The security of Australia is the government's highest priority, and maintaining that security and the safety and security of Australian citizens requires decisive action to target serious and organised crime.

It is important that we put strong laws in place to combat organised crime.

We need to target the profits of crime and remove the incentive for criminals to engage in organised criminal activity.

We also need to empower our law enforcement agencies to defeat the sophisticated methods used by those involved in organised criminal activity to avoid detection, often with the assistance of highly skilled professionals. Appropriate access to covert investigative tools, such as controlled operations, assumed identities and telecommunications interception, will assist police to investigate and disrupt criminal activities.

It is also vital to ensure offences extend to people who commit crimes as part of a group.

In April 2009, the Standing Committee of Attorneys-General (SCAG) agreed to a set of resolutions for a national response to organised crime.

This bill implements the Commonwealth's commitment as part of the national response to enhance its legislation to combat organised crime by:

(1) strengthening criminal asset confiscation and targeting unexplained wealth;

(2) enhancing police powers to investigate organised crime by implementing model laws for controlled operations, assumed identities and witness identity protection;

(3) addressing the joint commission of criminal offences; and

(4) facilitating greater access to telecommunications interception for criminal organisation offences.

1. Strengthened criminal asset confiscation

The ability to trace, restrain and confiscate the benefits that criminals derive from their offences is a vital part of an effective justice system.

The bill will implement a range of measures to extend and enhance the Commonwealth confiscation regime. Several of these measures respond to the recommendations in the review of the Proceeds of Crime Act 2002 made by Mr Tom Sherman AO in 2006.

New unexplained wealth provisions will be a key addition to the Commonwealth criminal asset confiscation regime.

These provisions will target people who derive profit from crime and whose wealth exceeds the value of their lawful earnings.

In many cases, senior organised crime figures who organise and derive profit from crime are not linked directly to the commission of the offence. They may seek to distance themselves from the offence to avoid prosecution or confiscation action.

Unlike existing confiscation orders, unexplained wealth orders will not require proof of a link to the commission of a specific offence and in that sense they represent a quantum leap in terms of law enforcement strategy.

However, there must still be a connection between the unexplained wealth and criminal offences within the Commonwealth legislative power.

The bill will also provide for freezing orders that will prevent a financial institution from processing withdrawals from a specified account for a period of up to three days.

Sometimes, there is only a very short window between law enforcement uncovering the illegitimate assets of a criminal group and those assets being transferred to avoid confiscation.

The new freezing orders will ensure offenders cannot frustrate restraining orders by using the time it takes to obtain a restraining order to dissipate funds.

Freezing orders will be strictly limited in duration and application and can only be sought where there are reasonable grounds to suspect an account contains the proceeds of an offence. A person affected by a freezing order may also apply to have reasonable expenses excluded from the order.

The bill will also extend the non-conviction based confiscation regime to permit the restraint and forfeiture of instruments of serious offences without conviction, similar to the way the proceeds of crime can be confiscated also without conviction. Currently the proceeds of a wide variety of offences can be confiscated on a civil standard of proof, but instruments of indictable offences, other than in respect to terrorism offences, may only be confiscated where a person is actually convicted of the offence. The ability to confiscate instruments is of particular importance in money-laundering offences

where cash is the instrument of the offence. It will need to be shown that the instrument of the offence was used or intended to be used in the commission of a serious offence. In that sense, there will still need to be established a causal connection.

The bill will simplify arrangements for legal aid commissions to recover costs incurred by people who have assets restrained under the Proceeds of Crime Act 2002.

It has always been intended that legal aid commissions be reimbursed for the provision of legal assistance to persons whose assets have been restrained under that act.

This is to ensure that all persons the subject of proceedings under the act would be able to seek appropriate legal advice from legal aid commissions without impacting adversely on other legal aid priorities.

The existing scheme, which requires legal aid commissions to recover legal costs directly from a person's restrained assets, has proven complex and at times, subject to delay.

Under the new scheme, legal aid commissions will be able to recover legal costs incurred by a person with restrained assets directly from the confiscated assets account.

The Commonwealth will then recover the amount from the person who received the legal aid, up to the value of the restrained assets.

The bill will also improve other aspects of the existing confiscation regime, including by ensuring information obtained under the regime can be disclosed to agencies with functions under the act, which are generally law enforcement functions. The information may be provided if it will assist in the prevention, investigation or prosecution of criminal conduct.

2. Cross-border investigative powers

Organised crime does not respect borders, and it is vital that police are able to work across jurisdictions with the same ease.

The 2002 Leaders Summit on Terrorism and Multi-Jurisdictional Crime agreed that there should be a national set of laws for cross-border investigative powers.

Model laws for controlled operations, assumed identities, surveillance devices and witness identity protection were then endorsed by the Standing Committee of Attorneys-General in 2004.

A key aspect of the model laws is that they provide for the mutual recognition of authorisations and warrants issued in other jurisdictions.

This will enable more effective investigations across jurisdictions and reduce the risk of losing evidence. The availability of consistent sets of powers across jurisdictions also facilitates closer cooperation between law enforcement agencies.

The Commonwealth implemented model laws for the use of surveillance devices in 2004.

This bill implements the model laws for controlled operations, assumed identities and witness identity protection, replacing the existing regimes in the Crimes Act 1914.

In doing so, some modifications have been necessary to reflect, for example, the unique role of the Commonwealth for national security and the investigation of crimes with a foreign aspect.

Controlled operations

In undercover operations, law enforcement officers may be authorised to do certain things that would otherwise be illegal in order to obtain evidence of a serious offence.

For example, a shipment of drugs might be allowed to pass through border control in

order to follow the trail to the buyers or distributors of those narcotics.

In these kinds of operations—called controlled operations—the authorised person is protected from criminal responsibility and indemnified against civil liability for their actions.

The admissibility of the evidence that is obtained is also preserved.

There are appropriate limits on this; controlled operations do not authorise conduct likely to cause death or serious injury or involve the commission of a sexual offence.

There are also strong accountability mechanisms in place to ensure that the exercise of these powers is publicly accountable.

The bill also responds to concerns arising from the High Court's decision in Gedeon v Commissioner of the New South Wales Crime Commission.

Following that case, there is a real risk that there is insufficient protection for persons authorised under state or territory controlled operations laws who commit Commonwealth offences.

The new controlled operations regime will recognise corresponding state and territory laws—removing the need to seek a separate Commonwealth authorisation.

Further, the bill will provide for retrospective protection for evidence obtained from, and persons who participated in, validly authorised state or territory controlled operations.

Assumed identities

The use of assumed—or false—identities is an important law enforcement tool allowing operatives to protect their real identity and infiltrate criminal groups, often at great personal risk.

Authorised persons can make requests to government and non-government agencies to obtain evidence of an assumed identity—for example, a fictitious drivers licence or fictitious credit card.

Persons using assumed identities would be protected from criminal liability arising only from their authorised use of that identity.

For example, a person using a fake drivers licence would not be prosecuted for having a fake identification or drivers licence but most certainly could still be prosecuted for dangerous driving or another traffic offence.

Further, a person who is authorised to acquire a fake drivers licence, but is not qualified to drive, most certainly will not be authorised to drive a vehicle.

The new assumed identities regime will recognise things done in relation to an assumed identity authorised, similarly to as I have indicated in respect of controlled operations, under a corresponding state or territory law.

The safeguards and accountability measures for the new assumed identities regime in some cases exceed the protections provided in the model laws.

For example, a person who has an assumed identity will commit an offence if he or she fails to return evidence of an assumed identity when requested to do so.

This will act as a deterrent to those who may seek to use their false identity after the authorisation has ceased.

Witness identity protection

The bill also puts in place a comprehensive scheme that protects the safety of witnesses who are undercover operatives and the integrity of operations in a transparent and accountable way. This will ensure that participants in controlled operations and authorised users of assumed identities are not exposed in court proceedings.

Undercover operatives may be required to give evidence in legal proceedings.

The witness identity protection regime will allow an operative to give evidence using a pseudonym.

For example, the operative could appear in court under his or her assumed identity.

In some cases, it may be necessary to protect the operative's true identity to ensure their safety or to avoid prejudicing current or future investigations or security activity.

While this is clearly in the public interest, this must be balanced against the right of an accused person to a fair trial.

The witness is not anonymous or secret—defence counsel can still cross-examine them and test their credibility.

The operative is still bound to tell the truth.

The operative will need to declare matters relevant to their credibility, for example, any prior convictions or allegations of professional misconduct.

This information is made available to defence counsel as part of the witness identity protection certificate.

The court may allow defence counsel to ask questions which may reveal the witness's true identity where there are compelling circumstances and it is established that it is in the interests of justice to do so.

The court will also be able to require the real identity of the witness to be disclosed to the court.

3. Joint commission

In terms of the undertaking of offences by way of a joint commission of offence with others, the bill introduces a new joint commission provision which is targeted at offenders who commit crimes in organised groups, and hence the relevance to serious and organised crime. This provision builds upon the common law principle of 'joint criminal enterprise'.

If a group of two or more offenders agree to commit an offence together, the effect of joint commission is that responsibility for criminal activity engaged in under the agreement by one member of the group is extended to all other members of the group.

Joint commission targets members of organised groups who divide criminal activity between them. If, for example, three offenders agree to import heroin into Australia and two of the offenders each bring in 750 grams of heroin, all three offenders can be charged with importing a commercial quantity under the joint enterprise provisions.

4. Telecommunications interception

The ability for law enforcement to intercept telecommunications is integral to the fight against organised crime.

Telecommunications interception warrants are already available for the investigation of serious offences of a certain type or which carry a penalty usually of more than seven years imprisonment, although there are some exceptions.

The penalties for organised crime association and facilitation offences that have been introduced in state legislatures, in particular at this stage New South Wales and South Australia, are generally lower and therefore telecommunications interception cannot currently be used to investigate them.

However, in order to fight organised crime we must be able to target those who support the activities of criminal groups.

The bill will make telecommunications interception available for the investigation of offences relating to an individual's involvement in serious and organised crime in those states that have that legislation in place currently and those that in turn subsequently introduce such legislation on a similar basis or to similar effect.

This will be limited to the individual's involvement in criminal organisations committing offences that are punishable by at least three years imprisonment.

The amendments will allow law enforcement agencies to access stored communications such as emails and text messages, as well as real-time interception of targets' communications.

This limit recognises the invasive nature of telecommunications interception and seeks to balance the need for operational effectiveness.

These amendments will ensure that law enforcement agencies are equipped with the necessary tools to effectively combat organised crime.

Summary

In conclusion, this bill contains a range of measures to comprehensively target serious and organised crime through enhanced asset confiscation, the introduction of joint commission and improving the ability of law enforcement agencies to conduct investigations.

Together these measures represent a significant advance on the tools available in the fight against serious and organised crime. They are an important part of this government's commitment to keeping Australia safe and secure.

Could I specifically acknowledge the considerable work undertaken by the recently retired Minister for Home Affairs, the Hon. Bob Debus, and also the current Minister for Home Affairs. Could I also acknowledge within the government ranks a significant contribution made by Senator Hutchins and the member for Werriwa. I am aware in relation to members opposite that their parliamentary secretary, who is in the House, has also contributed to discussing issues in this House. In addition, I acknowledge the presence of the shadow minister in the House.

This is very important legislation. It represents a quantum leap in the capacity to fight organised crime. It is a two-pronged approach: it increases the capability of law enforcement agencies to pursue organised criminals, increasing the risk of apprehension; and it places an extreme cost on taking that risk—namely, confiscation of the proceeds of criminal activity.

I commend this very important bill to the House.

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

Mr Billson—My congratulations to the minister.

CORPORATIONS AMENDMENT (IMPROVING ACCOUNTABILITY ON TERMINATION PAYMENTS) BILL 2009

First Reading

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

Bill read a first time.

Second Reading

Mr BOWEN (Prospect—Minister for Financial Services, Superannuation and Corporate Law and Minister for Human Services) (10.53 am)—I move:

That this bill be now read a second time.

Today I introduce a bill which will amend the Corporations Act 2001 to strengthen the framework relating to termination benefits, otherwise known as 'golden handshake' payments.

There is significant community concern about the levels of termination benefits paid to company management. Such payments are given to outgoing company directors and executives at a time when they are no longer able to influence the company's future performance. The government's reforms will

empower shareholders to more easily reject such payments where they are not in the best interests of the company, the shareholders or the community.

Currently, termination benefits, unlike other components of remuneration, are subject to a binding shareholder vote. The Corporations Act requires that shareholders' approval be obtained for termination benefits, subject to certain thresholds.

However, the existing thresholds allow termination benefits to reach up to seven times a person's total annual remuneration before shareholder approval is required.

This is a very high threshold, which leaves shareholders powerless to stop excessive termination benefits. The bill will address this, by lowering the threshold required for shareholder approval to one year's base salary.

The reduction in the threshold is twofold. Firstly, the quantum of the threshold will be reduced from seven years to one year's pay. Secondly, it will no longer be calculated by reference to the person's 'total remuneration', and instead will be calculated by reference to a person's 'base salary'. The definition of 'base salary' will be specified in regulations and finalised following further targeted consultation with industry.

This is a significant reduction in the threshold for shareholder approval, and will ensure that shareholders have the power to reject excessive termination payments where they are not in the best interests of the company or the shareholders.

In addition, the bill widens the scope of individuals subject to the regulatory framework, by extending the application of the provisions to 'key management personnel' for companies that are a disclosing entity. This will ensure that all key individuals, who have their remuneration disclosed in the remuneration report, will be captured by the regulatory regime.

The bill also broadens and clarifies the definition of a termination benefit, to capture all types of termination benefits. The bill provides a clear statement that a broad interpretation of the term 'benefit' should be taken, and requires that the substance of the payment should prevail over its legal form. This will address existing loopholes by ensuring that termination benefits that are disguised as other forms of payments will be captured by the regulatory regime.

In addition, the bill provides a new regulation-making power to prescribe certain types of payments which are, or are not, considered to be a termination benefit. This will clarify existing legal ambiguity on whether specific types of payments require shareholder approval. It also provides flexibility to quickly respond to any new methods of providing termination benefits which seek to circumvent the law.

The government will undertake further targeted consultation on the details of the regulations with industry.

The government has been responsive to submissions received as part of the public consultation process, and has decided not to change the shareholder voting arrangements.

A number of stakeholders identified practical difficulties with changing the timing of the shareholder vote until after the departure of the director or executive. Accordingly, the government has decided to retain the status quo which allows the shareholder vote to be held at any time prior to the termination benefit being paid to the director or executive.

Retaining the current timing requirements maintains the primary objective of these reforms, which is to provide shareholders with a greater ability to reject excessive termina-

tion benefits given to company directors and executives.

The bill also improves the integrity of the shareholder vote by ensuring that directors and executives who hold shares in the company cannot participate in the shareholder vote to approve their own termination benefit. This removes the conflict of interest which exists when a director or executive votes to approve their own remuneration, including their own termination benefits.

There is an exception to this requirement where the director or executive casts a proxy vote on behalf of another person who is entitled to vote, in accordance with the directions on the proxy form.

The bill also introduces an express requirement to immediately repay a termination benefit, where it has been given without seeking the necessary approval from shareholders. Directors and executives will continue to hold such unauthorised benefits on trust for the company. This will facilitate recovery of unauthorised benefits, particularly where they have not been repaid immediately.

The bill also substantially increases the penalties associated with paying a termination benefit without seeking the necessary approval by shareholders. Potential fines will now be set at $19,800 for individuals, and $99,000 for corporations.

This is intended to send a clear signal of the government's intention to crack down on termination benefits paid in contravention of the law. The new penalties will also provide a stronger deterrent and better reflect the seriousness of the offences.

The bill will not affect existing contracts, and will apply to all new contracts which are entered into, extended or substantially varied after the commencement date.

In summary, these reforms will strengthen the accountability of company management in providing termination benefits, and further empower shareholders to reject excessive termination benefits. These measures are designed to promote responsible remuneration practices, particularly with respect to termination benefits.

More generally, the government has tasked the Productivity Commission with undertaking a broader review of Australia's remuneration framework. This is a very wide-ranging review which will examine the existing regulatory arrangements that apply to director and executive remuneration for companies which are disclosing entities. The inquiry will also examine international trends and responses to the problems of excessive risk taking and corporate greed.

The inquiry will be led by the chairman, Gary Banks, and Professor Allan Fels AO has been appointed as an associate commissioner to assist with the inquiry. The other commissioner is Robert Fitzgerald. The commission will report by December this year. The Productivity Commission is a well-respected instrumentality which is well placed to consider all the issues and bring down a measured and balanced report which the government will then consider.

Finally, I can inform the chamber that the Ministerial Council for Corporations was consulted in relation to the amendments to the national corporate regulation scheme, and has approved them as required under the Corporations Agreement.

I commend the bill to the House.

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

HIGHER EDUCATION SUPPORT AMENDMENT BILL 2009

First Reading

Bill and explanatory memorandum presented by **Ms Kate Ellis**.

Bill read a first time.

Second Reading

Ms KATE ELLIS (Adelaide—Minister for Early Childhood Education, Childcare and Youth and Minister for Sport) (11.00 am)—I move:

That this bill be now read a second time.

Mr Deputy Speaker, as you are well aware, this government is committed to an education revolution for all Australians. This covers many chapters, from early childhood education in schools to higher education, skills and training. This education revolution comes about through a number of different means: through facilities and infrastructure, through increased quality and accessibility and through enhanced funding.

This bill makes minor amendments to provide for administrative efficiencies in the operation of the FEE-HELP and VET FEE-HELP assistance schemes under the Higher Education Support Act 2003.

FEE-HELP and VET FEE-HELP assistance is available to full-fee-paying students studying in higher level education or training, and provides a loan for all or part of a student's tuition costs. This assistance is aimed at encouraging students to take up higher level skill qualifications by reducing the financial barriers associated with study. From 1 July 2009, the VET FEE-HELP assistance scheme will be extended to assist certain state government subsidised students.

This bill makes amendments to streamline the application and assessment process for higher education and training organisations applying for approval to offer FEE-HELP and VET FEE-HELP assistance to students. The amendments will provide for administrative efficiencies resulting in faster approvals of higher education and VET providers, thereby giving students access to financial assistance sooner, which I think we can all agree is a good result.

In particular, the bill amends the tuition assurance provisions in the act to remove the administrative requirement for higher education and training organisations to have tuition assurance arrangements in place at the date of their application for approval to offer FEE-HELP or VET FEE-HELP assistance to students.

In addition, the bill provides for amendments to allow recommendations from approved national or state based agencies to be used as part of the assessment and approval of training organisations to deliver VET FEE-HELP assistance. This will help to eliminate duplication between Commonwealth and state and territory agencies, and reduce the cost and time taken to assess a training organisation's application.

These amendments deliver increased efficiencies in the administration of the FEE-HELP and VET FEE-HELP assistance schemes, making it easier and faster for higher education and training organisations to be approved to offer assistance to students.

Whilst these are minor amendments, they do provide important changes and improvements to the systems. I commend the bill to the House.

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

THERAPEUTIC GOODS AMENDMENT (2009 MEASURES No. 2) BILL 2009

First Reading

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

Bill read a first time.

Second Reading

Mr BUTLER (Port Adelaide—Parliamentary Secretary for Health) (11.04 am)—I move:

That this bill be now read a second time.

This bill is the third in a series of bills to implement important and much-needed amendments to the Therapeutic Goods Act 1989. The bill reflects the government's commitment to ensuring the ongoing safety and efficacy of therapeutic goods available in Australia while reducing the regulatory burden on the therapeutic goods industry.

Many of the amendments in the government's therapeutic goods regulatory reform program were to have been adopted as part of the legislation underpinning the proposed Australia New Zealand Therapeutic Products Authority, or ANZTPA.

One such amendment is to provide for the separate scheduling of medicines and chemicals.

I should begin by explaining that scheduling is a collaborative process involving both the Commonwealth and the states and territories. A committee established under Commonwealth law with state and territory representatives makes decisions that are then implemented through state and territory legislation.

Scheduling is the process by which substances that can be harmful if not used or kept correctly are grouped into categories, known as schedules. Specific requirements are then attached to the schedules under state and territory law regarding supply, availability and oversight of use to support the safe and effective use of these substances. This then has a flow-on effect on the supply, availability and use of medicines and chemicals that contain scheduled substances.

Scheduling decisions are recorded in a document known as the Poisons Standard, which brings together the names and details of the substances that have been scheduled and categorises these by schedule. For example, schedule 2 covers medicines that can be purchased only from a pharmacy whereas schedule 6 covers poisons that are available for purchase from a wide variety of retail outlets.

While the current scheduling arrangements have worked effectively for many years, there are ways in which they can be improved.

Areas for improvement were identified in the Council of Australian Governments' Review of Drugs, Poisons and Controlled Substances Legislation, undertaken by Ms Rhonda Galbally some eight years ago. The recommendations from this review were provided to the Australian Health Ministers Conference (AHMC) in 2001 and were the basis for further consideration by the Commonwealth in partnership with the states and territories in the development of ANZTPA legislation.

The recommendations from the review were wide ranging and many have already been implemented, including recommendation 6, which recommended that independent, comprehensive and quality information be provided to consumers to support safe and effective use of medicines. This has been implemented through a package of measures including through the provision of consumer medicine information to patients on dispensing of a script.

A key recommendation from the review was to provide separate scheduling arrangements for medicines and chemicals to reflect the different uses and environments in which these substances are made available and used. The Australian Health Ministers Conference agreed to implement this recommendation by providing for the Secretary of the Department of Health and Ageing to be the

final decision maker for scheduling decisions, taking into account advice provided by these separate medicines and chemicals advisory committees.

The Productivity Commission's research report on chemicals and plastics regulation, which was published in July last year, supported this by recommending that these new scheduling arrangements be implemented as soon as feasible.

The amendments in schedule 1 to the bill deliver on the government's commitment to implement the recommendations from these reviews through new scheduling arrangements. The new arrangements have also been informed more recently by additional consultation undertaken by the Therapeutic Goods Administration with industry and other interested parties.

One key element from the existing scheduling arrangements will be retained—the cooperative arrangement we have with the states and territories. This is necessary under the Constitution to achieve scheduling implementation uniformly across all states and territories. It has served Australia well in the past. The government will, therefore, continue to work in partnership with our state and territory counterparts under the new arrangements.

The bill will replace the existing National Drugs and Poisons Scheduling Committee that makes scheduling decisions with two new expert advisory committees, which will provide recommendations and advice to the Secretary of the Department of Health and Ageing to inform her in making scheduling decisions.

The Advisory Committee on Medicines Scheduling will be able to provide recommendations and advice about substances used in medicines, while the Advisory Committee on Chemicals Scheduling will advise on substances such as agricultural, domestic and veterinary chemicals.

Decisions of the secretary will then be incorporated into the Poisons Standard. This will be retained as a single complete reference for the scheduling classifications of both medicinal and chemical substances.

Reflecting the important collaborative Commonwealth-state/territory arrangements for scheduling, the committees will include members from the Commonwealth and each of the states and territories as well as other experts to be provided for in the subordinate legislation.

The new arrangements will provide greater clarity and opportunity for individuals to make applications to the secretary to seek amendment to the scheduling of a substance, such as to request that a substance be down-scheduled to a less restrictive schedule. In considering these applications the secretary will be able to seek the advice of either or both the medicines or chemicals advisory committee. She may also seek advice from another committee or another person, such as from a recognised international expert, if that would be useful.

The transitional provisions will ensure that applications currently under consideration by the NDPSC are able to be transferred across for consideration under the new arrangements and that any recommendations made by that committee will be taken into account by the secretary. This will ensure a smooth transition to the new arrangements upon their commencement on 1 July 2010. This timing will also allow development of the supporting subordinate legislation.

Moving on, schedule 2 of the bill provides arrangements to enable the secretary to declare purposes for which kinds of medical devices cannot be included in the register. Purposes will be precluded where such a use

would pose a risk to public health or where it would be otherwise inappropriate.

Presently, as long as a medical device satisfies all of the application and certification requirements under the act it is included in the register. That is, as long as the device works correctly and is manufactured appropriately it can be made available in Australia.

However, a device may be entirely effective and of high quality but the use it is intended for may jeopardise the health of the person using it.

The amendments in this schedule will address this by ensuring that in considering an application to include a device in the register the secretary must give consideration to its intended use.

If the intended use of the device is solely an excluded use the device will not be able to be included in the register. Where a device has multiple uses, including both prohibited and appropriate uses, the device will be able to be included in the register subject to the condition that it is not to be made available or indicated to be used for the prohibited use.

Recently the government has become aware of 'do-it-yourself' home testing kits for serious conditions or illnesses. This is a concern, as people need the support and expert clinical advice from a doctor or other appropriately qualified health professional to understand the results of a test for a serious condition and their options for clinical care.

There are also some conditions which are required to be notified to health authorities for public health reasons, such as HIV. Notifications are made by the patient's doctor and are treated in the strictest confidence. It is unlikely that patients self-testing at home will either be aware of the notification requirement or willing to notify their test result.

The amendments in this bill will ensure that medical devices are only available for appropriate purposes to support high-quality, safe medical care.

Finally, schedule 3 includes provisions intended to make a number of minor amendments to improve the operation of the act.

The amendments under part 1 of schedule 3 will enable the TGA to consult with and seek advice from the Gene Technology Regulator about applications for the listing or registration of therapeutic goods that are genetically modified organisms, GMOs, or that contain GMOs.

These amendments simply augment the current provisions under sections 30C and 30D of the act, which allow the TGA to consult with the Gene Technology Regulator regarding genetically modified products. These products, by definition, do not include GMOs and it is therefore necessary to amend these sections to allow consultation on any genetically modified therapeutic good.

Schedule 3 also ensures that advertising of medicines and other therapeutic goods is only for the purpose that was approved when the good was included in the register.

Presently subsection 22(5) of the act makes it an offence to advertise a therapeutic good inappropriately but only if the person advertising it is the sponsor. Therefore, a sponsor may ask another person to advertise a medicine for them for an unapproved purpose and that person would not be subject to the offence provision. This is concerning as such advertising may be relied upon by Australians in choosing medicines and other therapeutic goods and the unapproved purpose being advertised may not be safe or effective.

This schedule addresses this by extending the offence provision to any person who inappropriately advertises a therapeutic good, not just the sponsor.

Part 1 of schedule 2 updates a delegation provision under section 57 of the act to remove the reference to a specific branch of the TGA and the replacement provision enables this to be specified in the regulations. This will ensure that delegation arrangements can keep pace with administrative changes at the TGA. The level of the person to whom the secretary can delegate her decision making power to will not be affected by this amendment.

Finally, the regulations currently require that certain medicines, mainly over the counter medicines, are required to include advisory statements on their labels to assist consumers in choosing the most appropriate medicine and using it safely and effectively.

The bill improves the transparency of these requirements by empowering the minister to specify them in a legislative instrument. Any medicine that the regulations list for the purposes of the legislative instrument will now be required to include the advisory statements relating to it that are set out in the instrument.

The sorts of advisory statements that labels will be required to include will depend on the medicine but will be familiar to us all and include such statements as, 'If symptoms persist beyond 5 days consult a doctor'. By setting out standardised statements this ensures that consumers receive consistent information and advice in language that is easy to understand and clear to read.

The government intends to make further changes to the therapeutic goods regulatory regime later in the year.

In particular, we intend to introduce further legislation to give effect to a new framework for the regulation of human cellular and tissue based therapies, as foreshadowed as part of the ANZTPA process.

It is important that the regulatory regime the TGA implements is kept up to date so that the TGA and the industry it regulates can operate as efficiently as possible, and so that Australian consumers can continue to have timely access to safe and effective therapeutic goods.

I commend this bill to the House.

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

AUTOMOTIVE TRANSFORMATION SCHEME BILL 2009

First Reading

Bill and explanatory memorandum presented by **Dr Emerson**.

Bill read a first time.

Second Reading

Dr EMERSON (Rankin—Minister for Small Business, Independent Contractors and the Service Economy, Minister Assisting the Finance Minister on Deregulation and Minister for Competition Policy and Consumer Affairs) (11.17 am)—I move:

That this bill be now read a second time.

Introduction

This bill establishes the legislative framework for the new Automotive Transformation Scheme.

This bill, together with the ACIS Administration Amendment Bill, demonstrates once again the government's commitment to securing the long-term viability of the automotive industry. Car making is a cornerstone of Australian manufacturing. It makes a critical contribution to Australian employment, skills, innovation and exports. The automotive industry directly employs more than 52,000 people. This scheme will help to secure these vital jobs as the industry faces intense pressure in the short term as a result of the global economic downturn, as well as the long-term challenge of modernisation and renewal. The automotive industry is also one of Australia's top export earners—

despite the recent effects of the global economic downturn—with exports of $5.8 billion in 2008.

These are just some of the reasons why, on 10 November 2008, the government launched the $6.2 billion initiative A New Car Plan for a Greener Future, the most comprehensive package ever devised for the Australian automotive industry. The Automotive Transformation Scheme, established by this bill, is a centrepiece of the new car plan and a vital complement to other elements of the plan, such as the $1.3 billion Green Car Innovation Fund.

Assistance under the Automotive Transformation Scheme will commence on 1 January 2011. The scheme will support the competitive investment and innovation needed to make the Australian automotive industry economically and environmentally sustainable. It will achieve this by increasing support for strategic investment in research and development, plant and equipment, and the production of motor vehicles.

The Automotive Transformation Scheme replaces the previous government's Automotive Competitiveness and Investment Scheme—or ACIS for short—which was due to run until 2015. Assistance under the new scheme will continue until 31 December 2020.

The new scheme improves on the existing ACIS by placing a renewed focus on innovation, with increased support for eligible investment in R&D. Stimulating additional R&D—a major contributor to innovation—will improve productivity and build competitive advantage. The new scheme also requires participants to demonstrate a commitment to improving environmental outcomes. This will lead to the development of vehicles with lower fuel consumption and lower greenhouse gas emissions.

Innovation is the key to making the automotive industry greener and more internationally competitive. It will enable the industry to adapt to the challenges presented by changing consumer preferences and climate change. Above all, innovation is the key to creating long-term, full-time, high-skill, high-wage jobs.

A companion to this bill, the ACIS Administration Amendment Bill, makes amendments to the final year of ACIS. The amendments repeal ACIS stage 3 and provide additional assistance to motor vehicle producers in 2010. The amendments guarantee continuity in support for the industry and will ensure a smooth transition from ACIS to the new Automotive Transformation Scheme.

Passage of this bill will give the automotive industry 10 years of policy certainty at a time when it is under acute pressure both in Australia and overseas. In the short term, the bill, in addition to proposed amendments to ACIS, will restore much needed confidence to deal with the global economic downturn. At the same time, the bill looks to the future by encouraging the industry to develop new technologies and take advantage of new opportunities.

In designing the scheme, the government recognised that a successful, innovative automotive industry needs a highly skilled workforce. This is why we will also require participants to demonstrate their commitment to boosting workforce skills and capabilities. Ensuring that scheme participants meet these obligations will provide significant benefits to the entire Australian economy.

This bill coincides with the legislated reduction of automotive tariffs from 10 per cent to five per cent on 1 January 2010. This will make Australia's tariffs on passenger motor vehicles among the lowest in the world. This is consistent with the govern-

ment's belief that the long-term viability of the automotive sector depends on action to increase its innovation capacity, competitiveness and globally integration—not on tariff protection.

Main body

Replacing ACIS with the Automotive Transformation Scheme is consistent with the recommendation of the Review of Australia's Automotive Industry by the Hon. Steve Bracks, which reported on 22 July 2008.

The bill establishes the framework for the scheme, with the administrative details to be included in regulations. This reduces the administrative complexity of the legislation and provides the flexibility required to deal with changing circumstances in the Australian automotive industry. The regulations are currently being drafted and will be subject to industry consultation later in the year.

The new scheme provides assistance to participants in the form of grants, instead of the duty credits paid under ACIS. The move to grants will assist in the administration of the scheme and remove some of the complexity in the current legislation. The automotive industry has endorsed this change.

Despite the move to grants, the payment timetable for the new scheme will be similar to the one for ACIS. This will provide continuity for participants, which is especially important during these difficult times.

The scheme provides $3.4 billion of capped and uncapped transitional assistance to registered participants.

The bill guarantees up to $2.5 billion over 10 years in capped assistance—available to both vehicle producers and supply chain participants—through a standing appropriation. Participants will be eligible to receive up to:

- $1.5 billion in capped assistance over stage 1, running from 2011 to 2015; and
- $1 billion in capped assistance over stage 2, running from 2016 to 2020.

The standing appropriation will give the industry the certainty it needs to plan long-term investment.

The move from duty credits to grants also requires further changes from the approach set out in ACIS to ensure the effective administration and accountability of the scheme. The bill allows the Commonwealth to recover assistance that is overpaid to participants. The standing appropriation will allow debts recovered from participants to be returned to the scheme for redistribution.

The bill also includes a strong monitoring regime, including provision for authorised officers to obtain a monitoring warrant to check compliance and substantiate information. The scheme imposes obligations on participants to ensure authorised officers appointed by the Commonwealth can verify information efficiently and effectively. Contravening these requirements will be an offence. These provisions are necessary to protect the Commonwealth, since assistance is paid almost immediately based on a participant's claim.

The scheme can adapt to industry investment cycles by allowing unspent money in a calendar year to be rolled over to other years within that stage.

The new scheme puts a renewed emphasis on stimulating R&D. It increases the rate of claims for investment in eligible R&D from 45 per cent to 50 per cent. The aim is to support R&D activities that would not have taken place without assistance. The rate of assistance for investment in approved plant and equipment will be reduced from 25 per cent for the supply chain to 15 per cent to make investment in R&D even more attractive.

The bill will commence on 1 July 2010 to allow for preregistration of existing ACIS

participants. This will guarantee continuity of assistance when payments under the new scheme commence from 1 January 2011. The transition to the new scheme will also be smoothed by provisions that allow for the recognition of existing eligible investments made under ACIS.

While the scheme provides significant funding for the industry over the next decade, the ultimate aim is to make it economically and environmentally sustainable. That is why the funding is front-loaded in the early years and will be reduced to zero by 2020.

Conclusion

This bill is the result of extensive policy design and industry consultation, and it has strong stakeholder support.

Its ultimate goal is to reinvigorate the automotive industry so that it can go on contributing to Australia's prosperity for decades to come.

I commend this bill to the House.

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

ACIS ADMINISTRATION AMENDMENT BILL 2009

First Reading

Bill and explanatory memorandum presented by **Dr Emerson**.

Bill read a first time.

Second Reading

Dr EMERSON (Rankin—Minister for Small Business, Independent Contractors and the Service Economy, Minister Assisting the Finance Minister on Deregulation and Minister for Competition Policy and Consumer Affairs) (11.26 am)—I move:

That this bill be now read a second time.

This bill amends the ACIS Administration Act 1999 to ensure the smooth transition from the current Automotive Competitiveness and Investment Scheme, ACIS for short, to its replacement, the Automotive Transformation Scheme.

This bill, together with the Automotive Transformation Scheme Bill, will give effect to the government's policies to revitalise the Australian automotive industry though increased support for investment and innovation. This support is necessary to ensure the long-term economic and environmental sustainability of the industry.

The replacement of assistance under ACIS from 2011, by a new, retargeted and greener scheme is a key element of the government's A New Car Plan for a Greener Future. It demonstrates once again the government's commitment to secure the future of this vital industry to the Australian economy.

This bill repeals ACIS stage 3 to allow for its replacement with the Automotive Transformation Scheme. The bill also provides increased assistance to motor vehicle producers in 2010, as part of the transitional arrangements prior to the establishment of the Automotive Transformation Scheme. This increase in transitional support in 2010 provides the industry with the certainty it requires to continue long-term strategic investment as it meets the challenges of a reduced rate of tariff protection and the global economic downturn. The Australian government believes that the key to the future of the industry is innovation, not tariff protection.

The bill also corrects an anomaly in ACIS where the level of assistance for vehicles sold for export is less than assistance for vehicles sold domestically.

I commend this bill to the House.

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

TAX AGENT SERVICES (TRANSITIONAL PROVISIONS AND CONSEQUENTIAL AMENDMENTS) BILL 2009

First Reading

Bill and explanatory memorandum presented by **Dr Emerson**.

Bill read a first time.

Second Reading

Dr EMERSON (Rankin—Minister for Small Business, Independent Contractors and the Service Economy, Minister Assisting the Finance Minister on Deregulation and Minister for Competition Policy and Consumer Affairs) (11.29 am)—I move:

That this bill be now read a second time.

This bill, the Tax Agent Services (Transitional Provisions and Consequential Amendments) Bill, will facilitate a smooth transition from the current law concerning the registration of tax agents to the new regulatory regime provided in the Tax Agent Services Act 2009.

The Tax Agent Services Act 2009 was passed both houses of Parliament earlier this year and received Royal Assent on 26 March 2009. That act will ensure that tax agent services are provided to the public in accordance with appropriate professional and ethical standards.

This bill provides the transitional and consequential amendments required to ensure a smooth transition to the new regulatory regime.

The bill consists of a number of key elements.

Firstly, the bill ensures that entities currently providing tax agent services are able to transition into the new regime with as little disruption as possible. This includes tax agents and nominees registered under the current law, as well entities currently providing business activity statement (BAS) services. The bill also includes special transitional provisions to cater for entities providing specialist tax agent services.

Secondly, the bill will amend the Taxation Administration Act 1953 to introduce two 'safe harbour' provisions. These provisions exempt taxpayers who engage an agent from liability for administrative penalties for mistakes and omissions made by their agent, in certain circumstances. These safe harbours have been a key feature of the new regime since it was first proposed in 1998. They reflect the fact that under the new regime, effective action will be able to be taken to improve the performance of tax agents or BAS agents where necessary.

Thirdly, the bill makes minor amendments to the Tax Agent Services Act 2009 to, among other things, facilitate certain disclosures of information from the new Tax Practitioners Board, established under that act, to the Commissioner of Taxation.

Lastly, the bill will make consequential amendments to other existing legislation. These amendments will be necessary upon the commencement of the key regulatory provisions in the Tax Agent Services Act 2009. For example, the bill repeals part VIIA of the Income Tax Assessment Act 1936, which is the existing law relating to the registration of tax agents.

The new regulatory regime has undergone significant development and refinement over a number of years. The key transitional and consequential amendments, including the proposed safe harbour provisions, have been the subject of extensive consultation. Indeed, this bill was publicly released for six weeks public consultation earlier this year.

The government values the input provided by interested parties through consultation. Comments received during consultation have

led to significant improvements being made to achieve what is provided in this bill today.

The full details of the provisions in the Tax Agent Services (Transitional Provisions and Consequential Amendments) Bill are contained in the explanatory memorandum.

I commend the bill and present the explanatory memorandum.

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

TRADE PRACTICES AMENDMENT (AUSTRALIAN CONSUMER LAW) BILL 2009

First Reading

Bill and explanatory memorandum presented by **Dr Emerson**.

Bill read a first time.

Second Reading

Dr EMERSON (Rankin—Minister for Small Business, Independent Contractors and the Service Economy, Minister Assisting the Finance Minister on Deregulation and Minister for Competition Policy and Consumer Affairs) (11.33 am)—I move:

That this bill be now read a second time.

An historic reform

The Trade Practices Amendment (Australian Consumer Law) Bill will amend the Trade Practices Act 1974 and the Australian Securities and Investments Commission Act 2001 to implement commitments made in 2008 by the Council of Australian Governments to introduce a single, national consumer law—to be called the Australian Consumer Law.

This bill is the first legislative step to give effect to the most far-reaching consumer law reforms in at least a generation.

It will implement key elements of the Australian Consumer Law, namely the new national unfair contract terms law and new penalties, enforcement powers and options for consumer redress in relation to the consumer protection provisions of the Trade Practices Act and the ASIC Act.

Australia's generic consumer laws are, for the most part, effective. But, as the Productivity Commission found in its review of Australia's consumer policy framework, they can be much better.

We now have 13 generic consumer laws in force around Australia. Broadly speaking, they look similar, but each of them differs—to the cost of business and consumers. And, there are differences in the way these laws are enforced by Australia's consumer regulators. There are also numerous industry-specific laws which add yet further complexity.

As we move towards a single, national market—a seamless national economy as called for by the Business Council of Australia and the 2020 Summit—this tangle of consumer laws must be rationalised. We must reduce confusion and complexity for consumers and provide consistency of consumer protection. We must reduce compliance burdens for business.

In undertaking this task, the government has benefited from the work of the Productivity Commission, which identified the solutions that we are now implementing.

The Business Regulation and Competition Working Group of COAG, which I co-chair with the Minister for Finance and Deregulation, has been given the task of advancing a regulatory reform agenda covering 27 areas of regulation. Reform of consumer laws is among the most important of these 27 areas. In September 2008, the Business Regulation and Competition Working Group considered detailed proposals for a national consumer law developed by the Ministerial Council on Consumer Affairs. The working group recommended COAG's agreement to establish a single national consumer law.

On 2 October 2008, COAG agreed to establish a national consumer law that is based on the existing consumer protections in the Trade Practices Act, drawing on best practice in existing state and territory laws and including a national unfair contract terms law.

The current environment

Amidst the worst global recession in 75 years, Australians are facing serious economic challenges. In confronting those challenges, we have to deal with complex, sophisticated markets. Marketing is becoming cleverer. Consumers can now shop online and through their mobile phones. They have access to money through new and sophisticated payment systems. And, the range of goods and services available today is enormous. We need national laws that can keep pace with these changes.

This bill will introduce changes that will make life easier for all consumers—through clearer, fairer standard-form contracts and more effective enforcement of our consumer laws.

A single national law, supported by better policy development and decision-making processes, is the best means of achieving better results for consumers and business. Rather than relying on nine parliaments to make changes, this new framework will ensure responsive consumer laws with a truly national reach.

Overview of the bill

The bill is the first legislative instalment of the Australian Consumer Law reform process. It will establish the Australian Consumer Law. It will also introduce a national unfair contract terms law, which can be applied in every state and territory from the date of its commencement at the national level. And it will introduce new penalties and enforcement powers for the Australian Competition and Consumer Commission and the Australian Securities and Investment Commission, together with improved options for consumer redress.

The bill includes amendments to the ASIC Act, which maintains a separate legislative framework for the regulation of financial services. The government remains committed to ensuring that there is consistency between generic consumer protections and those that apply to financial services, to the extent that it is practical to do so.

The bill will also make some minor consequential changes to the Administrative Decisions (Judicial Review) Act 1977 and the Telecommunications (Interception and Access) Act 1979.

The government will introduce a second instalment of reforms in 2010 to complete the Australian Consumer Law reform process, which will introduce a new national product safety legislative and regulatory regime, as agreed by COAG in 2008. It will augment and modify the current consumer protection provisions of the Trade Practices Act, based on best practice in existing state and territory consumer laws. It will also amend the Trade Practices Act to change its name to the 'Competition and Consumer Act'.

The entire Australian Consumer Law will be fully implemented by the end of 2010 by the Australian government and each state and territory in accordance with the National Partnership Agreement to Deliver a Seamless National Economy agreed by COAG in November 2008 and finalised in early 2009.

The process for developing the bill

The last attempt to create a national consumer law was in 1983. Seven years later, the supposedly 'common' provisions were finally implemented in all jurisdictions. But, these provisions were not the same for all of Australia's consumer laws, and jurisdictions soon began to make changes and the laws started to diverge.

The reforms contained in this bill and those in the second bill are the culmination of a long policy review and development process undertaken by the Australian government in close consultation with the states and territories. The Australian government has also drawn on the views of many consumers and businesses, and those bodies which represent their interests.

In 2007 and 2008 the Productivity Commission reviewed Australia's consumer policy framework. And, in May 2008, my predecessor, the now Minister for Financial Services, Superannuation and Corporate Law and Minister for Human Services, tabled in the parliament the commission's comprehensive final report and recommendations. These have provided the government with a detailed roadmap for consumer policy reform.

In July 2008, COAG charged the Ministerial Council on Consumer Affairs with the task of developing a package of reforms based on the commission's recommendations. This resulted in the ministerial council settling recommendations for a national consumer law and new enforcement mechanisms on 15 August 2008. These detailed recommendations were ratified by COAG on 2 October 2008.

Officials at the Australian government, state and territory levels will continue to work together to develop the second reform bill that the parliament will consider in early 2010.

Expressions of gratitude

Before I go on, let me thank my predecessor, the Hon. Chris Bowen MP, and my new state and territory colleagues on the Ministerial Council on Consumer Affairs for their efforts over the past year in securing these reforms. Their personal commitment to reform has ensured that these reforms will—at long last—happen.

I also commend my ministerial council colleagues and their officials for the spirit of openness and cooperation that has characterised the development of the reforms to date. Indeed, the shared experience and expertise of consumer policy officials in all Australian governments has proven invaluable to their development. I look forward to working closely with my colleagues and their officials to fully implement this important reform which will nationalise Australia's consumer laws.

I understand that this spirit of openness and cooperation has also characterised the dealings that my opposition counterpart—the member for Cowper—has had with my predecessor and his office in relation to questions about the content of the bill. I look forward to working with him as we deliberate on this bill.

I also thank those many people who have provided the government with the benefit of their views and expertise in preparing the legislation, including the members of the Commonwealth Consumer Affairs Advisory Council, consumer, business, legal and academic representatives and the many people who have provided their views in the public consultations conducted by the Productivity Commission, the Standing Committee of Officials of Consumer Affairs and the Treasury.

Key amendments in the bill

I turn now to the key provisions of the bill.

Unfair contract terms

Unfair contract terms can impede competition by making contracts difficult to understand. And they can limit a consumer's choices and ability to seek out alternative options. They are used by some businesses to transfer all of the risk in a transaction away from themselves and onto the consumer.

Some members will be familiar with the similar laws that have been in place in Victoria since 2003. And laws tackling unfair contract terms exist in the United Kingdom, in the rest of the European Union, in Japan and in South Africa. Laws which allow for the examination of the fairness of contracts and contract terms also exist in jurisdictions in Canada and the United States.

The government acknowledges the many benefits that flow from using standard-form contracts in business-to-consumer transactions. They keep costs down and save time. But they can often be used as a means of shielding a business from risk in a way that is not fair.

This reform is about making contracts clear in business-to-consumer transactions so that consumers can make an accurate assessment of the risks of signing a contract. And it is about ensuring that a business assesses its risk properly and does not use its stronger bargaining position to simply push all risk away from itself.

The law is not about the government telling business what to put into contracts. And it is not about undoing bad bargains and letting consumers walk away from poor choices.

Consultation

The unfair contract terms law reforms were agreed by COAG in October 2008 and were based on the extensive consultation undertaken by the Productivity Commission.

These reforms are based on the extensive practical experience of the Victorian government in implementing and enforcing similar laws.

Since then the government has sought views on both the reforms more generally in February and on an exposure draft of the unfair contract terms provisions in May. In response to these consultations the Treasury received just under 200 submissions from many consumers, businesses and other stakeholders.

The government has also had numerous meetings with key stakeholders about these changes. And I understand that the Treasury has met and spoken with a wide range of people about these provisions.

We have consulted, and we have listened. And this is reflected in the provisions set out in this bill, which differ in key respects from those that the government exposed in May, particularly in respect of the exclusion of business-to-business transactions.

In relation to the question of whether business-to-business contracts—and particularly those involving small businesses—should be included under the unfair contract terms provisions, the government is currently reviewing both the unconscionable conduct provisions of the Trade Practices Act and also the Franchising Code of Conduct.

Both of these reviews cover issues relating to the protections afforded to businesses in circumstances where they are dealing with other businesses with greater bargaining power and market power. In responding to these reviews, the government is seeking the views of businesses—large and small—about the effectiveness of our current laws. The government will further consider this issue when these reviews are completed.

The government has also indicated its intention that this bill should be referred to a senate committee, and this issue will—no doubt—be further considered as part of that process.

The provisions

The form of the unfair contract terms provisions represented in this bill reflects—with some refinements—the commission's approach and the approach adopted in Victoria.

It also addresses some practical considerations raised in the consultation process.

The provisions will only apply to consumer contracts in a standard form.

Contracts between businesses are excluded from the scope of the unfair contract terms provisions, except in respect of some 'sole traders', who may have common business and personal interests.

The terms are void if they are unfair, the contract is a standard form contract, and in the context of the ASIC Act, the contract is a financial product or a contract for the supply, or possible supply, of financial services.

A term will be unfair where there is a significant imbalance in the parties' rights and obligations and the term is not reasonably necessary to protect the legitimate interests of the supplier.

There will be national guidelines on the enforcement on the unfair contract terms law, which are being developed by the ACCC, ASIC and the state and territory consumer agencies. I expect they will consult widely with industry and consumer stakeholders, and that the guidance will be made publicly available in good time for the commencement of the provisions.

A balance between effective provisions and business concerns

The government has sought to balance two concerns: the need for the law to be effective and the need for business to have certainty.

With this in mind, the provisions contain a number of features designed to ensure that they are effective. Without these features, the government believes that the enforcement of the provisions—whether by individuals or consumer enforcement agencies—would be seriously compromised.

First, it will be for the party advantaged by a term—usually a business—to rebut the presumption that the term is not reasonably necessary in order to protect its legitimate interests.

Second, it will be for a party that asserts that a contract which is the subject of a challenge is not in a standard form—again, usually a business—to rebut the presumption that the contract is in standard form.

In both cases, there are issues that the business will know and it will be able to introduce the evidence it considers most appropriate to the question.

It would be a huge impediment for an individual claimant to prove either of these matters, as they are unlikely to be able to bring evidence before a court without disproportionate effort and expense. A regulator would need to use intrusive and expensive coercive information-gathering powers to obtain the required information to bring a case.

Factors to be taken into account

In determining whether a term is unfair a court may take into account any matters that are relevant. But, the court must take into account some specific issues.

First, it must take account of the extent to which the term would cause, or is substantially likely to cause, detriment. Second, the court must take account of the extent to which the term is transparent. And, third, the court must take account of the contract as a whole.

The question of detriment

The court will need to consider the existence of any detriment, or a substantial likelihood of a detriment, arising from the term. A consideration of detriment is a key matter to be included in any case concerning unfair contract terms.

Reference to a 'substantial likelihood of a detriment' makes it clear that, in order to take action, a claimant does not need to

prove that he or she has suffered actual detriment, but there is a substantial—that is, more than a hypothetical—likelihood of detriment.

Without ever being enforced a term can still have the effect of causing customers to act in a way that may not be in their own best interests.

If a customer has evidence of actual detriment flowing from the exercise of a term, then this will be useful evidence in the case for relief.

In the case of a substantial likelihood of detriment, then there would likely be limitations on the relief available, generally a declaration that the term is unfair—and therefore void—and an injunction preventing any use of the term.

Detriment includes both financial and non-financial detriment. It has been suggested that the only relevant detriment is financial detriment, which may be so in some cases but other forms of detriment should be taken into account.

Transparency

There is a view that if something is disclosed then it is all right—no matter how unclearly or obscurely that information is presented. This reflects the view that standard form contracts reflect a 'bargain' reached by the parties, which is well understood by them and should not be subject to any challenge once made.

In 1973, the then Attorney-General, Senator Murphy, when introducing the trade practices bill into the Senate, noted that the principle of caveat emptor 'may have been appropriate for village markets' but it had ceased to be appropriate as a general rule.

In complex markets, the notion that a customer is always perfectly informed and able to act in his or her own best interests represents a view which is simply not sustainable, and does not reflect the reality of modern business or contract law.

A lack of transparency may be a strong indicator of the unfairness of the terms in a consumer contract. And the existence of transparency, on its own account, cannot overcome unfairness.

The contract as a whole

The government recognises that any contract represents a balance of interests and considerations. And, no term can be considered in isolation. Indeed, some terms which, at first blush, might seem outrageously unfair, may be entirely reasonable when considered in context. For this reason, the government has included an express requirement that a court must take into account the contract as a whole when considering a particular term.

Examples of unfair terms

There is a non-exhaustive, indicative list of examples of terms which may be considered unfair. This 'grey' list will give statutory guidance on those types of terms that are regarded as being of concern. But it does not prohibit their use.

The use of 'grey listed' terms may be reasonable. And any consideration of a 'grey listed' term is subject to the unfair terms test.

And, indeed, the consultation paper the government issued on 11 May 2009 acknowledges that businesses may need to do things like assign contracts or vary agreements.

Prohibited terms

The unfair contract terms law will permit the prohibition of types of terms of a consumer contract that is a standard form contract. A prohibited term is a term of a kind prescribed by the regulations.

We have consulted on the question of whether specific terms should be prohibited. We have also canvassed views on specific

types of terms that could be prohibited. While there are terms with few justifications for their use, we will not prohibit any term at this time. We will keep this issue under review with the states and territories in the light of the implementation and enforcement of the provisions.

Any future prohibition of terms is subject to the government's best practice regulation requirements and the voting process for amending the Australian consumer law, which will require the agreement of four other jurisdictions, including three states.

The provisions apply to consumer contracts in a standard form. While the bill does not define a 'standard-form contract' it does set out a range of considerations that are to be taken into account when assessing whether a contract is, or is not, in a standard form.

Terms excluded from the provisions

The provisions exclude certain terms and certain contracts from their operation. The key consideration in doing so is that there must be justification for the exception which goes beyond sectoral concerns to avoid the operation of generic regulation.

The provisions will not permit certain types of terms to be challenged under the 'unfair terms' test.

The exclusion of terms which 'concern the main subject matter of a consumer contract' will exclude the basis for the existence of the contract. A customer has decided to purchase the goods, services or land, and they should not be permitted to renege just because they later decided this was not a good idea.

The exclusion of 'upfront price' will exclude from consideration the basic price paid for the goods, services or land supplied under the contract. It would not be desirable to permit a consumer to challenge the basic price paid for the goods, services or land at a later time, when this is an issue about which the consumer has a choice.

In a credit contract 'consideration' is both the interest payable and the total amount of principal that is owed.

Upfront price will not include any other consideration which is contingent on the occurrence or non-occurrence of a particular event. In doing this, the government has taken account of the debate in the United Kingdom, where there has been litigation on the question of whether contingent fees are part of the upfront price.

The exclusion of terms 'required, or expressly permitted, by a law' will ensure that a court is not required to determine the fairness of terms which must be included in consumer contracts as a matter of public policy. There are many examples of mandated consumer contracts or terms that are required to be used in order to ensure the validity of specific transactions.

Contracts excluded from the provisions

Certain shipping contracts and contracts that are constitutions of companies, managed investment schemes and other kinds of bodies are excluded from the ambit of the provisions.

Shipping contracts include contracts of marine salvage or towage; a charter party of a ship; or a contract for the carriage of goods by ship. They are subject to a comprehensive legal framework (nationally and internationally) that deals with contracts in a maritime law context.

A constitution is defined in section 9 of the Corporations Act 2001. These contracts are carved out because companies, managed investment schemes—which include many superannuation and other investment trusts—and other kinds of bodies have a choice regarding the rules that govern their internal management.

Section 15 of the Insurance Contracts Act 1984 has the effect that these provisions will not apply to insurance contracts as regulated by the comprehensive regulatory scheme set out in that act.

Remedies in relation to the unfair contract terms provisions

Existing Trade Practices Act and ASIC Act remedies and the new enforcement powers, remedies and penalties will apply in relation to prohibited terms and, in some respects, unfair terms that are the subject of a declaration.

A claimant will be able to seek all of the remedies available to the Federal Court under the Federal Court of Australia Act 1976, including all remedies to which they would be entitled under a legal or equitable claim. But as the ACCC and ASIC are not parties to contracts, they will be able to seek a declaration from a court that a term of a standard-form contract is unfair, or is a prohibited term.

If a party then seeks to apply or rely on, or purports to apply or rely on, a term subject to a declaration then the regulator can seek all of the remedies available in respect of a contravention of the Trade Practices Act and the ASIC Act.

A party that uses or tries to use a prohibited term is taken to have engaged in conduct that contravenes the Australian Consumer Law, and will be subject to the full range of powers now in the Trade Practices Act and ASIC Act, as well as those which will be introduced by this bill.

Application

The unfair contract terms provisions will apply to all new consumer contracts made after its commencement. They will also apply to all consumer contracts renewed or varied after that date, but only to the extent that the contract is renewed or varied, and in respect of conduct occurring after the date of renewal or variation.

Commencement

The government has previously said that the unfair contract terms provisions could commence on 1 January 2010, which is in line with the intended commencement of the national consumer credit reforms. However, I am mindful of the need for businesses to comply with the new law and that they may need more time. There is provision in the bill for a later commencement, if needed.

National enforcement powers and penalties

The bill introduces new, enhanced enforcement powers for consumer laws. The ACCC and ASIC have been hampered by a limited range of powers to tackle harmful and exploitative business practices. And, their state and territory counterparts have had a wider range of proportionate powers to enforce consumer laws effectively for many years.

This bill will ensure that our national regulators—the ACCC and ASIC—have a broader range of more effective and proportionate enforcement options to protect and help consumers.

The ACCC and ASIC will be able to seek civil pecuniary penalties and disqualification orders and have the ability to issue infringement notices, substantiation notices and public warning notices. They will also be able to seek redress for consumers not party to enforcement proceedings.

These powers will be part of the Australian Consumer Law—which will introduce a suite of consistent national consumer law enforcement powers for the first time.

Civil pecuniary penalties

Civil pecuniary penalties are not currently available to deal with breaches of the con-

sumer protection provisions of the Trade Practices Act and the ASIC Act.

Civil pecuniary penalties are an effective way to punish misconduct in breach of the consumer protection laws and allow proportionate action to be taken in appropriate cases. Similar powers have existed for many years in relation to breaches of the restrictive trade practices provisions of the Trade Practices Act.

These penalties will apply to breaches that can currently only be punished by criminal sanctions and for breaches of the unconscionable conduct provisions of the Trade Practices Act and the ASIC Act. These penalties will be serious—with maximum penalties of up to $1.1 million for corporations and $220,000 for individuals. No-one will be exposed to a civil pecuniary penalty of a size greater than those available under the existing criminal regime.

Civil pecuniary penalties will not be available for breaches of section 52.

Disqualification orders

Disqualification orders are currently not available in relation to breaches of the consumer protection provisions of the Trade Practices Act and the ASIC Act, but are available in relation to breaches of the restrictive trade practices provisions of the Trade Practices Act and breaches of the Corporations Act 2001.

The ACCC and ASIC will be able to seek a disqualification order from the court to ban people who disregard the consumer protection laws from being a director of a company, where the circumstances warrant it.

Disqualification orders will apply to the civil pecuniary penalty provisions, except in those relating to substantiation notices, and the criminal provisions of the Trade Practices Act and the ASIC Act.

Substantiation notices

A key gap in the powers of the ACCC and ASIC is the lack of an ability to quickly and easily require information to substantiate claims made in representations by businesses.

These notices will serve as a preliminary investigative tool to provide the ACCC and ASIC with an effective means of seeking information to assist in determining whether a contravention of the consumer law has occurred.

The bill will empower the ACCC and ASIC to issue a substantiation notice which requires a person to furnish information or produce documents capable of substantiating claims or representations made by that person.

While a person must respond to a notice, they do not have to prove the claim, just provide information capable of supporting or substantiating the claims or representations they have made. A court will be able to order the payment of refunds and similar forms of redress without the need for all consumers affected to be named as parties to the regulator's court proceedings.

Redress for non-parties

Redress for non-parties will allow the ACCC and ASIC to act more effectively where, for instance, thousands of consumers suffer small losses on which each of them might not take action individually because of cost and inconvenience. Businesses should not profit from consumer detriment, just because the amount is small or the harm is spread widely.

This is not a general power to award damages, but a power to order redress where that loss or damage is clearly identifiable and there is no need to decide the merits of each case. It could be used to order redress such as an apology, the exchange of goods or a refund.

Infringement notices

The ACCC and ASIC will be able to deal with alleged breaches of the law without the need for costly legal proceedings through the use of infringement notices. These notices will let them deal with minor breaches of the law through the payment of an amount which will let a person avoid legal proceedings.

A person issued with a notice is not obliged to pay the amount specified. But, if the person does pay, the regulator cannot take further action for the alleged breach. Public warning notices are an effective tool to warn the public about actual or likely harm that may result from suspected breaches of the consumer laws and help prevent consumer detriment. Some call this type of power 'naming and shaming'. It is commonly used by state and territory offices of fair trading, particularly to deal with 'fly by night' operators and 'phoenix companies'.

The power contained in this bill includes a number of important safeguards around the use of this power—designed to provide reassurance that it will be used in an appropriate and proportionate manner. And I note that the ACCC and ASIC will not have immunity from defamation actions in relation to the exercise of this power.

Public warning notices will only be able to be issued where the ACCC or ASIC has reasonable grounds to suspect a breach of consumer laws, believes that consumers have suffered or are likely to suffer detriment and is satisfied that it is in the public interest to issue the notice. I note that the ACCC and ASIC will not have immunity from defamation actions in relation to the exercise of this power.

Conclusion

This bill represents the first part of a generational change in Australia's consumer laws. It introduces reforms designed to make Australia's markets work better, to improve protection for all consumers and to strip away layers of legislative and regulatory complexity from our laws, saving business time and money and contributing to the delivery of a seamless national economy.

In presenting this bill, I can also inform the House that the Ministerial Council for Corporations was consulted in relation to the amendments to the laws in the national corporate regulation scheme—namely the amendments to the ASIC Act and the Corporations Act—and has approved them as required under the Corporations Agreement.

I have said that this is the first part of this reform process. Early next year, the government will introduce a further bill which will bring in changes to fully implement an Australian consumer law. Then we will, after further cooperative effort by Australia's governments, achieve our goal of a single consumer law for Australia.

Then, for the first time, all Australian consumers will be able to count on the same protection, wherever they are, whatever they buy, wherever they live.

I commend the bill to the House.

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

COMMITTEES

Employment and Workplace Relations Committee

Membership

The DEPUTY SPEAKER (Hon. Peter Slipper)—Mr Speaker has received advice from the Chief Government Whip that he has nominated Mr Perrett to be a member of the Standing Committee on Employment and Workplace Relations.

Dr EMERSON (Rankin—Minister for Small Business, Independent Contractors and the Service Economy, Minister Assisting the Finance Minister on Deregulation and Minis-

ter for Competition Policy and Consumer Affairs) (12.03 pm)—by leave—I move:

That Mr Perrett be appointed to the Standing Committee on Employment and Workplace Relations.

Question agreed to.

Foreign Affairs, Defence and Trade
Report

Ms PARKE (Fremantle) (12.04 pm)—On behalf of the Joint Standing Committee on Foreign Affairs, Defence and Trade, I present the committee's report entitled *Australia's relationship with ASEAN*.

Ordered that the report be made a parliamentary paper.

Ms PARKE—by leave—ASEAN has become an important trading partner for Australia. ASEAN is now the sixth most important export destination for Australian goods and services and Australia is the eighth most important source of imports for ASEAN. This relationship has been recognised by the recent signing of the ASEAN-Australia-New Zealand Free Trade Agreement. The countries of ASEAN are also of strategic importance to Australia. Political stability in the region and good international relations with ASEAN countries are therefore integral to Australia's security and prosperity.

Over the years, ASEAN has expanded its engagement with the region through its dialogue partners and by the creation of the ASEAN Regional Forum and the East Asia Summit. This trend culminated in the 2003 Bali Concord II and the 2008 ASEAN charter, which formalised ASEAN as a legal entity and intergovernmental organisation. Australia's relationship with ASEAN is multifaceted and operates on different levels. The report discusses the nature of interactions that occur at government and non-government levels, with ASEAN as a discrete entity and with individual member countries. Often, that relationship proceeds through different avenues and levels simultaneously.

In reviewing the outcomes of Australia's current FTAs with Singapore and Thailand, the committee has concluded that the policy of applying a greater focus on tariff barriers in trade negotiations and leaving a tail of negotiation for non-tariff barriers has not always appeared to work to Australia's immediate advantage. Better information about the cost of non-tariff barriers would greatly assist Australia's trade negotiators. To this end, the committee has recommended that the Department of Foreign Affairs and Trade develop a single method of costing non-tariff barriers to assist Australian FTA negotiators to identify, evaluate and target barriers to trade. As well, there should be annual reports to the parliament on the impact of individual trade agreements.

The committee is convinced that telecommunications should be an important component of FTAs being negotiated with other countries and has recommended that DFAT ensure future FTAs contain effective telecommunications chapters.

The committee further notes that the recognition of professional qualifications is an important aspect of Australia's ability to trade with ASEAN member countries. The more widely Australian professional qualifications are recognised, the better Australia's position to cater to emergent demand in the region. The committee has therefore made recommendations concerning the recognition of professional qualifications and that FTAs should include a professional services working group to assist in creating professional linkages, including mutual recognition agreements.

The committee has reviewed various aspects of Australia's cooperation with ASEAN in the security arena, including: the defence relationship; combating insurgency, terrorism

and transnational crime; enhancing biosecurity and health; and securing radioactive materials.

The committee recognises the wide-ranging and comprehensive contribution of various Australian agencies to the security of the ASEAN region. The security status is bound to fluctuate, but the committee is confident that the level of cooperation will ensure long-term success.

The committee welcomes the development of the ASEAN charter and the creation of an ASEAN human rights body. The new body will raise the profile of human rights and will create an opportunity to bring human rights issues before ASEAN ministers.

In addition, the committee believes there is an opportunity for Australia to progress human rights through its relationship with the Asian Development Bank by using its influence to ensure that adherence to core labour standards becomes a precondition for loans from that bank.

Regarding human rights issues, I note that the committee's Human Rights Subcommittee is currently reviewing international and regional human rights mechanisms to identify possible models that may be suitable for the Asia-Pacific region.

The committee is satisfied with the provision of aid to Burma and the AFP's explanation of its involvement with the Burmese police force. Nevertheless, there needs to be constant awareness of the possibility that the current Burmese regime will misuse the Australian assistance provided, and a willingness to withdraw this assistance should such evidence come to light.

The continuing detention of the Burmese opposition leader Aung San Suu Kyi continues to be of concern. The committee endorses the recent statement on the issue by the Minister for Foreign Affairs and calls for Aung San Suu Kyi's immediate and unconditional release.

Turning to the challenges created by climate change, the committee believes there are significant opportunities for Australia to offer leadership and technical assistance to ASEAN member countries. In the committee's view, Australia's present climate change engagements in the region, both government and non-government, are a good basis for meeting these challenges. They contribute to positive relationships in the region and, by enhancing capacity within ASEAN member states, build a foundation upon which future collaborations can occur.

Arising from its review of human rights and environment issues, the committee considers that human rights, core labour standards and the environment should be pursued in future FTAs. Australia should also take the opportunity to introduce such issues, if they are not already included, when current FTAs are reviewed.

In closing, I would like to thank all those who provided submissions and gave evidence at the public hearings. Finally, I thank my colleagues on the Foreign Affairs Subcommittee, and the secretariat.

I commend the report to the House.

Mr HAWKER (Wannon) (12.10 pm)—by leave—I join with the member for Fremantle in speaking on this report on behalf of the opposition members of the committee. The Joint Standing Committee on Foreign Affairs, Defence and Trade regularly reviews Australia's relationships with other countries and in recent years the committee has focused on Australia's relationship with its northern neighbours. This has included major reports on relations with Indonesia and with Malaysia. This report extends this focus by reviewing Australia's relationship with ASEAN, an organisation comprising 10 countries to Australia's north. To illustrate

the importance of ASEAN as a major trading partner, Australia has free trade agreements with two countries in ASEAN—Singapore and Thailand—and treaties with Indonesia and Malaysia are being contemplated.

During the inquiry, Australia and New Zealand concluded an FTA with ASEAN. The agreement was the first multicountry FTA Australia had negotiated and was the most comprehensive treaty ASEAN had entered into. This FTA is regarded as a platform for further trade liberalisation both between Australia, New Zealand and ASEAN and as a way of assisting ASEAN's plans to establish an ASEAN economic community by 2015.

The committee considers that FTAs—bilateral and multilateral—will become an increasing part of the trade environment in which Australia operates. This will be ensured by the continued growth of Asia and the trend towards trade and other forms of integration between countries. Because of this, it is important that FTA negotiators 'get it right' when striking agreements with Australia's trading partners. The committee has made several recommendations concerning FTAs which pertain to existing agreements when they are reviewed and FTAs being contemplated.

Australia has had equivocal outcomes with respect to the FTAs with Singapore and Thailand. In particular, the gains made by the Australian automotive industry in the Australia-Thailand FTA, known as TAFTA, have been countered by the emergence of non-tariff barriers. The outcomes arising from TAFTA underscore the importance of quantifying the benefits or costs of such agreements once they are concluded and, to this end, the committee has recommended that the Department of Foreign Affairs and Trade report annually to the parliament on the impact of individual trade agreements.

Trade in services provides significant opportunities for Australia, and the telecommunications sector has been identified as a high priority for the expansion of Australia's export trade. Further development in telecommunications, and knowledge-economy activities in general, would allow Australia to build on and go beyond the reliance on education and tourism, enhancing efforts to achieve a more favourable balance of trade.

Integral to facilitating trade in services is the mutual recognition of qualifications. The committee received evidence that this is an area which should be addressed and has recommended that when future bilateral free trade agreements are negotiated, or when existing agreements are reviewed, the government should take steps to assist in the creation of professional linkages, including mutual recognition agreements.

Security to Australia's north has always been a concern and the committee has reviewed various aspects of security in the region. The interaction of Australian agencies with counterparts in the ASEAN region is widespread, but it is important that Australian agencies remember to use the various forums provided by ASEAN, and the focal point of Australia's diplomatic missions, to maintain agency-to-agency links and communications.

The committee also notes the work being undertaken in the areas of biosecurity and health by Australia in collaboration with ASEAN member countries. The enhancement of biosecurity in ASEAN can expand outwards Australia's quarantine border and provide early warning and improved response to emerging threats. As well, work in the health area not only improves the wellbeing of ASEAN member countries and thereby its security but also protects Australians travelling overseas.

The committee considers that it is in Australia's interests to assist ASEAN member countries in securing their nascent nuclear infrastructure and their radioactive sources. ANSTO, through its ongoing engagement with the region, is well placed to provide that assistance and in the long term may be able to assist, should ASEAN members introduce nuclear power. The committee believes that there is merit in ANSTO attempting to seek a commercial return from its experience and goodwill in the region by engaging suppliers of nuclear and radioactive materials to the ASEAN region with a view to ANSTO providing safety and security advice to ASEAN member countries.

Turning to human rights, the committee received criticism of the Australian Federal Police's involvement with the Burmese police force. The committee sought justification from the AFP as well as the guidelines governing that relationship. The AFP was able to provide evidence of the outcomes of the relationship. These have included the arrest of drug traffickers and the destruction of heroin production laboratories in Burma. Nevertheless, as the AFP has acknowledged, there are connections between the ruling junta, the military and the Burmese police force. Australia must be careful that assistance to Burma is not abused. Concerning the continuing detention of the Burmese opposition leader, Aung San Suu Kyi, I would like to add my support to the comments made by the honourable member for Fremantle and the call for her immediate and unconditional release.

In conclusion, the committee has found Australia's relationship with ASEAN to be deep and comprehensive. The relationship will continue to mature and change. Doubtless there will be challenges, but I share the committee's confidence that the goodwill exists to overcome them. I too would like to thank all members of the committee for their involvement. Also, I particularly thank the committee secretariat for their support. I commend the report to the House.

Ms PARKE (Fremantle) (12.17 pm)—I move:

That the House take note of the report.

The DEPUTY SPEAKER (Hon. Peter Slipper)—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.

Foreign Affairs, Defence and Trade Committee

Report: Referral to Main Committee

Ms PARKE (Fremantle) (12.17 pm)—by leave—I move:

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

Question agreed to.

BUSINESS

Rearrangement

Mr GRAY (Brand—Parliamentary Secretary for Western and Northern Australia) (12.17 pm)—by leave—I move:

That order of the day No 1, government business, be postponed until a later hour this day.

Question agreed to.

MIGRATION AMENDMENT (ABOLISHING DETENTION DEBT) BILL 2009

Second Reading

Debate resumed from 17 June, on motion by **Mr Laurie Ferguson**:

That this bill be now read a second time.

Dr STONE (Murray) (12.18 pm)—I rise to oppose the Migration Amendment (Abolishing Detention Debt) Bill 2009. The policy of billing people for the cost of their detention was introduced in November 1992 by the then Labor government. Speaking during the introduction of the Migration Reform

Bill in 1992, the then Minister for Immigration, Local Government and Ethnic Affairs, Gerry Hand, stated:

> A primary objective of the Migration Act is to regulate, in the national interest, the entry and presence in Australia of persons who are not Australian citizens.

This very simple but important objective should guide all that we do in relation to changes to immigration policy, in particular when amendments are proposed that may further weaken this objective or put more border crossing decisions into the hands of international criminals.

The objective of this bill is to remove the liability for immigration detention debt and related costs for detainees and liable third parties and to extinguish all outstanding immigration detention debts other than those incurred by convicted illegal foreign fishers and people smugglers. Given the fact that detainees who make a successful bid to remain in Australia, and eligible third parties, very rarely pay any detention debt, virtually nothing, in effect, changes with the amendments introduced by this bill other than the principal itself. Right now, people who incur debt as asylum seekers are very rarely required to pay. In recognition of their means, less than 2.5 per cent of the detention debt invoiced since 2004-05 has been recovered, with nearly 95 per cent of the debt waived or written off. It should also be noted that the latest statistics show nearly 80 per cent of detainees are in detention for less than three months, which would create debts of around $10,000, not the hundreds of thousands of dollars often referred to in discussing this amendment. Nonetheless, the coalition agrees that such comparatively smaller amounts should still be waived or written off if the asylum seeker cannot pay.

A recent report by the Joint Standing Committee on Migration recommended the abolition of detention charges. The committee has also called for the release of detainees into the community before the processing of their identity, health and security status has been completed. It would mean even less time in detention for all if this very unwise recommendation were adopted by the Rudd government. I repeat that the coalition fully supports the waiving of detention debts and write-offs for asylum seekers found to be refugees and who are unable to pay. If, as the government argues, there is a problem with record keeping and the administration of the debt recovery or write-off programs then this government should improve that administration, not abolish the program that, I argue, serves a very important purpose. It would be an extraordinary precedent for any government if an important program were removed simply because it was maladministered.

There is no doubt that announcing to the region that this Rudd Labor regime is abolishing the 17-year-old policy of recovering detention debt would bring great joy to the people smugglers who are once again very active in our waters. Just yesterday we saw the arrival of the 22nd boat—and there have been over 800 unauthorised arrivals—since the softening of policy in August 2008. Abolishing the detention debt principle is going to remove one more deterrent in the way of people smugglers arguing now that Australia has a wide-open backdoor.

Members need to be reminded that ALP minister Gerry Hand introduced the measure to recover detention debts 17 years ago, for this program to be a deterrent. At the time, Australia was experiencing an early surge in unauthorised boat arrivals. The government of the day, the ALP, introduced a range of amendments to the Migration Act to try to restore order and to save lives. Measures included mandatory detention, the establishment of the migration and refugee review tribunals, time limits on the lodgement of

applications for asylum and also this detention charge we are discussing today. In his second reading speech Gerry Hand said:

> In spite of the 1989 reforms, a major issue confronting the government is border control. There are people who are intent on bypassing the established categories of entry into this country. Some do this by trying to avoid immigration processing altogether by arriving in Australia without authority. The boat people are a good example. Owing to weaknesses which have been inherent in our migration laws for many years, these people are often successful. Many manage to stay here, even though they do not fall within the specific visa categories, which is the only lawful way to enter and stay in Australia. At the very least, many manage to delay the substantive decision on their case and, as a consequence, their departure, by using the courts to exploit any weaknesses they can find in our immigration law. This must stop.

Those were the words of Gerry Hand, a Labor minister who knew all too well that the cost of compromising the integrity of the migration and humanitarian programs for our nation was a loss of our capacity to help those suffering in refugee camps around the world, people who would never have the cash or contacts to engage the people smugglers. Without good regional engagement and a properly managed migration and humanitarian program, we cannot afford to offer safe haven to those most in need—people, for example, like those who are coming out of Africa, the Thailand border regions and the Bangladeshi border regions.

Writing most recently in the *Australian* on 26 May, another former ALP minister for immigration, Barry Cohen, pondered Australia's response to people like his ancestors, the European Jewry, fleeing after World War II. He said:

> How many should Australia have taken: 30,000, 300,000, three million? There was always going to be a limit that would be too many for some, too little for others. Which brings us to the present debate in Australia about refugees, illegals, asylum seekers; call them what you will. It's still a matter of numbers.

Labor minister Gerry Hand also identified the problem that a surge of unauthorised arrivals posed for Australia's capacity to offer new settlers comprehensive support for some of the world's most desperate refugees. He was also, of course, concerned about our orderly migration program.

The Hon. Julia Gillard was once similarly convinced about the need for a strong migration policy with integrity, but of course she has since been silenced. In 2004 Julia Gillard, the now Deputy Prime Minister—

The DEPUTY SPEAKER (Hon. Peter Slipper)—Order! The honourable member for Murray ought to refer to the Deputy Prime Minister by her title.

Dr STONE—I am doing that, as I will explain. In 2004, Julia Gillard, the now Deputy Prime Minister, was shadow minister for immigration. She wrote the ALP policy for border protection, and her principles and views echoed those of her previous immigration ministers and the coalition. There was no ALP immigration policy, of course, to speak of in 2007, when Tony Burke was shadow minister, immediately before the election. We are told he was asked to bury migration policy or, at the very least, to make it a very small target. Julia Gillard, the deputy leader, wrote into her 2004 immigration policy the following:

> … the continuation of temporary protection visas; continuation of mandatory detention; the introduction of a US style coastguard; increased penalties for people smuggling, including 20-year jail terms, $1 million fines and confiscation of boats; streamlining of the Australian processing regime to make it the same as that applying in refugee camps, to help remove the motivation for asylum seekers to risk their lives journeying to Australia in leaky boats; limiting the appeal on a decision to refuse protection to only one appeal by leave

on points of law; asylum seekers found not to be refugees to be quickly sent home; and manifestly unfounded claims to be fast-tracked and resolved within a week.

Notably, none of these measures have been adopted or even talked about since the Rudd government was elected. In November 2007, instead, we saw a reversal of these strong types of principles. The Gillard policy proposals mirrored the coalition policies of the days when we had recently experienced the surge in people smuggling in 1999-2000. The coalition policies were hugely successful in stemming the 1999 surges in people smugglers, saving countless lives. Within 18 months of those new policies, introduced in late 1999, we saw people smugglers out of business. Of course Julia Gillard, now deputy leader of Labor, had closely observed that. Under the Rudd-Evans regime Labor has softened policy, with the tragic consequence of a flotilla of unseaworthy boats once again pushing off from our northern neighbours' shores and people being burned, drowned and maimed. Deputy Prime Minister Julia Gillard must be appalled at this amendment now before us and at the continued unravelling of both Labor and coalition policy that put previous governments in the driving seat in relation to who enters this country and who has the right to remain.

Of course, this is a government of many firsts. The Rudd Labor government is the first in Australian history to borrow and spend at rates that will see us paying back the debt for the next 20 to 30 years. It has even outborrowed Prime Minister Whitlam. This is also the first Australian government since Federation not to acknowledge the importance of maintaining border protection and the integrity and orderly management of our migration program, because no country can afford an open-door policy. Ex-Labor minister Barry Cohen wrote in the previously quoted opinion piece from just the other day about the reaction to John Howard's statement: 'We will decide who comes to this country and the manner in which they come.' He said:

> For the chattering classes this was final proof that Howard was a racist. What they overlooked was that his words could have been used by every PM from Edmund Barton to Kevin Rudd.
>
> … … …
>
> Howard could have chosen his words more carefully but he merely reiterated the policy of his predecessors. No Australian government, and for that matter, no government in the world has an "open-door" policy.

The weakening of immigration policy by this government has stimulated the biggest surge in people smuggling since 2001-02, when the coalition's strengthened strategy put people smugglers out of business within 18 months. You have to wonder if this Australian government is also the first to imagine that an open-door policy will deliver safety to fellow human beings. The detention debt policy—that is, the one we are discussing today—was introduced 17 years ago to assist in the proper management of Australia's borders and migration programs, to act as a deterrent to those entering the country unlawfully as illegal fishers or people smugglers or those with vexatious claims for protection. It was to help ensure Australians did not pay for the detention of people with no real claim on their protection or their hard-earned tax dollars.

Right now, people smugglers are telling their customers that the Rudd Labor government has reopened the back door to Australia—with the 22nd boat since August 2008 arriving yesterday. When the policy softening was first announced there had been virtually no boats for several years. We have had over 800 people on these 22 boats since August and another 1,000 people have been intercepted on our behalf by the Indonesians, although they are not quite sure of the

numbers because, tragically, bodies are rolling up on the beaches after failed attempts at people smuggling. Now is not the time to give people smugglers another boost, another angle, to sell their dangerous passages to and through the back door into Australia. There are stories circulating that people smugglers are offering passage to Christmas Island on a down payment, with the outstanding moneys to be paid over time once the asylum seeker is processed into Australia and has access to work or our welfare system. This business evolves then from people smuggling to the even more evil crime of people trafficking, with individuals and families pursued for payback for years. It is a brutal business, and we should not for a minute imagine that the people smugglers have any interest—other than for profit—in the welfare of their clients.

Why would anyone support removal of any deterrent? Why would anyone seek to improve the returns to those who traffic humans, to those who, as I said, have no regard for the safety of their clients and who have already been responsible for countless lives lost when boats were so unseaworthy they could not even get beyond Indonesian waters? There is no doubt that the smugglers monitor every move the Rudd government and others make. A recent article reported the story of Mr Mandalavi, a recent asylum seeker who also used people smugglers for passage into Australia in 2002. The article said that, after the Rudd government scrapped TPVs, a people smuggler 'mafia man' persuaded him to set sail. Mr Mandalavi said:

> He told me the laws had been changed in Australia, and that Mr Rudd wanted refugees.

Well, we all want to help refugees. One of my sons-in-law was a refugee. He, like many Australians, came to our shores because his family was processed by the UNHCR and he was invited to settle in a new country, where we supported him through English language programs, job-seeking support and accommodation. We have an enormously proud record and have had a very generous intake of offshore-sourced refugees—out of the hellholes of war-torn places. However, we know people smugglers do not care about the safety of their asylum seeker customers. They are motivated solely by profit. Too many lives have been lost and too many have been terribly injured. The criminals who smuggle people must not be given further incentives to offer to their clients. They must not be given further comfort in their extraordinary efforts to entice more to get on board. Per capita Australia has the third-biggest refugee resettlement program in the world, after the USA and Canada. This year we will resettle 13,750 out of the world's hellholes. Six thousand of these will be refugees who have been judged by the United Nations High Commissioner for Refugees to be in the most urgent need of resettlement. None of these 13,750 people could afford to pay people smugglers to deliver them to Australia. We in the coalition argue that those who cannot afford to pay, who have not got the criminal contacts, should not be dropped to the back of the queue.

There are 15.2 million refugees who the UNHCR has determined are in urgent need of a resettlement place. We must listen to their advice. The coalition are determined to help preserve the integrity of our migration and refugee programs, so we will not support any changes in policy that actively encourage the business of the barbaric people-smuggling trade. The Rudd Labor government, on the other hand, has unravelled measures designed to keep our refugee intake focused on those most in need. We cannot have an open-door policy. We do not have a limitless set of resources. With this government's rising debt levels,

our ability and capacity to settle more—appropriately—is contracting over time. We believe that the best interest of Australia and Australians is to settle those most in need of our support and to do that comprehensively and in a way that gives those new settlers the best chance of work and freedom and to live with fellow Australians in peace and security.

People smugglers are hooked to the internet and follow closely all of the moves and shifts in Rudd government policy, and they are declaring that it is a softening and a new back door. Abolishing the in-principle payment of the costs of detention is a measure that, along with abolishing temporary protection visas, abolishing the 45-day rule, which says that you should seek asylum within 45 days of arriving in this country, introducing another protection visa category for those who do not at the moment comply with UNHCR categories, gives comfort to the people smugglers, who are offering their passages to people desperate to have a new life in Australia.

We can understand their interest in a new life in our great country. We have to say, though, that there are ministerial intervention discretions. The minister right now can overlook when someone has taken more than 45 days to claim asylum in this country, so there is not a problem with the 45-day rule, which was introduced to make sure that the system was not abused. You can imagine the circumstance of an international student who has been in Australia for, perhaps, two or three years. They have completed their course and they wish to stay even longer to do some work and to send more funds back home, perhaps. They understand that if they apply for asylum, even though they have been for many years in Australia, their application will be duly processed and that, while the application is in process, they may continue to work. This is an outright invitation to a plethora of vexatious claims, clogging up the work of the Department of Immigration and Citizenship, which is, of course, already battling under the constraints of a reduced budget and some 900 fewer officials.

The minister also has discretion to give protection to someone whose plight is so bad but whose conditions do not fit exactly within those that the UNHCR describes or within other treaties that Australia is a signatory to. This minister is not shy about using his intervention powers. We have recently discovered that he is in fact the all-time champion of use of intervention powers as a minister for immigration in this country. He has in fact overturned some 1,000 decisions made by the Refugee Review Tribunal, the Migration Review Tribunal and the courts. Over 1,000 cases brought to this minister have been overturned by him, so he has no hesitation at all in using the intervention powers that the Migration Act gives to him. So why would we invite more vexatious claims for protection in this country, all the time distracting the work and diverting resources from those most in need—those in hellholes in Africa, Myanmar, Thailand and Bangladesh? This is not a humane way to conduct a migration or indeed humanitarian refugee policy. Certainly this amendment before us today is along the same lines of distraction and unnecessary softening that just give comfort to people smugglers.

There are already safeguards in the legislation to ensure that asylum seekers who do not have the means to pay are given manageable repayment schedules or have their detention debts waived or written off. When I was parliamentary secretary for finance, I had these cases come before me regularly, looking for waiving or writing off payments, or indeed for ex-gratia payments, and I did not hesitate to move quickly to resolve those cases when there was clear evidence that the person needed to be freed from any debt in

the process of re-settling or settling into our great country.

The Department of Immigration and Citizenship advises that detention debt liability is written off for ex-detainees who have been granted humanitarian and refugee visas or for persons detained unlawfully. In fact, less than 2.5 per cent of detention debt has been invoiced and recovered. So this is not an issue of refugees now in our community walking around with multi-thousands of dollars in debt burdening them, destroying their chances of settling properly and peacefully into this country. That is a furphy. However, it is wrong to equate the failure to collect the debt with a failure of the measure. It was never intended or seen as a revenue raiser for any government before. It is a deterrent and a principle that says that the Australian taxpayer should not have to pay for the detention of people such as illegal fishers, asylum seekers who are found not to have a call on this government for protection or indeed people smugglers themselves.

Clearly, it goes without saying that administrative arrangements do need to be improved if they are found to be wanting. If it costs more to collect some of this debt than the debt itself, then quite clearly the department of immigration should get its act together. But the principle should not be thrown out the door because the administration of that principle is wanting.

So the coalition opposes the Rudd Labor government's decision to abolish all detention debts. At this time of surging illegal boat arrivals we believe that all government policies must send a clear and unambiguous message that people-smuggling will not be tolerated in Australia, nor will people-trafficking. The integrity of our migration and humanitarian programs must be a government priority. This is important for the purposes of human rights, for the rights of individuals who are suffering right now in camps and places where there is no hope of their ever raising cash or having contacts to buy their way out of these terrible and inhumane conditions.

In summary, the coalition considers there are safeguards already in the legislation to ensure that asylum seekers who do not have the means to pay can have their detention debts waived or written off, and over 95 per cent of asylum seekers with these debts find their debts waived or written off. We support the continuing collection of detention debts owed by convicted illegal foreign fishers and convicted people smugglers. I repeat that it is also very important to improve the administration of this detention debt policy if, as the government argues, it is seriously inefficient. However, I repeat: we cannot support the further watering down of border protection policies and the integrity of our humanitarian refugee programs. The illegal boat arrivals continue to surge in response to Mr Rudd's new regime. We think that is a terrible thing.

Mrs D'ATH (Petrie) (12.45 pm)—I rise to speak in support of the Migration Amendment (Abolishing Detention Debt) Bill 2009. This bill amends the Migration Act 1958 to remove the liability for immigration detention and related costs for certain persons and liable third parties and extinguish all outstanding immigration detention debts. It was interesting listening to the member for Murray and shadow minister for immigration today. Recently the member for Murray erroneously suggested that the Joint Standing Committee on Migration's second report recommended that asylum seekers move out of detention as quickly as possible before their security, health and identity checks were completed. I am sure others from the Joint Standing Committee on Migration can defend their own report, but looking at the committee's second report as a member of that committee, nowhere are such

recommendations made. I would also note that the chair of the committee, the member for Melbourne Ports, on 1 June 2009 commented that the shadow immigration minister twisted the committee's recommendations beyond recognition.

Today we heard the member for Murray and shadow minister taking a different approach to the position taken by that member in the first report of the Joint Standing Committee on Migration. I note the member has left the chamber, but I certainly call on the member to have a look at the committee's report and remind herself that, in fact, she did support the recommendations in the first report. I also refer the member for Murray back to the evidence and research that was relied on to support the recommendations of the committee. I will come to that evidence and research shortly.

I, on the other hand, continue to support the recommendations of the Joint Standing Committee on Migration in relation to detention charges. As a member of the Joint Standing Committee on Migration, I have been able to inform myself of the issues surrounding the detention debt and the history of the debt in this country and to compare Australia's practices with countries around the globe. The committee, in its first report, *Immigration detention in Australia: a new beginning*, released in December 2008, raised the issue of detention debt in Australia. Chapter 5 of the report specifically deals with the evidence put before the committee in its inquiry and the committee's recommendations in relation to removals and detention charges.

In the Migration Act 1958 there is an obligation to detain any unlawful noncitizen. Currently the act only provides three mechanisms for subsequent release from detention: the grant of a visa, either a substantive or a bridging visa; removal from Australia; or deportation from Australia. Under the Migration Act currently, a noncitizen who is detained is liable to pay the Commonwealth the cost of his or her immigration detention. An individual begins to accumulate debt with the Commonwealth as soon as they are placed in detention. As at June 2008 the charge for an individual to be held in immigration detention was $125.40 per day. This daily charge applies to immigration detention centres, residential centres and community detention. Spouses and dependent children are also liable for charges, with the parent or guardian being liable for the costs of a dependent child.

The costs accumulated by a person in immigration detention can be significant. Paragraph 5.55 of the committee's report provides an example given by the Refugee Action Committee of an accumulated debt for a family held in detention:

> After six years in a detention centre and another three years living as a refugee in Melbourne, Hossein (family name withheld), an Iranian refugee, has been advised by the Department of Immigration and Citizenship that he owes an amount of $200,000 which represents the cost of keeping his wife, daughter and son locked up in the Curtin Detention Centre in Western Australia for three years.

Paragraph 5.56 of the report notes that the Forum of Australian Services for Survivors of Torture and Trauma advised:

> Detention debts can be very considerable. In the year ended 30 June 2007, one family was advised that their debt was more than $340,000.

The debt notification letter and invoice sent by the Department of Immigration and Citizenship to a former detainee is not merely an exercise on paper, with no real effect on the individuals served. The act provides the Commonwealth with specific powers to recover any outstanding debt. These powers include restraining dealings with property, preventing a bank or financial institution

from processing any transactions in any account held by the debtor, attaching the debt to specific forms of income of the debtor and entering the premises in order to seize and sell valuables belonging to the debtor.

Evidence to the inquiry showed that, where debt recovery is pursued, a payment plan is commonly negotiated with the former detainee. However, as reasonable as this may sound, the Forum of Australian Services for Survivors of Torture and Trauma gave the example of one former detainee with a detention debt and repayment arrangement to the Commonwealth that would take him over 80 years to repay. This clearly would be seen by any reasonable person to be unacceptable.

The original objective of the detention debt policy in division 10 of part 2 of the Migration Act was to minimise the cost to the Australian community associated with the detention of unlawful noncitizens by ensuring that all unlawful noncitizens bear primary responsibility for the costs associated with their detention, deportation or removal. The second objective of the policy was to require former detainees to repay their debt to the Commonwealth, or make suitable arrangements for repayment, as a condition for the grant of a visa for re-entry to Australia. The inquiry held by the current Joint Standing Committee on Migration is not the first to review the issue of detention charges. In fact, there have been several reviews, with concerns raised as to the equity, recovery and cost-effectiveness of maintaining this policy.

In 2006 the Senate Standing Committee on Legal and Constitutional Affairs report *Administration and operation of the Migration Act 1958* noted:

> The evidence clearly indicates that the imposition of detention costs is an extremely harsh policy and one that is likely to cause significant hardship to a large number of people. The imposition of a blanket policy without regard to individual circumstances is inherently unreasonable and may be so punitive in some cases as to effectively amount to a fine. The Committee agrees that it is a serious injustice to charge people for the cost of detention.

The committee recommended that the imposition of detention debt be discontinued except in instances of abuse of process or where applicants acted in bad faith.

In July 2007 the Commonwealth Ombudsman initiated an 'own motion' investigation into whether the department's administrative processes and procedures were appropriate and applied reasonably and consistently across the department. The Ombudsman's report *Department of Immigration and Citizenship: administration of detention debt waiver and write-off* was published in April 2008. The Ombudsman found that, while the department was administering the debt waiver and write-off of detention debt according to legislative and policy requirements, there was scope for improvement. Most recently, of course, has been the report issued by the current Joint Standing Committee on Migration, which I have already referred to.

The questions that need to be asked in relation to whether the detention debt procedures should be retained go to: firstly, whether the Commonwealth in fact has recovered the costs and, if so, minimised the costs to the Australian community associated with the detention of unlawful noncitizens; and, secondly, whether the detention debt has been a disincentive for unlawful noncitizens to attempt to come to Australia. The answer to both of these is no. In practice, recovery of many detention debts is not pursued, with debts waived or written off. When a debt is written off this means that a decision is made not to pursue recovery of the debt. However, at some time in the future the Commonwealth may choose to execute debt recovery. When a detention debt is waived the debt is extinguished.

In the financial year ending 2008 nearly $3.5 million of detention debt was waived for 142 former detainees. The hardship arises from the fact that write-offs were in fact much more commonly employed, leaving the individual or family to still live with the fact that the Commonwealth could choose to execute debt recovery at any time in the future. On the issue of deterrence, there was not evidence that such a debt against unlawful noncitizens willing to risk their lives to come to Australia in treacherous conditions made them less inclined to come because they may incur a debt.

There is one other reason that is more fundamentally important than the two that I have highlighted, and that is the basic human rights of individuals to seek refuge in this country and this country's policy on detention debt compared to those of advanced countries around the world. The committee heard a range of criticisms about the practice of applying charges to persons in detention. There was consensus of opinion condemning the policy as punitive and discriminatory. Labor for Refugees NSW described it as 'intentionally punitive, unjust and inhumane'. In his appearance before the committee, Julian Burnside QC stated:

> We charge [people in detention] by the day for the cost of their own detention. In connection with a case which challenged the validity of that section [of the Act], the Department and I against them, carried out some research which showed that we are the only country in the world which charges innocent people the cost of incarcerating them. It is not a distinction that is deserving of much merit.

There is also no evidence of citizens and noncitizens who are detained as punishment for crimes in Australia being made liable for the cost of their detention. Other detainees subjected to 'administrative detention', such as individuals suffering from mental health issues who are detained pursuant to the Mental Health Act 1983, are not required to reimburse the Commonwealth for the cost of the deprivation of their liberty. Nor are detainees detained for quarantine reasons pursuant to the Quarantine Act 1908 required to pay for their segregation from the Australian community. Detention of noncitizens pursuant to the Migration Act 1958 remains the only form of detention in Australia that requires the detained to pay for their own detention. This is outlined by Azadeh Dastyari of the Castan Centre for Human Rights Law at paragraph 581 of the committee's report.

Concerns were also raised with the committee regarding the impact of detention debt on ex-detainees, in particular the burden on mental wellbeing, the ability to repay the debt, and the restrictions a debt could place on options for returning to Australia on a substantive visa. The Refugee Action Committee in Canberra noted:

> Policy [relating to detention charges] stands as a barrier towards refugees fully integrating into the community, and continues to put significant pressure—both emotionally and financially—on those people who have already experienced so much trauma and uncertainty in their lives.

The committee report also noted that a 2008 Commonwealth Ombudsman report into detention debt administration indicated that the added burden of having a large debt caused high levels of stress in people that had formerly spent a period of time in detention.

It is for all of these reasons and more that I support the bill before the House. I also believe that it is equally important that this bill not only removes the future charge of detention debt but also extinguishes the existing debts of individuals. To do so is to acknowledge that such harsh and inhumane treatment is no longer accepted in Australia.

It is important to note, however, that the Rudd Labor government, despite the claims of the member for Murray, remains strongly

committed to border security and it is for such reasons that the bill will retain provisions in relation to convicted illegal foreign fishers and convicted people smugglers, ensuring that the legislation imposes a liability on those persons for detention and transport costs while in immigration detention. I wonder whether the member for Murray is aware of this retention provision, based on her speech today.

It is important that Australia has a strong migration policy and border control measures. It is equally important that those measures are targeted in the appropriate way and towards the appropriate people. People smuggling and illegal fishing need to be a key focus of the Australian government and will continue to be into the future with the tough stance that this government is taking on this issue and the continuing dialogue that this country is having with Indonesia and other countries to stop this illegal conduct. People's lives are being put at risk by people smugglers and we need to ensure that those who are responsible for orchestrating the people smuggling are prosecuted to the full extent of Australian laws.

That is why I am pleased to commend the Rudd government's announcement of a massive $1.3 billion package in this year's budget to further strengthen Australia's border protection and national security regime. Of this $1.3 billion, $654 million is specifically dedicated to a whole-of-government strategy to combat the people smuggling, something that I note the member for Murray failed to mention. This bill gets the balance right. It continues to ensure that Australia's migration laws deter unlawful noncitizens, while at the same time ensuring that Australia complies with its international obligations to asylum seekers and refugees in a fair and humane way. I commend the bill to the House.

Mr GEORGIOU (Kooyong) (12.59 pm)—I speak in support of the Migration Amendment (Abolishing Detention Debt) Bill 2009. It is a bill that takes another step towards closing a dark chapter in our history. This dark chapter is about the incarceration of men, women and children behind razor wire in isolated locations. It is about the imprisonment of innocent people for periods longer than criminals convicted of serious felonies. It is about the demonisation of people fleeing persecution. It is about the denial of psychiatric attention to sick people to whom the government owed a duty of care. It is about conditions in detention centres that traumatised not just the detainees but also their guards. It is a chapter about lip sewing and suicide attempts. It is a chapter about harming people fleeing persecution who asked for and were entitled to protection in our country.

This chapter is a stark contrast to the openness and compassion of the one that preceded it. Some members will recall 1976, when our country was faced by the unprecedented challenge of Indochinese boat people. Two thousand of them landed on our shores in a handful of years. Some people proposed that we should put them into detention centres or push the boats back. The Fraser government, supported by the opposition, rejected this. We accepted the Indochinese refugees into our society and we participated in an international effort which resettled almost 1.5 million people from Indochina across the world, with about 130,000 of them coming to Australia. The sense of responsibility and compassion that prompted this was a tribute to the Australian people and to our leaders. History shows that our nation benefited.

But just 15 years after the first Indochinese arrived on our shores unannounced, the parliament turned its back on this record of compassion and achievement and a new

chapter was opened. Its first pages were penned by the then Minister for Immigration, Local Government and Ethnic Affairs, Gerry Hand. In response to 449 people arriving by boat over the preceding three years, Minister Hand proposed a new and punitive policy. His colleague Neal Blewett described the process:

> Hand supported his proposals with his usual blend of vivid anecdotes about the wickedness of the boat people and their sinister manipulators (Chinese tongs this time) and attacks on the self-righteous attitude of the churches and the do-gooders.

By allegations of wickedness, manipulation and by attacks on churches and do-gooders, Minister Hand persuaded the Labor cabinet to adopt this bundle of legislation in 1992. This legislation made it law that asylum seekers—men, women and children—automatically be placed in detention and made liable for the cost of that detention. A few days ago, the member for Melbourne Ports said that the charging of the cost of detention was:

> … one of the particularly odious policies of the previous conservative government …

Yes, Mr Deputy Speaker, it is an odious policy, but it has to be recognised that it was introduced by a Labor government. If we are going to try to make things right on a bipartisan basis, we cannot distort the facts. We have to confront the reality that both sides of parliament were involved individually and collectively. All of Hand's harsh measures were at the time supported by both sides of the House and the succeeding coalition government maintained Labor's measures and toughened them. The Pacific solution was established, Australian territories were excised from the migration zone and boat people who were found to be genuine refugees were given only temporary protection visas in contrast with the established history of Australia. All of these measures were supported by the coalition parties and Labor.

I can attest that these measures disturb some members on both sides. I think that does need to be said. But it also needs to be said, and it cannot and should not be denied, that we did go along—we all did. The votes in the parliament show this. Going along had its consequences. Vulnerable men, women and children were harmed by the legislation we voted for and by the practices and abuses that it spawned. But by 2005 the recognition was grown in both the parliament and the community at large that our treatment of people arriving by boat seeking sanctuary was cruel and contrary to Australia's best values. The coalition government was persuaded that the harshness with which the people seeking sanctuary were treated should be ameliorated and the reforms were supported by the opposition. It was agreed that children were only to be held in immigration detention as a measure of last resort, that all families with children were to live in the community without security supervision, that the Immigration Ombudsman would independently review and report on all cases of long-term detainees and the permanent protection visa applications by temporary protection visa holders would be expedited and treated favourably—and they were.

These changes softened the mandatory detention regime. The treatment of refugees became more open and more compassionate. But what we achieved was a compromise. The people arguing for change knew this and we publicly said so. The fact is that the mandatory detention regime was left in place. The process of reform that was begun in 2005 was continued by the Labor government, with a series of measures that increased the humanity of our treatment of people seeking protection in Australia: the Pacific solution was dismantled; non-judicial review processes were improved; and tempo-

rary protection visas were abolished and all refugees were given permanent protection.

There has recently been some discussion of the impact of the abolition of protection temporary visas. I would like to make my own views crystal clear. There is no evidence that giving people who are found to be genuine refugees only temporary protection has deterred people from seeking sanctuary in Australia. The statistics are quite clear. In summary: in the five years prior to the introduction of the temporary protection visa there were 3,103 boat arrivals and in the five years after TPVs were introduced there were 11,433 arrivals. Does that show it is a deterrent? I remain unconvinced.

This is not to say that the introduction of TPVs had no impact; it did. Unlike holders of traditional permanent protection visas, holders of temporary protection visas were denied the ability to apply for family reunion. They were found to be legitimate refugees by our process but could not apply to have their families join them. The evidence is that, by preventing women from applying to join their husbands, they were more susceptible to resorting to people smugglers. DIMIA officers gave this evidence:

> … because of the removal of the ability to seek family reunion for those holding temporary protection visas in 1999 … increasingly women and children arrived in Australia unlawfully …

The Secretary of the Department of Immigration and Citizenship recently concluded:

> There is no evidence to suggest that the abolition of Temporary Protection Visas has resulted in increased unauthorised boat arrivals.
>
> Rather, an examination of the TPV data indicates unauthorised boat arrivals increased following the introduction of TPVs.

But beyond this there is the record of the 353 people who tragically drowned when the boat designated 'suspected illegal entry vessel X' sank in October 2001 on its way to Australia. We will probably never fully know who was on SIEVX or their motives. The AFP has testified that it had a list that could not be disclosed for operational reasons and may not be accurate, but what has been established beyond doubt by journalists' investigations—and this is on the public record—is that passengers on SIEVX were trying to reunite with their spouses.

Here are just some of the tragic cases. Ahmed al-Zalimi was living in Sydney on a TPV, which precluded him from applying for his family to join him. His wife and three daughters boarded SIEVX to be reunited with him. His three daughters drowned. Mohammed al-Ghazzi was living in Perth on a temporary protection visa. He lost a total of 15 family members on SIEVX, including his wife and three children. Hazam al-Rowaimi was living in Victoria on a temporary protection visa. He lost his wife, four children and mother. Haidar al-Zoohairi was living in Sydney on a temporary protection visa. He lost his wife, two children and brother-in-law. SIEVX was a tragedy of major proportions and its passengers attest to the unintended consequences of the temporary protection visa. I welcome the return to giving people who have been found to be genuine refugees permanent protection with the ability to have their family join them. There is no way that temporary protection visas—or any variation of them—should be reintroduced.

Nonetheless, I welcome this abolishing detention debt bill as a further step in closing this dark and distressing chapter in our history. This bill terminates the law that charges people seeking refuge in Australia the costs of their mandatory detention. The most obvious reason for repealing it is that it has totally failed to achieve its objective. The stated objective of charging people in detention was that asylum seekers should

pay for the costs of being detained. I have searched assiduously to find a deterrent objective but unfortunately I have not been able to discover one—at least not on the public record.

Since the policy was initiated, only four per cent of the costs have been recovered. Over the last four years, $139 million or 81 per cent of charges have been waived or written off, mainly by the coalition government, because it was impractical or uneconomical to recover the charges. This year it is estimated that it will cost $709,000 to collect $573,000. There is simply no rational basis on which continuing the charges can be defended. This is not surprising. How could Gerry Hand and his department have ever believed that refugees could repay these charges? In some cases refugees owe hundreds of thousands of dollars when they are released. I say again that this policy has failed abysmally to achieve its stated objectives.

What the charges do achieve is making the lives of those subject to them more difficult and them more anxious. All former detainees, regardless of their status, receive a debt notification letter and invoice from the department prior to the consideration of a waiver or write-off. This contributes to the stress of former detainees and their families, who do not know if they will be liable for the debt. The overwhelming evidence—and it is overwhelming because there was no other evidence—provided to the Joint Standing Committee on Migration in its recent inquiry showed that the detention charges policy is:

> … a barrier towards refugees fully integrating into the community, and continues to put significant pressure—both emotionally and financially—on those people who have already experienced so much trauma and uncertainty in their lives.

And:

> The policy reinforces and prolongs emotions such as shame and guilt which are common effects of torture and trauma, and impedes the recovery of survivors.

This has been replicated in any number of other reports. At the end of last year, having considered all the evidence, the Joint Standing Committee on Migration was unanimous in its recommendation that the legislation be repealed. This bill effectively implements the recommendations while still charging people smugglers and illegal fishers.

In my view, there is another fundamental reason for ending the detention charges. It is because imposing these charges is part of the process of dehumanising people seeking refuge, part of the way they have been presented as being worse than the worst criminals. Do we charge drug dealers, serial paedophiles, sadistic murderers and multiple rapists the costs of their detention? No, we do not, whether or not those criminals are Australian citizens, noncitizens, illegal immigrants or Uncle Tom Cobley. The charging of people who arrive on our shores seeking protection for the costs of their detention is part of the way in which we have demonised them and presented them as being worse than criminals. And this image, I believe, underpins the abuses which have been discovered by inquiries into our mistreatment of people in detention. The fact is that throughout history people have fled their homes to escape persecution and violence and to seek safety where they can—across the border or across the ocean. Since 2005 we have moved to return humanity to our treatment of refugees. That process is not, in my view, complete.

At the present time Australia is confronted, as are many other countries, with an increase in people seeking refuge on our shores. The United Nations High Commissioner for Refugees in his most recent report shows that the number of individual claims for asylum worldwide rose for the second

year in a row by 28 per cent to 839,000. Developed countries like Australia do attract asylum seekers, but the fact is that 80 per cent of the world's refugees are hosted by developing countries: Pakistan, Syria, Iran and Jordan. Amongst the developed countries, the US received 49,600 applications for asylum; France, 35,400; Canada, 34,800; the UK, 30,500; and Italy, 30,300. Australia received—and this is taking together boat arrivals and plane arrivals—4,500 asylum claims. That is 0.5 per cent of the total, and almost all of them did not arrive by boat.

The number of people seeking asylum has resulted in some calling for a return to harsh policies or for an end to the amelioration of the harshness of policies, which is still there. We have experienced the cruelty and harm that such policies have caused. We should not contemplate returning to them again, and I will not do so.

The members of this House are legislators in a 21st century Australia—a civil society, a precious society, a country under the rule of law which is generally just and equitable. We are also human beings, with good and bad instincts, and we are capable of making good and bad decisions. Our fellow citizens have put us into this place, temporarily, so that we can pursue decent public policy outcomes for our society and legislate decent law. No advanced society should allow on its statutes a law which so degrades and humiliates fellow human beings who are legitimately calling on our protection. We have an obligation to our own generation and to future generations to support this bill. I will support the bill and I commend it to the House.

Mr ZAPPIA (Makin) (1.18 pm)—I have just listened to the member for Kooyong and I respect and appreciate his honesty, his understanding and his passion on this issue. But it was disappointing that the member for Murray, the opposition spokesperson on immigration, came into the chamber earlier on and continued to misrepresent the findings of the Joint Standing Committee on Migration's second report, to distort the effect of this legislation and then, after having supported the joint standing committee's recommendation to abolish detention debts, said that now she opposes this bill.

I am speaking in support of this bill, the Migration Amendment (Abolishing Detention Debt) Bill 2009. It implements a unanimous recommendation of the Joint Standing Committee on Migration's first report, tabled in December 2008, entitled *Immigration detention in Australia: a new beginning*. In essence, this bill abolishes the current practice by the federal government of charging detainees with the daily cost of detention for the period held in detention, including any transport costs associated with that detention. The bill also extinguishes all outstanding debts as at the time the bill comes into effect.

Importantly, the raising of detention debts for illegal fishermen and people smugglers will continue and will not be affected by this bill. The government maintains rigorous ongoing surveillance with respect to illegal fishing in Australian waters and the retention of detention debt liabilities for persons convicted of illegal foreign fishing or people-smuggling continues to be an additional, necessary deterrent.

The legislation is prospective and therefore there will be no refunds of any detention debts that have already been paid. No other comparable country, including the USA, the UK, New Zealand, Sweden, the Netherlands, Germany and Denmark, imposes detention charges on refugees held in detention. In Australia, whilst a daily charge currently of around $125 is raised, most of the money is never recovered. For example, over the two-year period 2006-07 to 2007-08 the total amount of detention debt raised was $54.3

million, of which only $1.8 million was recovered. Administrative costs of managing and recovery of the detention debt for the 2008-09 year are estimated to be around $709,000. Administration and recovery costs are almost equivalent to the amounts recovered. If recovery levels fall, then it may cost the Australian people more to administer the immigration detention debt process than what is actually recovered.

The joint standing committee's recommendation was not the first time that the practice by government of raising a detention debt has been questioned, as the member for Petrie highlighted earlier. In 2006 the Senate Standing Committee on Legal and Constitutional Affairs recommended that the practice of raising detention debt be discontinued. Concerns about detention debt were also raised in 2008 by the Commonwealth Ombudsman.

On a technical matter—and it is a matter that goes to the heart of what the member for Murray was saying about why detention debts should remain in place—the intention here is very clearly to abolish the debt practice, not to write off or waive debts, as is the current practice. It is argued that we do not need to introduce this bill because the debts never get repaid anyway because we do not call on them to do so and we simply write them off or waive them, and it is argued that this is a practice that should continue. That is not the case, and it should not continue, because a debt that is written off can always be reinstated at a future time. Also, if debts were to be waived, a cumbersome process of assessing each and every individual debt would be required.

I understand that it has been a longstanding practice of the department not to pursue a detention debt incurred by a person who was subsequently granted a protection or humanitarian visa, and that such debts were written off. This bill makes it clear that such debts will not be raised in the first place and therefore provides absolute certainty to persons affected by the current provisions.

In the course of its inquiry the committee received numerous written submissions and met with former detainees and refugee advocates from around Australia. The question of detention debts was frequently raised because of the financial hardship faced by former detainees and because of the ongoing stress caused by having a debt hanging over their heads. If a person is provided with a protection visa or a humanitarian visa, it logically follows that the person met the criteria as a refugee and, therefore, long-term detention was inappropriate. To then charge that person for the unnecessary detention would also, logically, be inappropriate. To quote Julian Burnside QC, as the member for Petrie did earlier on, who appeared before the Joint Standing Committee on Migration:

> … we are the only country in the world which charges innocent people the cost of incarcerating them.

As a signatory to and having ratified the 1951 United Nations Convention relating to the Status of Refugees, and its protocol, Australia agreed to provide protection to people seeking asylum in Australia. The charging of detention costs is clearly not in keeping with the intent of the 1951 convention. Whilst the Department of Immigration and Citizenship recognises the 1951 convention and, I understand, generally does not issue an invoice or pursue debts for people found to be genuine refugees, it is a complete waste of taxpayers' money to administer a system, at substantial cost, for no benefit to taxpayers.

There are several other points I want to make about the effects of detention debts on people. Firstly, the debts add more stress and trauma to people who in most cases have already endured incredible suffering and

hardship. Secondly, the burden of detention debt can become another barrier in a person's ability to resettle in Australia. Most detainees face serious financial hardship on their release, with considerable difficulty in finding employment and housing. Thirdly, an outstanding detention debt can prevent a person from re-entering Australia or from sponsoring other family members who wish to migrate to Australia, thereby preventing a family reunion.

The treatment of asylum seekers by the Howard government was a sad chapter in Australia's history and was condemned by people from all sides of politics, including from members within the Howard government ranks. People's lives did not matter; what mattered to the coalition was the political opportunism arising from a politically divisive issue. The Rudd government, on coming to office, quickly moved to change government policy relating to the treatment of asylum seekers. On 29 July 2008, Senator Chris Evans, the Minister for Immigration and Citizenship, handed down a new policy on immigration detention—a policy that was widely welcomed throughout the community, including by coalition members of the Joint Standing Committee on Migration. I would just point out that on that committee were the member for Hughes; the member for Kooyong, whom we heard speak earlier on; the member for Murray; and Senator Alan Eggleston—all coalition members and all of whom supported not only the recommendation of that committee but also the policy that was announced by Senator Evans when it was being discussed at committee meetings. It is a policy that ensures that all unauthorised arrivals are detained until health, identity and security checks are established—again, contrary to what the member for Murray would have this House believe.

This measure in no way weakens or diminishes the Rudd government's resolve to prosecute illegal foreign fishing and people-smuggling activities. Firstly, not pursuing detention debts from asylum seekers who are granted a protection or humanitarian visa was a practice of the previous coalition government. It did not just start; it was a practice of the previous coalition government. Secondly, the Rudd government has one of the toughest and most comprehensive border security regimes in the world. It is a regime based on mandatory detention of all unauthorised boat arrivals until health, identity and security checks have been carried out; extensive air, land and sea patrols, strengthened only last week by the introduction of the Migration Amendment (Protection of Identifying Information) Bill in this House, which will aid and assist law enforcement officers in tracking down people smugglers around the world; prosecution of people smugglers; and, strategic regional engagement with source and transit countries to address people-smuggling. Thirdly, the Rudd government continue to focus on the complete spectrum of this complex refugee issue, including stabilisation, prevention, deterrence, detection and interception.

This policy is about bringing some humanity to the way we treat asylum seekers who come to this country and who have, as I said earlier, inevitably been through some exceptionally traumatic conditions. It is a measure that was unanimously supported by the joint committee, it is a measure that was consistently supported by people who made representations to the committee and it is a measure that I know will be welcomed by those many people out there right now who have debts hanging over their heads and who are uncertain of their future because of them. I welcome and support this bill and I commend it to the House.

Mr TUCKEY (O'Connor) (1.29 pm)—The opposition opposes this change to the legislation, and in my view for very good

reason. It is not a wise move to send signals to the people smugglers of the world that further encourage them to entice people into a very risky process that can only be described, in terms of Australia's refugee policy, as queue jumping. Queue jumping is not to be encouraged. I will read from some of the advice I received on the costs that the member for Makin just so proudly mentioned. In fact, the government, through a variety of budget measures, is spending about $400 million on various policies designed to restrict the activity of these people. Whilst they might be effective, in the present period where the government will eventually borrow some $315 thousand million one would think that there would be a policy within the government to attempt to reduce expenditure if other measures were as effective.

The Howard government progressively added to the provisions of the Hawke government in trying to get effective measures that by themselves discouraged the process conducted by people smugglers. Bit by bit, as the people who arrived realised they would most probably be sent back or otherwise not allowed into mainland Australia, it became apparent that that particular inexpensive legislation seemed to have effect.

In dredging around for an excuse, as this government does on all occasions, the government has said, 'Oh, but this is all to do with increased violence throughout the world.' Well, the war in Afghanistan has been virtually perpetual, going back to the days of Rudyard Kipling, and the circumstances in Iraq have settled down substantially—I might refer a bit further to the refugees that we might encourage or assist in terms of the people of Iraq.

The reality is that building the detention centre on Christmas Island, something I as minister was somewhat involved with at the time, was a very expensive process. I believe the detention centre was built at a cost far in excess of reality. I will take the opportunity of reading the Auditor-General's report on that matter as soon as I am free of the duties of this House.

The fact is that we need legislative measures and a clear policy that says, 'If you come, don't anticipate being allowed into Australia and don't anticipate having access to the entire court procedures.' These procedures have been abused by their predecessors but, while they lost them progressively, it did extend their stay in the country significantly, consequently making it more difficult for Australian residents. Australian citizens seeking the services of the court to resolve commercial disputes and other issues of that nature could not get in, so crowded were the lists of our relevant courts. I think at one stage the waiting list, if I could call it that, at the High Court numbered about 160.

Persons who had arrived in this place, and are to be released from debt by this legislation, somehow or other found the money to progressively go from, presumably, a magistrates court or similar judicial body through to the High Court as a device to allow them to continue to stay in Australia—probably some did have children who, having been born in this country, had some qualification to citizenship. The interesting thing about those applications to the High Court was that they were typically withdrawn on the announcement that they were to be called on. These are the people who are portrayed by the member for Makin and other speakers as being traumatised, greatly disadvantaged and too hard up to refund the Australian taxpayer for costs they incurred in their processing or other activities. Rumour has it that the price of a dodgy passport to Indonesia in Afghanistan is somewhere between $10,000 and $20,000. So it is okay; they can pay that, breaking the law in the process, and when

they get here and put Australian taxpayers to considerable expense in very difficult times—when their government is borrowing comprehensively, at burden to their children—we should forego any opportunity to recover moneys allocated in these circumstances.

Let us add to that the comment of the member for Makin: 'This is a hugely expensive process.' Well, I am not sure why that should be. If it is, and if there is a massive bureaucracy sitting there waiting to collect these dues, find them other employment. Considering the very system that is associated with collecting this money, hire a debt collection agency on a fee-for-service basis. If there are moneys to be collected, you do not have to have some public servant sitting behind their desk waiting for an account to come across their desk. That is silly. There is no reason why there should be a cost associated with collection.

There has always been—to a point of generosity, I would criticise—a process of forgiving the debt, unless it has happened on many occasions. And, as I pointed out, we are not necessarily dealing with people of small means. We have no idea what their international connections are once they get here, but typically they are found to be in reasonably comfortable circumstances after a while.

I mentioned earlier that these people are queue jumpers. I hope my staff member is still not looking; I thought I had forgotten this paper and I rang her up and said, 'Please bring it down', but I have it. If she is watching, she will have some words to quietly say about me! I looked at the figure of $400 million of expenditures, all designed to prevent entrance by people of this nature. The government are out there saying, 'Look at all the money we're spending.' They measure excellence by expenditure on every occasion. They are happy to spend three times what it cost anybody else to build a school building, to prove they are doing a good job in looking after schoolkids. It is excellence by expenditure—$400 million in a series of initiatives of all sorts of amounts. It is all here, all budgeted amounts: $41 million, $62 million, $15 million, $6.3 million, $54.3 million, $11.3 million, $2.3 million, $7.4 million, $34.9 million. There is $82.8 million for the Federal Police. They are probably worthy of it, but should we need to have them up there, because the word has got out that Australia has become a soft touch? When we were a tough nut, we did not need them. The people were not coming; they were not risking their lives—the problem had ceased. And the minute—surprise, surprise—you relax those very tough laws, what has happened this week? Another 54 are sitting off Rowley Shoals. There are roughly 50 of these people a week.

We read separately—and I did not exactly find it in these documents—of additional appropriations to run the detention centre out at Christmas Island. We read of the local people complaining that they can no longer get fresh vegetables because they have all gone to the detention centre—and why? Why did it change after the legislation was softened? You do not have to have the intellect of Albert Einstein to work that out. You change the law, and then you go out and spend $400 million to try and address the consequence. In my mind that, in these very difficult times, is something that is unwise. To go further by making it public that you can put the Australian taxpayer to all the cost you desire and not have to pay it back is not fair to other people who are looking each week at their budget. A member of that family may have lost their job or be unable to get one, as young people are now, and this parliament is proposing another measure to add to that burden.

These people are queue jumpers. I say they are queue jumpers because every year the Australian people, through the activities of this parliament, invite 13,000 refugees to Australia. These refugees are people who have left their homeland, have been assessed by the United Nations as being genuine refugees and have moved to that locality which is presumed to be the closest to where they can be safe. Having been assessed by the United Nations they go on the list and offers are made by, typically, Western countries around the world, and on a per capita basis Australia is one of the most generous. I think more people per capita of their population are allowed into Canada, and Australia is next. So there is no shortage of compassion. Nobody in this debate from this side is saying: cut that quota. I have a view that we might be more specific from whence we get these people. Without implying a religious inference, I have had representations in my own electorate from an Iraqi Christian. The reality is that this Iraqi Christian, who is a surgeon and giving an extremely good service in part of my electorate where surgeons are pretty hard to find, pointed out to me that the Iraqi Christian community have always been the educated sector. Apparently, Saddam Hussein recognised this to such a point that woe betide you if, as a person of Muslim faith, you attacked these people on the grounds of their Christianity. He knew they were the people who were running his country for him—they were the engineers, they were the surgeons and they were delivering those services, whilst the Muslim community went to university to come out with a degree in reading the Koran. That is not suitable for operating on people, it does not teach you how to build roads and it does not teach you how to build buildings or undertake engineering and other such activities. During the troubles in Iraq those people have been driven as refugees to Syria and other destinations because, during the period when there was virtually no control and one religious group was taking it out on another, the Christians got it worst. I do not think many of them want to go back.

I would like to think that the list of the 13,000 included more of those people, because on arrival they will not incur debts; they will be welcomed and employed forthwith. That does not apply to many of the people whose refugee status is properly recognised and who come through the appropriate channels. The personal circumstances of a valuable refugee in their country of persecution are no different to those of one who comes here. Tragically, there was a family whose child died virtually as they got off the plane, and criticism was levelled at local assistance people because the family concerned—and they were photographed in a brand-new home unit—did not know English and had never used a telephone in their lives, and consequently could not help themselves when their child was very ill. The child probably should not have travelled in the first place. There is the comparison. There are people with refugee status sitting in countries surrounding Iraq who are of Christian faith and are very welcome in this community as far as I am concerned because they would bring professional qualifications and experience with them. This, however, is a side issue.

In the last couple of minutes that I have, I intend to talk again to the fact that this government—by its own admission, in figures that I now have a copy of—is spending $400 million over four years. Some of it is over two years; nearly $100 million is to be spent over two years. Why? Because now the government has to put up all these barricades; Australia has to have a strong body of Federal Police in Indonesia running around trying to catch the people smugglers. The people smugglers gave up on Australia in the

latter years of the Howard government. Why? Because of administrative and legislative procedures. It did not cost us much to run that $400 million detention centre at Christmas Island, because we had no-one to put in it. They did not come. Now it must be close to full. What is the message here? Some of them probably have detection beacons on board their boats so that it takes less time for our naval and customs authorities to find them. One of the boats that had the benefit of the sophistication of a GPS went straight to Christmas Island. It turned up and was tied up to the jetty and they said, 'We're here; arrest us!' Why did they do this? Because they knew that within three or four weeks they would be on the Australian mainland at a cost to the Australian people. I do not know how much money they have stashed away somewhere else in the world, but they are typically economic refugees. They are not necessarily those who are suffering; they are queue jumpers.

All this legislation does is open the door a little wider. It can be argued that very few people paid it and therefore it is not a reason to keep it. We conceded after the election, because of promises made in the election campaign, that the government would relax some of the conditions. That has been done. Instead of people being told, 'Stay out there until we repatriate you to your own country'—if we can find out where that is—people now know that the sooner they get picked up by the Navy or Customs, the better it is for them. I hope they are safer than in the vessels.

I add that we had a tragedy concerning a boat out there. The Federal Police conducted an inquiry and reported to Treasury in a matter of days but are unable to tell us who lit the fire on that boat. Of course, the naval personnel and others know who did it and how it occurred. It reminds me of a colleague who said, 'If 14-year-old kids can find a drug dealer, why can't the police?' The police are pretty quick doing the Rudd government's bidding, but they have yet to resolve the circumstances surrounding the fire on that boat. *(Time expired)*

Ms PARKE (Fremantle) (1.49 pm)—I rise to speak in support of the Migration Amendment (Abolishing Detention Debt) Bill 2009, which is the important first legislative step in the government's much needed reform of immigration detention policy. It is another example of this government meeting its election commitments and of the positive reform agenda of the Rudd Labor government.

As the member for Fremantle, an electorate which is proof on both a historical and a contemporary basis of the contribution that migrants have made and are making to Australia, I can say that the immigration reforms being undertaken by this government represent one of its most welcomed policy initiatives. This government has as part of its mission statement and as part of its mandate the creation of a fairer, more humane and effective system of immigration assessment, processing and management, including immigration detention when such detention is necessary. I commend the Minister for Immigration and Citizenship for his work in advancing this important reform agenda.

To put it simply, this bill does away with what has proved to be the pointless, absurd and cruel practice of billing immigration detainees for the cost of their detention. Not only does it cease the practice of generating such liabilities but it extinguishes all existing liabilities under the detention debt regime. In doing so, it is to some degree only making real, in legislative and budgetary terms, what was already plain—the fact that more than 95 per cent of the bizarre notional debt being carried on the books from year to year as

notional government revenue is irrecoverable.

While some of the provisions being repealed by this bill date back to amendments made to the Migration Act 1992—and I am prepared to say that they were ill-conceived at that time—the Kafkaesque potential of the provisions really only became manifest in combination with the former government's appalling detention policies. Some of those early provisions were designed with the aim of recovering costs from illegal foreign fishers and from people smugglers. Indeed, that aspect of the Migration Act's operation is being retained. Those who seek to gain financial benefit from illegal fishing and from the illegal people smuggling trade will continue to be subject to penalties and to liability for the related detention and transport costs. It is, and has been, entirely ludicrous to impose a liability on refugees and asylum seekers, especially when their detention, under the administration of the former government, has been so pernicious and, in many cases, wholly unnecessary.

Contrary to the assertions of the member for O'Connor just now, refugees are people who are perfectly entitled under the UN refugee convention, to which Australia is a party, to seek asylum in Australia and they should not be punished for the manner in which they arrive in Australia. This has been a case of asking the victims of the Howard government's immigration detention nightmare to pay for their own punishment. Why was it done? It was done as a part of the political positioning of the Howard government on the issue of so-called 'border control'; as part of the appeal to xenophobia; and as one of several high-pitched tunes to be played on the dog whistle, along with such Howard government favourites as 'children overboard', 'the Pacific solution' and 'the Haneef affair'. But policy that produces absurd and perverse outcomes as a matter of its ordinary operation is bad policy.

So when you sight a debt notice from the Department of Immigration and Multicultural and Indigenous Affairs, as it then was, addressed to a detainee who has been behind razor wire in the desert for four or five years, informing them that with their newly, belatedly, determined status as a legitimate visa holder comes a debt of more than $100,000—which they are welcome to repay in monthly instalments of some $300 for the next 30-odd years—you know that you have gone through the looking glass into a world of surreal, distorted, bureaucratic dysfunction. That is a world we are seeking to leave behind.

Those opposite who speak against this bill and against these amendments to the Migration Act—and I appreciate that there are some on the opposite side who are supportive of the bill, including the member for Kooyong, who earlier spoke so passionately and compassionately—should think carefully about what they are really arguing to retain. They are arguing for a cost-recovery program that levies costs against people who have been detained against their will—detained unnecessarily in many cases, and for too long, and on numerous occasions detained quite improperly, and detained in appalling conditions, with appalling results—and which fails to recover enough money to cover much more than the cost of the cost-recovery program itself. The Joint Standing Committee on Migration has noted that less than 2.5 per cent of the detention debt invoiced since 2004-05 has been recovered. In fact, in its report of December 2008, the committee noted that:

> The practice of applying detention charges would not appear to provide any substantial revenue or contribute in any way to offsetting the costs of the detention policy. Further, it is likely that the ad-

ministrative costs outweigh or are approximately equal to debts recovered.

It is of course important to recognise—and, for those who argue against the bill, to consider—in this debate that no other country with immigration detention facilities holds people liable for their detention costs. For all the reasons I have mentioned, this government is rightly committed to returning Australia to a fairer, more humane, and more effective set of immigration policy settings. In doing so, it meets the recommendation made by the Joint Standing Committee on Migration in its report, which calls on the Australian government to repeal the liability of immigration detention costs as a matter of priority because of the punitive nature of the policy, because of the severe mental and emotional burden caused by the levelling of the debt and because the policy has in no way met the object of recovering funds for government. It follows the report, in 2006, of the Senate Standing Committee on Legal and Constitutional Affairs, where it noted that:

> The evidence clearly indicates that the imposition of detention costs is an extremely harsh policy and one that is likely to cause significant hardship to a large number of people. The imposition of a blanket policy without regard to individual circumstances is inherently unreasonable and may be so punitive in some cases as to effectively amount to a fine. The committee agrees that it is a serious injustice to charge people for the cost of detention.

But let me return to the Joint Standing Committee on Migration's report and restate the three elements it identified as being the core rationale for amending the relevant provision of the Migration Act: first, that the current system of attributing a debt to immigration detainees is punitive in nature—that it is a punishment, rather than a genuine attempt, let alone a morally justifiable attempt, to recover costs; second, that the levelling of a debt on asylum seekers places an unconscionable mental and emotional burden on people who have already suffered, are already vulnerable and already struggle to participate in economic life; and, third, the fact that the practice of applying detention charges has not in fact offset the costs of detention.

I think it is fair to observe that this government's emphasis, in its current reform of immigration policy, on appropriate risk management in combination with faster, more efficient status processing will ultimately deliver much greater cost savings than the misguided, ineffective and cruel system of applying detention charges to those who came legitimately to this country seeking refuge and who, in the large majority of cases, are ultimately found to have a legitimate basis for staying in Australia.

Putting the morality and the fiscal inefficacy of the detention debt provisions aside, this was also terrible policy in terms of the most important migration objective—that is, to give legitimate humanitarian refugees, as new Australians, the best chance of making a smooth and rapid transition to a healthy, happy and productive life in this country. It has long been recognised by many in the refugee support and advocacy community that there should be more funding for programs that assist migrants and refugees to make that transition. On that point, I was glad to announce last month that the Fremantle Multicultural Centre, which has made an enormous contribution to diversity, tolerance and social justice in the wider Fremantle community, would receive $267,000 as part of the government's Settlement Grants Program, with an emphasis on assisting young refugees and migrants.

I want to conclude by quoting from the submission that the Edmund Rice Centre made to the immigration inquiry undertaken by the Joint Standing Committee on Migra-

tion. That submission stated that asylum seekers:

> … should not be burdened with debts: debts that they have little chance of paying without undergoing further severe hardship, debts which deny them access to other rights of participation and freedom of movement, debts which deny them any possibility of reuniting with their families.

I could not agree more. The detention debt regime, as part of the Howard government's harsh and ineffective immigration policy, was the very antithesis of the fair go that Australia holds as one of its foundation principles. Today we take a step back into the light.

I commend the bill to the House.

Debate interrupted.

MINISTERIAL ARRANGEMENTS

Mr RUDD (Griffith—Prime Minister) (1.59 pm)—Honourable members would perhaps be aware of the circumstances surrounding the absence from the parliament this week of the Minister for Foreign Affairs, the member for Perth. I inform the House that, unfortunately, his mother died last night in Perth and he will be absent from question time again today.

QUESTIONS WITHOUT NOTICE

OzCar

Mr TURNBULL (2.00 pm)—My question is to the Prime Minister. I refer the Prime Minister to the Treasurer's previous answers regarding the preferential treatment provided to Mr John Grant, his friend and benefactor. Is the Prime Minister confident that the Treasurer's answers in the House have been 'an honest and comprehensive account', as required by his own standards of ministerial ethics? Is the Prime Minister confident that the Treasurer has acted with fairness, as required by his own standards of ministerial ethics? Does the Prime Minister have full confidence in the Treasurer's administration of OzCar, especially in the way he looked after the Prime Minister's mate?

Mr RUDD—I, as Prime Minister, have absolute confidence in the Treasurer of the Commonwealth of Australia. I say that in the full confidence that those sitting behind the Leader of the Opposition today have passing and fading confidence in him. We have here a Leader of the Opposition who stands in this chamber in a state of denial, as if somehow the events of this week have simply not happened, they have just passed by, they are of no consequence whatsoever and it is all simply a bad dream that will go away. I have something to say to the Leader of the Opposition: this is not a bad dream that will just go away; it is a nightmare and it will not go away. It goes to the future of the Leader of the Opposition's tenuous hold on his position in this place.

I say to the Leader of the Opposition as he continues on this particular matter that if he wants to look carefully at the consequences for himself they go to two matters: (1) his entire integrity has been shattered by this process and (2) his authority within his own party has been equally undermined and shattered as well—as seen by three sets of policy splits across the coalition. There have been three major matters before this parliament where he cannot even command the unity of his party.

I also say to the Leader of the Opposition, who was asked about this matter this morning: if we need some sort of bellwether as to how things are going over that side of the House on this matter we need look no further than the member for North Sydney, the shadow Treasurer. Let us look at what the member for North Sydney had to say when asked about the question of responsibility for this tawdry forged email affair. The member for North Sydney was asked last night by Tony Jones the following question:

So, the buck does not stop with Malcolm Turnbull for what is being identified by many people as a tactical blunder and a disaster.

Joe Hockey's response:

Well, you know what, Tony, I'm part of a team. I mean you don't always agree with the individual decisions that are made by the individual players in the team.

That is what I call 100 per cent loyalty!

Mr Hockey—Keep going! Keep reading!

Opposition members interjecting—

The SPEAKER—Order! The member for North Sydney will resume his seat.

Mr RUDD—He doth protest too much. Later in the interview, having given such an unqualified statement of loyalty to the current Leader of the Opposition, the member for North Sydney was asked by Tony Jones—

Mr Abbott—Mr Speaker, I raise a point of order going to relevance. The Prime Minister has now been going for 3½ minutes and almost none of this has any relevance to the question asked.

The SPEAKER—Order! The Prime Minister will relate his material to the question.

Mr RUDD—The question I was asked concerned my confidence in the Treasurer. I affirmed that in my opening statement in response to this question. The member for North Sydney, who desperately does not want to hear this, was asked another question by Tony Jones last night. Jones said:

This is what Mr Turnbull said on AM this morning: 'I've certainly spoken to Mr Grech, I know Mr Grech.'

That is the attribution to the Leader of the Opposition. Jones asked:

It is still unclear, though, what he spoke to him about. Do you, Mr Hockey, know what that was about?

Joe Hockey's answer was this—another unqualified statement of solidarity and support:

Well, that's a matter for Malcolm Turnbull and Godwin Grech, isn't it?

That is what I would call 100 per cent loyalty! You know that if you are in a scrap you would want the member for North Sydney standing loyally behind you. What a rock solid wall of defence he represents!

On this matter, not only has the integrity—that which remains—of the Leader of the Opposition been fundamentally shattered by this forged email affair; on top of that his authority within the Liberal Party has been destroyed. On three major matters before this parliament, the Carbon Pollution Reduction Scheme, alcopops and immigration policy, his authority is so undermined he cannot even unite his party and unite the coalition in a single vote—and they are so desperate on the CPRS that they voted in the Senate to avoid voting. I say to those opposite who raise these matters that the Leader of the Opposition's integrity has disappeared; his authority has disappeared. There is one reasonable thing for him to do under these circumstances: to stand, to apologise and to resign.

Economy

Ms COLLINS (2.06 pm)—My question is to the Treasurer. Will the Treasurer outline for the House measures taken by the Rudd government to assist Australians facing difficulties paying off their mortgage in the face of the worst global recession in 75 years?

Mr SWAN—I do thank the member for Franklin for her question because on the weekend I announced principles to assist many people who are borrowing who may be impacted upon by the global recession. As we know, the Australian economy is being hit by the global recession—the worst event in something like 75 years. In the middle of this, we are doing better than any other advanced economy and we are working hard to stimulate the economy and to support jobs. In fact, the impact of our stimulus means that

up to 210,000 more Australians have a job than would have been the case without our economic stimulus. Regrettably, unemployment will increase, which is why we do need to take steps to support Australians who, through no fault of their own, may become unemployed as a result of the global recession. This is why I was so pleased on the weekend to announce that all of the 144 retail banks, building societies and credit unions who focus on the mortgage market have signed up to principles to assist borrowers who are experiencing financial difficulty as a result of the global recession.

These principles will ensure that families are treated fairly when they are finding it difficult to pay off their loan. Options for assisting borrowers in distress include postponement for up to 12 months of the dates on which payments are due under a mortgage contract, an extension of the period of the contract and a reduction in the amount of each payment due under the contract, interest-only breaks on loan repayments and, of course, fee waivers. If people do not think they are getting a fair go from their bank or their building society, they can seek assistance from the Financial Ombudsman Service.

These are practical measures to support Australian families at a time when we are being impacted upon so savagely by a global recession. We on this side of the House understand the importance of supporting families and the importance of supporting businesses, unlike those on the other side of the House, who can only throw mud.

OzCar

Mr TURNBULL (2.09 pm)—My question is to the Prime Minister. I refer the Prime Minister to his statement in this House on 4 June that his office had made a representation to Treasury on behalf of a Bennelong car dealership in relation to OzCar and his claim: 'What subsequently occurred, I have no idea.' Can the Prime Minister confirm that on 17 April he personally sought and on 21 April his office received a detailed Treasury brief on what subsequently occurred with the Bennelong car dealer, marked 'For the Prime Minister'? Why did the Prime Minister not inform the House that he had received that brief and will he now correct the record?

Mr RUDD—Mr Speaker, this desperate Leader of the Opposition is grasping at straws. This is desperation with a capital D. It goes to a matter concerning not Mr Grant but another car dealer with whom I have no relationship whatsoever. Can I simply say to the honourable member that, at the time I answered his question, I was unaware of what outcome had occurred in relation to that car dealer, and I stand by the statement that I made at that time.

Can I say to the honourable member, again in his state of continuing denial, that he seems to think that all that is going on in the national debate today about his integrity will just fade away, that it is of no continuing relevance. This entire debate has been about the truthfulness of the honourable gentleman opposite. It goes to the truthfulness of his handling not just of this affair before the events of last week; it goes also to something more fundamental—his handling of the events during this week.

I ask honourable members to reflect on this—the whole question of truth. Is it true when he has claimed that he has made, for example, as he has said in recent days, no accusation of corruption in relation to me? That is false. Is it true when he says that he has never accused me of misleading the parliament? That is false. Mr Speaker, can I say to you: is it true when he says that he has never called for my resignation? Mr Speaker, that is false. Is it true when he claims that

Senator Abetz only raised this matter in the Senate after the *Daily Telegraph* reported the contents of this forged email? That was false, as it was for the Deputy Leader of the Opposition as well. Is it true when he says that he did not approach Dr Charlton but that Dr Charlton had approached him? That is false as well, as attested by a journalist who is of some respect and standing in the gallery—Mr Farr of the *Daily Telegraph*.

What is the truth, therefore, about the content, the intensity and the appropriateness of the contact between this Leader of the Opposition and the public servants in question? He refuses to answer those questions. I believe, therefore, that these matters have yet to be fully established. What we do know, however, as an absolute fact is that the email upon which he has based his entire attack on my integrity is a forgery; it is false; it is simply a non basis in fact. Mr Speaker, can I say to those opposite, in particular to the Leader of the Opposition—

Mr Abbott—Mr Speaker, I rise on a point of order, which goes to standing order 104. He has been going for 3½ minutes and he still hasn't addressed the issue of the Bennelong car dealer.

The SPEAKER—The Prime Minister will relate his material to the question.

Mr RUDD—Again, Mr Speaker, in the initial response to the question, I dealt with the matters which had been raised by the Leader of the Opposition. Can I say to the Leader of the Opposition: this entire debate hangs on his credibility to continue in his position. I would say to the member for Bradfield and, in his absence, the member for Higgins: if the Leader of the Opposition does not have the integrity to stand and say that he accepts full responsibility for this entire debacle and to do the decent thing, which is to stand, to apologise and to resign, it is time that those behind him of seniority in the Liberal Party tapped him on the shoulder and told him to his face to do the honourable thing, which is to resign.

Climate Change

Mr SYMON (2.13 pm)—My question is to the Prime Minister. Will the Prime Minister update the House on the global challenge of climate change and the need for leadership on significant national issues?

Mr RUDD—The government, in dealing with the global challenges we face on the economy, on climate change and on other matters, has been active in prosecuting an activist agenda. Yesterday, I briefed the House on the implementation of the Building the Education Revolution program, visiting a school in Wanniassa here in Canberra and looking firsthand at what was happening with the building of new classrooms and the extension of the library to benefit an independent Christian school with a school population of about 1,100 or 1,200 young Australians. This is something of which this side of the House is proud. We are engaged with the real challenge which Australian families are facing right now, which is, 'How do we ensure that we have the best education facilities for our children for the future?'

One of the other challenges for the future, of course, is climate change, and I would draw the attention of honourable members in the House to the *Climate change: global risks, challenges and decisions* report, which was released last week. This is a significant document. This was the most significant update of climate science since the 2007 UN Intergovernmental Panel on Climate Change report. This report underscores the urgency for action on climate change and it says:

> The newest evidence indicates that society faces serious risks even with a global temperature rise of only about 2 degrees. If society wants to minimize these risks, then action must be taken now.

Dr Jensen interjecting—

Mr RUDD—I beg your pardon?

Dr Jensen—Temperatures have dropped.

Mr RUDD—The interjection from the honourable member is that temperatures have dropped. There we have the climate change sceptics, represented by those opposite, again pointing to the absolute collapse in the authority of the Leader of the Opposition. We are engaged here in a debate about how you bring down greenhouse gas emissions and how you actually do that in a balanced way to support the economy. That is what we have incorporated in the principles of the Carbon Pollution Reduction Scheme. On the most basic science which causes us to act in this direction, we have an interjection from this extraordinary member of the opposition today—extraordinary in terms of, can I say, departure from any form of scientific fact. It is right up there with those members who want to put shadecloth in space or over the roof.

Opposition members interjecting—

Mr RUDD—So undermined has the authority of the Leader of the Opposition become that, even in a debate on this matter today when the CPRS is before the Senate, we have an interjection from Liberal members opposite saying temperatures have gone down. Where is the basic consensus on the part of those opposite that we have a problem to deal with? They are still saying, as of 2009, there is not a problem. Does this not explain why for 12 years they failed to do anything? I return to the content—

Mr Ian Macfarlane interjecting—

Mr RUDD—Oh, another interjection, from the member for Groom!

The SPEAKER—Order! Members will cease interjecting. The Prime Minister will ignore the interjections.

Mr RUDD—The interjection from the member for Groom, an old mate of mine from Queensland, was that they did act on climate change: they spent $3 million. Or did he say billion? I correct what I said; I did not quite hear him. I would draw the House's attention to this fact: in 12 years in office did they ever ratify the Kyoto protocol?

Government members—No!

Mr RUDD—Did they ever develop an emissions trading scheme?

Government members—No!

Mr RUDD—Did they ever legislate an emissions trading scheme?

Government members—No!

The SPEAKER—Order!

Mr RUDD—Did they ever increase the renewable energy target?

Government members—No!

Mr RUDD—Did they ever do anything of substance on climate change at all?

Government members—No!

The SPEAKER—Order!

Mr RUDD—That is the record of the Liberal Party—oh, and the National Party.

Mr Robb interjecting—

Mr RUDD—Another climate change sceptic, the member for Goldstein, interjects. He is the leader of—what group on this? He seems to be flipping and flopping a bit. Is he with the climate change sceptics sitting on the fence or perhaps he is harbouring some form of leadership aspiration himself? You have to keep all camps in this debate under control.

Dr Jensen interjecting—

Mr RUDD—I draw honourable members' attention to the content of this important new report—and again for the benefit of the honourable member up the back, who seems to dispute the Intergovernmental Panel on Climate Change scientists—which says as follows:

The newest evidence indicates that society faces serious risks even with a global temperature rise of only about 2 degrees. If society wants to minimize these risks, then action must be taken now.

The chair of the committee, Professor Richardson, said:

Society has all the tools necessary to respond to climate change.

And most poignantly, Professor Richardson—

Dr Jensen interjecting—

Mr RUDD—Mr Speaker, I find it remarkable that in this day and age they can still be disputing the basic science as to why we must act on climate change. What has happened to the authority of the Leader of the Opposition that, in a debate like this, there is simply open slather to those behind him to interject that it is all nonsense, that climate change is not a problem and that there should be no policy response. Most poignantly, Professor Richardson concludes her report by saying:

The major ingredient missing is political will.

Have we seen that in spades in terms of the participation by those opposite in this debate this morning? The business community in Australia is calling for action. The BCA said last week:

The Liberal and National parties have never been totally clear with us about what their position was, and it's still not clear to us …

Mr Abbott—Mr Speaker, I raise a point of order. As this answer has now been going for six minutes, shouldn't the Prime Minister be asked to make a ministerial statement?

The SPEAKER—Order! The member for Warringah will resume his seat. Before calling the Prime Minister, again, I am not in the position of making critical analysis of questions and answers, but I will make this observation: the Prime Minister has been responding to the question and the question probably could have been answered quicker if there had been fewer interjections.

Mr RUDD—Mr Speaker, is it any wonder that the acting Manager of Opposition Business is jumping up so much, because I understand around the corridors he is whispering of leadership aspirations still. In fact on 16 June—I think Tony likes this bit—the member said as follows:

INTERVIEWER: And do you still have leadership aspirations down the track?

TONY ABBOTT: Oh, down the track but a long, long way down the track.

That is what I call a definitive response in politics.

Mr Farmer—Mr Speaker, I rise on a point of order. I ask you to bring the Prime Minister back to the question and the answer to that question. He has strayed dramatically.

The SPEAKER—Order! The member for Macarthur will resume his seat. The Prime Minister is responding to the question.

Mr RUDD—Thank you very much, Mr Speaker, and I thank very much the member for Mosman for his interjection given that, I understand, that is currently his place of abode.

The SPEAKER—Order! The Prime Minister will refer to members by their parliamentary titles.

Mr RUDD—The member for the other part of Sydney he apparently seeks to represent in this place. That is fine, Mr Speaker. The business community—

Mr Abbott—Mr Speaker, I rise on a point of order. If I may say so, what the Prime Minister is saying is uncalled for.

The SPEAKER—The point of order, please.

Mr Abbott—He is lowering the tone and he should be asked to apologise.

The SPEAKER—The member for Warringah will resume his seat. The Prime Minister will refer to members by their parliamentary titles.

Mr RUDD—Thank you very much, Mr Speaker, and I take the interjection from the acting Manager of Opposition Business, representing the interests of his constituent, who has just provided the intervention referred to.

Government members interjecting—

Mr RUDD—Well, it is good to see honourable members doing their work.

The SPEAKER—Order! The Prime Minister will respond to the question.

Mr RUDD—The chairman of Xstrata, Mr Peter Coates, said the following in terms of climate change and the policy of those opposite. He said the coalition was:

> … perceived to have no position on the ETS other than putting it off until next year …

So said Peter Coates, chairman of Xstrata, on 19 June. What you have is the business community alert to what is occurring—that is, those opposite are so disunited on climate change that their one unifying call is this: whatever we do in the Senate, let's all agree on putting off the vote for as long as possible, because having such a vote will expose the absolute depths of the divisions which exist within our ranks.

Again this comes back to the state of the leadership which exists within the opposition today. Australia wants business certainty and regulatory certainty on the future of climate change. What is impeding that? A failure of leadership on the part of the Leader of the Opposition to bring about unity on his side on which way they will vote. If they simply want to vote against it, have the vote—conduct it— then we would at least know where they stand. But to have no vote at all is the ultimate demonstration of political cowardice, the ultimate demonstration of a lack of political ticker, the ultimate demonstration of a failure of leadership. We know why that is the case: because this leader's authority within his own ranks has collapsed, as has his credibility and integrity in the eyes of the Australian people.

DISTINGUISHED VISITORS

The SPEAKER (2.24 pm)—I inform the House that we have present in the gallery this afternoon members of a parliamentary delegation from Colombia. On behalf of the House, I extend a very warm welcome to our visitors.

Honourable members—Hear, hear!

QUESTIONS WITHOUT NOTICE

OzCar

Mr HOCKEY (2.24 pm)—My question is to the Treasurer. I refer the Treasurer to his claim that Mr Grant was treated 'just like everybody else'. In an email dated 17 April 2009, Treasury advised the Treasurer's office that a car dealer, car dealer No. 1:

> … is very deep in debt; has little equity and has a marginal business case … It is high risk.

In a second email on 24 April 2009, Treasury advised that a second car dealer has:

> … high debt and low equity. The principals … are a couple in their 60s, and their kids don't want to run a car dealership. There is no succession plan.

And in a third email, dated 20 February 2009, the Treasurer was directly advised:

> Currently being financed by GE or GMAC and being a good business should be enough and John [Grant] has assured us he fits these criteria.

Doesn't this prove that John Grant was assessed on the sole criteria of being a mate of the Prime Minister?

Mr SWAN—No.

Climate Change

Mr SIDEBOTTOM (2.25 pm)—My question is to the Minister for Defence Personnel, Materiel and Science and Minister

Assisting the Minister for Climate Change. Will the minister outline any impediments to the government taking action to combat climate change on behalf of the Australian people?

Mr COMBET—Thank you to the member for Braddon for the question. While the opposition have been preoccupied in recent days with a smear campaign about a fake email that has blown up in their face, the government have been endeavouring to get on with meeting the challenge of climate change. The legislation is in the Senate and we are being confronted by delay while the coalition have been obsessing about a fake email and engaging in a personal smear campaign against the Prime Minister and the Treasurer. The fact of the matter is that, on this policy issue, the coalition are paralysed by division and by indecision. They cannot make their minds up and present a unified position on the issue of climate change and the government's Carbon Pollution Reduction Scheme legislation. And it has to be recalled that, under 12 years of the Howard government, no action was taken on this issue despite countless reports. They refused to ratify the Kyoto protocol. Despite all of the evidence and the work that has been done by the Intergovernmental Panel on Climate Change, the coalition are still divided.

We only need to go to some of the comments on the record by the Leader of the Opposition and other members of the coalition on this important issue. The Leader of the Opposition, in his then capacity in the Howard government, said the following about the climate change science:

> This report—
>
> in reference to the fourth assessment report of the IPCC—
>
> presents a snapshot of the peer reviewed climate change science and confirms that human activity is causing global warming.

This is an important recognition of the science in that report. We have heard an interjection from the member for Tangney in response to the answer given earlier by the Prime Minister. The member for Tangney said this year, in relation to this same issue, on the science:

> 'Global warming' has been exposed as a massive fraud which the public has been duped into believing …
>
> The simple fact is that there is no 'global warming' of the kind claimed by the federal government and its cheerleaders in the green lobby …

Now we have had the Leader of the Opposition acknowledge and respect the science of the IPCC report and the member for Tangney completely repudiate it and call it a fraud. Of course, Senator Abetz is still on the record; he has never repudiated the fact that he has claimed that weeds are a bigger threat than climate change. He is worried about Paterson's curse and lantana being a bigger threat than climate change. Senator Cash of the coalition also does not believe that the science is settled, and put it on the record in a minority report of a Senate committee. There are other members of the coalition on the record as sceptics about the climate science: the member for Dickson, a climate change sceptic; the member for Calare, a climate change sceptic; the member for Kalgoorlie, a climate change sceptic; the member for Cowper, a climate change sceptic. No denials; none of them accept the science.

It is little wonder, in these circumstances, that not only are those opposite divided about the science and incapable of coming to a position but they also cannot agree on what to do about it. So it is little wonder that there is no unity in the coalition about the issue of emissions trading. This is what the Leader of the Opposition said on 31 May in relation to this issue:

The world is moving very solidly in the direction of emissions trading schemes, most notably the Americans. So yes—

said the Leader of the Opposition—

I've got no doubt we will have an emissions trading scheme in Australia. That's my view.

That is a very important statement from the Leader of the Opposition. Can he deliver on it? Can he deliver a position from the coalition on this issue? Take the commentary from Senator Bernardi, also in May of this year and representing the view of the coalition, in the light of this observation that the Leader of the Opposition has made. This is what Senator Bernardi said on radio in South Australia:

The coalition's position is we will be opposing this emissions trading scheme.

That is the statement of the—

Mrs Bronwyn Bishop—Mr Speaker, I would refer you to page 553 of the *Practice* and particularly to that part where it says that 'a minister "should not engage in irrelevances", such as contrasting the government and opposition' and the Speaker is on record as telling the minister to wind up his answer and sit down.

The SPEAKER—Order! The member for Mackellar will resume her seat. The minister was asked about impediments to the government—

Mr Tuckey interjecting—

The SPEAKER—A butterfly stamp for the member for O'Connor for that very perceptive observation! The standing orders relate to what may or may not be asked in the question. The question was in order and the minister is responding to the question.

Mr COMBET—What is clearly in evidence is the division of the coalition over the greatest—the most important—economic and environmental reform that this country faces. We cannot get a united position from the coalition—not a single constructive proposal. Their division is holding the Australian community captive with respect to its ability to respond, through the Australian government, and to pass the Carbon Pollution Reduction Scheme to reduce our emissions and to play a constructive role in the strongest possible way in international negotiations late this year. The coalition are frustrating the Australian government's capacity to properly pursue what we were elected to pursue, and that is the taking of strong action on climate change. The coalition need to take responsibility on this important issue. The Leader of the Opposition needs to unify the coalition or stand aside on this issue. The Australian government must be able to go to Copenhagen this year upon the passage of the Carbon Pollution Reduction Scheme, and the business community, environmental groups and the Australian community demand that the coalition take responsibility.

OzCar

Mr HOCKEY (2.33 pm)—My question is to the Treasurer. I refer the Treasurer to an email dated 28 April 2009 and distributed by his own office this week. This email, on a car dealer, was sent to the offices of the Prime Minister and the Treasurer and to the respective departmental secretaries and it states:

By the way—and in the unlikely event that you do not know—most of this woman's employees live and work in the electorate of—

And here the words 'the electorate' have been omitted and replaced with the term 'Liberal electorate'. Did this dealer receive assistance in the same way that John Grant did? Why was political representation relevant? Was it part of the Treasurer's selection criteria, given this dealer was not a mate of the Prime Minister?

Mr SWAN—Every time the shadow Treasurer gets up and asks questions like that in this House, he just reminds the Australian

people that the coalition has got no plans for jobs and no plans for the economy—none whatsoever. The emails that he is quoting from are emails that were released and which prove a very simple point: that Mr Grant received support, just like many other car dealers received support.

But it is certainly the case that there are questions that do need to be asked and answered here. Those questions relate to the role of the Leader of the Opposition and the role of the shadow Treasurer in their relationship with Mr Grech and the pressure they may have put him under.

TREASURER

Suspension of Standing and Sessional Orders

Mr TURNBULL (Wentworth—Leader of the Opposition) (2.36 pm)—I move:

That so much of the standing and sessional orders be suspended as would prevent the Member for Wentworth moving immediately—That this House censures the Treasurer for misleading the House as to the full extent of his personal and active involvement in assisting the Prime Minister's mate and benefactor, Mr John Grant, by using his office as Treasurer and a half a billion dollar funding deal with Ford Credit as political leverage and today, voting against Opposition demands for an immediate judicial inquiry into the OzCar scandal, and in particular for:

(1) the Treasurer's claim that John Grant "received the same assistance as every other car dealer" when 240 other car dealers did not receive a personal call from the Treasurer and did not have updates on their case regularly faxed to the Treasurer's home, as with the case of the Prime Minster's mate, John Grant;

(2) using his office as Treasurer and the considerable influence of Treasury to have John Grant's case raised at a meeting with Ford Credit where they were seeking over half a billion dollars of government support;

(3) using independent Treasury officials to hand over John Grant's mobile telephone number at the same meeting with Ford Credit with the clear instructions that they were to call him and help him out because he was "an acquaintance" of the Prime Minister;

(4) hiding behind the Labor spin machine in a desperate attempt to avoid proper scrutiny of his personal role in seeking to look after the Prime Minister's mate and for voting against a full judicial inquiry; but most importantly

(5) treating this Parliament with contempt by misleading the House on two separate occasions on 4 June and 15 June as to the full extent of his personal involvement with John Grant's case, a serious offence for which he must resign.

Mr ALBANESE (Grayndler—Leader of the House) (2.39 pm)—I move:

That the member be no longer heard.

Question put.

The House divided. [2.43 pm]

(The Speaker—Mr Harry Jenkins)

Ayes……	75
Noes……	61
Majority……	14

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.
Byrne, A.M.	Champion, N.
Cheeseman, D.L.	Clare, J.D.
Collins, J.M.	Combet, G.
D'Ath, Y.M.	Debus, B.
Elliot, J.	Ellis, A.L.
Ellis, K.	Emerson, C.A.
Ferguson, L.D.T.	Ferguson, M.J.
Fitzgibbon, J.A.	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.	Jackson, S.M.
Kelly, M.J.	Kerr, D.J.C.
King, C.F.	Livermore, K.F.
Macklin, J.L.	Marles, R.D.

McClelland, R.B. McKew, M.
McMullan, R.F. 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. Roxon, N.L.
Rudd, K.M. Saffin, J.A.
Shorten, W.R. Sidebottom, S.
Snowdon, W.E. Sullivan, J.
Swan, W.M. Symon, M.
Tanner, L. Thomson, C.
Thomson, K.J. Trevor, C.
Turnour, J.P. Vamvakinou, M.
Zappia, A.

NOES

Abbott, A.J. Andrews, K.J.
Bailey, F.E. Baldwin, R.C.
Billson, B.F. Bishop, B.K.
Bishop, J.I. Briggs, J.E.
Broadbent, R. Chester, D.
Ciobo, S.M. Cobb, J.K.
Coulton, M. Dutton, P.C.
Farmer, P.F. Forrest, J.A.
Georgiou, P. Haase, B.W.
Hartsuyker, L. Hawke, A.
Hawker, D.P.M. Hockey, J.B.
Hull, K.E. * Hunt, G.A.
Irons, S.J. Jensen, D.
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.
Moylan, J.E. Nelson, B.J.
Neville, P.C. Oakeshott, R.J.M.
Pearce, C.J. Ramsey, R.
Randall, D.J. Robb, A.
Robert, S.R. Ruddock, P.M.
Schultz, A. Scott, B.C.
Secker, P.D. Simpkins, L.
Slipper, P.N. Smith, A.D.H.
Somlyay, A.M. Southcott, A.J.
Stone, S.N. Truss, W.E.
Tuckey, C.W. Turnbull, M.
Vale, D.S. Windsor, A.H.C.
Wood, J.

PAIRS

Gillard, J.E. Costello, P.H.
Dreyfus, M.A. Pyne, C.

* denotes teller

Question agreed to.

The SPEAKER—Is the motion seconded?

Mr HOCKEY (North Sydney (2.45 pm)—I second the motion. The Treasurer has something to hide. They do not want proper scrutiny—

Mr ALBANESE (Grayndler—Minister for Infrastructure, Transport, Regional Development and Local Government) (2.45 pm)—I move:

That the member be no longer heard.

Question put.

The House divided. [2.46 pm]

(The Speaker—Mr Harry Jenkins)

Ayes……	75
Noes……	61
Majority……	14

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.
Byrne, A.M. Champion, N.
Cheeseman, D.L. Clare, J.D.
Collins, J.M. Combet, G.
D'Ath, Y.M. Debus, B.
Elliot, J. Ellis, A.L.
Ellis, K. Emerson, C.A.
Ferguson, L.D.T. Ferguson, M.J.
Fitzgibbon, J.A. 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. Jackson, S.M.
Kelly, M.J. Kerr, D.J.C.
King, C.F. Livermore, K.F.
Macklin, J.L. Marles, R.D.
McClelland, R.B. McKew, M.

McMullan, R.F.
Murphy, J.
Neumann, S.K.
Owens, J.
Perrett, G.D.
Price, L.R.S.
Rea, K.M.
Rishworth, A.L.
Rudd, K.M.
Shorten, W.R.
Snowdon, W.E.
Swan, W.M.
Tanner, L.
Thomson, K.J.
Turnour, J.P.
Zappia, A.
Melham, D.
Neal, B.J.
O'Connor, B.P.
Parke, M.
Plibersek, T.
Raguse, B.B.
Ripoll, B.F.
Roxon, N.L.
Saffin, J.A.
Sidebottom, S.
Sullivan, J.
Symon, M.
Thomson, C.
Trevor, C.
Vamvakinou, M.

NOES

Abbott, A.J.
Bailey, F.E.
Billson, B.F.
Bishop, J.I.
Broadbent, R.
Ciobo, S.M.
Coulton, M.
Farmer, P.F.
Georgiou, P.
Hartsuyker, L.
Hawker, D.P.M.
Hull, K.E. *
Irons, S.J.
Johnson, M.A. *
Laming, A.
Lindsay, P.J.
Marino, N.B.
May, M.A.
Moylan, J.E.
Neville, P.C.
Pearce, C.J.
Randall, D.J.
Robert, S.R.
Schultz, A.
Secker, P.D.
Slipper, P.N.
Somlyay, A.M.
Stone, S.N.
Tuckey, C.W.
Vale, D.S.
Wood, J.
Andrews, K.J.
Baldwin, R.C.
Bishop, B.K.
Briggs, J.E.
Chester, D.
Cobb, J.K.
Dutton, P.C.
Forrest, J.A.
Haase, B.W.
Hawke, A.
Hockey, J.B.
Hunt, G.A.
Jensen, D.
Keenan, M.
Ley, S.P.
Macfarlane, I.E.
Markus, L.E.
Mirabella, S.
Nelson, B.J.
Oakeshott, R.J.M.
Ramsey, R.
Robb, A.
Ruddock, P.M.
Scott, B.C.
Simpkins, L.
Smith, A.D.H.
Southcott, A.J.
Truss, W.E.
Turnbull, M.
Windsor, A.H.C.

PAIRS

Gillard, J.E. — Costello, P.H.
Dreyfus, M.A. — Pyne, C.

* denotes teller

Question agreed to.

Original question put:

That the motion (**Mr Turnbull's**) be agreed to.

The House divided. [2.48 pm]

(The Speaker—Mr Harry Jenkins)

Ayes…… 59
Noes…… 75
Majority…… 16

AYES

Abbott, A.J.
Bailey, F.E.
Billson, B.F.
Bishop, J.I.
Broadbent, R.
Ciobo, S.M.
Coulton, M.
Farmer, P.F.
Georgiou, P.
Hartsuyker, L.
Hawker, D.P.M.
Hull, K.E. *
Irons, S.J.
Johnson, M.A. *
Laming, A.
Lindsay, P.J.
Marino, N.B.
May, M.A.
Moylan, J.E.
Neville, P.C.
Ramsey, R.
Robb, A.
Ruddock, P.M.
Scott, B.C.
Simpkins, L.
Smith, A.D.H.
Southcott, A.J.
Truss, W.E.
Turnbull, M.
Wood, J.
Andrews, K.J.
Baldwin, R.C.
Bishop, B.K.
Briggs, J.E.
Chester, D.
Cobb, J.K.
Dutton, P.C.
Forrest, J.A.
Haase, B.W.
Hawke, A.
Hockey, J.B.
Hunt, G.A.
Jensen, D.
Keenan, M.
Ley, S.P.
Macfarlane, I.E.
Markus, L.E.
Mirabella, S.
Nelson, B.J.
Pearce, C.J.
Randall, D.J.
Robert, S.R.
Schultz, A.
Secker, P.D.
Slipper, P.N.
Somlyay, A.M.
Stone, S.N.
Tuckey, C.W.
Vale, D.S.

NOES

Adams, D.G.H.
Bevis, A.R.
Albanese, A.N.
Bidgood, J.

Bird, S.	Bowen, C.
Bradbury, D.J.	Burke, A.E.
Burke, A.S.	Butler, M.C.
Byrne, A.M.	Champion, N.
Cheeseman, D.L.	Clare, J.D.
Collins, J.M.	Combet, G.
D'Ath, Y.M.	Debus, B.
Elliot, J.	Ellis, A.L.
Ellis, K.	Emerson, C.A.
Ferguson, L.D.T.	Ferguson, M.J.
Fitzgibbon, J.A.	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.	Jackson, S.M.
Kelly, M.J.	Kerr, D.J.C.
King, C.F.	Livermore, K.F.
Macklin, J.L.	Marles, R.D.
McClelland, R.B.	McKew, M.
McMullan, R.F.	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.	Roxon, N.L.
Rudd, K.M.	Saffin, J.A.
Shorten, W.R.	Sidebottom, S.
Snowdon, W.E.	Sullivan, J.
Swan, W.M.	Symon, M.
Tanner, L.	Thomson, C.
Thomson, K.J.	Trevor, C.
Turnour, J.P.	Vamvakinou, M.
Zappia, A.	

PAIRS

Costello, P.H.	Gillard, J.E.
Pyne, C.	Dreyfus, M.A.

* denotes teller

Question negatived.

QUESTIONS WITHOUT NOTICE

Business of the House

Mr PRICE (2.52 pm)—My question is to the Leader of the House. Will the Leader of the House outline the importance of progressing the government's legislative program? What considerations need to be taken into account in completing the program?

Mr ALBANESE—I thank the Chief Government Whip for his question. In the entire time that I have been in this House, I have never seen a motion to suspend standing orders during question time greeted with such silence from the opposition leader's own side—

Opposition members interjecting—

Mr ALBANESE—because they know what he does not know himself. I understand that the member for Wentworth knows a dead cat when he sees one, but this one has got no bounce.

On Monday, we interrupted the government's legislative agenda for 5½ hours. Those opposite did not seek to move, at 12 o'clock, when invited to by the government, a censure motion. That was at a time when they were still saying that the fake email was real. Two days later, when they know it is a fake, they come in here and move a suspension of standing and sessional orders for a censure motion. What an extraordinary position. I understand that their tactics committee met until 1.30 this morning. It has become a conference. When I turned on the television to watch *Sky News* this morning I had to check what I was watching. There was Kieran Gilbert in the studio, interviewing the Leader of the Opposition. But watching the Leader of the Opposition I could have sworn I was witnessing the ghost of Mark Latham. It was all there: the jaw jutting out, all the fake aggression, all the machismo, all the 'we're going well'! We used to hear it. We used to hear, 'It's all going well!'

Mr Abbott—Mr Speaker, on a point of order. Much as I enjoy references to the Labor Party's former leader, this is quite out of order under standing order 104.

The SPEAKER—The member for Warringah will resume his seat. The Leader of

the House will relate his material to the question.

Mr ALBANESE—There is someone who knows about boxing! The fact is that this government does have a big legislative agenda. I understand why those opposite want to move suspensions of standing orders—because they have no questions. They have no questions. Why else? When was the last time a suspension was moved after three questions? When was the last time?

An opposition member—Four.

Mr ALBANESE—Three questions. They cannot even count. After three questions, they moved to shut question time down, because all they have got is a fake email—that is all they have got—and they have had a shocker of a week with this reincarnation of Mark Latham opposite here. Cab drivers are nervous! Lucky we have Comcar. Mr Speaker—

Mr ABBOTT (Warringah) (2.57 pm)—I move:

That the member be no longer heard.

Question put.

The House divided. [3.01 pm]

(The Speaker—Mr Harry Jenkins)

Ayes……	59
Noes……	77
Majority……	18

AYES

Abbott, A.J.	Andrews, K.J.
Bailey, F.E.	Baldwin, R.C.
Billson, B.F.	Bishop, B.K.
Bishop, J.I.	Briggs, J.E.
Broadbent, R.	Chester, D.
Ciobo, S.M.	Cobb, J.K.
Coulton, M.	Dutton, P.C.
Farmer, P.F.	Forrest, J.A.
Georgiou, P.	Haase, B.W.
Hartsuyker, L.	Hawke, A.
Hawker, D.P.M.	Hockey, J.B.
Hull, K.E. *	Hunt, G.A.
Irons, S.J.	Jensen, D.
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.
Moylan, J.E.	Nelson, B.J.
Neville, P.C.	Pearce, C.J.
Ramsey, R.	Randall, D.J.
Robb, A.	Robert, S.R.
Ruddock, P.M.	Schultz, A.
Scott, B.C.	Secker, P.D.
Simpkins, L.	Slipper, P.N.
Smith, A.D.H.	Somlyay, A.M.
Southcott, A.J.	Stone, S.N.
Truss, W.E.	Tuckey, C.W.
Turnbull, M.	Vale, D.S.
Wood, J.	

NOES

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.
Byrne, A.M.	Champion, N.
Cheeseman, D.L.	Clare, J.D.
Collins, J.M.	Combet, G.
D'Ath, Y.M.	Debus, B.
Elliot, J.	Ellis, A.L.
Ellis, K.	Emerson, C.A.
Ferguson, L.D.T.	Ferguson, M.J.
Fitzgibbon, J.A.	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.	Jackson, S.M.
Kelly, M.J.	Kerr, D.J.C.
King, C.F.	Livermore, K.F.
Macklin, J.L.	Marles, R.D.
McClelland, R.B.	McKew, M.
McMullan, R.F.	Melham, D.
Murphy, J.	Neal, B.J.
Neumann, S.K.	O'Connor, B.P.
Oakeshott, R.J.M.	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.
Roxon, N.L.	Rudd, K.M.

Saffin, J.A.	Shorten, W.R.
Sidebottom, S.	Snowdon, W.E.
Sullivan, J.	Swan, W.M.
Symon, M.	Tanner, L.
Thomson, C.	Thomson, K.J.
Trevor, C.	Turnour, J.P.
Vamvakinou, M.	Windsor, A.H.C.
Zappia, A.	

PAIRS

Costello, P.H.	Gillard, J.E.
Pyne, C.	Dreyfus, M.A.

* denotes teller

Question negatived.

Mr ALBANESE—This afternoon in the debate in this chamber, interrupted by question time, we have before us the migration detention legislation. This is important legislation. It is bringing justice to people who have been forced to rack up extensive bills. Not only do people on this side of the House think this is important legislation and want to vote in favour of it but there are many people of honour and integrity on the other side of the House who also want to vote for this legislation. I note the member for Kooyong's speech in the parliament prior to this question time. We also, of course, want to receive back from the Senate their position on the CPRS. We want them to determine this important legislation. We think that we have had inaction for long enough on climate change. The Senate should determine its position. The Leader of the Opposition has said that he supports an emissions trading scheme. If he has amendments to that legislation, he should make them, and then it should return to this House. Whether it is alcopops, asylum seekers or the CPRS, we have absolute chaos on that side of the House—absolute chaos from a rabble led by a leader without authority, a leader who put his authority on the line last Friday over a fake email.

We take our legislative agenda seriously. We want to debate in this House the issues of concern to Australians: responding to the global economic crisis, responding to climate change—

Ms Macklin—Getting the pension through.

Mr ALBANESE—introducing fairness in the workplace, getting the pension changes through and making sure that we nation build for recovery. Whether it be the education revolution, infrastructure in hospitals, or road, rail, ports and broadband, they are the issues that the Australian public want us to discuss in this House and to determine a position on.

Yet what we have had from those opposite is a failure to recognise the fundamental principle that, when you are in a hole, you should stop digging. That is a fundamental principle in politics, and yet the Leader of the Opposition continues to dig. He continues to engage in this confected anger about this issue, when it is a fact that no taxpayer dollars went to any car dealer. That is fact 1. Fact 2: their whole campaign has been based upon a fake email. Fact 3: the Leader of the Opposition is finished.

OzCar

Mr HOCKEY (3.07 pm)—My question is to the Treasurer. Can the Treasurer confirm that John Grant did not receive the same financial scrutiny as other car dealers did who obtained government help? Isn't it the case that just one car dealer out of 240 got a personal phone call from the Treasurer, had details on his case faxed to the Treasurer's home and avoided the financial scrutiny because he was a mate of the Prime Minister?

Mr SWAN—I stand behind all of my previous statements to this House 100 per cent. I stand by all of those statements. What is going on here is a massive smear campaign against the Prime Minister and myself and there is a continuance of that in the House today. You know the Leader of the Opposi-

tion is going bad when the member for North Sydney cuts him loose. And of course that is what he did on *Lateline* last night. He was asked a question by Tony Jones—

Mr Hockey—Mr Speaker, I rise on a point of order going to relevance. I want him to answer just one question—one question!

The SPEAKER—Order! The member for North Sydney will resume his seat. The Treasurer will relate his material to the question.

Mr SWAN—The Leader of the Opposition is just swinging in the breeze. This is what the shadow Treasurer said on *Lateline* last night:

> You know what, Tony? I'm part of a team. I mean, you don't always agree with individual decisions that are made by individual players in the team …

Distancing himself from the Leader of the Opposition—swinging in the breeze!

Mr Hockey—Mr Speaker—

The SPEAKER—Order! The member for North Sydney will resume his seat. The Treasurer must relate his material to the question and respond to the question.

Mr SWAN—The reason the Leader of the Opposition is swinging in the breeze, and the reason the shadow Treasurer will be swinging with him—

Opposition members interjecting—

The SPEAKER—Order! The Treasurer will sum up his answer.

Mr SWAN—The reason they are swinging in the breeze is that they have a lot of questions to answer about their relationship with the Treasury official and how much pressure they put him under.

Climate Change

Mr CHAMPION (3.10 pm)—Mr Speaker, my question—

Mr Turnbull—Mr Speaker—

Mr CHAMPION—is to the Minister for Agriculture—

The SPEAKER—Order! The member for Wakefield will resume his seat. Let's get this clear: the Leader of the Opposition has precedence over people on his side; he does not have precedence over everybody else.

Government members interjecting—

The SPEAKER—I understand that that is a matter of opinion but, in the rotation of the call, the member for Wakefield has the call.

Mr CHAMPION—Thanks, Mr Speaker. My question is to the Minister for Agriculture, Fisheries and Forestry. Will the minister update the House on ways in which, instead of our farmers having to adapt to climate change, we ourselves can change the weather? How successful are the methods, and what probity issues have surrounded the proposals?

Mr Abbott—Mr Speaker, I rise on a point of order. The question is in order under standing order 100 but the answer certainly won't be. I respectfully ask that it be closely monitored.

The SPEAKER—Order! The member for Warringah will resume his seat. Again, I thank the member for Warringah for his reassurance of my assessment that the question was in order. I will now invite the minister to respond to the question and we will listen to the answer.

Mr BURKE—I want to thank the member for Wakefield for the question, which goes to the point of whether anyone has prescience over the weather. Yesterday I referred to attempts that have been made with respect to government policy that would aim to manipulate the weather through cloud seeding. I referred to one of the problems being that the technological papers that were provided were all in Russian and the briefing to Australian officials was also given in Rus-

sian. So I went out and had a look and finally managed to find a Reuters article describing what the Russian cloud-seeding technology has been doing. Unfortunately, the article is a year old—

Opposition members interjecting—

Mr BURKE—I really think you want to hear it! I quote from Reuters:

Russian air force planes dropped a 25-kg … sack of cement on a suburban Moscow home last week while seeding clouds—

An opposition member—So what?

Mr BURKE—So what? This is the technology we are talking about—

Mr Turnbull—Mr Speaker, I rise on a point of order. This is a joke that the minister is talking about. The technology that he is attacking does not involve cloud seeding.

Opposition members interjecting—

Mr Turnbull—You are a moron!

The SPEAKER—Order! The Leader of the Opposition will withdraw.

Mr Turnbull—I withdraw, Mr Speaker.

The SPEAKER—There is no point of order. The minister will respond to the question.

Government members interjecting—

The SPEAKER—Order! The House will settle down, especially those on my right.

Mr BURKE—I do understand why the Leader of the House made a reference to Mark Latham! The article goes on to say that the police in Naro-Fominsk said:

A pack of cement used in creating … good weather in the capital region … failed to pulverize completely at high altitude and fell on the roof of a house, making a hole about 80-100 cm …

The article continues:

A spokesman for the Russian Air Force refused to comment.

The homeowner was not injured—

fortunately—

but refused an offer of 50,000 roubles—

The SPEAKER—Order! The minister will resume his seat. The member for Warringah?

Mr ABBOTT (Warringah) (3.14 pm)—This minister is abusing question time. I move:

That the member be no longer heard.

Question put.

The House divided. [3.19 pm]

(The Speaker—Mr Harry Jenkins)

Ayes……	59
Noes……	77
Majority……	18

AYES

Abbott, A.J.	Andrews, K.J.
Bailey, F.E.	Baldwin, R.C.
Billson, B.F.	Bishop, B.K.
Bishop, J.I.	Briggs, J.E.
Broadbent, R.	Chester, D.
Ciobo, S.M.	Cobb, J.K.
Coulton, M.	Dutton, P.C.
Farmer, P.F.	Forrest, J.A.
Georgiou, P.	Haase, B.W.
Hartsuyker, L.	Hawke, A.
Hawker, D.P.M.	Hockey, J.B.
Hull, K.E. *	Hunt, G.A.
Irons, S.J.	Jensen, D.
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.
Moylan, J.E.	Nelson, B.J.
Neville, P.C.	Pearce, C.J.
Ramsey, R.	Randall, D.J.
Robb, A.	Robert, S.R.
Ruddock, P.M.	Schultz, A.
Scott, B.C.	Secker, P.D.
Simpkins, L.	Slipper, P.N.
Smith, A.D.H.	Somlyay, A.M.
Southcott, A.J.	Stone, S.N.
Truss, W.E.	Tuckey, C.W.
Turnbull, M.	Vale, D.S.
Wood, J.	

NOES

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.
Byrne, A.M.	Champion, N.
Cheeseman, D.L.	Clare, J.D.
Collins, J.M.	Combet, G.
D'Ath, Y.M.	Debus, B.
Elliot, J.	Ellis, A.L.
Ellis, K.	Emerson, C.A.
Ferguson, L.D.T.	Ferguson, M.J.
Fitzgibbon, J.A.	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.	Jackson, S.M.
Kelly, M.J.	Kerr, D.J.C.
King, C.F.	Livermore, K.F.
Macklin, J.L.	Marles, R.D.
McClelland, R.B.	McKew, M.
McMullan, R.F.	Melham, D.
Murphy, J.	Neal, B.J.
Neumann, S.K.	O'Connor, B.P.
Oakeshott, R.J.M.	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.
Roxon, N.L.	Rudd, K.M.
Saffin, J.A.	Shorten, W.R.
Sidebottom, S.	Snowdon, W.E.
Sullivan, J.	Swan, W.M.
Symon, M.	Tanner, L.
Thomson, C.	Thomson, K.J.
Trevor, C.	Turnour, J.P.
Vamvakinou, M.	Windsor, A.H.C.
Zappia, A.	

PAIRS

Costello, P.H.	Gillard, J.E.
Pyne, C.	Dreyfus, M.A.

* denotes teller

Question negatived.

Mr BURKE—Last Friday afternoon, the Leader of the Opposition offered his own definition of 'corruption'. He offered his own definition of what it was when you use taxpayers' resources to seek advantage for one of their mates. It is not my definition; it is his definition of corruption.

Mr Abbott—Mr Speaker, on a point of order: under standing order 104, what has this got to do with the question he was asked?

The SPEAKER—The question towards the end had, from what I scribbled down, probity issues involved.

Mr Abbott—Mr Speaker, on the point of order: at the risk of trying your patience, the question was about probity issues in connection with climate change. Clearly, that is not what the minister is talking about.

The SPEAKER—I will listen carefully to the response.

Mr BURKE—Thank you, Mr Speaker. Under that test, was the payment against departmental advice? Yes. Was it for a mate? Yes. Was it for a donor? Yes. Did somebody end up receiving that money? Yes. Every box is ticked, according to the Leader of the Opposition's own definition of corruption.

OZCAR

Suspension of Standing and Sessional Orders

Mr TURNBULL (Wentworth—Leader of the Opposition) (3.23 pm)—I move:

That so much of the standing and sessional orders be suspended as would enable the Leader of the Opposition to move the following motion forthwith—That this House calls on the Government to immediately establish a full judicial inquiry into the OzCar matter including but not limited to:

(1) the full extent of the relationship between the Prime Minister, the Treasurer, the Member for Oxley, Mr Bernie Ripoll MP, and the car dealer, Mr John Grant, including investigation of the following:

(a) all communications between Mr Grant and any of his associates with the Government including members of Parlia-

ment, government officials, ministerial and electorate staff including:

(i) emails (from Government, parliamentary and personal accounts);

(ii) text/SMS/MMS/Blackberry messages;

(iii) voicemail;

(iv) voice to text messages; and

(v) any other written or electronic communications; and

(2) any communications, preparations and discussions in relation to the appearance of Treasury officials before the Senate Standing Committee on Economics inquiry into car dealership financing on Friday, 19 June 2009;

(3) any involvement by Opposition Members of Parliament and their staff;

(4) the 51 Club;

(5) Labor fundraising; and

(6) any previous business dealings, transactions or representations in Australia and overseas involving the Prime Minister, the Treasurer and/or Mr Bernie Ripoll connected with Mr John Grant, any associates or commercial entities.

Mr Speaker, the only reason—

Mr ALBANESE (Grayndler—Minister for Infrastructure, Transport, Regional Development and Local Government) (3.24 pm)—I move:

That the member be no longer hear.

A division having been called and the bells being rung—

The SPEAKER—Can I seek some clarification. From my reading of the draft *Votes and Proceedings*, the motion moved earlier today and the motion which has just been moved appear to be in the same words.

Mr Abbott—My understanding is that there are some slight differences. I have not prepared the text but I am assured there are some slight differences.

Mr Albanese—Mr Speaker, on a point of order: I indeed sought advice from the Clerk of the House, as is normal procedure for the Leader of the House, and was informed that they were different motions. If it is the case that they are the same in substance, as *Practice* and standing orders provide for under standing order 114, the motion moved by the Leader of the Opposition is out of order and should be ruled by you as such.

The SPEAKER—On the point of order, having looked at the draft *Votes and Proceedings* and the motion moved just now, the two motions appear to me to be exactly the same and I rule this motion out of order.

Honourable members interjecting—

The SPEAKER—Based on my review of the draft *Votes and Proceedings*—technology has been slightly of assistance—I have ruled that the motion is out of order.

QUESTIONS WITHOUT NOTICE

OzCar

Mr RUDDOCK (3.31 pm)—I have a question for the Attorney-General. Is the Attorney-General concerned that the media has provided a running commentary on an Australian Federal Police inquiry since Monday? Has the Attorney sought an explanation from the Australian Federal Police as to how this has occurred? Will he assure the parliament that there has been no improper release of information from the Australian Federal Police to any minister, member or staff member of the government? Finally, I ask him: what is the role of the presumption of innocence in relation to Mr Grech?

Mr Albanese—Mr Speaker, I rise on a point of order. On the question coming from this member, it is clear that the standing order which states that questions cannot be ironic should be applied in this case.

The SPEAKER—Order! There is no point of order.

Mr McCLELLAND—The inquiry by the Australian Federal Police is made entirely independently of government. I have full and complete confidence in the conduct and the professionalism of the Australian Federal Police. I made a statement last Saturday as to why I requested the secretary of my department to in turn communicate a request to the Australian Federal Police. I did that subsequent to my receiving certain advice from my department as to potential offences under the Criminal Code. On receiving that request from the secretary of my department the Australian Federal Police, through their completely independent decision-making process, made a decision to commence an inquiry. I am aware, as we all are, that the Australian Federal Police issued a statement earlier this week, on Monday. That statement, I might note, was issued after a certain statement was made by the member for North Sydney in this House. The decision by the Australian Federal Police to make that statement was entirely a matter for the Australian Federal Police.

Mr Ruddock—Mr Speaker, I rise on a point of order. I do not think the matters raised in my question were addressed, particularly the matter in relation to the presumption of innocence.

The SPEAKER—There is no point of order.

Maternity Services

Ms KING (3.34 pm)—My question is to the Minister for Health and Ageing. Will the minister update the House on the government's initiatives to support our nursing and midwifery workforce?

Ms ROXON—I thank the member for Ballarat for this question. She is not just a new mum in the parliament but someone who has taken a great interest in our commitments to develop a new plan for maternity services. There are a number of midwives and nurses in her electorate who were very actively involved in our maternity services review. I know she takes a particular interest in it.

I have to say that today is a very good day for nurses and midwives across the country. It is a very good day for mothers and a very good day for families because today we introduced into the parliament a piece of legislation of which the government is very proud, providing for the first time MBS, Medicare Benefits Schedule, and PBS, Pharmaceutical Benefits Scheme, access for midwives and nurse practitioners. This means that patients will be able to access their services in a new way. It will be much more convenient for patients to have tests and referrals provided by qualified midwives and nurse practitioners.

These reforms will change fundamentally and improve our maternity services across the country. This is a key plank of the $120 million Maternity Services Plan that was part of this year's budget. It is all about improving choices for women and recognising that we need to have access to high-quality, safe maternity care as close to people's homes as possible. I was very pleased to visit the Canberra birthing centre this morning to meet with some of our dedicated midwives, a new mother and an expectant mother to discuss how these reforms would help them now or in the future, if they choose to have more children. The midwives in particular were very excited about the recognition, at last, of their skills.

The proposals that are included in our legislation, which I hope will be supported in the House and in the Senate, mean that our midwives and our nurses will be encouraged to use their skills to their fullest capacity. They will be encouraged to work collaboratively with GPs and with obstetricians. But we are fundamentally enhancing the role that

they can play in providing services to patients across the country. We want to expand the level of health services and access to health services and, of course, have them as close as we can in our community to where people live.

As I said, we are very proud of the changes that are being introduced. It is a key part of our health reform agenda. It is a key part of our primary care agenda, particularly for nurse practitioners. I know, for example, that the member for Brand has been very interested in working with nurse practitioners in Western Australia to ensure that some of the intense workforce shortages that we are still coping with as a legacy from the decisions of the previous government can be tackled by using our workforce more strategically. That means recognising midwives, recognising nurses, encouraging them to work collaboratively with doctors and making sure that better options are available for women and better choices are there. As I say, it is a very good day for nurses, a very good day for midwives, a good day for mums and a good day for Australian families.

Renewable Energy

Mr WINDSOR (3.38 pm)—My question is to the Prime Minister. Prime Minister, given the government's concern over achieving renewable energy targets and climate change generally, why has the government abolished the highly successful Renewable Remote Power Generation Program? Prime Minister, seeing this program has saved 31 million litres of fossil fuels and has established 170 renewable generation systems in Indigenous communities, would you reconsider this decision in light of the fact that Australians are receiving mixed and confusing messages in relation to renewable energy policy?

Mr RUDD—As the honourable member for New England knows, I take each of his questions in this place seriously because he seeks to represent the interests of his constituents. He asked me a question about the Renewable Remote Power Generation Program extension. Can I say to the honourable member that my advice is that the Renewable Remote Power Generation Program has fully committed its funding allocation and is now closed to new applications except in Western Australia, as he is aware.

The RRPGP was initiated by the previous government in 2000-01 as an outcome of negotiations with the Australian Democrats following the passage of the GST legislation. To date the program has invested over $215 million supporting renewable remote power generation, with a further $85 million under construction or approved. In the last six months, more than 1,100 applications have been submitted. This compares with around 6,000 applications received in the previous seven years. The available funds have become fully committed and it is therefore necessary to stop accepting applications everywhere except Western Australia. Industry has been aware for some time that this program has finite funds and that the full commitment was imminent. Along with the Solar Homes and Communities Plan, this program has helped prepare the renewable energy industry for transition from the margins to the mainstream of Australia's energy mix.

Can I say to the honourable member, on the representations he makes about remote communities, that I would like to have a further discussion with him about what further can be done in this area. That is the specific question he has asked. I know that his questions here are well motivated and well based, and he is actually seeking to reflect the interests of his constituents.

He asked more broadly about the question of renewable energy. I say to those opposite and to the House at large, on the question of

the renewable energy target, that this is a great question for all Australians out there at present. Namely, with the failure of the parliament to pass the renewable energy target legislation, we are placed in a situation where we do not have a replacement regime. The member for Flinders, who never gets permission to ask a question—

Mr Hunt—Mr Speaker, I rise on a point of order that goes to relevance. They have yet to bring this legislation forward for debate. It has not even been brought in for debate.

The SPEAKER—The member for Flinders will leave the chamber for one hour under standing order 94(a).

The member for Flinders then left the chamber.

Mr RUDD—I take it, as the member for Flinders is absenting himself, that those opposite are now committed to supporting this legislation. Do they have a position on this legislation? Is it yes or is it no? We do not have any indication whatsoever either on this matter or on the Carbon Pollution Reduction Scheme. The reason I raised this in response to the honourable member for New England's question is that it goes to the replacement regime for solar panels. It goes to the availability of renewable energy certificates. This is a matter I have raised several times in the parliament in the last week or so. Therefore, I would say to the honourable member and the House more broadly that the replacement regime which provides financial assistance to Australian families, so they can in the future access discounts on solar panels, hangs entirely on the decision by those opposite to pass this legislation through the Senate. Those opposite, in their internal division, stand between Australian households and their ability to access this replacement regime—thousands and thousands of dollars worth of discounts effectively based on the renewable energy certificate regime for those seeking to install solar panels in the future.

That is why the second part of the question raised by the honourable member, more broadly on the question of renewable energy, of which solar panels and solar power represent such a large part, is of deep concern to the Australian community as they listen to this debate this afternoon. Those who are seeking to make decisions about solar panels for the future want to know whether the renewable energy certificates regime will be introduced or not. Therefore, it goes right back to the question of the disunity on the part of those opposite and not being able to frame a position. Because of their disunity on this, because the Leader of the Opposition's authority within his party has collapsed, they have postponed any vote on the CPRS. They have refused to indicate, I think, what their position is on the RET, although the National Party have said they are going to vote against it. Therefore, the whole question of disarray within the Liberal Party and the coalition more broadly, and the collapsing leadership of the Leader of the Opposition, is of direct consequence to Australian families seeking to access such basic programs as the future of renewable energy certificates. That is why the question raised by the member for New England is of such direct relevance. Again, I go back to what I have said earlier to members like the honourable member for Bradfield and the member for Higgins in his absence—

Mr Hockey—Why don't you answer questions on John Grant? Why don't you answer questions on John Grant?

Mr RUDD—that is, to attend to this matter, as the Leader of the Opposition fails to do, and take the right action himself.

The SPEAKER—Order! The member for North Sydney will resume his seat. The member for North Sydney is worried about

people wandering around the chamber. That sort of behaviour is not warranted and he will leave the chamber for one hour under standing order 94(a).

The member for North Sydney then left the chamber.

Mr Abbott—Mr Speaker, I raise a point of order. I appreciate this. Mr Speaker, I put this to you. Given that the member for North Sydney does have the MPI in his name, if he were prepared to apologise would you reconsider your decision?

Mr Combet—It's in Turnbull's name!

Government members interjecting—

The SPEAKER—Order! The House will come to order. The member for Warringah had me going for a nanosecond. But I am glad we have sorted that out.

Local Government

Mr CRAIG THOMSON (3.46 pm)—My question is to the Minister for Infrastructure, Transport, Regional Development and Local Government. How is the government working with local government to support local communities and how has this partnership been received?

Mr ALBANESE—I thank the member for Dobell for his question. We have established a strong and direct relationship with local government. Last November we invited every mayor and shire president in the country to Canberra, to Parliament House, to meet with the Prime Minister and the cabinet. As part of that partnership, we determined that we would have an ongoing steering committee of the ACLG. It has continued to meet, discussing microeconomic reform and the challenges confronted by local government—particularly those that have arisen recently as a result of the global economic recession.

This year, in response to a request from ACLG, we have convened the second meeting of the Australian Council of Local Government here in Parliament House tomorrow morning. It will be opened by the Prime Minister and attended by cabinet members. The theme of this conference will be building resilience in local communities. Of course, communities have been affected by the global economic crisis, but particular communities have also had particular impacts—most notably the Victorian councils affected by the bushfire tragedy. The parliamentary secretary with responsibility for the Victorian bushfires has convened a special meeting this afternoon of all the councils to discuss responses to emergency situations such as that. My colleague the minister for Indigenous affairs has convened a meeting of councils with strong and large Indigenous communities, making sure as well that they are able to take the opportunity to inform government of their particular special needs.

Indeed, out of last year's conference we had a number of very practical measures. We determined to establish a centre of excellence for local government—and an announcement is imminent as a result of a process whereby we asked for applications—so that we can get encouragement of best practice through local government. Tonight we have the Australian local government awards here in Parliament House as well. The centre of excellence for local government will be an important addition to local government in their ability to deal with the challenges, particularly the financial challenges, going forward. It will be about making sure that we learn from best practice and that we spread best practice in order to make sure that at the end of the day ratepayers receive best value for their contributions to local government.

We also last year announced the Regional and Local Government Community Infrastructure Program. At the time, we announced it would be $300 million. It now is

$800 million. It has two components. The first is a $250 million component, with a proportion going out to all local government areas—that is, not just some but every single council in Australia will benefit from this program—for small projects and making a difference in their local communities. We also had a strategic project section of this announcement, some $550 million, which funded some 137 projects with a total value of some $1.5 billion. Those projects were for over $2 million. There was a competitive assessment process. Out of that we have announced a number of extraordinarily good projects around the nation—projects such as the Einasleigh River Bridge in the electorate of the member for Kennedy—that will make a big difference. I have travelled around the nation, going to the electorates of the member for New England and the member for Lyne, who might like to pass on to the member for Kennedy that I mentioned this critical project. I also visited their electorates, it must be said, and these projects have been extraordinarily well received.

The Wauchope Bonny Hills Surf Life Saving Club will now be rebuilt by that community. It is an important hub for community activity. In Tamworth we had a terrific day one Saturday with the member for New England. The member for New England organised for the local basketballers and the local kids to come along. They are going to get a sports centre. That will make a difference. It will bring economic activity to Tamworth. People from the region will be able to gather there. We were looking for projects that would be good for jobs immediately—particularly construction of libraries and sports facilities—but also good for the long term, with a lasting legacy.

The message I gave to the Australian Local Government Association on Monday when I opened their conference was that local governments need to ensure that they fulfil the contracts they have been given, which is that work has to commence. We want this to be an important part of the economic stimulus, supporting jobs today and supporting local economies today but also making sure that we are building the local community infrastructure that we need for tomorrow.

Mr Rudd—Mr Speaker, I ask that further questions be placed on the *Notice Paper*.

Mr RUDD (Griffith—Prime Minister) (3.52 pm)—On indulgence, tonight there being a great contest in the great City of Sydney I am sure that all of us are looking forward to the next State of Origin match. I do not wish to emphasise what the result was last time: 28 to 18, I understand it was—

Mr Dutton—Who won?

Mr RUDD—in Queensland's favour. So, on behalf of all patriotic Queenslanders here, can I say that we wish the Queensland side all the best but may the best team win in what should be a great game of Rugby League.

Mr BURKE (Watson—Minister for Agriculture, Fisheries and Forestry) (3.53 pm)—On indulgence, I would just remind the House that last time it was a very big 18 from New South Wales.

Opposition members interjecting—

Mr BURKE—While we were a long way behind, and those Victorians and Western Australians do not care, go the Blues tonight!

AUDITOR-GENERAL'S REPORTS

Report No. 45 of 2008-09

The Speaker (3.53 pm)——I present the Auditor-General's Audit report No. 45 of 2008-09 entitled *Funding for non-government schools: Department of Education, Employment and Workplace Relations*.

Ordered that the report be made a parliamentary paper.

DOCUMENTS

Mr ALBANESE (Grayndler—Leader of the House) (3.53 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 document:

Committee reports: government responses to parliamentary committee reports: response to the schedule tabled by the Speaker on 4 December.

Debate (on motion by **Mr Abbott**) adjourned

MINISTERIAL STATEMENTS

Preparing our Forest Industries for the Future

Mr BURKE (Watson—Minister for Agriculture, Fisheries and Forestry) (3.54 pm)—by leave—The purpose of this statement is to update the House on the delivery of our forestry election commitments; reaffirm the policy framework for the sustainable management of our forests; and reiterate the importance of forestry jobs and businesses during this time of global economic downturn. This government is committed to ensuring the conservation and sustainable management of Australia's forests and supporting our forest industries and jobs into the future. Our election commitments will help our forest industries prepare for the future. In our first budget, the government committed $20 million to assist industry and support jobs, particularly in regional communities, through measures that invest in value-adding through the Forest Industries Development Fund; address long-term skills and training shortages through the new Forest and Forest Products Industry Skills Council and database development; deal with climate change by addressing major knowledge gaps; and work with our Asia-Pacific neighbours and industry to tackle illegal logging by investing in capacity building, certification, improving governance and in developing a regulatory impact statement. I can report to the House that we are on track in delivering all of these commitments.

Australia's Forests

Australia is blessed with unique and diverse forests, from the giant karris and tingle tingle of the south-west to the mountain ash of Victoria and Tasmania and the rainforests of the wet tropics. Within weeks of being sworn in as the forestry minister, I saw firsthand the stunning natural beauty of Tasmania's forests and how they are being sustainably managed and I talked to the workers and company managers who dedicate their lives to this sector. Our forests are a uniquely defining national icon which inspires a breadth and depth of community feeling like few other features of our landscape. Australia's forests cover almost 20 per cent of the continent—more than 149 million hectares—and make up four per cent of the world's forests.

Our forests are greatly valued by all Australians for many reasons: environmental protection; biodiversity conservation; recreation; tourism; and, importantly, as a sustainable resource that provides jobs, supports important Australian industries and underpins many rural communities. The diversity of these benefits will always be reflected in the range and strength of views about how our forests should be managed. Indeed, how we should conserve and use our precious forest resources has been debated intensely many times in Australia's recent history. Striking the right balance between these objectives has been an enduring principle for our forest policy over the past few decades. As Prime Minister Paul Keating said in 1995, our forests 'are a national treasure and their management must be ecologically sustainable and economically clever'.

Forest Management Framework

An important part of striking this balance is having the right framework in place for the conservation and sustainable management of our forests. A cornerstone of this framework is the 1992 National Forest Policy Statement, jointly developed by the previous Labor government in consultation with the state and territory governments. Pivotal to this approach, and arising from the policy statement, was the development of regional forest agreements (RFAs). RFAs are 20-year plans which deliver the right balance between conservation and sustainable production in native forests. The Rudd government remains fully committed to RFAs as the primary mechanism to sustain jobs and support industry, to ensure high conservation values, and for the protection of biodiversity and threatened species. They form the central pillar of our national forest policy framework. A total of 10 RFAs, covering most of Australia's major native forestry regions, were endorsed between the Commonwealth and the states of New South Wales, Victoria, Western Australia and Tasmania between 1997 and 2001.

RFAs were developed on the back of the largest scientific assessment and stakeholder consultation processes ever undertaken for Australia's forests. The agreements have delivered significant environmental outcomes, including Australia's world-class forest reserve system. Currently, 23 million hectares of Australia's native forests are protected in formal nature conservation reserves, as defined by the International Union for Conservation of Nature. Sixteen per cent of Australia's total native forest estate is now formally protected in reserves, up from 10 per cent in 1998. About 4.6 million hectares of Australia's native forests are contained within World Heritage listed areas. More than 73 per cent, or more than five million hectares, of Australia's known old-growth forests are now protected within reserves. Significant conservation outcomes are also being achieved outside the reserve system.

Central to the RFAs was the development of a rigorous sustainable forest management framework to ensure the environmental protection of key forest values, including biodiversity, soil and water, and cultural heritage. Strict codes of practice now underpin the management of production forests to protect these values. In addition to the regulatory framework, many forest managers have achieved independent certification of high-quality forest management through internationally recognised forest certification schemes. An interim report from Allan Hawke's independent review of the Environment Protection and Biodiversity Conservation Act 1999 will be released next week. This report will discuss the issue of RFAs and their interaction with federal environment law.

Australia's various RFAs, and their underpinning frameworks, have been effective in delivering this environmental protection for forests within those regions. As 20-year agreements, the RFAs ensure environmental protection whilst providing the certainty for industry to invest in its future.

Industry Investment

As forest growth cycles can span many decades, forestry requires long-term planning and investment horizons. Australia's forest industry has had to factor a changing resource base into its investment planning and decision making. The declining amount of public native forests available for production has coincided with a dramatic increase in the size of Australia's plantation estate. The estate has nearly doubled since the mid-1990s, expanding by around 70,000 hectares a year, and now stands at nearly two million hectares. This increase in area has been a key objective of the Plantations for Australia: the

2020 Vision, which is a partnership involving the Australian, state and territory governments and the forest industry.

It is important to note that the majority of this significant investment in new plantations over this period has been from the private sector, mainly through managed investment schemes (MIS). The behaviour of some MIS companies and reasons for their recent failure are currently attracting much attention—and rightly so. However, it should be recognised that forestry MIS have fostered significant investment into regional communities. The most appropriate investment model for forestry will naturally be a focus of our attention once the corporate cases become clearer and current inquiries run their course.

Plantations now account for around two-thirds of this country's log production. The changing resource base has required a significant investment by the forest industry to harvest, transport, process and manufacture wood. Value-adding has been central to this investment—creating new revenue streams, boosting export earnings and making the industry more competitive. The government is assisting this process through the $9 million Forest Industries Development Fund to support industry initiatives which add value to forest resources.

The most significant value-adding investment proposed for Australia's forest industry is the Gunns Bell Bay Pulp Mill, in Northern Tasmania. At up to $2 billion in capital expenditure, the mill would be the largest ever private sector investment in Tasmania, and the largest ever by Australia's forest industry. The economic benefits for Tasmania should not be underestimated. The mill will add an estimated $6.7 billion to Tasmania's economy. Construction of the mill and flow-on investment would create some 8,000 direct and indirect jobs spread across the trades and other areas. Another 1,500 jobs would be created during operation. The mill will also provide a significant boost to Australia's export earnings.

It is important to note the mill would not result in any increased harvesting of Tasmania's forests, which are already subject to stringent conservation and management frameworks through the Tasmanian RFA and Tasmanian Community Forest Agreement. This project is about value-adding in every sense of the term. Without it, we would be exporting revenue and jobs.

As the Minister for Agriculture, Fisheries and Forestry, let me state quite clearly that I want to see the Gunns Bell Bay Pulp Mill built—provided the requirements of federal environmental law are met. At present, this assessment process is ongoing and will have to come before the Minister for the Environment, Heritage and the Arts for decision, before the mill can operate. The Gunns Bell Bay Pulp Mill will be good for jobs, good for industry and good for Australia.

Securing Jobs

Job security remains a concern for our forest industries as they deal with the global recession—and securing these jobs is a priority for this government. The forestry sector is not immune from the downturn in the global economy. Companies are being forced to slow operations and reduce staff. Export opportunities are restricted. Forestry contractors are facing a tough business climate due to a reduction in the demand for forest products.

Forest industries make significant contributions to Australia's regional economies, providing over $21 billion in turnover in 2005-06. Currently, 76,800 people are directly employed in the sector. These industries are vitally important to so many regional communities around Australia. In Tasmania, for example, 32 per cent of the workforce in the Derwent Valley and 23 per

cent in the Dorset area are directly employed in the forest industry.

During my visits to Tasmanian towns such as Maydena, St Helens, Lilydale and larger centres like Launceston, there was clear evidence of the importance of vibrant forest industries to these communities. Within the Green Triangle, the areas of Grant, Mount Gambier and Wattle Range all depend heavily on the forest industry for employment—with between 11 and 16 per cent of the workforce directly employed in the sector, and significant employment as well, I acknowledge, in Gippsland.

As part of our election commitments, we declared ForestWorks as the new forest industry skills council and provided $1 million towards its implementation and operation. This initiative will build the skill base and capacity of the forest industries workforce and keep government and the education sector apprised of future skills needs. The government has allocated $1 million towards the development of a comprehensive industry-wide database to help address skills shortages. The database will contain essential information on skills requirements for the forest sectors, training providers and availability of courses, planning for areas of shortages or growth, and understanding trends in specific regions.

Forest Industry Leaders Ministerial Roundtable

The government is consulting closely with the industry on these and other important issues through the Forest and Wood Products Council, which I chair. The council not only acts as a bridge between government and industry but also enables cooperation between different industry sectors.

To complement the work of the council, today I am announcing that the government will establish a Forest Industry Leaders Ministerial Roundtable. This will include the heads of Australia's major forestry and timber companies and will focus on government-industry collaboration to secure industry investment and jobs at a time of global recession. The roundtable will include leading representatives from Australia's native forest and plantation sectors, the wood processing sector, the pulp and paper sector, the skills and training sector and the workforce. I have discussed the roundtable with industry and will be sending formal letters of invitation to representatives shortly.

My colleague Senator Kim Carr, Minister for Innovation, Industry, Science and Research, last week announced the formation of a new Pulp and Paper Industry Strategy Group by this government. The group comprises senior representatives from the leading pulp and paper companies, unions and all levels of government. It will undertake a review of the industry and develop a plan to encourage innovation and attract investment in pulp and paper manufacturing in Australia.

Forestry and Climate Change

Australia's forestry sector has a very important role to play in another priority of this government—dealing with climate change. The government has allocated $8 million towards projects which address major knowledge gaps about the impacts of climate change on forestry and the vulnerability of forest systems.

What we do know is that our forests absorb more carbon dioxide from the atmosphere than they emit, making them net carbon positive. In 2007 forests provided a net sink of 21.1 million tonnes of CO2 and the increase in the carbon stock of harvested wood products was 4.4 million tonnes. The Carbon Pollution Reduction Scheme will provide important recognition and incentives for the ongoing role of forests and forestry in national efforts to address climate change. The government expects that the CPRS will

increase environmental plantings while creating new jobs and while providing for climate change mitigation.

In the international climate change negotiations leading up to a new agreement in Copenhagen at the end of this year, the Australian government is pushing for revised treatment of land use, land-use change and forestry. Australia wants to recognise the full mitigation potential including recognising stored carbon in harvested wood products.

Conclusion

As a cradle of biological diversity, as places of incalculable yet exquisite natural beauty, as a renewable economic resource, as an integral component of our response to climate change and as a defining element of the national landscape, we have responsibilities which weigh greatly upon our policy considerations. This government will continue to achieve the right balance in the management of our forests. We will ensure these resources are conserved and used sustainably for the benefit of all Australians. It is a balance that will guarantee the future of this resource, enable its conservation and protection, and support jobs and our forest industries into the future.

I ask leave of the House to move a motion to enable the member for Calare to speak for 14 minutes.

Leave granted.

Mr BURKE—I move:

That so much of the standing and sessional orders be suspended as would prevent Mr Cobb speaking in reply to the ministerial statement for a period not exceeding 14 minutes.

Question agreed to.

Mr JOHN COBB (Calare) (4.09 pm)—This is Minister Burke's first ministerial statement regarding forestry since he assumed the portfolio and I was particularly pleased to hear him mention his and, I sincerely hope, his government's support for the Gunns project in Tasmania, and I am sure that the member for Lyons would agree with that. In listening to the minister mention the requiring of a sign-off by the minister for the environment and heritage, one can only hope—and I am sure all Australians do, especially those involved in productivity and employment—that that minister will not play around with it and that he will address it at the first opportunity and make it a realistic issue.

The timber industry is vital to regional Australia, and I accept the figures that were read out by the minister just a few moments ago. There are something like 76,000 people directly employed in it. So, obviously, the timber industry is a very big employer in Australian terms. Last financial year, in 2007-08, Australia imported almost $4½ billion of forest products, the bulk of it, over $3 billion, being pulp and paper products. In that same year we exported $2.471 billion of forest products. Obviously, as we are a country that does not like to import more than we export—of anything, let alone anything to do with agriculture—we need to lift our game in Australia and support our forest industries to address what is for us an incredible trade imbalance in the agricultural sector.

It is unforgivable in my view that we are placing a burden on forests in developing countries—which I am told, in some instances, are illegally logged—because of our desire here in Australia to lock up our native forests. We are leading the world in sustainable forestry management practices and yet we continually lock up our native forests—normally because the Labor Party is chasing Greens preferences, I think we could say.

For a long time it appeared Minister Burke was asleep at the wheel when it came to his fisheries and forestry portfolio responsibilities. In October last year the coalition

determined, through the Senate estimates processes, that Minister Burke and the Labor government had in fact made woeful progress in honouring their election commitments. Despite being in office just shy of 12 months and despite the minister duckshoving the program addressing forestry skills shortage off to the employment and workplace relations minister—and it is actually being well received and is supported by industry—guidelines for the program had not been developed. Guidelines for boosting the export of forest products had not yet been developed. Guidelines for the program building a forestry industry database had not yet been developed. Guidelines for the program banning the importation of illegally logged timber had not yet been developed. And, when it came to the $8 million program preparing forest industries for climate change, there was a draft paper only which was not going to go any further until after the ministerial council in April 2009—six months later!

For a minister who apparently aspires to higher places, this was indeed a scathing report card revealed by Senate estimates, especially coming from someone who was reported as saying that the first year in government is all about implementing government election promises. Minister Burke's statement today of course seeks to highlight the so-called 'decisive action' his government has been taking in this area. But I am sorry that I am going to have to point out that there have been a significant number of lowlights for forest industries since Minister Burke took the reins.

We have recently had tabled a Senate inquiry report where the Labor and Greens senators cast doubt on the future of the regional forest agreements, about which the minister just spoke, a recommendation which effectively represents an abandonment of more than a decade of bipartisan support for the RFA process and for the forest industry. I refer to the coalition senators' dissenting report, which said:

> If enacted, this recommendation … would cast uncertainty over the forest sector and put at risk thousands of jobs and millions of dollars of investment—

—not like the Gunns project. It goes on:

> This is bad enough at the best of times, but unthinkable in today's economic climate.

And, off the back of that, we had wild reports from Senator Bob Brown that he was going to attempt an insane deal with this Labor government to end logging in return for the Greens senators' votes for Labor's flawed Carbon Pollution Reduction Scheme. Senator Brown said he was putting on the table that deal proposing to end logging, yet no-one in the government batted an eyelid. No-one came out, not even Minister Burke, and dismissed that idea. It beggars belief that Labor will not negotiate with the coalition on emissions trading but will happily entertain this Greens nonsense that would gut forestry and see thousands of jobs and millions of investment dollars disappear overnight. Minister Burke and Labor MPs in forestry electorates—the member for Lyons for one—should have been up in arms, but their silence was deafening and their lack of support did not go unnoticed by forestry workers.

The government focus should be on commercial-productive timber plantations and not on taking land out of production in environmental plantings. The current reafforestation rules in the draft CPRS are too complex and bureaucratic and will not encourage substantial new investment in production plantations. Recognition of harvested wood products in the CPRS is the key to getting more production plantations in the ground under that CPRS. I cannot understand how it is claimed that, once a tree is cut down, the carbon locked up in a house made from that

tree—or a coffee table or a dining room table—is not stored. This makes no sense and must be addressed by your government, Minister, and by all.

If we need even more evidence of Minister Burke's haphazard management of his portfolio, let us go to the CPRS fuel scheme. This scheme includes agriculture and fisheries but leaves out forestry, which is the only carbon-positive industry in Australia. Yet it is penalised. Excluding forest contractors from the CPRS fuel scheme means they will not get the same compensation arrangements for extra fuel costs as those in other primary industries. Again, this just beggars belief. It is another attack on forestry by a Labor government which is falsely trying to claim today that it is a friend to this industry.

This ministerial statement in relation to future plantation investment is not as strong and positive as we would like. Continuing to encourage investment and reinvestment in timber plantations is vital to maintaining the international competitiveness of the whole wood products and paper industry. The government and the minister in particular have been extremely quiet on the future of managed investment schemes. The minister did mention these a few moments ago but he must be doing all he can to ensure that the Timbercorp and Great Southern plantations continue to be managed and ultimately are harvested and replanted. The government should also provide certainty about the investment environment for plantations in the future, not just let the process run its course.

I believe the minister has a responsibility to stand up for the industry and to not only promote it but also defend it against extremists. I believe that the minister has failed to do this, and I suspect it has a lot to do with his former involvement with the Wilderness Society, of which he was an active member, campaigning on issues such as preserving the Daintree rainforest. I cannot understand why the minister has sat idly by whilst over a thousand jobs in one of the most drought affected regions in Australia—Deniliquin, in south-western New South Wales—were placed in jeopardy by his colleague, the Minister for the Environment, Heritage and the Arts, the same person we are relying upon to okay the Gunns project. Virtually on his own this minister has put at risk a thousand jobs in Deniliquin. The minister for the environment tried to stop logging in the central Murray red gum forests by claiming a parrot, namely the superb parrot, was under threat. This is not a threatened species, but it is so to the minister for the environment. I have spoken personally to timber millers in this region and they are disgusted and dismayed by the government's action. It is very telling that the minister at the table, the Minister for Agriculture, Fisheries and Forestry, has never commented on that issue.

Mr Burke—I did on that day.

Mr JOHN COBB—Well, not in this House. I refer to when the forestry industry protested here and in fact blockaded Parliament House. I forget exactly which year it was; I think it was 1993.

Mr Tanner—1995.

Mr JOHN COBB—So it was 1995, and I thank the Minister for Finance and Deregulation. I believe that was one of the few occasions when the people of Australia were given a very real insight into what the forestry industry in Australia was all about. Up until that time people had a misconception that this was an aesthetic argument—all head and no heart. I recall footage taken very early in the morning up in the hills in the course of that blockade that suddenly changed public opinion very quickly. The pictures shown during that blockade—when then Prime Minister Paul Keating was refusing to negotiate over the RFAs and over the forestry

industry—were of mothers and young children, some babies in arms. The mothers were actually going up in the mist to defend their husbands' right to work and, by doing so, were defending—and stopping extreme greenies from sabotaging—sawmilling and logging equipment up in the hills. Suddenly Australia realised that the logging industry, an industry that had served this country so well, was about people, about jobs, about families and about security.

I started by saying we were importing twice as much, by value, in timber products as we were exporting. We are importing $4½ billion worth; we are exporting timber worth something over half that. I think it is time once again that the Labor Party and its government made it plain that they will stand behind an industry for which women and children will get up at daylight and walk to the top of a mountain to protect the jobs of their husbands, themselves and their lives. The timber industry, be it the sector which has plantations or the sector which reuses timber over many years, is a very strong industry in Australia. It does the right thing. The industry is world's best practice. The Labor Party should stop unnecessarily locking up forests just to catch a green vote.

MATTERS OF PUBLIC IMPORTANCE

OzCar

The DEPUTY SPEAKER (Ms AE Burke)—The Speaker has received letters from the honourable member for Wentworth and the honourable member for Kennedy proposing that definite matters of public importance be submitted to the House for discussion today. As required by standing order 46(d), the Speaker has selected the matter which, in his opinion, is the most urgent and important; that is, that proposed by the honourable member for Wentworth, namely:

> The failure of the Government to establish an immediate and full judicial inquiry into the OzCar affair.

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—

Mr TURNBULL (Wentworth—Leader of the Opposition) (4.23 pm)—Throughout this week we have seen one of the most scurrilous attempts by a government in this country's history to shield itself from the truth. The Labor Party are trying to run a smokescreen of smear against the opposition because they know the Treasurer has misled the parliament. They know the Treasurer misled the parliament because he has told this House that all of the 240 car dealers who sought support under the OzCar scheme were treated the same. He told the House that the Prime Minister's mate and benefactor, the car dealer John Grant, was treated 'just like everybody else'. We now know that the sordid truth at the heart of this scandal is that John Grant was treated like nobody else.

In order to protect themselves from the fact that the Treasurer has misled the House we have seen a smokescreen of smear flung up against the opposition. It has at its core two great disgraceful lies—two Labor lies.

The DEPUTY SPEAKER—The Leader of the Opposition knows that that is an inappropriate use of the word.

Mr TURNBULL—I think it is fine, Madam Deputy Speaker.

Ms Julie Bishop interjecting—

The DEPUTY SPEAKER—The Deputy Leader of the Opposition may find herself out if she is not careful.

Mr TURNBULL—The government has claimed that the opposition has been respon-

sible for fabricating an email, creating a fake email. The second lie has been that the government has claimed that the opposition based its criticism of the Prime Minster and the Treasurer on this fake email. That too is false.

The only reason the government wants to talk about the fake email is that there are so many real emails that contain so many details about the OzCar scheme that are so damaging to the government. The Prime Minister has been dishonest and hypocritical in his desperate attempts to protect his Treasurer and the government over the $550 million OzCar affair. The Treasurer has been caught out misleading the parliament over the special treatment he gave the Prime Minister's Queensland mate John Grant. Remember this: the Treasurer arranged for Mr Grant's finance request to be presented to the Chief Executive Officer of Ford Credit by Treasury officials at a meeting in which Ford Credit were seeking access to a $550 million government guarantee—$550 million of finance that was vital for Ford Credit's survival. This leverage that the government found itself with was deployed for the benefit of the one man who gave the Prime Minister a free car, John Grant—the Prime Minister's friend and benefactor.

We have made it very clear in response to these Labor lies and smears they have presented against us that we have had nothing to do with the creation of any fake email. I see the Minister for Finance and Deregulation here. He said in the House yesterday that this allegedly fake email was created—where? On a computer in the Treasury department. It is perfectly obvious that we could have absolutely nothing to do with the creation of that email. The insinuation has been—first it was an allegation, but now it is just an insinuation—that the opposition were involved in the creation of that email.

Secondly, we have never sought to base our criticism of the government on that email. Last Friday, after Godwin Grech, a senior Treasury official, the man the government put in charge of this OzCar financing vehicle—and there was $2 billion of funding committed towards it—gave sworn testimony that contradicted the evidence the Prime Minister had given in the House, was when I criticised the Prime Minister and said that, unless he could justify his actions and reconcile the contradiction between the evidence of the Treasury official and his own statements, he should resign. We did not base our criticism on any reports of an email—fake or otherwise. The only criticism that was based on emails was the continuing criticism of the Treasurer, which was based on a slew of emails that were produced by his own department and given to the Senate.

The opposition's calls for the Treasurer to resign rely on the solid, incontrovertible evidence drawn from those emails presented by Treasury. All of that evidence is authentic and beyond dispute. The Treasurer says that Mr Grant was treated like everybody else. Well, that is not the case. There was a personal phone call from the Treasurer, there were updates faxed to the Treasurer's home—and there were none about any other dealer—there was a mobile phone number handed over to Ford Credit, there was no financial assessment of Mr Grant's business and, most importantly, there was that incredible pressure on Ford Credit to look after Mr Grant when they were after $550 million of government support. They were told he was a mate of the Prime Minister. Imagine the pressure put on Ford Credit to help Mr Grant.

We will continue to pursue the Treasurer for his improper conduct in the OzCar affair, but before I proceed to speak further about that let me say something about the question of character. The Prime Minister has sought

to say that this is a question of character. What do we say of the character of a Prime Minister who makes unsubstantiated allegations against the opposition? What do we say about the character of this Prime Minister who, when he was in opposition, accused the Prime Minister, the foreign minister, the trade minister and half our frontbench of criminal activities and said that the Howard government had been underwriting Saddam Hussein's activities, financing suicide bombers? He accused the government of corruption and, when it was established in a judicial inquiry that all of those claims he made were false, he gave no apology whatsoever.

Our accusations against the Prime Minister were based on the evidence to the Senate committee but clearly that particular evidence must now be under question because of the assertion that there was a fake email produced in the Treasury and the inference that it may be connected with the witness. That is the inference and that is why I have said—and this is the test of my character—that the criticism of the Prime Minister that we made last Friday, in the light of those developments, cannot be sustained. That is what we have said. That is a concession the Prime Minister never gave to us when he was in opposition and we were in government.

The only way for the Prime Minister to enable us to get to the bottom of this OzCar scandal is to have a full independent judicial inquiry. We have moved to set one up twice today and on each occasion the government has knocked it back. That inquiry would have the full cooperation of the opposition. It is vital that there be some sunlight let into these activities. How could it be that the financing arrangements of one Queensland car dealer, John Grant, became a personal mission for the Treasurer of our country? How could it happen that the Treasurer's private office on 20 February sent an email to the senior Treasury official responsible for the $2 billion OzCar financing scheme, Godwin Grech, urging him—indeed instructing him—to make representations on behalf of that Queensland car dealer, and then, only three days later, for Mr Grech to go into that meeting with Ford Credit, at a time when Ford Credit was so desperately seeking $550 million of Commonwealth financial support, and spend a significant portion of the time at the meeting making the case for Ford Credit to take up the financing needs of Mr Grant, who was not in any event a Ford dealer?

Now, as both the Prime Minister and the Treasurer have said, this has been a time of great uncertainty for the motor vehicle industry. Yet how was it that so much of the focus of the Treasurer, his private officials and, on instruction, senior Treasury officials should be devoted to the business interests of that one Queensland car dealer? Why amongst all the car dealers in Australia having difficulty obtaining finance earlier this year was Mr Grant's mobile telephone number the only one provided by Treasury officials to Ford Credit? Why was it that the Treasurer took time out from the global financial crisis in the frantic lead-up to his trip to Britain for the G20 finance ministers meeting to phone Mr Grant to discuss whether and to what extent Mr Grant might be able to access OzCar finance? Why did the Treasurer then have his own office provide Mr Grant with Rolls Royce treatment by setting up a direct phone conversation with Mr Grech? Why was Mr Swan, the Treasurer, kept constantly in the loop, with regular updates on all email exchanges relating to Mr Grech's work on behalf of Mr Grant copied directly to the Treasurer's home fax?

The reality is that the treatment accorded to Mr Grant was very, very special indeed. It was absolutely Rolls Royce treatment. He might have been a Kia dealer but he certainly got the Rolls Royce treatment from the

Treasurer. How special was it? Let us make some comparisons. Mr David Purchase, the Executive Director of the Victorian Automobile Chamber of Commerce, which represents 350 car dealers in Victoria and Tasmania, writes in a letter that he is: 'unaware of any of our car dealer members receiving any direct assistance from Treasury or any other government department to directly access the special purpose vehicle OzCar'.

So rather than having their cases represented by Treasury officials directly to the CEO of a major finance company, Victorian and Tasmanian car dealers were without exception instructed to run their own race—contact the finance firms directly, with no special pleading from officials. Which would have carried more weight, we ask: a direct representation to the chief executive of a finance company by the very same Treasury officers who were also determining whether that finance company should gain access to a half-billion-dollar Commonwealth backed line of credit or a cold call without any official support? The answer is clear. It cannot be denied; the Prime Minister's mate and benefactor Mr Grant received extraordinary and unmatched access, consideration and representation.

Plainly, the Treasurer has not told the truth. Plainly, the Treasurer is seeking to hide the truth. Australians are not fools; they know all about the culture of favours for mates that we have seen all too many times before from Labor—cronyism and preferential dealing. That is the Labor style. Instead of dealing with that issue, forcing his Treasurer to resign and agreeing to our calls for a full judicial inquiry, the Prime Minister is desperately trying to distract the country by making wild allegations against the opposition. All of these claims, all of these smears against the opposition, are to the government's knowledge completely and utterly baseless but they have continued to make them relentlessly because they are a smokescreen to protect the Treasurer.

On our side of the House we remember how the Prime Minister went about winning headlines in 2006; how he went about day after day as shadow minister for foreign affairs making wild and scurrilous accusations against a prime minister, a foreign minister and a trade minister; and how on 15 different occasions at 15 different press conferences he demanded that heads must roll. Not only did he call for resignations, not only did he accuse those ministers of corruption, but he made the outrageous allegation that they were feathering the nest of Saddam Hussein. And, when, as I said earlier, a judicial inquiry found those smears and insinuations to be utterly baseless, when it vindicated those three senior ministers he had so wrongly accused, he did not apologise, he did not retract; he showed not the slightest remorse. He simply accepted the reward of his Labor mates—they made him leader of the Labor Party.

The feigned indignation that we have seen from this government this week is a measure of its dishonesty and of its Prime Minister's hypocrisy. The fact is that we in the opposition have been asking the questions that are being asked by millions of Australians across the country: has this Treasurer used the enormous advantage of the Commonwealth to try to secure an advantage for a mate and benefactor of the Prime Minister; has there been an attempt by this government at the highest levels to cover this up? These are vital questions that go to the probity of the government. They must be investigated. They must be investigated independently and openly, and the best way to do that, the only way to do that, is with an independent judicial inquiry. It says much about the attitude of the government and their determination to avoid scrutiny that they have twice resisted a

judicial inquiry when it has been proposed to them today.

Mr TANNER (Melbourne—Minister for Finance and Deregulation) (4.38 pm)—It has certainly been a weird week in national politics—a truly amazing week. I would like to reflect on some of the events that we have seen over the past week. At the press gallery ball, we saw the Leader of the Opposition confronting a staff member of the Prime Minister, effectively threatening him and trying to bully him. We have seen the opposition accusing the Prime Minister of corruption—pretty much the most serious accusation that you can make against a Prime Minister—without the slightest shred of evidence. We have seen a public servant telling an inquiry that he thought he had an email from the Prime Minister's office—there was no copy of it available—but he could be mistaken.

We have seen the Liberal Party—the Leader of the Opposition and other members of the Liberal Party—after weeks of scuttling around the corridors to the gallery and elsewhere peddling this email and, indeed, confronting one of the Prime Minister's staff members with its existence also being the first to publish the contents of the email—namely, Senator Abetz in the Senate inquiry hearing on Friday. Subsequently, we have seen them back-pedalling furiously from any connection with this email, once it had been established that the email was a fake. We have seen them claim that their accusations of corruption against the Prime Minister, which were made so unequivocally on Friday, were entirely based on Mr Grech's evidence and had nothing to do with any purported email—this was after their having peddled the existence of such a document around the place for weeks. This claim, according to their own words, now rests purely on the fact that Mr Grech said at the Senate inquiry that he thought he could recollect such an email but, then again, he might be wrong and he did not actually have any copy of it. This is hardly a firm foundation for an accusation of corruption against the Prime Minister.

We even saw things get to the ludicrous point yesterday when the Leader of the Opposition suggested that perhaps the demeanour of Mr Grech in the Senate inquiry could be explained by the fact that he is a little bloke and he was sitting next to another bloke from Treasury who was a big bloke and who was maybe physically intimidating him. That illustrates the level to which the opposition's dialogue on this issue has got. That illustrates where things have got to. Finally, and most recently, we saw members of the Liberal Party leaking to the ABC, telling Chris Uhlmann from ABC TV, that the Leader of the Opposition had extensive connections with Mr Grech.

Today, as a culmination of all of this, we have hit the jackpot. After his own case has collapsed in total embarrassment, the Leader of the Opposition is now moving for a judicial inquiry into the entire affair. We established a few political firsts today during question time. We had not once but twice the opposition trying to gag ministers while they were answering questions. We had two suspension motions moved during question time. I cannot remember that happening before. In fact, we have had three in one day. We had one of those suspension motions ruled out of order because of the fact that the opposition did not realise that they could not put exactly the same motion twice within the one session. To cap it all off, we have had the Manager of Opposition Business stand up and complain about the member for North Sydney being thrown out because he was moving the matter of public importance debate today, not knowing that in fact it was the Leader of the Opposition who was to move that matter of public importance.

That is a pretty good list of political firsts today, but they are all put in the shade by the ultimate political first—the Leader of the Opposition moving for a judicial inquiry into these events. He is effectively standing up and demanding a judicial inquiry into himself. That is the true import of what the Leader of the Opposition is pursuing. This must be the first occasion in Australian political history where a leader of a party has stood up and demanded a judicial inquiry into himself. That would have to be an Australian first. There are some odd aspects to his proposal, even on the terms as he expresses them. The proposed judicial inquiry would investigate the behaviour of the Prime Minister and his staff. Yet, as far as we understand it, the opposition is now conceding that the alleged email from the Prime Minister was a fake and, indeed, the case of corruption against the Prime Minister cannot be sustained. So why they are now asserting that there needs to be a judicial inquiry into the Prime Minister's behaviour after they have conceded that there is no case to answer is a bit hard for me to understand.

I note that the opposition did indicate, at least in a very general way, that they might be prepared to provide information to the Australian Federal Police about their own computers and what, if any, role they have had in the dissemination, promotion and propagation of this email. But they are yet to actually clarify precisely where they stand on this question. After all of their behaviour in making completely baseless, unfounded accusations of corruption against the Prime Minister and the Treasurer, for them to now seek to establish a judicial inquiry into this matter is simply astonishing. It is a bit like the Moran family calling for an inquiry into organised crime.

Let us be clear here: the person with the questions to answer is the Leader of the Opposition. He is the person who has serious questions to answer here, not the Prime Minister—no evidence has been presented to show that he has done anything wrong whatsoever, and the opposition has conceded that the case is not sustained—and not the Treasurer: all the opposition has done is highly selectively and misleadingly grab a few facts out of a wide range of facts, present them in a most tendentious way and make the most grossly inflated and ludicrous claims against the Treasurer, which are completely without foundation. So they do not have any case to answer. The only person who has a case to answer, the only person who has to answer some serious questions here, is the Leader of the Opposition. He has to be in the dock himself for his involvement in these matters and also in the political dock for his judgment in the way that he has dealt with the issue.

I suggest to you, Madam Deputy Speaker, that a few of the questions that the Leader of the Opposition could consider answering are: when did he or other members of the opposition first see the fake email? Do any of the opposition members have copies of the email on their computer systems? How many times has the Leader of the Opposition spoken to Mr Grech in recent times and what about? Are there any email exchanges with Mr Grech? Which journalists did the opposition promote this email to? How long have they been boasting about having a smoking gun around the corridors of parliament to journalists and others? And, particularly, will they enable the AFP to examine their computers? Will they give unfettered access to their computer records and computer data? So it is the Leader of the Opposition who has got the serious questions to answer.

He has also got to answer for his bad judgment in making an impetuous, irresponsible call off the back of no evidence to assert to the Australian people that our Prime Minister is corrupt and is telling lies to the

Australian people. That is an extremely serious accusation. He is now saying that he made that accusation on the basis of a statement by a public servant at a Senate committee hearing that the public servant thought he might have received an email from the Prime Minister's office but then again he might be wrong and, by the way, there is no copy of that email. In the opposition leader's own words, that is the basis for an assertion that the Prime Minister of this country is corrupt. That tells you everything you need to know about the character and the judgment of the Leader of the Opposition—completely intemperate, completely unbalanced, completely obsessed with obtaining power at all costs, going totally over the top and prepared to do and say anything in order to further his objectives.

Like some in the government I have had a bit of experience in opposition. In fact, I was in opposition for quite a long time and I was a shadow minister for virtually all of that time. Over those years I was involved in a number of very prominent controversies in circumstances where information that could be damaging to the government comes to you in a variety of different ways and sometimes in unusual ways. I had involvement in the waterfront dispute and the outrageous training of industrial mercenaries in Dubai to replace the sacked waterfront workforce. I had involvement in exposing the role a former transport minister played in trying to sack people from the CASA board. We had the ensuing travel rorts issues, Peter Reith's telecard—and the list goes on. So I have had a fair involvement from that side in tackling controversial issues and attacks on the government. One thing I learned in those processes is that you approach those controversies with great caution because inevitably around this place false documents, furphies, gossip, lies and all kinds of things surface. They come from all parts of the country and all sorts of weird stuff swirls around. It is the nature of politics. But political leaders have to have the judgment to know that they cannot just simply grab hold of something that is tantalising and tempting and throw it into the public domain without accepting responsibility for the implicit assertion that they are making against the character of the people who are being attacked.

That is precisely what the Leader of the Opposition has done. He has been prepared to publicly accuse the Prime Minister of corruption and lying off the back of no substantive evidence. A more temperate leader, a leader with character and judgment, would have looked at the email and said: 'This is not enough. I cannot put this out into the public domain. I cannot make an assertion on the basis of Mr Grech's contradictory and confusing statements to the Senate. I will have to hold my fire and restrain myself to asking questions.' There is a lot of rubbish that circulates in the political process and it takes genuine leadership to be able to sort out the rubbish and the fakes from the stuff that is serious.

We need to understand here that, by his impetuosity, his egocentricity and his blind arrogance, the Leader of the Opposition has demonstrated to the Australian people that he is unfit to lead this nation. For the person who is auditioning for the role that could be central to decisions like taking Australia to war or dealing with an economic crisis, the question that the Australian people need to ask off the back of this whole affair is, 'Do we want this man's finger on the button?' He has demonstrated that he has major character flaws that cannot be allowed in a prime minister of this nation, irrespective of which party they represent. He has shown he is prepared to do whatever it takes to win power and whatever it takes to slur the character of the Prime Minister, but what he has not

shown is character, judgment and balance in pursuing the interests of this nation.

We have also seen that his own colleagues are now deserting him with great rapidity. They are divided on the big issues—climate change, changes to asylum seeker laws and the nation-building bills, where they managed to vote three separate ways. It was the first time in Australian political history that a major political party has somehow voted three different ways on the same piece of legislation. We had Liberal-National Party members defying their leader on the alcopops legislation a day or two ago. They are about to defy him on the asylum seeker legislation. We had his own party leaking to the ABC the suggestion that he has had extensive reliance on and contacts with Mr Grech in the recent past. And we had the infamous behaviour of the member for North Sydney on *Lateline*. When he was asked about what discussions had occurred between Mr Grech and Mr Turnbull, he responded by saying, 'Well, that's a matter for Malcolm Turnbull and Godwin Grech.' That is really going into the trenches to defend your leader! He was then asked by Tony Jones:

> So the buck does not stop with Malcolm Turnbull for what is being identified by many people as a tactical blunder and a disaster?

The member for North Sydney's response was:

> Well, you know what, Tony, I'm part of a team. I mean, you don't always agree with individual decisions that are made by individual players in the team.

In other words, he is saying, 'I am cutting him loose; I am not going to support my leader.' The rats are deserting the sinking ship. I have a solution to suggest to the Leader of the Opposition. As somebody who has experienced opposition for a long time and known some dark days I know what you have got to do—hold a retreat, all go away for a weekend together to the Blue Mountains or Thredbo or somewhere like that and hold a retreat. I can tell you that it is a lot of fun! You can all sit around and hold hands together and sing *Kumbaya*, have a nice drink and have a singalong and that will solve the Liberal Party's problem.

What is going on here is a giant smokescreen by the Leader of the Opposition because he refuses to front up and explain his full role in this affair and because he refuses to answer questions about his contacts with Mr Grech. He is seeking to move this MPI and obfuscate his role by saying, 'Let's have a judicial inquiry into everything, including people who I have already conceded have got no case to answer.' The whole purpose of the Leader of the Opposition proposing this is to obfuscate the fact that he is refusing to come clean on his role in this exercise. That is the whole reason this is being proposed to the House today.

This issue is not just about leaked documents either. I am afraid that his excuse—saying, 'Sorry, I can't reveal my sources'—when you have the possibility of serious crimes being committed, is very flimsy indeed. It is not just a public servant leaking cabinet documents here; you have the possibility of serious criminal offences being committed, and the Leader of the Opposition is refusing to cooperate. He is refusing to tell the full story of his involvement in the affair. He is taking refuge in the political equivalent of taking the Fifth Amendment in this whole issue. Moving for a judicial inquiry is simply a smokescreen to try to distract attention from his culpability in this issue. All he needs to do is the right thing: explain to the Australian people his role in this whole tawdry affair. *(Time expired)*

Mr HOCKEY (North Sydney (4.53 pm)—There has been a lot of discussion this week about emails and information technology and a range of other things. I have been

sitting here thinking I would set up a new URL: www.noanswer.com.au. The 'www' in that case will not be World Wide Web; it will be 'Where's Wayne Week'. Is Wayne under the table? No. Is Wayne up in the gallery? No. Is Wayne out there talking to car dealers? No. Is Wayne on his mobile phone? If it is John Grant, yes, but otherwise no. Is Wayne at home, where he receives faxes about John Grant? Not at the moment. We know Wayne is in the building, but the Treasurer of Australia is afraid to defend his reputation.

It is rather cowardly, actually. You know what? In the years that I have been in this place, since 1996, it has always been the case that when there have been motions involving my personal integrity, I have had the courage, as has every other minister, to come into this place and defend my reputation—not Wayne Swan; not the Treasurer of Australia. The man who misled this parliament, who lied to the Australian people, is not here. He is not under the table, he is not up in the gallery speaking to the media, he is nowhere to be seen and now he is being defended by a boy.

Mr Bowen—Madam Deputy Speaker, that last comment should be withdrawn in relation to the Treasurer.

The DEPUTY SPEAKER (Hon. DS Vale)—Which comment?

Mr HOCKEY—Which comment?

Mr Bowen—You know which comment.

Mr HOCKEY—Which one?

Mr Bowen—Madam Deputy Speaker, speakers have been reminded in the last few days that such accusations should be by way of substantive motion and cannot be used in the MPI.

The DEPUTY SPEAKER—Minister, I did not hear any accusation. Would the minister explain to the chair?

Mr Bowen—The accusation that the Treasurer had lied.

Mr HOCKEY—I withdraw; I am happy to say he has misled the House. There is no doubt about that. And he does not have the courage to come into this place and defend himself. Do you know what the irony is? Not since a *Q&A* program just after my appointment as shadow Treasurer has he had the courage to debate me. That was on that program. Ever since, they have been rolling out the minister for finance, and now they roll out the kid to defend the Treasurer. The Treasurer is not prepared to defend himself. He does not have the courage to defend himself. He cannot even answer the questions in this place. He refuses to give short, pithy answers that are true and factual. Why? Because the truth is damning of the behaviour of the Treasurer.

It is a disgrace. He is meant to be the person who is leading us out of the enormous financial pressure that everyday Australians are feeling. If he does not have the capacity or the courage to defend his own reputation, how can Australians have faith in him to get us out of the economic difficulties that he is making worse for everyday Australians? The Treasurer is a disgrace. He comes into this place with great bravado and says that John Grant from John Grant Motors was treated exactly the same as everyone else. There was no difference, and yet, day after day, emails were released—not him releasing emails; it was his own senators releasing Treasury emails, originally, in a Senate hearing. At that Senate hearing it was his senators, not his own Treasury department, that he got to do the grubby work. What a disgrace the Treasurer is. What a weak and insipid individual who does not have the courage to defend his reputation, who does not have the courage to tell the truth in this place, who is avoiding every bit of scrutiny. *The 7.30 Report* said they invited him on; he did not re-

turn their calls, he did not want to come on. *Lateline* said they wanted to interview him—no Wayne Swan, no Treasurer, no-one with the courage to go up on national TV and explain exactly what the relationship was and is with John Grant from John Grant Motors. No—not this Wayne Swan, not this Treasurer of Australia.

This man is not prepared to defend himself or to explain the details. He releases a few emails in the Senate hearing. Those emails point to the fact that the Treasurer received updates directly to his home in relation to John Grant, as I said yesterday in this place.

Ms Marino—Lucky John.

Mr HOCKEY—Lucky John. What a privilege it must be for him to have the personal attention of the Treasurer, personal attention that involves a mobile phone call with the Treasurer. How many, we do not know, because this mob does not want to answer those questions. How many times did the Treasurer speak to John Grant? Well? It's a good question, isn't it? What about a good answer? That would help. But the Treasurer would have us believe that John Grant was treated like everyone else, except not one other car dealer received a personal telephone call from the Treasurer. And what about updates directly to the Treasurer's home so that there is no doubt the Treasurer would have read them? How many car dealers out of 240 received that sort of treatment? Just one: John Grant from John Grant Motors, the mate of the Prime Minister, the benefactor of the Prime Minister. He received those updates, not once but four times. The emails went directly to the Treasurer's home.

Then Treasury officials have the opportunity to engage in a discussion with a company on its hands and knees—Ford Credit, a company that comes directly to the government to beg for $500 million of guaranteed money. Do you know what, Madam Deputy Speaker Vale? According to the leaked email—not leaked but actually released and tabled at a Senate hearing—in that meeting where they were begging for money, Ford Credit were on their financial knees. They were desperate for money and would have fallen over but for the support of the government. It is now fact that, in that same meeting, Treasury officials handed over the mobile phone number of just one car dealer: John Grant from John Grant Motors, the Prime Minister's benefactor and neighbour, and obviously a mate of the Treasurer as well. The mobile phone number was handed over with a message: 'He is an acquaintance of the Prime Minister. So, if you want $500 million, here is the mobile phone number of this acquaintance of the Prime Minister. Please take care of it.' What does that smell of? That is what Ford Credit saw and they were the ones that came in begging for government help—fair dinkum.

And it is not over yet because it is now emerging that all of these other dealers were provided with some form of financial advice and some of them were providing financial information to the government. Today we start to ask questions. Did John Grant have to do that? Did he have to provide detailed financial information to the government? It seems that he did not. It seems, from the government's own tabled emails, that John Grant did not have the same financial reporting requirements as other dealers. What a surprise! In all of this, the reason we want a full, open judicial inquiry is that there is a whole lot more to come out about John Grant, about John Grant's relationship with the Treasurer and maybe even about John Grant's relationship with the Prime Minister. There is a whole lot more to come out.

The Labor Party is running a distraction about leaks and emails and is running this

scare campaign about the opposition having access to leaked cabinet documents. I have a joint press statement from Jenny Macklin and Wayne Swan dated 12 February 2004: 'Leaked cabinet documents show family squeeze'. It says:

> 'Leaked cabinet documents obtained by the opposition …

Wayne Swan with a leaked cabinet document! He was in opposition, but now he is the Treasurer. What about these words in his own press release:

> Clearly frustrated with the cover-up, government bureaucrats have taken matters into their own hands by leaking key cabinet-in-confidence documents.

What a fraud the Treasurer is. What a fraud. What a hypocrite. He needs to come into this place and stop lying to the Australian people about his role. He needs to defend his reputation.

Mr SHORTEN (Maribyrnong—Parliamentary Secretary for Disabilities and Children's Services and Parliamentary Secretary for Victorian Bushfire Reconstruction) (5.03 pm)—It is ironic that the opposition have raised this issue on 24 June. It is ironic because, on the same day in 1812, the role model of the Leader of the Opposition took the French army into Russia—and we all know what happened there. What we see yet again is the opposition going a bridge too far—the inability of the opposition to recognise that it is on the wrong track altogether.

I certainly oppose the proposition in this MPI, for a number of reasons. I oppose it because, on the one hand, an immediate and full judicial inquiry into the OzCar affair is a complete waste of time and a distraction from the priorities of this nation and, on the other hand, it is a distraction from the examination of the conduct of the opposition and in particular the Leader of the Opposition. This is a complete waste of time. In preparing for this discussion, I had a look at some of the royal commissions that the previous government instigated. There was the HIH Royal Commission. I guess for the opposition leader I had better not go there. That cost $13 million. There was the Royal Commission into the Building and Construction Industry. What a waste of time that was—$70 million. There was the witch-hunt over Centenary House—$4 million. There was the oil for food scandal. We all know what that reflected—$47 million to discover, I have to say, the failures of the now opposition, the then government. Their defence was in essence: 'We did not know what was going on. We did not know about the $300 million in bribes.' At least that justified a proper inquiry. Of course, most recently we have seen the conclusion of the equine influenza commission of inquiry. These are issues which warranted the interest of a royal commission.

We have the now opposition lining up this so-called OzCar affair against all those issues. We have heard no detail from the opposition about what sort of judicial inquiry they want. Do they want an ad hoc inquiry? Their words are 'an immediate and full judicial inquiry'. Clearly this implies an inquiry of the highest status—a royal commission, no less. The opposition, so desperate to divert attention from their own conduct, are in fact proposing a judicial inquiry which would see the need to find a judicial officer to hear the matter, counsel assisting, no doubt, and all the witnesses that will be required needing their costs to be paid—as well as those of all the parties involved. And who would be the parties involved in a judicial inquiry? Would it be the Liberal Party of Australia and what they know about emails and the peddling of false and untrue documents to the press gallery?

We will also need to look at how long this expensive waste of time would take. We have to ask ourselves this question: why do

the opposition wish to delay getting to the heart of the matter? There is an alternative, which this government has acted on from day one. It said, 'Let's go to the Auditor-General,' a perfectly sensible alternative to get to the heart of certain matters involved in this tawdry opposition scandal. If the opposition are saying that a full and immediate inquiry is necessary, what are they suggesting are the shortcomings of the Auditor-General? What is it they think will not be found out through that process which would warrant a completely wasteful white elephant witch-hunt? Indeed, the Australian Federal Police are involved in investigating these matters, many of which, once the smoke clears, seem to emanate from the opposition and their conduct. What is it that the opposition are saying about the Australian Federal Police and their shortcomings or the evidence that the opposition thinks that they will not find which would warrant an immediate inquiry?

The reason why I have spent some time examining what they mean by a judicial inquiry is that it is clearly a waste of time. Under the Howard government, their inquiries cost tens of millions of dollars. Are they suggesting that this government divert tens of millions of dollars from the very necessary challenge of dealing with the global financial crisis just to retrospectively justify their witch-hunt, which has proven to be a total waste of time? Another sinister motive emerges from the opposition's MPI. Why delay the Auditor-General and the Australian Federal Police inquiries? Anyone with first-year legal training would understand that a full and immediate judicial inquiry—if acted upon—would in fact delay the work of the Auditor-General and the Australian Federal Police.

We have today many important issues to deal with. I can tell you what the electorate is saying. The electorate thinks on one hand that the opposition leader seems to be very ruthless, very arrogant and a bit like his namesake from 1812, the Emperor Napoleon, determined to win office at all costs. Today there are many serious issues to deal with. Abolishing the detention debt regime is a serious worthy issue of the consideration of this parliament. Another worthy issue of consideration is not this MPI but in fact the delay in the Senate of the Carbon Pollution Reduction Scheme. Overnight, we have had the World Bank report providing global forecasts about what is happening in the global economy. That is an issue worth discussing today. But did we hear one question from the opposition on that? Absolutely not.

Australians expect their members of parliament of all political stripes to be debating issues such as abolishing the detention debt regime, the delay to the CPRS and attempts to deal with climate change. They would reasonably expect us to look at what the World Bank is forecasting for economic activity. Indeed, concerned Australians would expect us to be dealing with and hearing reports about swine flu. But did we get one question from the opposition on the swine flu pandemic? Not one.

Indeed, we waited—with perhaps some misguided optimism—to see whether the Leader of the Opposition and the opposition tactics committee might say, 'My goodness: over the weekend, our case has turned to ashes'—if in fact they did not realise that beforehand. I saw some glimmers yesterday. I saw the member for Warringah start to concede that perhaps this matter had not gone in the direction that the opposition assassins had hoped it would. Indeed, I heard the member for Gippsland say yesterday morning on Sky TV that perhaps the matter had not been handled as well as it should have been. I agree. Were these smoke signals? Were these tea leaves that I could read? Were the opposition going to realise that Australians are unimpressed by a debate which has

no substance and which was clearly triggered by a false and fraudulent email? Would the Leader of the Opposition have the capacity to say, 'I got this one wrong; maybe we were on the wrong track'? Did they have that capacity? No. Instead of just using up five hours of question time and debate on Monday, they persisted yesterday and they persist today.

I caution the opposition, in following the opposition leader's tactics, about something that they teach pilots to watch out for: the captain-pilot syndrome. This is something that occurs when the captain of the aeroplane is a man or woman of such authority that even when the plane is heading into hazardous conditions—even when the plane could be in danger of stalling or falling out of the air—the rest of the crew do nothing. All too often, the black boxes with the recordings of aeroplane disasters show that the first officer, the co-pilot—because they are trained to have such respect for hierarchy—did not give a timely warning or try to arrest the inevitable and impending plane disaster. What we see is that the opposition have such a captain of their aeroplane. Even when we know that he is wrong, even when the opposition mutely know that he is wrong, even when the press gallery know that he is wrong and, most importantly, even when all of the people not in this place watching the games—the waste of question time and the opposition not dealing with the issues—know he is wrong, do any of them speak up and say, 'Stop this unfolding disaster'? Not at all.

The priorities of this country should be jobs, jobs and jobs. That is what we are talking about. But we hear nothing from them on this. Instead, we hear, 'Let's have a judicial inquiry.' The call for a full and immediate judicial inquiry in these circumstances is the last cry of a drowning man. It tries to take us away from examining the conduct of the Leader of the Opposition. The only inquiry that we need answered is: what dealings has the opposition leader had with the peddling of this false document? Why didn't the opposition conduct due diligence? Is it that they knew it was false but still proceeded or is it that they were so careless and reckless with that truth and so blinded by the desire to become the government that they threw truth overboard, as they did with the 'children overboard' scandal?

What we have seen in the proposition of this inquiry is a tale of sound and fury but no visible substance. This inquiry has not been spelled out or sketched out. It would be a massive and expensive waste of time and a delay on the proceedings. It is not the real issue for Australia. Australians want the opposition to come back to being an opposition, not just a pack of people peddling forgeries and fraudulent documents and wasting the time of this parliament and the nation. The opposition leader has demonstrated that he is not fit for the job which he currently holds and he is certainly never going to be fit to be the Prime Minister of this country.

Mr ANTHONY SMITH (Casey) (5.13 pm)—I rise in support of this matter of public importance on a critical issue that the government has blocked discussion of all day. This issue started 20 days ago when the Treasurer stood at that dispatch box and said that Mr Grant was treated 'just like everybody else'. As the Leader of the Opposition pointed out at the beginning of the debate on this matter of public importance, what has emerged is that John Grant, far from being treated just like everyone else, was treated like no-one else. No other car dealer received this treatment and personal contact from the Treasurer. When the Treasurer made that statement 20 days ago, he stood at that dispatch box knowing that John Grant had received personal and special treatment.

We have just heard speakers from the government in this debate—who are speaking here, of course, because the Prime Minister will not attend an MPI debate and the Treasurer himself, as the shadow Treasurer said, is refusing to attend and speak on a matter of public importance that goes to the heart of his conduct. This is a repeat of behaviour by the Treasurer, and we have seen it all day today. At nine o'clock this morning the Leader of the Opposition sought to suspend standing orders with respect to a motion for a judicial inquiry. What did we see from those opposite? An immediate decision to cease debate and to prevent debate. That is the Labor Party's first instinct. All day they have voted and acted to prevent any debate whatsoever. All through question time, and through every question time since this issue was raised 20 days ago, they have refused to answer questions.

We saw that today when the Treasurer was asked a series of specific questions based on emails that his own office had released. As the shadow Treasurer pointed out, the Treasurer, firstly for the Senate hearing last week, did not ask Treasury to release some of his emails—he did not release them himself—but he got Labor senators to release them. Very interesting. Then on Monday night he released a whole series of other emails. He was asked specific questions about those today by the shadow Treasurer. He was asked about an email from 17 April, distributed by his office, that advised the offices of the Prime Minister and his office that a car dealer is:

> … very deep in debt, has little equity and has a marginal business case. It is high risk.

He was asked whether John Grant's finances were assessed in a similar way. Of course, he did not answer that question. He did not answer the question about another email, on 24 April, again distributed by his office and again advising both of those offices, that said that a car dealer has:

> … high debt and low equity. The principals … are a couple in their 60s and their kids don't want to run a car dealership. There is no succession plan.

He was asked whether John Grant's finances were assessed in a similar way. He refused to answer.

He did not answer the question because he knows the answer is that John Grant received very special treatment from the Treasurer. When the Treasurer stood in this House 20 days ago and said John Grant had been treated like everybody else, he knew that to be false. He knew that he had rung John Grant. He knew that there were a series of emails that had updated him. He had received them on his home fax. But he did not tell the House that at that time. That is why in this MPI debate we have heard from those opposite no mention of the Treasurer—no mention whatsoever. They have been calling for transparency but voting against the establishment of a judicial inquiry. At nine o'clock this morning and in the middle of question time, the Treasurer's name was not and will not be mentioned by those opposite speaking in this MPI debqate and by the speaker who follows me. *(Time expired)*

Mr MELHAM (Banks) (5.18 pm)—I rise to speak against the matter of public importance put forward by the Leader of the Opposition in the following terms:

> The failure of the Government to establish an immediate and full judicial inquiry into the OzCar affair.

The Leader of the Opposition has legal training; he is most famous for the *Spycatcher* case. So he understands the rule of law. He understands that the golden thread that runs through our system is: he who asserts bears the onus of proof. You cannot just get up and huff and puff, like the member for North Sydney, and engage in smear and innuendo,

and expect everyone to respond to your proposals unless you produce evidence.

In relation to the matters that have been raised by the opposition, there are three inquiries currently underway. There is an Auditor-General's inquiry—an Auditor-General who is independent and beyond reproach. There is an inquiry by the Australian Federal Police as to whether there were serious criminal offences committed in relation to a particular email. And we know that the Privileges Committee of the Senate is looking into the evidence that was given at the Senate hearing last Friday.

The problem for the Leader of the Opposition is that he cannot run or hide from the fact that he knows what our system requires: put up or shut up. Nothing of substance has been put up by the opposition in relation to either the Prime Minister or, indeed, the Treasurer. And, in relation to the Prime Minister, the AFP quite properly came out early and said that it was a forged document, to lay it to rest because it was having an influence on our national and political affairs. If the AFP had remained silent—as some on the other side wanted and which they have asserted—and we did not know it was a forged email, can you imagine where we would have been for the whole of this week of parliament? These are very serious matters.

The problem for the Leader of the Opposition is that he thought he had a smoking gun. Why do we know that? He approached a staff member of the Prime Minister at the Midwinter Ball and the conversation he had was that of a man possessed who thought he had a smoking gun. As time has unfolded—and a week is a long time in politics—that smoking gun has blown his brains out. He has been acting like a man possessed ever since, trying to ratchet up the debate, which is why we are now seeing the call for a full judicial inquiry. Why? The Leader of the Opposition has said that he and the opposition will give full cooperation in the investigation of these matters. What does that mean? I will tell you what it does mean. It means that he has volunteered that, if required in relation to either inquiry, the emails of members of the opposition and others should be thrown open. He has laid the challenge down. You cannot go out and make the concession and then walk away from it. I am worried: what does it mean?

But I will tell you what his allegations mean to date: he has lost all credibility because he has not been able to substantiate them. At their highest they generate a political debate. We know that; we are big enough and ugly enough, those of us that have been here, to know that it will generate a political debate. But what does a full judicial inquiry warrant? It actually warrants evidence of conduct that brings it into that scope, because they are not easily granted—not when you have got an Auditor-General's inquiry and an Australian Federal Police inquiry.

In relation to judicial inquiries, which carry with them, in effect, the Royal Commissions Act power to compel witnesses, on my quick count only five were granted in the 11½ years of the Howard government, and they were for substantially different affairs. And what have this government done? The Prime Minister and the Treasurer have opened up; they have allowed a full investigation of emails in their departments, and what is relevant has been produced. They have not obfuscated and hidden and walked away, as the former government did on a number of occasions. So I think it is just a nonsense. The Leader of the Opposition does himself and the opposition a disservice, because the way they are carrying on is all about the internal workings of the Liberal Party. Ratcheting up for a full judicial inquiry is about covering his back with his caucus.

The DEPUTY SPEAKER (Hon. DS Vale)—Order! The discussion is now concluded.

COMMITTEES

Treaties Committee

Report

Mr KELVIN THOMSON (Wills) (5.23 pm)—On behalf of the Joint Standing Committee on Treaties I present the committee's report entitled *Report 102: Treaties tabled 12 and 16 March 2009*.

Ordered that the report be made a parliamentary paper.

HIGHER EDUCATION SUPPORT AMENDMENT (VET FEE-HELP AND PROVIDERS) BILL 2009

NATION-BUILDING FUNDS AMENDMENT BILL 2009

TAX LAWS AMENDMENT (MEDICARE LEVY AND MEDICARE LEVY SURCHARGE) BILL 2009

TAX LAWS AMENDMENT (2009 MEASURES No. 2) BILL 2009

Assent

Messages from the Governor-General reported informing the House of assent to the bills.

TAX LAWS AMENDMENT (2009 BUDGET MEASURES No. 1) BILL 2009

RURAL ADJUSTMENT AMENDMENT BILL 2009

Returned from the Senate

Message received from the Senate returning the bills without amendment or request.

HEALTH WORKFORCE AUSTRALIA BILL 2009

Consideration of Senate Message

Bill returned from the Senate with an amendment.

Ordered that the amendment be considered immediately.

Senate's amendment—

(1) Page 5 (after line 27), after clause 5, insert:

5A Functions do not include accreditation

(1) The functions of Health Workforce Australia do not include responsibility for accreditation of clinical education and training (for example, accreditation of individual health professional courses).

(2) The regulations must not confer on Health Workforce Australia responsibility for accreditation of clinical education and training.

Mr BYRNE (Holt—Parliamentary Secretary to the Prime Minister and Parliamentary Secretary for Trade) (5.25 pm)—I move:

That the amendment be agreed to.

Question agreed to.

MIGRATION AMENDMENT (ABOLISHING DETENTION DEBT) BILL 2009

Second Reading

Debate resumed.

Mr ROBERT (Fadden) (5.25 pm)—I stand today to state categorically that we will not be complicit in the Rudd government's continued attempts to weaken the integrity of Australia's migration programs and borders. We have always taken a strong stand on preserving the integrity of Australia's migration programs. We believe in an orderly and properly managed immigration and humanitarian program and we will continue to ensure that Australia remains one of the most generous providers of humanitarian resettlement in the world. But we will do this in a way that does not encourage the abuse of Australia's migration program and the abhorrent trade of people-smuggling that endangers the lives of those who seek to enter our great country illegally. Consequently, we need a range of policy measures that will maintain the integrity of Australia's migration and humanitarian programs.

The Rudd Labor government, on the other hand, have unravelled the bulk of the measures that were specifically designed to keep our borders secure. Instead of sending a strong message to people smugglers that they cannot restart their abhorrent trade, the Rudd Labor government's constant watering down of these measures has sent the opposite message. Requiring the payment of the cost of detention is one of a number of strong measures that make it difficult for people smugglers to market Australia as a soft option.

The irony of this debate is that the policy of billing people for the cost of their detention was introduced in a bill in November 1992 by the then Labor government. Speaking during the introduction of the bill, Labor minister for immigration the Hon. Gerry Hand MP said, in his second reading speech:

> A primary objective of the Migration Act is to regulate, in the national interest, the entry and presence in Australia of persons who are not Australian citizens.

I think it is important for us to remember that as we look at every piece of legislation that seeks to weaken that objective or to put decisions in the hands of people smugglers: it was a Labor government that introduced this policy in 1992, with the prime objective of regulating in the national interest the entry and presence in Australia of people who are not citizens.

Thus the coalition will patently oppose the Rudd Labor government's decision to abolish detention debts through the Migration Amendment (Abolishing Detention Debt) Bill 2009. There are safeguards in the existing legislation to ensure asylum seekers who do not have the means to pay are given manageable repayment schedules or have their detention debts waived or written off. Those opposite would have people believe that the coalition is somehow intent on punishing refugees by loading them up with mountains of debt. Examples of many hundreds of thousands of dollars have been given. I suggest such comments are misleading.

The truth is, as the government knows only too well, that those applicants who are found to be refugees are not required to repay the cost of their detention. We fully support such exemptions and the use of the minister's waiver powers. Improving any administrative arrangements in connection with the bill would be welcome. However, abolishing all detention debts will not act as a deterrent, in concert with other pieces of information, to abuse of our migration programs. It will not act as a deterrent against people smugglers, who are selling and exploiting Labor's soft approach.

We believe in sending a clear and unambiguous message that people-smuggling will not be tolerated in our nation and that the integrity of our migration and humanitarian programs must be maintained. We remain committed to genuine border protection and we will continue to oppose any policy changes by the Rudd Labor government which soften the approach, encourage people smugglers or make our borders less secure.

The members for Makin and Petrie came into the House today and said that the shadow minister for immigration and citizenship, the Hon. Sharman Stone MP, was part of the first report on immigration detention in Australia and that she approved the report. Yet, if I look at the document, I note that membership of the committee included Dr Sharman Stone from 10 November 2008. She was not part of the committee when it heard evidence. She was not part of the committee when the report was drafted or when the report was finalised. She joined the committee afterwards, and therefore had no role in the production of this report—as opposed to what the members for Makin and Petrie imply. She was part of the second in-

quiry and of course produced a dissenting report to that.

I also note that, on the eve of the Rudd government introducing the debate about the abolition of detention debt for asylum seekers arriving in unauthorised boats, the 22nd boat has entered Australian waters. It was intercepted near Ashmore Reef with 49 passengers and four crew. Since the Rudd government came to power, almost 800 asylum seekers have arrived on Australian shores. Ever since the Rudd government softened its approach on border security and immigration, almost 800 asylum seekers have arrived by boat on our shores, and the Indonesian government, to their credit, have intercepted 1,000 more—all of this after the coalition's policy reduced it to a trickle, to some tens in the final years. And here we are over the last 18 months facing 1,800.

Indeed, Indonesian authorities also detained 12 Iranian asylum seekers bound for Australia just recently, to the further credit of the Indonesian police. The 12 Iranians are reported to have told the police that they were hoping to travel to Australia to start a better life. And who would blame them? We have an outstanding life in our nation. We have an outstanding country, and we are generous to those who come here. But, in the face of such an overwhelming increase in boat people movements to Australia, when push factors have not increased—there is zero evidence for an increase in push factors for illegal immigrants coming to Australia—the only logical conclusion that can be reached is that Labor's softened policy is acting as an encouragement.

And now this bill—in the face of the 22nd boat to arrive on our shores, 800 asylum seekers having already arrived on our shores and 1,000 more stopped in Indonesia—wants to water down our nation's border protection policy once again. I contend most strongly in this, the House of Representatives, that now is not the time to further encourage people-smuggling with additional enticements by way of abolishing detention debt, abolishing the 45-day rule for asylum seeking onshore and introducing new categories of protection visas to cater for those who currently receive access to ministerial intervention but do not meet the United Nations High Commissioner for Refugees criteria as refugees. Now is not the time to soften our stand. Accordingly, we continue to call for a comprehensive inquiry into the pull factors now encouraging people-smuggling into our nation, cognisant that the push factors have not changed.

I appreciate that there is great emotion in this debate. I appreciate that many members of parliament have represented those seeking asylum and seeking refugee status. But it is always important to go back to the facts. The UNHCR's *2008 global trends* reveals that Australia's involvement in refugee resettlement is significant. Australia welcomed 11,006 of the 88,800 refugees resettled across the world during 2008. We welcomed 12.4 per cent of the global refugees resettled last year—second only to the United States, which alone conducted 68 per cent of the world's refugee resettlement. But, in per capita terms, Australia has led the world for refugee resettlement. We are the most generous nation on the planet for resettling refugees.

Looking back at our migration program, we have resettled on average 12,000 people a year over the last 50 years through our humanitarian program. We are the most generous nation on earth. I am firmly of the view that we should continue to be that most generous nation on earth, but we should continue to decide who comes to this country and the circumstances in which they come. The only deterrent to those who wish to enter Australia illegally is sound, strong policy,

and my great fear, which is being realised every day, is Labor watering it down.

The reason why all we have is strong policy is that, between us and Afghanistan—half the world away—the only countries that have signed the 1951 refugee convention and the associated 1967 protocol are: Azerbaijan; ironically, Iran; Kazakhstan; Kyrgyzstan; Tajikistan; Turkmenistan; Yemen; Cambodia; and Papua New Guinea. Between us and half a world away, that is all that have signed it. We know that many people-smuggling operations use land and sea bridges, predominantly through Pakistan, Malaysia and Indonesia. These are countries that have not signed the 1951 convention, and there seems no indication from their current foreign policy that they intend to move to sign this convention and the associated protocol. These countries are not predisposed to granting asylum to those seeking it, because they have not signed. Clearly, an appropriate response from this government would be to start engaging these countries to move towards signing the 1951 convention and associated protocol.

It is also important to remind the nation of the coalition's long—and, I say, proud—history of resettling refugees who have been selected by the UNHCR and who have been found to be in great need. By 1947 Australia had accepted more than 170,000 refugees and displaced people, largely from Europe. By 2009 we had accepted and settled more than 680,000. As the UNHCR's report shows, last year we were the most generous resettlement country per capita on the planet. In 1956 the Menzies government began to liberalise the White Australia Policy by granting permanent resident status to non-Europeans who had arrived as refugees during the war. Further liberalisation took place in 1959 and 1960 under Menzies, and, of course, in 1966 Harold Holt removed the last vestiges of the White Australia Policy. Although Australia had a long history of resettling refugees and displaced persons, a regular and planned humanitarian program did not commence until the Fraser Liberal government in 1977. For all of the hoo-ha of the Whitlam years, a permanent program began after he was thrown out.

The coalition's commitment to a well-funded and managed refugee resettlement program that is fair, equitable and generous has never faltered, and it has always been a strong part of our policy platform. It was the coalition in government that were responsible for increasing the annual number of resettlement places to a minimum of 6,000, which many times has been substantially oversubscribed. Australia consistently ranks with the United States and Canada as the top three countries accepting those in need of resettlement. The resettlement services and support that we as a nation provide to refugees are clearly critical to their successful integration into our economic, social and political life and are second to none in the world. Australia's resettlement services for refugees and migrants have certainly evolved and changed over the last 60 years, from the provision of basic on-arrival accommodation and assistance to more intensive support programs targeted at meeting the specific needs and aims of those who have entered on humanitarian grounds.

The coalition in government implemented and expanded a range of resettlement services, including integrated support for humanitarian entrants, translating services, English language classes, complex case management and grants based funding for projects to promote social cohesion and integration of migrant groups. The Adult Migrant English Program, AMEP, has been providing English classes to eligible adult migrants since 1948. Eligible migrants have a legislated entitlement to study English for up to 510 hours or until they reach functional Eng-

lish. Labor has now reduced this funding. The teaching of English to newly arrived migrants and those arriving in the refugee and humanitarian programs in particular is vital to their capacity to gain work and successfully integrate into our society. We are gravely concerned that this Labor government has cut funding to the Adult Migrant English Program by over $20 million in the 2009-10 budget. Not only has it gone soft on our borders, leading to a tidal wave of human misery being trafficked upon our shores but it has also cut back the Adult Migrant English Program in the same breath. How you can soften policy, allow a wave of people in and not provide essential services is simply and utterly beyond me.

The budget also cut a further 400 staff members from the Department of Immigration and Citizenship, bringing the total number of staff removed from the department in the past 18 months to 600. Along with portfolio savings of $124 million the coalition is gravely concerned that the department will be under serious stress and the delivery of essential services to our humanitarian entrants will be jeopardised because of this.

We are a nation of migrants, a nation built on the backs of those who have come before. Those former migrants expect us to ensure integrity remains in our system. Our migration program is a nation-building program. The Department of Immigration and Citizenship estimates that there were approximately 25,700,000 movements across our border in the last financial year. That is one person either coming or going every second. The amount of movement across our borders is staggering. It is no wonder we call for a strong framework of checks and balances. It is no wonder we call on a strong policy platform that sends a very clear message to those who would peddle in the human misery of people-smuggling. It is no wonder we call for a strong policy, combined with the strongest possible integrity of our migration and refugee system. It is no wonder we call for a strong commitment to financial resources to meet the needs of our resettlement program. This Labor government is softening our borders. It is providing encouragement to those who would traffic people. Push factors have not changed. Pull factors have: policy has been softened. A tidal wave of 800 boat people, including the 22nd boat recently arrived, has come across our shores, with a thousand more being stopped in Indonesia. Until strong policy is restored, until this nation has the courage of its convictions to put up a strong policy fence and framework, we will never combat this insipid trade. I stand to state categorically that this bill cannot be supported.

Ms ANNETTE ELLIS (Canberra) (5.44 pm)—I welcome the opportunity to speak this evening on the Migration Amendment (Abolishing Detention Debt) Bill 2009. It is becoming increasingly apparent that holding people liable for their immigration detention costs is simply no longer justifiable—in fact, I understand that we are the only country in the world that holds people liable for their immigration detention costs. I am happy to be first for a lot of things in the world, on behalf of Australia, but that is not one that I am happy with. I am quite surprised to hear some of the speakers on the other side of the House defending this. I am a bit ashamed that we are the only country in the world that holds people liable for their immigration detention costs.

In the past four financial years, 17,355 detainees have been billed for time spent in detention, amounting to a total of over $170 million. However, a relatively small percentage of this debt has actually been recovered. In 2004-05, 5,542 detainees were invoiced for their time in detention. The total of this debt was approximately $65 million. The total debt recovered, both onshore and off-

shore, was $1,253,995. In percentage terms, this was merely 1.9 per cent.

In 2007-08, the number of detainees subject to monetary charges for time in detention was 2,386. These reduced numbers reflect the fact that the Department of Immigration and Citizenship was detaining far fewer numbers of people than was the case in 2004-05. Nevertheless, out of a total bill of approximately $23 million, only $870,830 was recovered, representing only 3.2 per cent of the total charged. Given these figures, it is apparent that the cost of administering the system of detention debt recovery is greater than the amount that is actually recovered. The Minister for Immigration and Citizenship, Senator Evans, has remarked:

> It does seem to be a crazy situation to run a system to raise debt when it costs us as much to raise the debt as it does to generate income from it.

The majority of immigration debts have been written off because they are uneconomical to pursue, while a very small number of these debts have been waived in exceptional circumstances. However, not only is the recovery of detention debt uneconomical; it is also unjust. It is punitive and it has been found to cause emotional strain to former detainees and their families.

As I pointed out earlier, Australia is the only country that holds detainees liable for their detention costs. Not only are we the only country to hold detainees liable but as Azadeh Dastyari, of the Castan Centre for Human Rights, has noted, there is no other form of detention in Australia that imposes a charge on a person who is detained or incarcerated. Ms Dastyari stated:

> Citizens and non-citizens who are detained as punishment for crimes are not made liable for the cost of their detention… Other detainees subjected to 'administrative detention' such as individuals suffering from mental health issues who are detained pursuant to the Mental Health Act 1983 are not required to reimburse the Commonwealth for the cost of the deprivation to their liberty. Nor are detainees detained for quarantine reasons pursuant to the Quarantine Act 1908 (Cth), required to pay for their segregation from the Australian community. Detention of non-citizens pursuant to the Migration Act 1958 remains the only form of detention in Australia that requires the detained to pay for their own detention.

The costs of detention are high, and these high costs tend to place emotional strain on both detainees and their families. The cost of one day in detention is $125.40. For one month this balloons to $3,762. For one year the cost is $45,144, and for five years it is $225,720. For families who are kept in detention, the figure is much higher—for example, an Iranian family who spent three years in Curtin Detention Centre in Western Australia were advised by the Department of Immigration and Citizenship that they owed approximately $200,000 for their time in detention. There is the example of another family who were advised that their debt was more than $340,000. This amount of money will buy a house for a family in any of the outer stretches of suburbs of any of the Australian capital cities. Imagine the strain and stress of a debt that size facing a family.

The Joint Standing Committee on Migration noted the adverse effects of detention debt, stating:

> …detention debts are a source of substantial anxiety to ex-detainees, and may impede the capacity of the ex-detainees to establish a productive life, either in Australia or elsewhere.

The Joint Standing Committee on Migration also commented on:

> … the limited earning capacity of many people on their release from detention, and the financial hardship that substantial debts caused.

The Commonwealth Ombudsman has also expressed his concerns, noting:

> Complaints to the Ombudsman's office indicate that the size of some debts cause stress, anxiety

and financial hardship to many individuals who are now living lawfully in the Australian community, as well as for those who have left Australia.

For many people who are currently burdened with these debts, the carriage of this bill will give them the chance to start life afresh and make a significant contribution to society.

The extinguishment of these debts will not be retrospective—that is, if any debts have already been paid, they will not be refundable, unless exceptional circumstances apply such as if the person was unlawfully detained. As I said, the amount of money involved is not that high anyway. Also, people who are removed from Australia will still be expected to pay for their own travel costs. Whilst detention debts will be abolished for many people, this bill will retain and clarify provisions of the Migration Act which relate to the liability of convicted illegal foreign fishers and convicted people smugglers for detention and transportation costs, contrary to the inference of the previous speaker. Additionally, section 262 in division 14 of part 2 of the act will be amended to allow the minister to determine the daily amount for keeping and maintaining a person in detention at a specified place in a specified period. This will ensure that the detention costs of illegal foreign fishers, convicted people smugglers and liable third parties are clearly specified.

Unlike many people who enter Australia and are detained, illegal foreign fishers and people smugglers have no intention of residing in Australia or make any contribution to this country—therefore, by continuing to charge these people for their time in detention, the Australian government is sending a clear message to these people that their actions will not be tolerated, whilst supporting the integrity of Australia's border security regime. Since being elected, the government has taken a number of steps to improve Australia's immigration policies. The decision to abolish detention debt for most of Australia's detainees is a welcome step. I commend this bill to the House.

Mrs MOYLAN (Pearce) (5.53 pm)—I have always deeply felt that at the core of any public policy should be the preservation of human dignity and human life and that placing these as first principles of public policy does not, in any way, detract from our responsibility in this place, particularly in relation to refugees. That responsibility is not diminished by undertaking those first principles, by government or by opposition benches, to implement and insist on a strong border protection policy. Citizens have a right to expect the government will maintain a strong border protection policy and to keep the country safe from foreign invasion, to protect Australian territorial waters and industrial interests. The difficulty with this issue rests with the ability to separate two key issues. The first is the protection of our borders and the second is the way we treat refugees or asylum seekers when they arrive in our territories and are found to be genuine refugees.

Too often these issues become clouded in the miasma of political debate, which leads to demonising people who arrive by boat seeking asylum. This process is aided by the mantra that they are illegal entrants and queuejumpers. The rejoinder is that Australia has long been a signatory to the international convention on refugees and there are strict guidelines to determine the validity of a claim for refugee status. In many conflict zones, queues do not exist and there are few stopping-off points between some of the conflict zones and Australia. Malaysia or Indonesia are the most likely destinations, but these countries are not signatories to the international convention on refugees and they have no regulatory framework to protect them. Indonesia is working towards signing the refugee convention in 2010. However,

there is also a need for the development of a regulatory framework and that could take some time.

Many important changes to the immigration detention policies have been made in recent years, as my colleague the member for Kooyong very eloquently outlined to the House earlier today. These changes were made to ensure that the policy is administered more humanely. What we are debating here tody is a remnant of legislation that seeks to abolish billing refugees for accommodation in mandatory detention. It is important to stress, though, that the change to the act does not apply to illegal fishermen or to people smugglers who profit from their nefarious activities. They will continue to be billed.

In a recent report of the Joint Standing Committee on Migration titled *Immigration detention in Australia: a new beginning*, Julian Burnside QC is quoted as saying:

> Australia is the only country in the world which charges innocent people the cost of incarcerating them.

This is not a distinction that is deserving of much merit.

No-one can condone the action of people smugglers. They trade on the desperation of people fleeing war, political persecution or religious intolerance, in the main, and there is a view that by maintaining this policy of charging it would deter further boats from coming to Australia and would send a signal to people smugglers. The fact is that this measure was implemented through a change to the Migration Act in 1992 to the effect that all unlawful noncitizens would bear primary responsibility for the cost of their detention. It was implemented, as one of my other colleagues said, under a Labor government and was carried on under the coalition. It was never intended to act as a deterrent, nor has it been demonstrated that it has any deterrent value. In fact, on the back of the Iraq war we saw a substantial wave of boat people arrive in 2001.

The boat arrivals are more likely to be linked to the escalation of war and conflict around the globe than with our domestic policy. Moreover, these waves should be kept in perspective and a few boatloads of people cannot be construed as a threat to national security, despite the hysterical headlines announcing every new boat arrival. The ensuing letter to the editor pages in our newspapers express concern that the new arrivals may be terrorists, may introduce unwanted diseases or are just economic refugees, and the more extravagant raise prejudices against people of particular religious beliefs.

The fact that all people arriving by boat seeking refugee status are placed in detention until health, security and identity checks are complete should allay most reasonable fears. With a combination, though, of hysterical headlines and at times disingenuous debate, it is unsurprising that there is public disquiet about these new arrivals. The United Nations High Commissioner for Refugees, Mr Richard Towle, who gave evidence before the Joint Committee on Migration, did say that it would be in the interests of refugees, advocates and the public to have greater clarity and transparency of the assessment process and of the regulatory and legislative framework. This, he argued, is particularly so with the regular arrivals who come with false documents or no documentation. I would certainly support any action which would make these processes more transparent and open to public scrutiny because it would remove some of those unwarranted fears.

To further address security fears, of the 5,986 security checks on boat arrivals in 2000 and 2002, the Director-General of the Australian Security Intelligence Organisation reported that no individual had been assessed

as a security risk and, in 2004-2005, ASIO reported that two unauthorised arrivals, from a total of 4,223 assessments, gave rise to some concerns. I think that included all unlawful arrivals, not just those by boat.

The escalation of violence in Afghanistan, recent troubles in Sri Lanka and continuing brutalities in Burma are the main reasons for the stark choices asylum seekers confront: facing terror in their homelands or risking the chance of gaining passage on leaky boats. We witnessed the risks and the ensuring tragedy recently, when a boat carrying a number of refugees caught fire. The loss of life and serious injuries that followed shocked this nation.

The hysteria about the number of arrivals should be seen in the context of those current adverse events and in comparison to the numbers received by some of our closest allies. Indicative of escalating conflicts in many countries around the globe, refugee numbers increased in 2008 by 12 per cent worldwide. This followed a 20-year low in the number of refugees worldwide in 2006. The increase in 2007 came largely on the back of the Iraqi conflict and in 2008 it was driven by escalating troubles in Afghanistan and Somalia. The UNHCR reports that Australia is ranked 69th in per capita terms for hosting refugees, representing 0.2 per cent of the global total, but Australia is ranked first for its official refugee resettlement program, which is indeed very generous. We can be very proud of that record. In 2008, Australia recorded approximately 4,700 asylum claims, which is well below the 2000 and 2001 figures of 13,100 and 12,400 respectively. By contrast, Canada, a country of about 34 million people, registered 36,900 claims in 2008, an increase of 30 per cent on the 2007 claims.

I have worked over the past several years with my colleagues the member for McMillan, the member for Kooyong and others to change the Migration Act, including the release of families with children from detention centres, a reporting system to parliament by the Immigration Ombudsman at six-monthly intervals regarding people who are held in detention for lengthy periods and improved assessment processes to reduce the time people spend in detention. I welcome the bipartisan agreement of the Joint Standing Committee on Migration which, amongst other measures, recommended that the practice of charging refugees costs incurred while in immigration detention be discontinued. The agreement reads:

> The Committee recommends that, as a priority, the Australian Government introduce legislation to repeal the liability of immigration detention costs.
>
> The Committee further recommends that the Minister for Finance and Deregulation make the determination to waive existing detention debts for all current and former detainees, effective immediately, and that all reasonable efforts be made to advise existing debtors of this decision.

The cost of detention is about $125 a day. It applies to detention centres, residential centres and community detention. Spouses and dependent children are also liable for the charges. A one-year detention period would result in a charge of about $45,000. Given that many people were held in detention for periods of two to five years, the charges are very substantial, particularly in the case of a family. In one case outlined in the report, the family had incurred a debt of $340,000. According to the Department of Immigration and Citizenship, the total amount of debt recovered since 2004 has been low, at between one and four per cent. This year, the estimated cost of administration will be higher than the debts collected.

There were many submissions critical of this policy, with one witness branding it ‘manifestly harsh and unjust’. I have wit-

nessed firsthand the trauma this policy causes asylum seekers, who barely out of detention receive a substantial bill which they have little hope of paying in the foreseeable future, if ever. It is distressing for them because they do not know that there might be mechanisms within this parliament to waive these fees unless somebody in the community who knows about it tells them. Many people in this place, I hazard to say, do not know about that.

On release, asylum seekers often find work that is poorly remunerated. The cumulative effects of years of trauma take their toll and further add to the difficulties many confront when released. The dishonour of knowing that they cannot pay any time in the foreseeable future causes a loss of dignity in people who have been accustomed to honouring their commitments. In any event, it contributes to the financial hardship faced by many refugees. It is very detrimental to a person's attempt to settle into life in a new country.

Given that there is no demonstrated deterrent value in making this charge and the fact that in reality it is rarely collected, there can be only one reason for continuing such a policy, and that is a punitive one. I do not think that these are the kinds of people that we really need to further punish—I think they have been punished enough. The argument for abandoning this punitive measure was clearly articulated in 2006, when the coalition was in government, by the Senate Legal and Constitutional References Committee report on the administration and operation of the Migration Act 1958. In relation to the detention costs being charged to asylum seekers, the report read:

> The evidence clearly indicates that the imposition of detention costs is an extremely harsh policy and one that is likely to cause significant hardship to a large number of people. The imposition of a blanket policy without regard to individual circumstances is inherently unreasonable and may be so punitive in some cases as to effectively amount to a fine. The committee agrees—

and the committee is a bipartisan committee—

> that it is a serious injustice to charge people for the cost of detention. This is particularly so in the case of unauthorised arrivals, many of whom have spent months and years in detention … the committee therefore recommends that it be abolished and all existing debts be waived.

Given that not one but two bipartisan committees have strongly recommended that the policy be discontinued, I have to say that I am extremely disappointed that once again politics are played at the expense of some of the world's most vulnerable people.

In summary it is clear that the legislation which imposes a daily charge for asylum seekers being held in detention does not prevail in any jurisdiction other than Australia. It does not apply to criminals or those held in other forms of detention. It has no demonstrated deterrent factor. It is a debt that is rarely collected. It hampers the resettlement of refugees. And it was the subject of two bipartisan inquiries, with unanimous recommendations to discontinue the charge. Mr Deputy Speaker, I suppose you could further add to that list the fact that, from this year's figures, it is costing more to administer the collection of the debt than the income that it is deriving.

Given the thoroughness of the reports, I believe we should be supporting this legislation. It is time to move away from the dehumanising of people arriving in this country in boats seeking asylum. As someone said about recent boat arrivals, 'It's not a flood; it is a trickle.' Ironically, while we are worrying about these few loads of boat people arriving, we are ignoring the real border protection issues. In Western Australia, we have the vast coastline of the Indian Ocean. It is home to immense gas reserves and it is rich

in minerals, yet I believe this coastline does not receive the kind of attention or the protection that it merits. We should turn our minds to a serious debate about the real national security issues that effectively protect our borders.

Let me conclude by acknowledging the work of the standing committee on migration and the earlier work by the committee on legal and constitutional affairs for their thorough consideration of detention policies and the very careful considerations that have led to the legislative changes that are proposed in this bill.

I support the changes to the Migration Act to abolish detention charges for refugees.

Mr PERRETT (Moreton) (6.09 pm)—I want to start by commending the contribution made by the member for Pearce on the migration bill. It has certainly been an interesting experience to hear the different speeches delivered from the other side of the parliament on the bill, but I will return to those contributions later. Firstly, this evening, I want to explore a particular topic relating to the Migration Amendment (Abolishing Detention Debt) Bill 2009, which is before the House, and put a little context around it.

I turn to a definition of racism. Racism is a noun and it is defined as: 'A belief or doctrine that inherent differences among the various human races determine cultural or individual achievement, usually involving the idea that one's own race is superior and has the right to rule others.' That is from Dictionary.com. I am sorry that I have not referred to the Oxford or the Macquarie dictionaries. When we look at that definition and apply it to Australia's history of racism, it provides an exploration of the dynamics of power and ignorance that have so shaped Australia's history. The fundamental legal concept of modern Australia was based on this definition. Since 1788, there has been the idea of terra nullius. It is a legal concept that was applied in this part of the British Commonwealth and is based on some racist assumptions.

I must admit that the Australian Labor Party has its roots in racism. In fact, it was one of the strongest organising forces in the Australian Labor Party. Disparate groups came together to form the Labor Party under the tree of knowledge at Barcaldine, in the suburbs of Sydney and around Australia. For instance, there were elements of an anti-Chinese force in bringing people together to form the proud Australian Labor Party. Obviously this came out of the time when there were anti-Chinese riots and rallies. I read recently that every window of Chinese businesses in Brisbane was smashed during some of those rallies in the 1890s. That is the history of the Australian Labor Party. It is not one that I am proud of but one that we must acknowledge in building a stronger party for the future. And we have done that. We have dealt with the ghosts of our past.

If we look at the institution that we are in today, we will see that one of the first things the Commonwealth of Australia did was to pass racist legislation—legislation that would not get off the ground at all in 2009. But 1901 was a different time and there was a different sense of what was right. In the past when I have touched on these topics in speeches, I have had people from the Labor Party say: 'You can't say that. You cannot talk about that history of the Australian Labor Party.' But I always make a point of saying it—not dwelling on it, but acknowledging it—because that is the only way we are ever going to move on from this shameful legacy.

You do not have to look far to find racism, especially in Queensland—the state that I come from. It has probably got one of the

worst legacies in terms of racism. There is the Palmer River goldfield massacres where Chinese people were slaughtered by miners. There is also the treatment of Kanakas and the blackbirding that took place in the sugar-cane plantations in Queensland. We can look to a more recent history, say, that of my grandfather's time during World War II. A lot of American troops were based in Brisbane, particularly in my electorate where there was an airfield base, and there was segregation of the African-American service personnel; they were not allowed to go over the river. We can look at an even more recent time. Just a few weekends ago, on Saturday, 13 June, I was at the Pho Quang Monastery, a Vietnamese establishment in Inala. It is not in my electorate. I told the member for Oxley that it was actually in his electorate, but it is just over the border from mine. It was quite a poignant experience being in Oxley on that day, 13 June, because on 13 June, 11 years ago, 11 members of One Nation were elected to the Queensland parliament.

I still have the horrific memory on that election night of that failed businesswoman from Ipswich striding through the tally room in that horrific yellow outfit. I remember it well and it still sends a chill up my spine. Even more recently—not 11 years ago but just a few years ago—after the September 11 horror, there was a firebombing of a mosque in my electorate by an idiot.

Obviously, Queensland does not have a particularly proud legacy when it comes to migration and racism but things have changed. In the small country town I grew up in there were not too many people who were not of Anglo-Celtic background. I remember the Yet Foys, who were successful business-people, and some other friends of mine, the Longs, who were Aboriginal-Chinese—which is not an uncommon history in country Queensland. It is a story that would break your heart if I told you but I will save that for another day.

That is Queensland's background but we have moved on and we have changed. I look at the great work of a group in the Labor Party called Labor 4 Refugees in the lead up to the 2004 federal election. I want to particularly acknowledge the work of two young people who taught me so much, Matt Collins and Sarah Abbott. They had the courage of their convictions and tried to move the federal Labor Party and many other people to combat the ignorance that often comes with some of our policies and our ideas.

As a member of parliament from Queensland, I can proudly say that things are turning around from a state that at one time had the lowest percentage intake of refugees in Australia to a state that now has the highest percentage of refugees. We are changing our culture. We are shedding our redneck past. I look at the success stories such as good old white-bread Toowoomba—with respect to the member for Groom—embracing a lot of Sudanese refugees. There are places like Gatton that do not have a particularly multicultural past—except for maybe Irish, Welsh, Scottish and English—and yet are now embracing people from all around the world. In my electorate one in three people are born overseas. So things are changing. We are able to shed our history and become a much more inclusive society.

I turn to address a couple of myths that were already largely rebutted by the member for Pearce but I will revisit some of those myths for the benefit of the people of my electorate. These are myths that were unfortunately raised again in this debate by people in that side of the parliament. The member for O'Connor used the term 'queue jumpers' again and again in his speech. I am not too sure who makes up his constituency or what

he thinks they need to hear. He is obviously a man of convictions but I sometimes wonder where those convictions are spread. As the member for Pearce stated, there is no orderly place to queue in some of the hellholes around the world that attract the attention of the UNHCR or which are so disorganised that you cannot even get the UNHCR in there to talk about forming a queue.

That term is still out in the common parlance but anyone who understands world affairs would know that there is no queue. As the member for Pearce said, they are not illegal refugees—they are refugees. If we are going to talk about people that are illegal obviously we would be talking about the vast majority of people in Australia who do overstay their welcome. They do not come on boats. They come on planes and they stay in hotels. And if we want to be accurate, they normally come from the United Kingdom or the United States—but obviously that is not what people are talking about around the barbeques, especially if a fear campaign starts.

Of those people—the queue jumpers or illegal refugees or whatever you call them—how many do we end up sending home? Is it 100 per cent of them? Is it 50 or 20 per cent? No. It is more like one per cent at best—not even one per cent. Most of them are found to be genuine and they have come from places of horror and anguish. A country as lucky as Australia does have the heart and can normally find a place for them at the table. They are some of the myths I wanted to dispel.

I also want dispel another myth that has not really got a full head of steam but I want to touch on it now—maybe I am starting this myth right here, right now. The myth is that this legislation is part of a Welsh conspiracy, because there is a suggestion that the Welsh are taking over the Commonwealth government. I do not know Prime Minister Rudd's ancestry and whether there is any Welsh blood there but certainly Julia Gillard is a well-known Welsh immigrant. The next highest person in the government would be Chris Evans—also a Welsh immigrant. Number 4 would be Stephen Conroy. He is Irish but I have it on good authority that nine months before he was born his parents were on holiday in Wales. So I did want to knock that Welsh conspiracy theory on the head as well—the suggestion that this legislation is all about making sure more Welsh people can come here. I stress for any Welsh people listening that I am joking.

This legislation before the House is good commonsense legislation. It is a good commonsense approach to a furphy that is out there. It is about ending this facade that we make people that have landed on our shores pay for the daily maintenance for each day of that noncitizen's detention and also for the cost of their transport. As speakers before me stated, this does not apply to everyone. If we are talking about illegal fishers or people smugglers this is not legislation that applies to them. We can look at the facts to see why this commonsense legislation is so important.

During 2006-07 and 2007-08 the immigration detention debt raised was $54.3 million. That is obviously quite a significant amount of money. In tough economic times $54.3 million is something that I am sure the Treasurer would appreciate. How much of that was actually paid back by these people who we slap the debt on? About $1.8 million or 3.3 per cent was actually recovered. Unsurprisingly, $48.2 million was written off by the department because it was uneconomical to pursue these amounts of money, and $4 million of that was waived.

I take the member for Pearce's point that not everyone knows about that particular avenue. For the refugees I see in my elector-

ate, irrespective of how they got there, the first thing they want to do is get work, get a roof over their heads and give their kids an opportunity in life that maybe they did not have. That is why this legislation is such good common sense. I see that the cost of administering these detention debts was approximately $709,000. In terms of the use of taxpayer dollars, pursuing this facade for the sake of a political purpose, which is really what this was all about, is ludicrous—bad politics, bad government. That is why I am proud to speak on this legislation.

I am proud to have spoken after the member for Pearce and the member for Kooyong. I did not actually hear the member for McMillan; I am not sure if he had spoken previously.

Mr Broadbent interjecting—

Mr PERRETT—Not yet. In relation to the member for Pearce and the member for Kooyong, I am going to do something a little bit bad, I guess—that is, to talk about their courage and their inspiration to all of the House as politicians of conviction. I especially say to the member for Kooyong how much I will miss him and his inspiration. He will be sorely missed. Big shoes to fill for the person who steps up in his electorate, or perhaps not so much big shoes to fill, but a moral void to fill. I wonder if that person is going to measure up. I hope so. I guess it is not a good thing when the people on this side of the House praise those on the other side of the House, but I guess the member for Kooyong has always been happy to paddle his own boat and he will survive any criticism that comes from me praising him.

It is tough times for those opposite because some of the people of conviction are leaving; not just the member for Kooyong but also the member for Higgins. Despite my criticisms of some of his policies, I would not doubt that he is a man of convictions and he seems to be a compassionate man. I know my trade union colleagues will not forgive me for that, but the reality is he does seem to be a half decent man with some compassion for people. Maybe at Christmas his older brother makes sure that he does not forget that. There is the member for Bradfield, and the member for Wentworth seems to be having some trouble at the moment as well; I am not sure whether his days are numbered. I hope that the tussle that goes on in that party room ensures that people who can make sure common sense prevails win when it comes to dealing with people. A fear campaign is an easy one to run. We know that. Fear is a much more powerful force in politics than hope. I am sure that the member for Brand would remember from running election campaigns in the past that fear unfortunately is much more powerful than hope and common sense and education.

It is important that those opposite do find their moral compass, do find the people like the member for Kooyong who can guide them through some of these tougher policy issues. If you do not have a good moral compass, obviously it is hard to find what you stand for as a party. If you do not have a good moral compass, you start going further and further south and thinking that that is normal. I guess the only good point about going further and further south isthat , if you go far enough south, everywhere is north because you are standing at the South Pole. Even magnetic south would be north of you if you go far enough south. I hope that the battles that take place opposite result in a Liberal Party that has a good, clear sense of direction because Australian government is all the richer when we have a strong opposition that believes dearly in certain things.

I find this bill particularly important as I represent a multicultural electorate. Unfortunately, in the last election campaign the race card was played in my electorate. The reper-

cussions are still being felt. People were hurt in the school ground because of the myths and lies that were peddled because of politics. I am sure many MPs have received emails about people stepping out of boats and into $30,000 payments because they have arrived at our shores. You have seen the same emails, you know they come from Canada or somewhere else and have no relevance to Australia at all. Hopefully that sort of misinformation will not take place and we can have a vote on this legislation and start that journey towards Australia being a much prouder multicultural community, because we do get it right. The rest of the world—especially Europe, that multicultural melting pot—looks to us and says, 'How do you get it so right?' So this is about making it better. We do get it right mostly, and we are an inspiration for the UNHCR about how to get it right. I commend the legislation to the House.

Mrs VALE (Hughes) (6.27 pm)—I welcome the opportunity to contribute to this debate on the Migration Amendment (Abolishing Detention Debt) Bill 2009. As the Deputy Chair of the current Joint Standing Committee on Migration, I welcome this bill as the implementation of one of the recommendations of the committee's report of December 2008 entitled *Immigration detention in Australia*. But before I proceed, I want to make it clear—in fairness to the member for Murray, who has sustained some criticism from the other side—that the member for Murray did not join our committee until November 2008 and the report was handed down in December 2008. So the member for Murray was not part of the deliberations of the committee.

This report looked at the criteria for release from detention, and recommendation 18, which dealt with the detention costs, said:

> The Committee recommends that, as a priority, the Australian Government introduce legislation to repeal the liability of immigration detention costs.
>
> The Committee further recommends that the Minister for Finance and Deregulation make the determination to waive existing detention debts for all current and former detainees, effective immediately, and that all reasonable efforts be made to advise existing debtors of this decision.

This is one of those rare occasions since I was elected to this place in 1996 that a recommendation made in a report from one of the many committees upon which I have served is actually the subject of a bill in this chamber. Although I note that there are many hardworking and diligent public servants who take note of our committee reports and recommendations, and often put in place those recommendations that can be implemented without need of legislative amendment—and I want to recognise their efforts—I do welcome the opportunity to actually see a recommendation from a committee put into legislation.

The purpose of this bill is to amend the Migration Act 1958 to remove the requirement that certain persons held in immigration detention in Australia be liable for the costs of their detention. At the same time, the bill will also extinguish all immigration detention debts outstanding at the time of commencement of this legislation.

In the course of many public hearings across Australia, our committee heard evidence from many individuals as well as many highly regarded service providers within the community. These organisations included A Just Australia, Amnesty International, the Asylum Seekers Centre, the Australian Red Cross, Balmain for Refugees, the House of Welcome, the Mercy Refugee Service, the Immigration Detention Advisory Group, the Brotherhood of St Laurence, the Castan Centre for Human Rights Law, the

Detention Health Advisory Group, the Hotham Mission Asylum Seeker Project, the Law Institute of Victoria, Liberty Victoria, Refugee and Immigration Legal Centre Inc, the Justice Project, the Office of the Commonwealth Ombudsman, the Department of Immigration and Citizenship, the Centre for Human Rights Education at Curtin University of Technology, Centrecare, Project SafeCom, Southern Community Advisory Legal and Educational Services Community Legal Centre, the Uniting Church in Australia, the Australian Security Intelligence Organisation, the United Nations High Commissioner for Refugees, the Asylum Seeker Resource Centre, the Australian Human Rights Commission, Get-up!, the Human Rights and Equal Opportunity Commission, Legal Aid New South Wales and the Service for the Treatment and Rehabilitation of Torture and Trauma Survivors. All in all, the committee actually took over 139 submissions from various individuals and community organisations. These organisations gave evidence regarding the concerns of refugees and the burden and punitive impact of detention debt experienced by those refugees and their families.

I point out these are people whom we have found to be genuine refugees. We should remember that these people left their homes, fleeing from prosecution and violence, and were often traumatised by their journey here to Australia. Under the act, a noncitizen who was detained by the Australian government is liable to pay the Commonwealth the cost of his or her immigration detention and, where applicable, that of their families. The debt began to accumulate as soon as they were placed in detention. Initially, this provision was intended to be a cost-recovery measure by the then Minister for Immigration, Local Government and Ethnic Affairs, Gerry Hand. At the time of its introduction in 1992 by the Keating Labor government, the intent of the provision was to ensure that all unlawful noncitizens would bear the primary responsibility for the expenditure associated with their detention. Specifically, section 209 of the act was introduced to minimise the costs to the Australian community of the detention, maintenance and removal or deportations of unlawful noncitizens.

A further objective of the policy was to require former detainees to pay their detention debt to Australia, or make arrangements for repayment, as a condition for the grant of a visa for lawful re-entry into Australia sometime in the future. This objective was the subject in provisions under the Migration Regulations 1994. This particular provision was not only punitive but also a curious policy, in that it actually set up a financial barrier that effectively prevented ex-detainees who may have wished to follow the appropriate legal mechanisms to migrate to Australia sometime in the future. This prevented them from doing so. The detention debt against their name acts as a real barrier to their lawful application. So this can be seen as a confusing policy. If we want prospective immigrants to make a lawful application to come to Australia, why should we make it even harder for people to follow the lawful process? Under the policy as it stood, costs of detention were recovered only once the detention was ended and total costs were calculable. The exceptions were if a person in detention chose to pay these costs, partly or in full, before release or if their valuables had been seized and applied towards the payment of the incurred costs.

Over the years since 1992, the operation of the detention debt provisions has been the subject of several reviews which have raised the same concerns as those raised by our 2008 Joint Standing Committee on Migration inquiry. These concerns included fairness and equity and recovery and cost effective-

ness of the implementation of this policy. In 2006, during the time of the Howard coalition government, the Senate Legal and Constitutional References Committee looked at the administration and operation of the Migration Act and reported under the title *Administration and operation of the Migration Act 1958*. Senators on this committee, when considering the impact of detention debt, concluded at page 207 of the report:

> The evidence clearly indicates that the imposition of detention costs is an extremely harsh policy and one that is likely to cause significant hardship to a large number of people. The imposition of a blanket policy without regard to individual circumstances is inherently unreasonable and may be so punitive in some cases as to effectively amount to a fine. The committee agrees that it is a serious injustice to charge people for the cost of detention. This is particularly so in the case of unauthorised arrivals, many of whom have spent months and years in detention … the committee therefore recommends that it be abolished and all existing debts be waived.

The Senate committee recommended that the imposition of detention debt be discontinued except in instances of abuse of process or where applicants acted in bad faith. That was in 2006.

Last year, the Joint Standing Committee on Migration found that there was consensus of opinion condemning the policy as punitive and discriminatory. I remind the House that we had significant organisations giving evidence to the committee. We also found that submissions to the committee expressed concerns regarding the impact of detention debt on ex-detainees and in particular the burden on mental wellbeing, the ability to repay the debt and the restrictions a debt could place on options for returning to Australia on a substantive visa. Our 2008 committee also noted the detrimental flow-on effects for families and dependants and the ability of people to progress their lives once in Australia upon release from detention.

I point out that the debt was imposed upon people who we Australians had decided were indeed genuine refugees. We made it very onerous for these often traumatised families to make a new start here in Australia. We burdened them with debts to begin life in their new country and these debts often amounted to hundreds or thousands of dollars.

In addition, this provision also proved to be difficult for government to administer. The committee noted that less than 2.5 per cent of the detention debt invoiced since 2004-05 had been recovered, with the vast majority of debt having been waived or written off as unrecoverable. It became clear to our committee that this provision, which was initially a cost-saving device, could not fulfil its original intent. Our committee concluded that the practice of applying detention charges would not appear to provide any substantial revenue or contribute in any way to offsetting the costs. In practice, recovery of many detention debts was not pursued but waived or written off. When a debt is written off, this means that a decision is made not to pursue recovery of the debt. However, at some time in the future the Commonwealth could choose to execute debt recovery. When a detention debt is waived, the debt is extinguished.

Under the current arrangements, an unlawful non-citizen in immigration detention is charged a daily set maintenance amount for the entirety of their detention. As at June 2008, the charge per individual, including spouses and dependent children in migration detention, was $125.40 per day. Unlawful noncitizens who are removed or deported from Australia are also currently liable to pay for the cost of their removal, but this will remain unchanged. In the financial year 2008, nearly $3.5 million of detention debt was waived for 140 formers detainees. Write-offs were much more commonly em-

ployed, however. For the same period, just over $19.2 million was written off for 1,743 individuals formerly in detention.

In the last four financial years, 495 individual debts amounting to over $6 million were waived. For the same period, 10,580 individual debts amounting to just under $133 million were written off. In the last four financial years, a total of 17,355 detainees were invoiced with detention debts amounting to a sum of just over $170 million. The total amount of debt recovered since 2004 has remained disproportionately low—between one and four per cent of the total debts incurred. Since 2004-05, less than 2.5 per cent of the detention debt invoiced has been recovered and in 2007-08 only $870,000 of $23 million of incurred debt was recovered by the government.

While figures are not available for the annual administrative cost of assessing which debts will be written off or waived or for the cost of debt recovery for Department of Immigration and Citizenship and the Department of Finance and Administration, it is expected that the cost is significant. The Minister for Immigration and Citizenship has said that it seems that the cost of administering the scheme to collect the debt either outweighs or is close to a break-even point in terms of the money brought in. It seems to be a crazy situation to run a system to collect debt when it costs us as much to collect the debt as it does to generate income from it. As a cost-saving measure, the policy of charging detainees the cost of their detention has not delivered on its purpose. It is a further argument that this onerous provision should be repealed.

The committee heard a range of criticisms through the inquiry, particularly from the many community organisations that provide assistance and give support to migrant families and refugee families. Many condemned the provisions as punitive and discriminatory and many pointed out that they added to the trauma for people in detention and their families. Many described the provisions as being manifestly harsh and unjust and many pointed out that they caused unnecessary financial hardship to people struggling to establish themselves in Australia.

Further, we learnt that Australia appears to be the only country in the world to put costs for immigration detention upon detainees. Yet, as we have noted, the practice of applying detention charges does not provide any substantial revenue or contribute in any way to offsetting the cost of detention. As we have pointed out, it is likely that the administrative costs outweigh or are approximately equal to the debts recovered. As a cost-saving measure, this provision has clearly failed.

The evidence before the committee also indicated that the imposition of detention costs is an extremely harsh policy and one that can be shown to have caused significant personal hardship to a large number of people who are trying to make a new life for their families in Australia. At this point I would like to acknowledge the work of the Liverpool Migrant Resource Centre in my electorate and to acknowledge the leadership of Kamal and his dedicated team as they work to assist many new immigrants and refugees settle in my own local community area. It is also seen as a serious injustice to charge people for the cost of detention. This is particularly so in the case of those unauthorised arrivals who have spent months and years in detention, often after being traumatised by the experience of their journeys to Australia as they fled from persecution and violence.

Some in this place have put an argument that this provision should be maintained because it acts as a deterrent to potential

unlawful arrivals in the future. However, during the course of the inquiry this was shown not to be the case for the simple reason that unlawful arrivals were not aware of the provision. Indeed, there were many members in this parliament who were not aware of these provisions until the advent of this amendment bill. I wish to make this point clear for the benefit of my constituents. This provision under division 10 part 2 of the act was never intended to be a deterrent. It was purely a cost-saving measure of the Keating Labor government and it has never worked as a cost-saving measure, as we have seen—it costs more in administration to try and recover the debt than the debt is worth.

This provision has never worked as a deterrent, either. It was never intended to be a deterrent. Potential refugees and unlawful arrivals never knew about possible detention costs. Therefore, it could not have been a deterrent. Deterrent measures are by necessity front-loaded at the beginning of a process. In this case, the detention debt was one of the last measures unfairly imposed upon unsuspecting illegal arrivals, many of whom were later found to be genuine refugees. It was never intended to be a deterrent and it certainly has not worked as a deterrent since its inclusion in the act in 1992.

The Joint Standing Committee on Migration called in its report for: the practice of charging for periods of immigration detention to be abolished; all existing debts, including those of people who have entered into arrangements to repay debts, and all write-offs to be extinguished, effective immediately; the movements alert list to be amended to reflect these changes; legislation to this effect to be introduced as a priority; and every attempt to be made to notify all existing and ex-detainees with debts of these changes.

I wish to make it clear, again, to the people of my electorate: how people come to this country is one issue; how we as Australians decide to treat them when they get here is entirely another issue. I am delighted to support the amendments to repeal this legislation. This has been an unfair provision since 1992. As I said, it is an unfair provision and the amendments repeal the detention costs and waive the existing detention debts. I support these amendments because they are fair, they are just and their repeal will give those Australians, those families, those men and women who have come to this country to start a new life—those people we Australians have found to be fair dinkum refugees—a fair start in their new homeland. I support these amendments because they reinforce the values that, to me, uphold what it is to be an Australian. I think one of the good things about Australia that unites us all, and that makes us proud to be Aussies, is that we do believe in a fair go. We do believe in playing fair, in being fair dinkum to others and in giving people that fair go and a fair start. These are sound amendments. This bill is good policy and I warmly commend it to the House.

Mr RANDALL (Canning) (6.46 pm)—I rise to speak on the Migration Amendment (Abolishing Detention Debt) Bill 2009. As we have heard, this bill removes financial liability for detention and related costs for certain people and extinguishes existing debts to the government incurred through detention and transportation. The Joint Standing Committee on Migration heard it costs around $125 a day, as the previous member has just said, to hold a person in detention. As such, an estimated $350 million will be written off by this federal government through these changes. As a former chair of this Joint Standing Committee on Migration and as a member of the committee until November last year, these are matters

which I am familiar with and have a long-standing interest in.

The coalition was and remains unashamedly tough on border protection. The move by the Labor government to abolish detention debt is just another in a long line of policy shifts continuing to weaken Australia's strong immigration system. I have previously noted the serious political, economic and social issues facing other countries around the world which may have been inundated with illegal immigrants through people smuggling. That is what the coalition's policy was designed to avoid: the mass illegal immigration crises that face several European nations. The coalition policy did work. It was highly successful in stemming the tide of unlawful arrivals, particularly by boat, allowing us to welcome thousands of genuine refugees from throughout the world.

The Rudd government will have us believe that the detention debt is being extinguished because it is simply ineffective and people just do not pay. It is true that only 2.5 per cent of the detention debts invoiced since 2005 have actually been collected. In fact, around $1.8 million of the $54 million debt that occurred in 2006-07 and 2007-08 was recovered. But it is that the detention debt policy acts as a deterrent. This is where I have a different point of view from others, as you have just heard. It is one of the many deterrents that should be embedded in our system.

This move forms part of a bigger picture and must be seen in its overall context. It is just another example of the Rudd government's lax approach to protecting Australia's borders. In light of the government's weak position on border protection, any deterrent is better than none. With the raft of changes to immigration, Labor has given the green light to people smugglers, and Australia's borders are once again opened for business. Since November 2007, the statistics speak for themselves. People smugglers are once again operating a boom business because Australia is seen as a soft touch. The existing framework for detention debt collection provides the means for the department of immigration to make arrangements for payment. In many cases, it will not be granted until such payment arrangements are in place. The existing legislation has safeguards in place to protect those people who have no means to pay. Those people are able to structure manageable and affordable repayments. In many cases, fees are waived. It is a welcome relief that the government has retained the detention debt obligations for illegal fishermen, people smugglers and deported noncitizens. They should have to pay for their detention and transport costs.

Since taking government the Labor Party has done little else to deter people smugglers from testing the Australian waters once again. In fact, it has done quite the opposite. The Rudd government wants Australians to believe that its softening on border protection is creating 'a fair and more humane system'. This could not be further from the truth. In fact, it was in 1992, under the previous Labor government of Paul Keating—and under a good old leftie in the form of Gerry Hand—that the detention debt provisions were introduced into the Migration Reform Act. The message the Labor government has sent is that, if you can get here, you can stay here. I repeat this. The message now sent out by this Labor government to all those who would come here unlawfully is that, if you can get here, you can stay here because we will give you a visa. That is a great pull factor, because all they know now is that if they get on that leaky little boat and they get to the Australian shores then they will be taken off to Christmas Island and eventually they will get their visa. People smugglers, particularly those in Indonesia, have heard that

message loud and clear. That is not the integrity that we want in our migration system. We were very proud of the integrity that the Australian migration system had until now.

Let us examine some of the facts. As you know, the Rudd government closed the processing centres on Nauru and Manus Island. They have abolished temporary protection visas. Asylum seekers can access funds for advice and assistance. Asylum seekers do not have to be held in detention, because the minister for immigration has told the department that officers have to justify why they are detaining someone, not presume detention is the option. Remember, it is the Labor Party who brought in mandatory detention under Gerry Hand. The onus of proof has shifted. It is this relaxing of the requirements that the people smugglers have tuned into, and they are now dreaming of dollars.

On top of closing detention facilities and abolishing TPVs, the government has cut funding to the Department of Immigration and Citizenship, to border protection and to Customs. Immigration alone has lost some 600 staff. This puts the department under increasing pressure at a time when it can least afford it, stretching resources thin and leaving it without the means to tackle the people-smuggling epidemic. In any case, the minister has given every indication that he does not trust the decisions of the department. While the coalition supports ministerial intervention in circumstances where it is warranted, it is concerned that Minister Evans seems to be doing it with gay abandon. The minister has overturned more than 1,000 decisions of the tribunal and/or courts between September 2007 and March 2009. With an intervention rate of 25 per cent, he is leagues ahead of his predecessors, who averaged a mere two to five per cent. I must qualify that before I move on. There is a role for ministerial intervention for fairness, but this seems somewhat out of kilter. Sometimes tribunals and the appeal mechanisms do not actually get it right, and it is good to know that the executive of government does have some flexibility.

The Indonesian ambassador has said that people smugglers are using Mr Rudd's soft touch as a marketing ploy. That is the ambassador. We all remember the interview on the ABC with an Indonesian asylum seeker who said that coming to Australia was now seen as much easier. The International Organisation for Migration's Chief of Mission in Indonesia, Steve Cook, has said that people smugglers had taken note of Australia's policy changes and were 'testing the envelope', in his words. The Australian Federal Police reportedly warned the government that its softening of border protection laws would encourage people smugglers. So it has been warned. Around 800 asylum seekers have arrived on Prime Minister Rudd's watch since he softened border protection policies in August 2008. Between 2002 and 2005 only one boat arrived in Australia. One reason why people come by boat—and not everybody understands this—is that people who come by boat have a greater success rate in getting a visa than those who come by plane and go through Villawood detention centre et cetera. So a boat landing if you come here unlawfully is a far better option for success in getting a visa.

That softening sent out a strong message, and it has worked for the people smugglers. But this government chooses to pass the buck and find every excuse in the book for the increased arrivals other than its own policy. For example, it says there is dislocation in nearby countries—such as Burma, Sri Lanka, the Middle East and Afghanistan—but this was the case previously. We do know—and the Federal Police have executed warrants and the state police have been involved—that some of the so-called Sri Lankan asylum seekers were Liberation Ti-

gers of Tamil Eelam operatives coming to Australia to help raise money for their cause. It is a very serious case and some people misrepresent themselves.

People smuggling cannot be condoned. Those who have any sympathy with it should remember the tragic explosion off Western Australia's coast in April on the SIEV 36, which was carrying asylum seekers. That burnt boat was an example of people smuggling gone wrong and of lives being put in danger. As we know, several people died. It is the sordid make-up of people smugglers. I think the Prime Minister even called them evil. These criminals put lives at risk and exploit vulnerable people merely to line their own pockets. The influx of asylum seekers is stretching resources at Christmas Island. As the shadow minister for foreign affairs, my colleague Julie Bishop, pointed out in Western Australia recently, the government has been caught completely off guard because of its softening of border protection and it is struggling to deal with the arrivals.

Where is the money going to come from to build the additional infrastructure at Christmas Island in the current climate? The government has already saddled Australians with $315 billion in debt, and we know there is no end in sight. In last month's budget the Treasurer allocated $14 million to voluntary return for those found not to meet the criteria for visas. Greens Senator Sarah Hanson-Young—the infamous Senator Sarah Hanson-Young—said:

> Detention debts have been a flagrant form of adding insult to injury to those who come to Australia seeking our assistance and protection.

I would like to take this opportunity to remind that senator that the coalition has a long and proud history of resettling genuine refugees who have been found to have been suffering the most appalling circumstances and who are indeed in urgent need of protection. In government the coalition increased the annual number of resettlement places by 6,000. Australia is among the most generous nations in the world in taking in genuine refugees. Together with the United States and Canada, Australia has become a safe haven for thousands of refugees. In 2006-07 Australia settled some 9,600 people. In fact, the average number of humanitarian entrants to Australia every year is more than 14,000—or thereabouts, depending on the circumstances. But we know that those who come by boat or come illegally actually take the place of those who are in the queue to be settled here as genuine asylum seekers or refugees.

The report recently presented by the migration committee reiterates the intention. It recommends people in detention be released into the community before identity and security checks are completed. Furthermore, it is recommended that asylum seekers be given the right to work, temporary accommodation, income support and furniture before processing. They probably received the bonus as well, like the half a million other temporary visa holders with work rights who were eligible for the last cash splash.

A fact that is not widely known is that in the May federal budget some $4 million was put aside so that those coming to Australia unlawfully did not have to wait for the 45 days, so they could apply for Centrelink and Medicare benefits immediately. I am out there in my electorate trying to get for older people, people on low incomes and people at risk money from Centrelink and the support that they need, but they are now in a queue with these people that have had the 45-day rule waived. That does not go down very well with people. I can assure you, Mr Deputy Speaker, that much of the talk in the front bar of the hotels in and around my electorate is that people are pretty unhappy with this change of rule. The government are either oblivious to the sentiment of the wider Aus-

tralian community or they do not care. The truth is they are not serious about keeping Australian borders strong or about maintaining a credible and respectable migration system. I thank the House.

Mr HAWKE (Mitchell) (7.00 pm)—I rise tonight so my voice joins those opposing the changes that have been proposed by the government today in the Migration Amendment (Abolishing Detention Debt) Bill 2009. I welcome the member for Canning's wise remarks. I think he made some excellent points about border protection. Indeed, it does seem that the debate that we are having about this legislation is somewhat of a furphy as it appears that the government is struggling to portray to its left-wing constituency that it is doing something tough to repeal the strong border protection regime of the Howard government.

So we have this piece of legislation before us today, which is an attempt to portray the government as somehow unwinding the Howard government legacy. There are a number of problems with that theory of the government. The first one is that this legislation was the product of a Labor government. Indeed, this was a product of the Hawke government. In question time today, in answering a question about the government's legislative agenda, the Minister for Infrastructure, Transport, Regional Development and Local Government told the House that this bill was an important plank of the government's legislative agenda. He said this would undo an injustice that had been created in our system. He neglected to mention that this was the product of a Labor government and a Labor minister attempting to deal and wrestle with very serious border protection challenges at the time. Indeed, the Minister for Immigration, Local Government and Ethnic Affairs, Gerry Hand, made several remarks at the time including that the primary objective of the Migration Act is 'to regulate, in the national interest, the entry and presence in Australia of persons who are not Australian citizens'. We all warmly welcome Minister Gerry Hand's remarks in that regard.

Underscoring the seriousness of this debate and the signals that the government is sending to the broader community, to people smugglers and to people abroad who are watching events here in Australia, it is important to note that in recent times there has been a surge in arrivals in Australia. Indeed, on the eve of this legislation being introduced abolishing detention debt we saw another arrival—an interception on Ashmore Reef of 49 passengers and four crew. Almost 800 asylum seekers have arrived by boat since last August, since the Rudd government softened the regime, with, as we know, 1,000 intercepted on Australia's behalf by the Indonesians. It does appear that people smugglers have developed the view that they are back in business as we have seen a big surge in arrivals in Australia. The Prime Minister has expressed his view, describing people smugglers as the 'scum of the earth', and we support and welcome the Prime Minister's comment in relation to people smugglers because they are indeed the scum of the earth who operate without any regard for the safety and wellbeing of people and for the very difficult circumstances that the people whom they are purporting to transport to a better life find themselves in.

If you look at the Howard government's strong border protection policy and the integrity of the borders during that era, you see that we had a world-leading standard. One of the members here remarked that we were the only nation to seek to charge a debt in relation to a person's accommodation while they were awaiting processing of their application. We were one of the few nations in the world to have a very strong border protection regime that actually worked. That has been

noted by many countries in Europe which face challenges with migration and border security and have sought out Australia as a model for investigation. They saw Australia under the Howard government as a place which had successfully changed border protection measures to ensure that illegal arrivals dropped off. Of course, we did see during the period of the Howard government a 20-year low in arrivals, which underscores how seriously we took border protection and what a record we produced.

Addressing the legislation before us, the reason that I say this debate is somewhat of a furphy is that the purpose of this legislation is to remove the government's ability to recover a debt from people who are found to be refugees; however, among the provisions that already exist in the act there is a provision for the minister to waive the requirement and there are other provisions for the debt to be waived. We know most of all of the moneys sought are actually waived. Less than 2.5 per cent of the debts that have been levied since 2004-05 have been recovered. The rest have been waived or written off. That is an exceptionally important statistic for us to note. Of course we understand this is not a measure designed to collect that money. Why then would we say that this is important and why would we seek to continue the operation of the act?

My answer to that would have a number of points. Firstly, we have already seen that the government has moved in a number of ways to soften the border protection regime that had been put into place under the previous government, sending out further signals to people smugglers and to others who watch these events—and they do watch these events—that we are open for business and we are a soft touch. So there is a continuing theme that is being built up that somehow Australia is again a destination. Many members here would not be convinced by that argument. Many members here would challenge that, saying, 'Look, the current legislation is really a complete waste of time.' I would question that. I feel that this is an important signal to those people who are given asylum in Australia. I think it is important to understand that. We levy people in this country for education. We load up our young people with higher education contribution debts in recognition of the fact that debt is an important concept: you are getting something of value.

When you are given the gift of staying in this country after leaving a very difficult part of the world—and the gift is ours to give on recognition that you are a genuine refugee and you have met genuine criteria—there is a cost associated with that. That cost is borne by the Australian taxpayers.

In the application of some of these migration policies there is a disconnect between the Australian government and the Australian people, and that is because it is the Australian people who pay the bills. The Australian people pay the taxes in order to pay the bills. So while there is a good argument, a good contention, that people in very distressed situations who have arrived here with nothing ought not to be laden with debt—that is a fair proposition that most people would agree with—it is important that those refugees recognise that there is a cost being borne by the Australian taxpayer. I think the current operation of the act goes some way to saying that.

When a genuine refugee arrives here, is granted asylum and applies to have their debt waived, that is a good system. Further, they recognise that the Australian people—the taxpayers of Australia—have said, 'We agree that you have come from a difficult part of the world. We have paid for your accommodation and all the expenses of your internment here; now, go and make something of

yourself.' If I was a refugee I feel that I would be very grateful to the people who had paid that money. Refugees would not have a way of paying that, and certainly we do not expect it, and that is why we have a situation where only 2.5 per cent of the debt is recovered. So the question we have to ask is: what problem is this bill trying to solve? If only 2.5 per cent of the debt is being recovered then there are not an inordinate number of refugees who are being unfairly burdened with debt and who are struggling to cope with the system. That is not the problem.

Of course members would say—and we have heard some of the arguments here—that the problem is that if we keep the act as it is it would not be cost-effective; it does not do anything, so why not just get rid of it? I wish I heard that argument in relation to more pieces of Commonwealth legislation, because there are plenty of pieces of Commonwealth legislation which do not do anything or which cause a great deal of grievance to the Australian people. But we do not hear that argument made very often, especially in relation to small business, to entrepreneurship and to people trying to struggle to get ahead for themselves and their families. We rarely hear the argument that there is too much legislation or that legislation is ineffective, inefficient or needs to be removed. In fact, I never hear that in this chamber. So it is interesting to hear that argument expounded in relation to this bill.

I feel that the passing of this bill through this House and the Senate and the enacting of it would send a further signal that there is a change of government and a change of system in Australia. It could lead to more arrivals. It could signal to people smugglers that they are more open to carry out business under this government and therefore they should send more people at great risk—great peril—to Australia. I feel that that would not be a good outcome for Australia. I feel it would not be a good outcome for genuine refugees. I feel that we ought to pause and consider this very carefully.

I think we ought to be committed to strong border protection here in Australia. I will stand up in this place over many years to oppose changes that will weaken the integrity of our borders and encourage back into business these people smugglers, whom the Prime Minister has rightly labelled the scum of the earth. We have to take very seriously that there has been a big surge in the number of arrivals in the past year. We have had 13 boatloads—580 people—intercepted off Australian waters since 2009. That compares to seven boats and 161 people in 2008. This represents an approximately 360 per cent increase. Examining that evidence, we now know we have a greater challenge in front of us.

With this legislation we are unwinding measures for no good reason—for no real reason. Many members are getting up and talking about the awful debt that we are burdening arrivals with, which is a complete furphy when almost all of these debts are waived. When I hear people putting forward that furphy at a time when we face great challenges to the integrity of our borders, I feel that this whole debate has been constructed in a completely phoney way by a government that is seeking to show its supporters that it is doing something or anything in order to continue to get their political support, when actually very little is changing through this legislation. I am sure I would have the support of some left-wing activists in that argument.

I do want to dismiss the idea—it was a contention that was built in the lifetime of the Howard government—that somehow we are a mean nation and that we do not take our obligations as a global citizen well. That contention was expounded, built and acti-

vated. Certainly it was brought up throughout the election campaign so that people could mobilise their supporters. But actually I think it is incredibly important for us to note in this debate that, per capita, Australia has the third biggest refugee resettlement program in the world. We are a generous nation and it is wrong to label us as mean or tricky.

We have, per capita, the third biggest refugee resettlement program in the world. This year we will settle in our country 13,750 people from some of the darkest corners of the planet. Six thousand of those will be refugees who are judged by the United Nations High Commissioner for Refugees to be in urgent need of resettlement. We do not want to encourage any abuse of Australia's migration and humanitarian programs. None of these 13,750 people whom, as I have said, we will resettle this year could afford to pay a people smuggler. I believe that our resettlement program, and those people, must remain our highest priorities.

Examining all of the arguments and hearing many of the positions that have been put in relation to this bill, I am more convinced than ever that this will only go to weaken our border integrity. It will show that Australia is a soft touch in relation to people-smuggling, and I am unconvinced that this will do anything to help genuine people, who ought to be very much the focus of our concern.

Mr SCHULTZ (Hume) (7.14 pm)—I rise to speak on the Migration Amendment (Abolishing Detention Debt) Bill 2009. From the outset, I express my complete disgust at the Rudd Labor government's continued attempts to weaken the integrity of Australia's borders. One of the things that we as Australians have to understand is that we live on an island that has been subjected to significant pressures from offshore over many decades. Whilst the purpose of this bill is to amend the Migration Act to remove the requirement that certain people held in immigration detention in Australia are liable for the cost of their detention, it does not take into account—whilst it might be ideologically approved in some members' minds on the opposite side—the significant problems that this creates for genuine refugees offshore who are trying to come into this country through legitimate means.

You can understand why the people who come in on the boats—with the irresponsible people smugglers who bring these people from mainly Indonesia to our shores in an attempt to get them into our country illegally under a system whereby they receive remuneration for doing so—would be clapping their hands at this particular time, knowing full well that the current government has relaxed the very significant penalties that were introduced and policed by the former, Howard government. Those penalties were envisioned in 1992 by the former Labor government and the former Labor Minister for Immigration, Local Government and Ethnic Affairs Gerry Hand. To his credit, as the shadow minister for immigration and citizenship said in her speech, Gerry Hand saw the threat that a continued stream of unauthorised arrivals placed on Australia's humanitarian capacity. The member for Mitchell made reference to that and so did Julia Gillard, the Deputy Prime Minister, when she, as shadow minister for immigration under the leadership of, I think, Simon Crean, prepared the ALP policy for border protection in 2004.

There was no ALP policy to speak of in 2007, which is interesting, but the Deputy Prime Minister, in her policy, made the following points that were very relevant to what the opposition is concerned about today—that is, moving away from the continuation of temporary protection visas. She said there should be a continuation of mandatory detention; the introduction of a coastguard; in-

creased penalties for people smuggling, including 20-year jail terms and $1 million fines; confiscation of boats; streamlining of the Australian processing regime to make it the same as that applying in refugee camps to help remove the motivation for asylum seekers to risk their lives in the journey to Australia; and so on. It was all centred around the very policies that were introduced and tightened up by the former, Howard government following the original concern of the then Labor government in 1992 about people coming into this country illegally.

We all know that at present not all persons unlawfully in Australia are liable for the cost of their detention. The intention of the charges is to ensure that all unlawful noncitizens bear primary responsibility for the costs associated with their detention, deportation or removal. That was not a comment by a member from this side of the House; that was a comment by the then minister for immigration, Gerry Hand, in 1992 when he was speaking to the bill. It was made abundantly clear in the explanatory memorandum to the Migration Reform Act 1992, which the minister introduced.

The coalition has always taken a very strong stand on preserving the integrity of Australia's migration programs. We believe in an orderly and properly managed immigration and humanitarian program and we will continue to ensure that Australia remains one of the most generous providers of humanitarian resettlement in the world, as was mentioned by the member for Mitchell, but we will do this in a way that does not encourage abuse of Australia's migration program and the barbaric people-smuggling trade that endangers the lives of people who seek to enter Australia illegally—and I emphasise the word 'illegally'. As part of that balanced approach to immigration, the coalition believes that we need a range of policy measures that maintain the integrity of Australia's migration and humanitarian programs. That is what it is about: the integrity of the existing migration and humanitarian programs.

The Rudd Labor government, on the other hand, has in this bill unravelled all the measures designed to keep our borders secure and, instead, is sending a very strong message to people smugglers and, indeed, to the people seeking to come into this country illegally—not through the organised process that is available to them. It is also reinforcing the message to people smugglers that they can restart their abhorrent trade, which was stopped as a result of the policies of the previous government in terms of putting people in detention when they came into this country illegally from offshore.

Requiring the payment of the cost of detention is one of the measures that the previous government adhered to, along with others. It makes it very difficult for people smugglers to market Australia as a soft option, because it sends a very strong message to them and to the people they are carrying on their boats that there is a cost associated with it: you will be put in detention and you will be billed for that cost.

The coalition is going to oppose the current government's decision to abolish detention debts, because there are safeguards in the legislation to ensure that any genuine asylum seekers who do not have the means to pay are given manageable repayment schedules or have their detention debts waived or written off. That is already there, so I cannot see why we are going down the path we are going down and putting our borders at risk for a variety of reasons by waiving any debts that people may have.

It is interesting that we are doing this because there is an issue that I want to raise in this debate that politicians from both sides of the House may have forgotten about or have

not yet decided is important enough to do something about. It relates to people coming to this country, and I will mention that and read some correspondence on that very shortly.

Improving the administrative arrangements is of course always welcomed by any government of any description in this great place, because there are always administrative problems that need to be tidied up. The legislative process in this House does not always put legislation out into the community that is 100 per cent foolproof. Sometimes the advice that we get from the bureaucrats who put this legislation together in the form of bills is not always right, and in many cases it is not always justified or, in some instances, humane. You certainly have to make sure that any legislative process that occurs here acts as a deterrent against abuse of our migration programs or against people smugglers who are selling the ALP's soft approach to this problem.

It is distressing from the point of view of those people who have a passionate view about the protection of Australia's borders that at this particular time we see a record number of illegal boat arrivals. The coalition believes that all government policies must send a clear and unambiguous message that people smuggling will not be tolerated in Australia and that the integrity of our migration and humanitarian program must be maintained.

I raised an issue in my contribution earlier that I said is very important in terms of people coming into this country. It is centred on the orderly way in which people should be allowed to come into the country. I am not talking about the illegals that come on the boats. They are illegals, regardless of what some people might say—and I notice with some satisfaction the smirks that are coming from people from the ministers' offices here in this chamber to record what is being said.

For over three years now I have been involved in a very, very serious situation in trying to assist a local family to obtain permanent residency in Australia for their elderly parents. The amount of red tape that has to be navigated to gain permanent residency for people who have come, or are attempting to come, to Australia legitimately through the front door is not only insurmountable but also extremely expensive. People wishing to gain legitimate entry to Australia—as an example, a parent—are facing waiting times of up to 12 years or are required to pay fees in excess of $50,000 for the privilege of permanent residency and access to our social security system. Here we are, talking about waiving the debts of people that have arrived illegally in this country and charging people who have arrived legitimately $50,000 to get some permanent status here.

I would just like to read a letter from one of my constituents, who wrote to the Hon. Senator Christopher Evans, Minister for Immigration and Citizenship, about this situation. He said:

Dear Mr Christopher Evans,

I John El Hazouri of 42 Dutton Rd Buxton NSW 2571, the son of my elderly parents Elias El Hazzouri, 76 and Barbara El Hazzouri, 72 am writing to you on behalf of our family asking for your help and support in regards to an application for my parents becoming permanent Australian residents due to extenuating circumstances, such as their deteriorating medical conditions, their dependability on us as care takers and their hardship & living conditions if they were to return back home to Lebanon.

I will not go on with the history of when they came into Australia because it turns out that—and this is all in a letter to the minister and I have made representations on their behalf—they did in fact overstay their visa and, having done that, through the family they

then decided to make the appropriate approaches to their federal members, and their state member, I might add. I have received a letter of support from the Hon. Phillip Costa MP, who is a minister in the Rees New South Wales government. He is the member for Wollondilly and a great bloke to work with. He and I have been cooperatively working together to try to get permanent residency for this elderly couple. Their sons and daughter have all become Australian citizens since they came into this country, and good Australian citizens.

I would just like to describe from this letter the background of this elderly couple. The letter from one of the sons goes on to say:

> They were living in the centre of 35 villages all with different religions causing continuous conflict and instability in the region. They faced a dreadful time during the war, having to fear for their lives as they run from place to place trying to protect them selves. Living conditions were and still are sub-standard making it difficult for them to return to the village especially with the heavy undulating nature of the surrounding landscape. They would have to walk up a steep 1.5km incline just to get to the public road in the aim of getting assistance due to any health or other issues. In this case my mother suffers from osteoarthritis in both knees which produce heavy swelling in her legs, making it hard to walk short distances without assistance. My father also has diabetes and osteoarthritis in his knees and right shoulder. It was also financially difficult from my parents, struggling to pay for daily necessities let alone medication and treatment.
>
> We tried to support them before, sending money overseas but they were regularly targeted by armed people when they went to withdraw it from the bank, which happened to many other people. We also have sisters in Lebanon who live too far apart and can hardly take care of themselves and their families, which would make their life harder if they were to also take care of my parents. I strongly believe that they wont be capable of looking after my parents compared with the supervision and assistance we can provide them on a daily basis. We also include a doctors report for my parents current health, recent photos of the house they used to live in and a general sketch of my parents village to further explain this issue.

What has happened since then—and this was written on 7 December 2007—is that unfortunately the father has passed away. Once again I have made further representations to the current minister.

Debate interrupted.

ADJOURNMENT

The DEPUTY SPEAKER (Ms AE Burke)—I am loath to interrupt the member, but it being 7.30 pm I propose the question:

That the House do now adjourn.

Creeping Acquisition Legislation

Dr NELSON (Bradfield) (7.30 pm)—The Rudd government is considering legislation to deal with creeping acquisitions and, subject to scrutiny of the detail, it will have my support. In the space of two generations we have moved from a society in which churches pulled bigger crowds than clubs, corner stores were just that—on every corner—servos gave service under many brands and McDonald's evoked humming about an old man's farm. It happened very quickly, but then again it did not—at least, we did not appear to notice it.

When the government bowled up Fuelwatch and then GroceryWatch, as Liberal leader I could smell the stunt before seeing it and Australians could see it also. As opposition leader, I also observed that watching the price of petrol does not bring it down. Being seen to be doing something is not the same as actually doing it. We are now on the threshold of another change, and if it proceeds there will be no turning back.

Exxon Mobil oil owns 800 petrol stations across the country, selling petrol and anything else they can jam into the service sta-

tion store. That is six per cent of the national convenience retailing market. Caltex and Woolworths have 32 per cent of the market and Coles and Shell have 24 per cent. Once, you were asked if you wanted oil or a roadmap; now it is, 'Do you have shopper dockets?' and, 'Would you like five chocolate frogs for $2?' If Caltex snares the Mobil outlets—and it is proposing in the first instance to buy 302 of them—we will be all but reduced in petrol retailing to what is already happening in groceries. The vertical integration of markets is important if not essential to national productivity and international competitiveness, but this is a bridge too far. The ACCC simply watching another acquisition by major players is likely in fact to put the price of petrol up.

Woolworths and Coles now have 70 per cent of the packaged groceries market, 60 per cent of dairy and deli and half the fruit, vegetables, meat and egg markets in this country. They also control half of the liquor market. Independent supermarkets are the competitive lifeblood of outer suburban, regional and rural Australia. In the space of 35 years, Coles and Woolworths have taken their share of the national retail market from 40 per cent to 70 per cent—they operate almost 1,700 stores. When one of these players buys an independent store in a suburb or region, it might be argued that it is only one store in one area that is being acquired. In reality, the nation is losing its competitive market. These successive acquisitions entrench market power. Some independent owners plead that they have a right to sell at the inflated price being offered by the big retailers. That premium that is being paid is the value of competition. It is also the future profit of a future small, independent operator.

If the government can resist the temptation of a stunt—a big call, I know—creeping acquisition legislation should enjoy the support of both major parties. It will certainly have my support. A firm that already has a substantial degree of market power should be prohibited from expanding or entrenching that market power by acquiring an actual or potential competitor. As Terry McCrann recently observed in one of his columns in the *Herald Sun*, it is a little bit like chopping down trees: if you chop them down one at a time you think you are just chopping down one tree, but before you know it you have actually chopped down a forest.

This will have consequences not only for groceries but for petrol refining, banking, gas and electricity. This is not just an economic issue, nor is it simply about power and competition. It is also about the kind of Australia that we want to shape for the next generation. Two players—in this case Coles and Woolworths—owning, controlling and selling everything from petrol to potatoes is, in my opinion, not a better future for the next or subsequent generations. I may sound a little like Nationals Senator Ron Boswell on this issue. I am very happy to do so. But, if I start to look like him, can you tell me urgently!

Lindsay Electorate: Penrith City Council Electronic Waste

Mr BRADBURY (Lindsay) (7.34 pm)—I acknowledge a number of representatives of the Penrith City Council. In the gallery this evening we have the Mayor, Councillor Jim Aitken OAM, the Deputy Mayor, Councillor Ross Fowler OAM, Councillor Karen McKeown, General Manager Alan Stoneham, Ruth Goldsmith and Eric Weller. I take this opportunity to congratulate Penrith City Council on winning the Women in Local Government category of the 2009 National Awards for Local Government, which was officially presented earlier this evening. Penrith City Council has a fine record of women in leadership roles in local government, with Councillor McKeown, a former deputy

mayor, now holding the position of President of the New South Wales branch of the Australian Local Government Women's Association. Councillor Jacqui Greenow, a former president herself, and Penrith council staff members Bev Spearpoint and Helen Cooper are also on the executive of that association. Councillor McKeown is also one of Penrith council's sustainability champions and I know that sustainability is a high priority for Penrith council.

One of the biggest sustainability challenges we face is coping with the mountains of high-tech equipment that are constantly churned through homes, businesses and government agencies—our e-waste. Computers are a part of our everyday lives, but if we do not manage the way we dispose of them they will become hazardous waste products that will stay with us for generations. The metals used to make computer chips, the acids in batteries and the chemicals in monitors are all potentially dangerous to the environment if not disposed of properly. It is the dilemma of the 21st century household or business. Everyone has an unused monitor or computer tucked away in a cupboard or storeroom or, worse, on its way to landfill where it poses a major threat of contamination to the soil and groundwater.

The scale of the turnover in ICT equipment is enormous. The Gershon review estimates that the Commonwealth alone replaces 100,000 desktop and notebook computers each year and there are literally tens of millions of monitors, keyboards, printers and CPUs in Australian homes and businesses.

At a public hearing held today by the Joint Standing Committee of Public Accounts and Audit, the Australian National Audit Office confirmed that only 16 Commonwealth agencies, around a quarter, have product stewardship provisions in place in their contracts with their ICT suppliers. Stewardship clauses enable agencies to hand disused equipment back to the supplier who is then under an obligation to dispose of or recycle it responsibly.

There needs to be national coordination of the way we manage our e-waste, and I acknowledge the work that is currently being done at state and federal levels through the Environment Protection and Heritage Council to put together a national framework for product stewardship, which will be finalised in November this year. This will divert disused government computers away from landfill and to a more sustainable and productive use.

There are innovative and successful programs throughout the community that could be incorporated into this national framework, like the programs run by Planet Ark or the Victorian Byteback scheme. There are also community level programs like the one run in my electorate by the local Schools Industry Partnership. The Schools Industry Partnership operates a successful IT and education program steered by Ian Palmer and Richard Baczelis. The program sources disused computers from schools, Penrith council and local businesses and the computers are then refurbished by local school students as part of their vocational education IT courses. The students then install software and roll out the computers to council run childcare centres, giving preschool age children the opportunity to experience computer based learning.

Under a nationwide program built around the template developed by the Schools Industry Partnership, this could be expanded to roll out computers to neighbourhood centres, not-for-profit community groups and families and individuals in need, because despite the prevalence of computers in our community there are still those for whom purchasing a new computer is beyond their reach.

These refurbished computers could be provided at a low cost with that cost possibly even offset by the 50 per cent education tax refund. There is also an opportunity to upgrade these refurbished computers at a very low cost so that they can also be capable of acting as digital televisions by including an LCD monitor and digital television tuner card. Providing digital television tuners could also be part of the government's approach to ensuring that disadvantaged individuals and groups are not left behind when we all switch over to digital in 2013.

Our old ICT equipment will leave a legacy. We have the choice to decide whether that legacy is one of improper disposal and contamination or one that uses that equipment to provide opportunities to access modern technology for the most disadvantaged in our community. I look forward to the outcome of the planning of the national framework and I hope that we are able to plug into successful programs like the schools indistry partnership. *(Time expired)*

The DEPUTY SPEAKER (Ms AE Burke)—And well done to the Penrith council, who are represented here tonight.

Petition: Youth Allowance

Dr STONE (Murray) (7.40 pm)—I rise tonight to present a petition which has been considered by a meeting of the Standing Committee on Petitions and has been certified as being in accordance with standing orders. This petition has been signed by 3,990 people from northern Victoria—men, women and students. I present the petition so that people understand why we have had 3,990 people sign this petition and more signatures are flooding into my office every day.

The petition read as follows—

To the Honourable The Speaker and members of the House of Representatives

This petition of certain citizens of Australia, draws the attention of the house to their opposition to the proposed changes to Youth Allowance criteria announced in the 2009 Federal Budget. These changes will mean country students cannot afford to live away from home to access Higher Education.

- Students with no prior experience or qualifications will be forced into a difficult job market and many will simply not find work for a minimum 30 hours per week for at least I months in a two year period as proposed.
- Most universities only allow students to defer for 12 months. Rural students needing youth allowance support through university, may be forced to reapply for their positions all over again as a mature age student. Universities only offer limited mature age places.
- There are limited mid year intakes.

We therefore ask the House to review the proposed changes so that country students can access university.

From (3,889) citizens

Petition received.

Dr STONE—This is a deadly serious issue. Every parent hopes that their student who works hard at school and aspires to a university education will in fact be offered a place. They hope that they can afford to support their students at university or that there will be some way or means of government support or a scholarship that will mean their student does not have to forgo that opportunity for a higher education. Unfortunately, in rural and regional Australia, but particularly in southern Australia, we are facing our seventh year of drought. Families who once could support a student away from home—and it costs up to $20,000 a year extra in living costs—simply cannot now afford the extra $20,000. Likewise for small businesses and the professionals who offer service into those rural communities.

We have an extreme situation where we now face a income contraction and indeed unemployment in communities which once could boast of being the food bowl of Australia. These families deserve the right to have their students attend university if in fact those students have been offered a place. Already there is about a 20 per cent gap in the number of city-born-and-bred students compared with rural students accessing higher education. That gap is growing wider.

Who would have imagined that in Australia we had a two-speed economy and, at least, a two-tiered level of opportunity depending on where you were born. It simply is not fair that a student who is only two or three hours from Melbourne has to face the fact that they cannot afford to train as a doctor, dentist, lawyer, teacher, engineer or librarian. Those students do not have local access such courses, and with these new changes brought forward by the Rudd government they are facing the fact that they will never be eligible for the independent youth allowance. The problem is that under the new proposals they are required to work at least 30 hours for 18 months over a two-year period. What student in this environment and this economic context can guarantee or even be likely to get those 30 hours of work a week?

As an alternative, they are required to marry or to have a child. It is ridiculous to suggest a young person goes down that track. They are told that bringing the new age for independency down to 22 is a solution. No, it is not. That means a student has been out of school for at least four or five years, and the chances of them being able to return to studies as a mature age person are vastly reduced. This petition is from desperate and earnest young people. In particular, I want to name Samantha Threlfall, Talitha Golan, Hayley Swan, Jacqui Kitto, Gemma Doyle and Jessica Eddy, who did all of the hard work behind this petition. They are students in their gap years who deserve a university education. *(Time expired)*

Invisible Children

Mr KELVIN THOMSON (Wills) (7.45 pm)—It was a great privilege for me to take part in the Invisible Children's global campaign known as 'the Rescue' on a very cold night on 25 April in Royal Park in Melbourne. This was part of a 100-city, nine-country rally to demand attention for the plight of children abducted and forced to fight as soldiers in the Lord's Resistance Army, the LRA, which has been terrorising Central East Africa over the last two decades.

Invisible Children is a social, political and global movement using the transformative power of story to change lives. Its enthusiasm and commitment is remarkable and inspiring. I congratulate Amy Shand, State Director of World Vision's Vision Generation Victoria, and also a local constituent, Melissa Bottrell, on their work in mobilising these young people. Currently, Invisible Children is putting 740 kids through school and employs more than 250 men and women living in this war-torn region, with plans to see that number grow. The organisation is also rebuilding 11 war-affected schools. Programs on the ground were developed by the people of northern Uganda and seek to improve the quality of life for individuals through education, enhanced learning environments and innovative economic opportunities.

The Rescue required participants to 'abduct themselves for the abducted'. Thousands of people travelled by foot to a location in each city that became their base, which they refused to leave until a politician or public figure 'rescued' them by making a public statement on behalf of child soldiers. The Rescue began in February with the launch of Invisible Children's world tour to

show their film *The Rescue of Joseph Kony's Child Soldiers*. Volunteer representatives took the film to schools, churches, concerts and coffee shops throughout the United States, Canada, Mexico, Australia, New Zealand, the United Kingdom and Ireland with a call to action. *The Rescue* profiles elusive rebel LRA leader Joseph Kony and exposes groundbreaking testimonies from child soldiers forced to fight amongst the ranks of the LRA. This powerful 35-minute piece serves as a worldwide catalyst to combat apathy and injustice and empower a generation to take action about a forgotten war. The Invisible Children movement raises awareness through compelling documentary films, empowering individuals to use their time, talent and money to help make a difference.

For 23 years northern Uganda has been consumed by conflict, and more recently the LRA has spread its operations to the Democratic Republic of Congo, the Central African Republic and southern Sudan. Three current LRA leaders, including Joseph Kony, have outstanding arrest warrants against them issued by the International Criminal Court at The Hague for war crimes and crimes against humanity committed in Uganda. After Joseph Kony's failure to sign a peace agreement in late November 2008, Uganda, Congo and southern Sudan organised a joint military campaign intended to defeat the LRA and capture the rebel leader. The LRA retaliated by murdering and displacing thousands of civilians and abducting hundreds of children to fight amongst its ranks. At the end of January, only 114 of those abducted had been rescued out of some 600 believed to be held still by the LRA.

A war originally contained within Uganda's borders has now evolved into a widespread regional crisis. The UN Security Council needs to provide direction and additional resources, including further logistical capacity, to protect civilians at risk of LRA attack. As Human Rights Watch has pointed out, the armed conflict in northern Congo is governed by international humanitarian law, which applies both to states and to non-state armed groups such as the LRA. Uganda and Congo are both International Criminal Court state parties and are obliged to cooperate with the court, which includes executing warrants on LRA leaders. Emergency support must be given to UN agencies and local and international organisations such as Invisible Children to assist the victims and the communities affected by LRA of violence.

I commend Invisible Children's efforts in providing education for those children formerly displaced and abducted and in facilitating their return to their original homes through economic development programs of financial training and successful sustainable businesses. I congratulate Invisible Children and I urge the federal government to do everything it can to secure the release of the child soldiers and enable them to recover the innocence which is their birthright. The invaluable work of Invisible Children has changed lives and restored hope to many who have been brutalised by this conflict.

Petition: Borneo Barracks

Mr IAN MACFARLANE (Groom) (7.50 pm)—I thank the House for the opportunity to present a petition approved by the Petitions Committee. This petition calls on the Rudd government not to close or relocate Borneo Barracks at Cabarlah, just north of Toowoomba. The petition contains 1,523 signatures, which were collected in a very short space of time and represent not only the communities of Cabarlah and Highfields but also of Toowoomba and the Darling Downs in general. I should also, in presenting this petition, acknowledge the Highfields Better Business Group, local businessman Mac Stirling, and the LNP candidate for Toowoomba North, Trevor Watts, all of

whom played a significant role in raising public awareness of the potential closure of this base and also worked hard to ensure the collection of signatures for the petition.

This petition is a potent expression of the significance of Borneo Barracks to the people of Toowoomba and the Darling Downs. Our region has a proud record of supporting the Australian defence forces. We boast two bases, and we want to keep it that way. We have the Cabarlah base and we also have the Oakey Army Aviation Base, which has a proud record stretching back prior to the Second World War of training service people to fly. Currently it is Australia's premier helicopter training base for the ADF.

Those two bases and the people who work and live around them are an important part of our community but, more importantly, those people are very welcome in our community. They bring diversity and they bring a new range of skills into our area which we are very grateful for. The potential loss of one of those bases—that is, the Cabarlah base—is causing grave concern in our region. Losing the base would come at a substantial cost to the local economy, as it is one of the most significant local employers, supporting hundreds of jobs both directly and indirectly. In fact, it has been calculated that the closure of these barracks would lead to the loss of some 845 jobs and cost the community $105 million annually.

As I said, the community welcome the personnel that man these bases. They welcome their families, welcoming not only the contribution they make to the economy but, more importantly, to the community, and they bring diversity to our region, as I said. In fact, the biggest problem the Australian Defence Force has with sending people to Cabarlah is that they do not want to leave. I can understand that; Toowoomba and the Darling Downs is easily the best region in Australia to live in. But the reality is that, when you send people on postings, if they enjoy living there and raising their families there, that plays an important part in keeping these personnel within the Defence Force.

The base, of course, makes a critical contribution to the Australian Defence Force and the defence of our nation. Unfortunately, those people who are seeking certainty from the defence white paper did not get that, and the white paper recently released did not provide any clear direction as to the Rudd government's intentions in relation to this base. However, on the government's own criteria for defence facilities laid out in that paper, there is a very strong case for the retention of the Borneo Barracks at Cabarlah. The white paper states that the key principles for deciding the future needs of defence facilities include ensuring that facilities are 'dispersed for security reasons', that they are family friendly, that they are in well-resourced locations, and that they maintain both an urban and a regional presence. The Cabarlah base fills those requirements. It must remain open. The people of the community and of Australia need that to be the case. I present the petition.

The petition reads as follows—

To the Honourable the Speaker and Members of the House of Representatives

This petition of Highfields Better Business

Draws to the attention of the House:

Borneo Barracks Cabarlah Qld and the effects if it were to be closed or relocated.

- Total annual economic losses of $105.3 million
- Expected job losses in excess of 845
- Serious short-term downturn in the local housing property market with the simultaneous release of 190 residential properties and 120 rented properties
- Serious negative effect on small business particularly in Highfields

- Serious social impact with high risk effect to local schools and child care enrolments.

We therefore ask the House to:

Not close or relocate Borneo Barracks.

from 1,523 citizens.

Petition received.

Student Services and Amenities

Ms KATE ELLIS (Adelaide—Minister for Early Childhood Education, Childcare and Youth and Minister for Sport) (7.55 pm)—I take this opportunity to again call on the House to support the government's measures to ensure that we return university campuses to world-class institutions which have the services and amenities in place to support students throughout their time at university. We know that the previous government's voluntary student unionism legislation ripped $170 million of funding out of the higher education sector and that this had some devastating consequences, such as the increase in prices for a range of different services and the cutting of some services altogether.

But it also affected students in an indirect manner. We have heard time and time again from universities themselves, from vice-chancellors, that as a result of this $170 million being stripped out of the higher education sector many universities were forced to redirect funds to prop up the services which they thought were vital to continue on their campuses. And we have heard that the consequence of this was that funding which might previously have been directed towards teaching and research budgets was redirected into propping up student services and amenities. This meant that students, even those who might not have been directly using those services, were paying for the consequences—in some cases, through larger class sizes and, in other cases, through less funding going towards research and libraries.

This evening I would like to particularly focus on the devastating impact that this legislation had on sport. This is an area that I know will be the subject of some debate when the government's student services and amenities bill comes before the Senate, and I must say I am a little disappointed that the opposition have resisted moves to debate this legislation as a priority this week. We know that it does not stand alone as a tough issue which the opposition has shirked debating, but it is critical that we give universities certainty about the road forward.

It just so happens that as I was sitting in the chamber listening to some of the contributions before mine I came across a letter which was recently sent to me, in my capacity as Minister for Sport, by Basketball Australia—and I stress that this is just one example of sporting bodies writing to me to express their concern about the impact that the previous government's legislation had on their sport at the time and going forward. I would like to take this opportunity to quote some of this letter to the House. Larry Sengstock, the CEO of Basketball Australia, said:

There is ample evidence that the introduction of VSU led to increased cost for participation in sport as well as reduced support for the structures within the university that assist the organisation of sport. If this is not addressed, it is likely that many athletes will cease participation in sport altogether. This will affect our local associations directly (as players/teams do not participate) but may also lead to reduced involvement in officiating and administrative areas.

That letter from the CEO of Basketball Australia is backed up by statements from Luke Schensher, the Australian Boomer, as well as Carrie Graf, the head coach of the Australian Opals.

I use the example of basketball because it is such an important sport within Australia; it is such a popular sport when it comes to participation. I think that we should all reflect

very seriously on the fact that one of our major sports has put forward its view that we need to ensure certainty for our universities and we need to ensure certainty for students that the services that they rely on will be in place going forward. But we also need to ensure certainty for Australian sport, because we know that sport is important for a whole range of reasons, not least of which is keeping the Australian population healthy. When students are at university, they are at that vital age where they so often fall out of sport and physical activity as they become preoccupied with other activities that they come across at university. That is why it is so important that the university sport sector is supported, and I know that this is something that Don Knapp and his organisation are behind as well. I urge all members to support our legislation. *(Time expired)*

Question agreed to.

House adjourned at 8.00 pm

NOTICES

The following notices were given:

Dr Kelly to move:

That, in accordance with the provisions of the Public Works Committee Act 1969, it is expedient to carry out the following proposed work which was referred to the Parliamentary Standing Committee on Public Works and on which the committee has duly reported to Parliament: Fit-out of new leased premises for the Australian Securities and Investments Commission in Sydney, NSW.

Mr Bowen to present a Bill for an Act relating to credit, and for related purposes.

Mr Bowen to present a Bill for an Act to deal with transitional and consequential matters in connection with the National Consumer Credit Protection Act 2009, and for related purposes.

Mr Bowen to present a Bill for an Act to amend the Corporations Act 2001 and the Australian Securities and Investments Commission Act 2001, and for related purposes.

Ms King to move:

That the House recognises that:

(1) polio survivors continue to be the single largest disability group in Australia today, numbering in the tens of thousands;

(2) this number not only includes those who contracted polio in Australia during the epidemics last century, but also young polio survivors who have migrated from countries where polio is still prevalent or only recently eradicated;

(3) the needs of polio survivors have been largely neglected since vaccination against the disease became a reality, and as they age with chronic disabilities this neglect must be addressed as a matter of urgency;

(4) over the last 20 years much attention has been drawn to the development of new, previously unrecognised, symptoms which occur in people who were thought to have reached a stable level of recovery after the acute disease;

(5) symptoms of the late effects of polio include unaccustomed fatigue unrelated to activity, decreased strength and endurance, pain in muscles and/or joints, an inability to stay alert, weakness and muscle atrophy, muscle and joint pain, muscle spasms and twitching, respiratory and sleep problems, swallowing and speaking difficulties, depression and anxiety.

(6) over the last 20 years polio survivors have established state-based post-polio organisations to provide information and support for fellow survivors, and that these networks are run by polio volunteers who themselves are experiencing increased disability and decreased mobility; and

(7) in the coming years it is increasingly inevitable that many state networks will cease to function as volunteers find themselves unable to continue the service, thereby creating the necessity for a central body, Polio Australia, to take over responsibility for state functions.

Mr Simpkins to move:

(1) notes that the Venerable Thich Quang Do, leader of the United Buddhist Church of Vietnam has been noted as one of the 15 Great Champions of World Democracy, for his advocacy for religious freedom and democracy in Vietnam; and

(2) encourages

(a) the Minister for Foreign Affairs to seek from the Government of the Socialist Republic of Vietnam the release from house arrest of the Venerable Thich Quang Do; and

(b) encourages the Minister for Foreign Affairs to seek from the Government of the Socialist Republic of Vietnam the restoration of complete freedom of religion within Vietnam.

Wednesday, 24 June 2009

The DEPUTY SPEAKER (Ms AE Burke) took the chair at 9.30 am.

CONSTITUENCY STATEMENTS

Herbert Electorate: USS *Essex*

Mr LINDSAY (Herbert) (9.30 am)—Residents of Townsville have woken up to find that the USS *Essex* will not be coming to Townsville next week because the port cannot accommodate this huge American warship. At times of such great economic struggle around the country, particularly in Townsville, the visit of an American warship is no small thing for our community. Generally, it is worth about $93 per head of population in Townsville when a ship of that size comes into port. While often the first thing that comes to mind is our great young American friends having a good time and exploring the world in between long bouts at sea, what we often forget is the positive and sometimes crucial economic impact that this can have on our local community.

The planned visit by the USS *Essex* to Townsville next week would have delivered exactly that, and the figures are eye opening. A visit of nearly 4,000 people would have represented a temporary surge of almost three per cent in the local economy through an eight-day injection of between $10 million and $14 million. Almost everyone would have stood to gain: hotels, restaurants, taxis, tour operators. Even the Cowboys, the most popular team in the league now, would have had an enthusiastic, though ill-informed, sporting audience. I might say, for those here from New South Wales, that the captain of the Cowboys, Jonathan Thurston, will lead Queensland to victory in the State of Origin tonight.

Townsville next week will not be greeting the ship that has had a long and proud history with Australia, a ship that has always participated in the biennial joint military exercises off the north coast and that in 2001-02 helped us to directly support the East Timor peace process. Indeed, it will steam further north to, dare I say it, dock in Cairns, with the Townsville dock overcrowded with other commercial operators.

The state member for Thuringowa was quoted in the paper this morning as saying that this is all my fault because I opposed the development of a cruise ship terminal. That is entirely wrong; I did no such thing. The state government did a dodgy deal with one of the white-shoe brigade on the Gold Coast to build a residential development of 1,000 residences adjacent to the Townsville port as well as to build the cruise ship terminal. It was entirely inappropriate. The whole community, to a person, said, 'It is inappropriate to have a residential development adjacent to an operating port because of the problems that will occur in the years to come.' I certainly opposed that but I have never opposed a cruise ship terminal being built in Townsville—in fact, I helped secure defence money to make it a multiuser terminal so that ships like the USS *Essex* could visit Townsville and bring the goodwill that often follows from such important visits by our foreign neighbours.

Australian Council of Local Government

Ms McKEW (Bennelong—Parliamentary Secretary for Infrastructure, Transport, Regional Development and Local Government) (9.33 am)—I rise today to speak about an important week in the House, and perhaps not for the reason that many members would imagine. This in fact is the week when we see the Australian Council of Local Government meet for the sec-

ond time, and this year's theme is 'Building resilience in local communities'. It is a theme that incorporates the challenges faced by local communities today—challenges caused by global economic recession and by natural disasters such as fire and flood, as well as challenges to our capacity to meet the requirements of climate change. These are tough times, we all acknowledge that, but I have high hopes for this meeting because local governments are resilient, as indeed are Australians.

Australians are also inventive. It is this combination, I think, that is going to see us through. The Carbon Pollution Production Scheme got thrashed about in the Senate, certainly. Local government members are discussing, though, how these challenges can be met on the micro level, the level where we all live: our local landscape—our homes, our parks, our towns, our shopping centres, our sports and leisure centres. There will be spirited discussion and dialogue this week about resilience at every level—how we cope environmentally and how we build social resilience.

We are investing in more than 3,300 projects right across the country. This is part of the government's Community Infrastructure Program. The CIP will deliver $800 million directly to local governments for local community projects. That is designed with one purpose in mind: for local governments to be able to work on the projects that have been on the books but, importantly, to keep Australians in local government areas in work. There are many local mayors and local government associations I have been meeting with this week. They applaud this measure.

Last year we saw the ACLG announce the first round of CIP funding, and that was $250 million. That was distributed to 565 councils across the country. They were for projects that were ready to go. Some of the projects under that funding, for instance, that have been able to progress in my area in Bennelong include projects that the City of Ryde is working on—they are extending the Buffalo Creek walking trail. And Hornsby council is putting that money into eight different projects—upgrades to ovals and work on learning and leisure centres.

So this is a funding initiative from the Commonwealth direct to local government that has been widely applauded. There is a $550 million component of this which has been subject to a competitive bid for projects of more than $2 million. I am pleased to say 137 projects right across the country have been funded through this and in the member for Herbert's electorate. *(Time expired)*

McMillan Electorate: Anniversaries

Mr BROADBENT (McMillan) (9.36 am)—It is hard to get all we want to put into these statements in the time allotted. It has been a month of anniversaries in south Gippsland. Fish Creek celebrated the 125th anniversary of the town's first settlement. There was an amazing parade of wedding gowns down through the ages in Fish Creek. Some 500 to 800 people returned to Fish Creek. This celebration tied in very well with the 90th anniversary of South Gippsland Secondary College, formerly the Foster High School. It was estimated that several thousand people returned on the Saturday to their old school.

Special thanks must go to Colleen Smith and her family, who worked so tirelessly to coordinate the reunion. Colleen and her hardworking family made sure that the weekend ran smoothly from start to finish. Catering for 2,000-plus people is no mean feat. Trudy Haines, with her family and friends, also made an amazing and enormous contribution to a successful

reunion. The celebrations went on all weekend. It was a most memorable weekend for both the Fish Creek and Foster communities.

We also celebrated a 70th wedding anniversary, that of Beth and Alex MacKay. Seventy years married for all of us seems a lifetime—nearly a couple of generations. This couple were presented with a certificate from the mayor—we do not call them shire presidents anymore—John Duscher. Celebrations, I believe, are still going on today for that 70th wedding anniversary.

I also wrote to the Pakenham St James Church, my own church, with congratulations on the 125th anniversary that they celebrated. As a member of St James Pakenham since the early seventies I have had the great honour of receiving the ministry of Stephen Rigby, Adrian Moore, Roger Rich—who carried us through the Ash Wednesday bushfires—Ian Battersby and Hilary Roath. Their faithfulness to their congregation has been a cornerstone of life in the church. I am reminded of the faithful dedication of the eight o'clock service community who worship in the coldest of mornings, from the days of the Purten brothers, Cecil and Ken, to today's faithful servants.

All servants of the church are precious, and to pick out for special recognition only two is fraught with danger. However, such is the contribution from Dot Hardy and Margaret Walden in music and prayer that I am willing to take the risk. Music has been such an important part of the life of St James for such a long time. Their wonderful gift to us through their music has raised the spirits of the congregation and blessed us with each and every note that they have played. At this 125th anniversary we honour all who have worshipped and served at St James. We give thanks to the blessings of those who have passed through the doors of the house and for the solace and comfort found in the bosom of the congregation.

Fremantle Electorate: Marine Bioregional Planning Process

Ms PARKE (Fremantle) (9.39 am)—I want to speak briefly today about a matter of great interest and importance to my electorate of Fremantle. As members may be aware, the government is currently conducting the new and far-reaching Marine Bioregional Planning Process. This will result in marine bioregional plans being established around Australia under the umbrella of the Environment Protection and Biodiversity Conservation Act and is in keeping with the commitment made in 1998 by all Australian governments to create a national system of marine protected areas. I am very pleased to say that the first area under consideration is the south-west region, which runs from Kangaroo Island in South Australia right around to the seas off Kalbarri in Western Australia, and of course it includes the marine environment adjacent to the Fremantle electorate.

Fremantle has a longstanding and varied engagement with the marine environment that forms its western boundary, and that encompasses Rottnest Island. The sea off Fremantle is enjoyed on a daily basis by thousands of Western Australians and it is plied by recreational vessels, fishing craft and the full range of shipping that makes use of Fremantle Port. It is also the focus of tourism, especially at Rottnest Island, and of a considerable fishing and maritime industry. The south-west region is a marine environment of great significance. To give just some idea of its special qualities: 70 to 90 per cent of the marine species found in this region are unique; the region includes critical habitats for the world's largest animal, the endangered blue whale—Perth Canyon, for example, which is Australia's largest marine canyon, is one of only two known feeding grounds for the blue whale in Australian waters; and the region is

strongly influenced by the warm Leeuwin Current, which is the longest running continuous coastal current in the world, at some 5,500 kilometres in length.

The Save Our Marine Life group, which represents a range of organisations—namely, the Conservation Council of Western Australia, the Australian Conservation Foundation, the Pew Environment Group, the Nature Conservancy, WWF Australia and the Australian Marine Conservation Society—is working very hard to advocate on behalf of improved marine environmental management and protection in Western Australia. Save Our Marine Life's first report, entitled *Protecting Western Australia's big blue backyard*, argues persuasively for the creation of substantial no-take marine reserves. It is worth noting that less than one per cent of the region is currently protected by any kind of marine protection designation or area. An appropriate and much-needed increase in protected areas will not only secure the health of Western Australian oceans for the long-term but also improve the non-extractive uses in those areas including diving, ecotourism, scientific study, education and training, and recreational boating.

Last week I was very pleased to be present when the Save our Marine Life group presented the minister for the environment with thousands of postcards signed by Western Australians who support a Western Australian protected marine area. Once the national system of marine bioregional plans is in place we will have a secure basis for the sustainable enjoyment and protection of our oceans, and all the creatures in them, and I know this will be very welcome in my electorate of Fremantle.

Kenneth John Oram

Mr ROBERT (Fadden) (9.42 am)—I rise to honour the late Kenneth John Oram, a pioneer in Australian aviation and one of the foundations on which Army aviation was born. Ken was born on 8 March 1920. He attended Randwick Public School and went on to Sydney Boys High School, where he was school captain in 1937. Ken joined the CMF, a member of 1st Medium Brigade AFA, and then Royal Military College, Duntroon in 1940. Because of his timing in entering Duntroon he was one of the few staff officer cadets to be awarded the Efficiency Medal. Ken graduated senior under officer in 1942 and was awarded the King's Medal for Outstanding Academic Achievement and the Sword of Honour for leadership abilities. He was only the fourth cadet in RMC's history to do so.

In 1942 Ken entered the war with the 9th Battery of the 2/5th Field Regiment at Milne Bay in Papua New Guinea. After what he described as 'a short and nasty battle', the Japanese were defeated for the first time in the war. He took part in the assault on Salamaua, fighting with both Australian and American troops. He gathered further experience with attachment to the US Navy on PT boats in the Solomon Islands and at Headquarters 1 Australian Corps AIF. His final part in the war was at Balikpapan, Borneo, Indonesia, with the 7th division. At the end of the war he went to Cabarlah, near Toowoomba, for officer training school, where he met and fell in love with Joan Smith. They were married on 30 November.

In March 1947 Ken and Joan left for England, where he undertook an advanced artillery course at Larkhill and subsequently went to Middle Wallop and flying school to be trained by the Royal Air Force. By the time he retired from active flying in 1975 he had logged more than 7,000 hours on 94 different types of aircraft—all mishap free. He now believed it was vital for an air observation post for the modern Australian Army. In 1949 Ken returned to the School of Artillery on North Head and he set out to convince his senior commanders of this

need. The Army was unsure, the RAAF tried to dissuade them and progress was very slow. Ken finally convinced Colonel AL McDonald, who was director of military operations and plans, to support his plan to put pilots and trainees into an aviation unit and charter civil aircraft. Thus 1 Army Aviation Company was raised in 1957, with Ken responsible for training standards, policy statements, organisation and equipment tables, and flying procedure practices of the company.

Post Army, Ken joined Qantas to help build their flight crew and maintenance training centre, and it was while he was at Qantas that he was approached by his school friend, Rollo Kingsford-Smith, to assist with the delivery of a new de Havilland Dove aircraft from the UK. He teamed up with Harry Purvis to bring the Dove from Hatfield, England, through France and Greece and then they went on a hopping tour across the Middle East, Pakistan and India and down through Malaya and Singapore and finally Indonesia before reaching Australia. It took them six weeks, in which time they encountered snow storms in Europe, hang-ups in bureaucracy and challenges getting rations in the plane—which were resolved by Indian coolies running relays across an airfield with water in giant skin bags to fill the plane's many-gallon tank.

Once flying was behind him, Ken moved to PA Management Consultants and finally to Consolidated Goldfields, where he travelled the country identifying 'new leaders' for the Australian mining industry. He retired in 1982. Ken and Joan moved to Queensland and settled in Runaway Bay, in the mighty electorate of Fadden. Today I honour in federal parliament a truly great Australian.

Gorton Electorate: Father Norman Gray

Mr BRENDAN O'CONNOR (Gorton—Minister for Home Affairs) (9.45 am)—I rise to pay tribute to the exceptional work of Father Norman Gray, who recently celebrated 50 years of Anglican priesthood in my electorate of Gorton. Father Gray of Delahey worked tirelessly over the last five decades helping and providing support for the disadvantaged, the needy and the marginalised. After devoting two decades to remote Aboriginal communities and Scout and Rotary movements in Northern Queensland, Father Gray has spent the last three helping communities in western Melbourne. Father Gray's altruism and concern for others have brought him into many different settings, including schools, parishes, psychiatric facilities and even prisons. Last month Father Gray celebrated his 50-year milestone at a gathering with friends, family and representatives from state and federal governments. This ceremony included the renewal of Father Gray's ordination vows and song performances by the Hume Anglican Grammar School choir and the Essendon Baptist musicians and singers.

Fifty years of services is no small feat. This achievement is a testament to Father Gray's dedication and humanity. At the age of 74, Father Gray remains an energetic and dynamic member of and contributor to his community. He is still active in his church and sits on a range of local community committees, including the Delahey Residents Association and the school council for Copperfield College. It is as inspiring as it is uplifting to hear local stories of charity and generosity such as those of Father Gray. The compassionate causes for which he works are extremely admirable, and he should feel extremely proud of his body of work over so many years.

I would like to acknowledge the achievements of Father Gray but also recognise the efforts and support provided by his family and many friends. In particular, I would like to acknowl-

edge Father Gray's wife, Margaret, and his four children, Christopher and Michael Gray, Wendy Vella and Helen Catterall. Father Gray's efforts deserve acknowledgement, but he is not one to seek praise or recognition. He is driven, it would seem, by the passionate desire to help those around him and the cause of realising social justice. Father Gray is an inspiration and a fine community leader, and the community of western Melbourne is indeed indebted to him. It is a privilege to be associated with Father Gray—a wonderful constituent of my electorate.

Civil Liberties

Dr JENSEN (Tangney) (9.48 am)—What has become of the government's despicable internet filtering plan? The minister for broadband, communications, the digital economy and state censorship has been strangely silent in recent weeks on his plot to demolish the freedom of Australians to access internet material without government controls. I hope that he has realised the error of his ways and will abandon the idea, as the government have done with other plans when it has become clear that they were hopelessly out of touch with those they purport to lead.

Was the minister disturbed to learn, as I was, that the brutal, dictatorial Iranian regime is employing similar technology to that he plans to use in Australia? As authorities in Iran this week moved to crush dissent over election results, there were reports it had installed perhaps the world's most advanced system for controlling internet use by its citizens, greatly exceeding even the notorious level of state intervention in the 'great firewall' of China.

Perhaps the minister was also disturbed to see the same reports, then raised his plans for Australia as another example of governments seeking to exert control over their citizens through internet filtering and monitoring—Iran, China, Australia. Perhaps he is proud to see our country, which was founded on a bastion of freedom and rights, grouped with two of the world's worst offenders on curtailing civil liberties.

I am not proud of this. I am afraid and disgusted. Trials of the internet filtering system continue, though limited, particularly since major provider and filtering opponent iiNet walked out. The minister has instead been talking of Stay Smart Online, a campaign to maintain security for internet users. He has not explained how blocking access to information will help anyone stay smart.

The reality is that the free flow of information stimulates learning and new ideas. It feeds the growth of knowledge. Restricted growth of information has the opposite effect. The government has been told that its plan will not work. It will fail to prevent access to child pornography and other offences linked to internet use. The government is planning a $43 billion high-speed broadband network. One plan increases speeds while another reduces them. Why not save all that money and leave the matter alone? Then we will not be out of pocket and our right to view information of our choosing will not be curtailed. Then we will not be placed in the same basket as China and Iran, which is destined to be the sad outcome if this plan goes ahead.

Leichhardt Electorate: Petrol

Mr TURNOUR (Leichhardt) (9.51 am)—I rise this morning to formally voice concerns over the price of fuel in tropical North Queensland. The price of fuel, unleaded, diesel and LPG is an issue which I regularly talk about with members of the community. Whether I am

out in my mobile office, doorknocking or talking to people in the community, I regularly get correspondence on this issue and people in the community are particularly passionate about it. And there are real concerns about inflated prices when compared with metropolitan centres, major fluctuations in price and so on. How often do I hear that they are quick to put the price up when oil prices increase but when the price drops it takes a lot longer before we see a change at the bowser?

The seat of Leichhardt, encompassing Cairns, Port Douglas, Mossman, Cape York and the Torres Straits experiences petrol prices well above those in metropolitan areas. Only yesterday the price of unleaded petrol in the Brisbane suburb of Marsden was 110.9c a litre and in the city suburb of Spring Hill it was 109.9c a litre. Yesterday the price of unleaded in my hometown of Cairns was around 118.9c a litre and the price of unleaded at Weipa was 151.9 c a litre. In parts of the Torres Strait you can pay up to three dollars for a litre of fuel.

We know that these costs can be different because of the remoteness and the volume of fuel pumped, but our prices are also linked to the Asia-Pacific region through the Singapore Mogas 95 unleaded and not the US crude price, as many people commonly think, and also to the value of the Australian dollar. These factors all impact on the price of fuel. But there are also valid concerns in the community about the differences in the price of fuel in regional communities as compared to our major capital cities.

There are also real concerns about the takeover or the opportunity for Caltex to possibly take over 302 Mobil service stations and the impact that this could possibly have on competition. I am pleased the minister for small business and competition policy has said that if the takeover lessens competition the government will be looking to the ACCC to block that. The ACCC is currently examining that and a decision will be brought down on 5 August. The government is doing what it can to keep control of fuel prices through giving additional power to the ACCC and establishing a petrol commissioner. We wanted to introduce a national Fuelwatch scheme but were prevented from doing this by the opposition.

Fuel prices are a real concern to me and a real concern to many members of my local community. I will continue to take these issues up with the appropriate ministers and I would encourage members of my community who do have concerns to continue to contact me about these issues. If they have real issues or concerns about lack of competition or improper activities by station operators they should get in touch with me and I will continue to take those up with the petrol commissioner and follow this issue closely.

Swan Electorate: Bullying

Mr IRONS (Swan) (9.54 am)—On 10 June I attended the Carlisle Primary School to present an award to Natascha Sieg for winning the antibullying slogan award by her school. There were some fantastic slogans put forward and the job of picking the winner would not have been easy. The program has been driven by Sonja Linkston who is the school's academic program coordinator. Sonja has done a fantastic job and I know this program has the full support of the school's principal, Margaret Jansen.

As much as this program can be described in glowing terms, such as forward thinking or innovative, the plain fact is that bullying remains a serious problem in our schools. A study by Edith Cowan University, a university attended by many people in my electorate of Swan, found that over a quarter of Australian students in years 4 to 9 are bullied on a regular basis.

This is a statistic which, I am sure all members would agree, is unacceptable. Parents and children alike have a right to ask: why is this rate so high? It is certainly not because of a lack of public awareness. A recent survey by a local newspaper in my electorate, the *Southern Gazette*, found that around 47 per cent of respondents from a possible 64 per cent with children were aware of bullying as a big problem in local schools. From my experience, it is also not because a lack of effort from the schools. I know that most schools in my electorate of Swan have anti-bullying policies. The scale of the problem and its unrelenting nature suggests to me that the problem lies not in our awareness and desire to do something about bullying but in our approach. Our traditional methods of tackling bullying are not working. We need to be more innovative; we need to redefine our approach.

That is why I was particularly pleased to attend the launch of the Carlisle Primary School's new antibullying policy. The policy was designed with careful thought after extensive consultation with students, teachers and parents associated with the school and not only educates children about the dangers of bullying but gives children strategies to deal with it. In the new scheme, bullying behaviour will be combated by the shared concern approach, a certain departure from traditional punishment approaches. The shared concern approach includes individual meetings held with each of the students involved in the bullying incident. Each student is asked about the problem and asked to suggest ways in which he or she could personally help to improve the situation. The person being bullied is also given the opportunity to talk. Follow-up meetings give opportunities for the students to change their attitudes. It is certainly a different method, and I will be interested to see how successful the scheme is.

If we are to reduce this problem in our schools and our society, we need to make sure that parents also take the role of reinforcing the standards that are acceptable in our society and schools. Parents should not leave the standard-setting to schools. It would be tragic to see programs such as the new Carlisle Primary School program become ineffective due to a lack of positive parental attitude in the home. In conclusion, everyone in our community has the right to a safe and supportive learning environment in our schools. Carlisle Primary School has started this process and should be commended for it.

Makin Electorate: Para Hills Community Club

Mr ZAPPIA (Makin) (9.57 am)—On Saturday, 20 June, with my wife, Vicki, I attended a dinner celebrating the 40th anniversary of the Para Hills Community Club. In the early 1960s a committed group of residents who had settled in the newly established and growing suburb of Para Hills set about establishing a local community club in response to the social needs that were arising at the time. In 1969 their hard work culminated with the official opening of the Para Hills Community Club by the then Premier of South Australia, Steele Hall, who later went on to represent South Australia in the Australian Senate. Steele Hall and his wife, Joan, a former minister in the South Australian parliament, were present at the celebration dinner, and it was fitting that they could both be there on the night.

Over the years, the club has been enlarged and modernised, and today it is a stand-out community club in South Australia. It has also won numerous awards and accolades, including Best Community Club in South Australia for the last two consecutive years. Importantly, the club has not only provided a social, recreational and dining venue for the locals but, since 1969, has been a major financial supporter of the many sporting and community groups in the

area. Over the years it has also raised tens of thousands of dollars for many worthwhile charities and causes, including the recent Victorian bushfires.

At the dinner it was also wonderful to see some of the original Para Hills stalwarts and founders of the club, including Bob and Merian Giles, and Bill and Irene Redhead, who, after more than 40 years, are still keeping a watchful eye over their community's needs. Adding to the celebration was popular long-time 5AA talkback host Tony Pilkington, who emceed the evening and, with his wit and good humour, ensured that people were kept entertained throughout the evening.

I pay particular tribute to the club's general manager, Cameron Taylor, who also happens to be the chairman of Clubs SA in South Australia; the club chairman, Chris Goldner; the deputy chairman, David Macdonald; and the entire Para Hills Community Club team for the leadership they have shown in recent years. They have not only ensured that the club adapted to the changing needs of the community but also ensured that the values of the original founders of the club of 40 years ago have been preserved. I wish the club well into the future.

The DEPUTY SPEAKER (Ms AE Burke)—Order! In accordance with standing order 193 the time for constituency statements has concluded.

COMMITTEES

Health and Ageing Committee

Report

Debate resumed from 1 June, on motion by **Mr Georganas**:

That the House take note of the report.

Mrs MAY (McPherson) (9.59 am)—I am delighted to speak on *Weighing it up: obesity in Australia*, a report I commend to the House, in particular the recommendations the committee has made to the parliament. I commend our committee chair, the member for Hindmarsh, who is in the chamber today, for his leadership in this inquiry. It was an important inquiry for everybody in Australia. I also commend our deputy chair, who is also in the chamber today.

We have some alarming statistics in this country on obesity, and I would like to put a few of those on the record today. An ABS survey in 2007-08 found that 68 per cent of adult men and 55 per cent of adult women were overweight or obese. That means that one in two Australian adults are overweight or obese, and up to one in four children are also overweight or obese. We know, and we certainly heard during the committee inquiry, that the prevalence of obesity has doubled over the last 20 years. It is at the stage now where it is a serious health problem in this country, and this report has gone a long way to addressing some of the issues, concerns and things we can do in this country to really tackle the problem of obesity.

Access Economics recently reported the economic costs of obesity in Australia for 2008 to be in the region of $58.2 billion. That is a lot of health dollars going to helping people suffering from obesity. We know obesity is associated with, and increases the risk of, many chronic diseases. For example, being overweight is a risk factor for coronary heart disease and stroke, Australia's first and second biggest killers. Three other risk factors that we know of—tobacco use, poor diet and lack of physical activity—contribute to the four major chronic diseases: heart disease, type 2 diabetes, lung disease and many cancers, which are responsible for more than 50 per cent of deaths around the world.

With our ageing population, which I have a particular interest in, our healthcare system is going to be increasingly unable to cope with the demands placed on it by people suffering from preventable diseases. The World Health Organisation has identified some shared characteristics of chronic diseases. Chronic disease epidemics take decades to become fully established. They have origins at young ages. Given their long duration, there are many opportunities for prevention. They require a long-term and systemic approach to treatment. Health services must integrate the response to these diseases with the response to acute infectious diseases.

While many factors may influence an individual's weight, fat is deposited when the energy we consume from food and drink is greater than the energy we expend through physical activity and rest. I think each and every one of us in this parliament knows that is exactly what we are doing to ourselves. We know that what we intake we have to get rid of some way. I think each of us here in the parliament has a responsibility to set a very good example for Australians in how we maintain our healthy lifestyle and our eating habits. It certainly came out through the inquiry that portion size on the plate really does matter. What goes through the lips ends up on our hips. We have all heard that, we all know it and we all grapple with it day after day. It is a huge temptation, and it takes a lot of willpower to ensure that what we put on that plate is of benefit to us.

In this country we also have the opportunity to get out and do some exercise. We know exercise and food intake is part of a healthy lifestyle. Although looking at the weather in Canberra today we probably do not want to be outside, we all know that even 30 minutes of walking makes a big difference to our health lifestyle and how we look after ourselves and our health, particularly as we are getting older. It is a simple matter of exerting more energy than we consume, and that certainly comes through in the report.

One of the report's recommendations which I was particularly interested in is for better urban design in our cities and suburbs to encourage people to be active. I particularly want to commend the Gold Coast City Council for their Active and Healthy Citywide Program. They provide free and low-cost physical activities right across the city. They are also building bike tracks to encourage people to use their bikes. We have an ageing population on the Gold Coast, a lot of seniors, so there are a lot of walkways being built for them, with safety in mind. I think our senior Australians need to know that they can get out and be part of their communities in safety, and we are certainly encouraging that in our city.

There is also a study currently being undertaken at Bond University by Professor Greg Gass. He came to the committee hearings that were held on the Gold Coast and shared with us the study he was undertaking. It was to do with walking and the effect walking has on type 2 diabetes. In the last couple of weeks I visited the women who are undertaking that program at Bond University. They are halfway through the program, and I hope that seeing the outcomes of that study, when completed, will be of benefit to the parliament and to the health and ageing committee. We also need to encourage our children to get out and be healthy and active. We know young people go to school and have to spend a lot of time in school, but we also know they spend a lot of time playing computer games. I think we need to have programs to encourage kids to get outside.

One of the recommendations we made is about getting community groups and partnerships involved in healthy lifestyle programs. We were all very impressed with a program we saw in

Melbourne, the Stephanie Alexander Kitchen Garden program. For all the members who visited that school in Melbourne, it was wonderful to see the kids growing those vegetables, taking care of them, picking them and then ending up with them in the kitchen, where they actually cooked us lunch. It was a fabulous experience and I think every one of the committee members would say that it was a fabulous lunch. We had no meat with that lunch. It was the fruit and vegetables that these kids had grown, and that program is to be commended.

Some schools raised concerns about the difficulty of the criteria and the eligibility for applying for funding for that program throughout Australia. I hope the government will take those concerns on board so that we, as a committee, can see that more and more schools throughout Australia take on that program at school level. We need to teach children the value of eating properly and growing their own vegetables. Even in today's climate, where families are struggling with the family budget, we saw that you can grow those vegetables on very small plots of land. I think we should continue to encourage kids to do that and set those good examples for their future lifestyles.

I was particularly interested in the inquiry we undertook. Twenty recommendations have come out of the inquiry and I commend everybody who was involved in it, including all the people who gave us evidence through the inquiry. There are a lot of things we, as a country, and the government can look at, such as the food-labelling issue. Most of us cannot read the labels on tinned foods in supermarkets, and I think we need to have a look at how we can do something about labelling in particular. As I said, I commend our chairman, the committee for a wonderful report and the committee secretariat for the support they gave us during the inquiry.

Mr GEORGANAS (Hindmarsh) (10.09 am)—by leave—I also want to speak about the obesity report that I tabled in the parliament a couple of weeks ago. I will only be speaking for a short period because I have already spoken about it. I thank the House for granting me leave to speak a second time. This very important report looked into obesity in this country. As the member for McPherson said, it showed that 68 per cent of men and 55 per cent of women in Australia are either overweight or obese. That makes us one of the most obese countries in the world, with one in two adults and one in four children being either overweight or obese.

We saw many things in the course of the inquiry. For example, we saw the Tai Chi classes that the Gold Coast City Council was conducting for residents at a very minimal cost, giving people the opportunity to go out and exercise in the morning. We saw the kitchen garden program operating in Westgarth Primary School in Northcote, where children were learning the art of cooking—something that we heard has been lost over one generation. Previously we would all come home to a meal that was nutritional and that contained all the vitamins and everything we needed. We are now finding that we are living extremely busy lives. Both parents are working long hours and the children are at school and when we come home we sometimes find it much easier to either get some takeaway or just have a quick fry-up, which makes it very simple. From the evidence that was given to the inquiry it was quite plain that this type of lifestyle was one of the reasons that we are becoming overweight and obese.

As the member for McPherson said, it was extremely heartening to see a program in Westgarth Primary School where these children, at a very young age, are taking part in nutritional education and learning skills that they need to live a healthy life. Whilst we were there they

cooked us a magnificent lunch. The children grow their own vegetables within the school grounds. They learn the science of growing vegetables, which is like a science lesson for them. They learn how to prepare the vegetables and the art of nutritional cooking. While we were there the children cooked up a mixture of food. I recall having an Indian dhal curry. It was fantastic to see these kids understand what food is meant to be like, and that we can enjoy not only eating it but also the social contact it provides.

One of the questions we asked these children is, 'Do you eat this food at home?' They said that they encouraged their parents as much as possible to use the ideas that they bring home from school in their cooking. I asked one of the young children, 'What do you do when your parents suggest that you get some takeaway?' Her immediate answer was: 'We tell them off. We tell them it is not good for you.' Here is an example that is actually working. This was one of our recommendations in the inquiry—that we ensure that we educate the next generation of children to go through life with the right healthy, nutritional habits that we have lost, because of our busy lifestyles, in one generation.

One of the other areas that we looked at and that got a lot of coverage after the report was tabled was lap band surgery. We took some evidence from a great witness in Sydney who had had lap band surgery. She was a barrister and she had done all her homework. She came to the inquiry with documents listing all the medical expenses—from medicines to doctor's visits—she incurred to treat the ailments which had resulted from her obesity prior to having lap band surgery. She then had documents outlining the costs of the lap band surgery and the costs of the allied services that went along with that surgery; in other words, psychologists and the whole range of things needed to get the mind in order as well as the body. She incurred huge expenses before the lap band surgery. After the surgery, over a period of time, all those expenses began to diminish because her health was in a much better state. We found that, firstly, the surgery was good for the person with obesity because they immediately lost weight; and, secondly, the costs of medication were dramatically reduced, therefore saving money for both the person and the government in the long run. We found from an Access Economics study that was done recently that obesity is costing us close to $60 billion.

One of our recommendations was to ensure that we could get more people onto bariatric surgery. We are not talking about people who just want to wear a pair of bathers at the beach and look good; we are talking about people who are morbidly obese and who have tried absolutely everything to lose weight. Their health is being affected. The cost of looking after these people because of their obesity is escalating. In most cases, these people have no other choice and will go on to develop further ailments and illnesses and, in the worst-case scenarios, die. It was most evident in the inquiry that, with this surgery, there would be a reduction in costs to the government and there would certainly be health benefits to the patient.

Some of the other things that we saw included urban planning, which was mentioned earlier. Urban planning is very important. We found that, for every new development that is opening up, councils and planning departments immediately ask for a hundred car parks or whatever for these businesses, which only encourages people to drive their cars and park them in front of the premises, the shopping centre or wherever they are going without thinking about public transport or perhaps walking or riding a bike. I think our planning laws over the last 50 years have just been catering for the motor vehicle and, therefore, we human beings, who used to do all our business by walking in our communities and our neighbourhoods, now

have to get into a car and drive to a shopping centre, get out, do our shopping, get back in the car and then drive back home. We found that urban development and urban planning will play a huge role.

Another recommendation was about labelling. We saw quite clearly, through witnesses who came to speak to us, that people want to eat the right foods, but sometimes there is a myriad, a maze, of labelling and people cannot read through the labelling. We said that we need to simplify that labelling to conform across Australia and ensure that it is as simple as possible to read for the consumer at the point of purchasing a particular food product to know exactly what is in that product. They can then make the choice of whether they want to eat something that has high sugars or low fats et cetera. We found that at the moment it is a very difficult maze for people to get their heads around, so we have asked that industry and government get together and try and come up with some good, simple labelling that gives the information to the consumer while they are making the choice of purchasing the food product.

I will not go on any further. I will just thank my deputy chair, Steve Irons, the member for Swan, the other members of the committee who are here today and all the other members of the committee for their tremendous support and the work that they did in preparing this report. The report has been tabled. It is now in the parliament. It is there for all to see and to use as they see fit. We are hoping that some of these recommendations will come to fruition so that we can go on to live healthier lives and ensure that we are not going to be the first generation to live for a shorter time than the previous generation because of the difficulties and health issues that we will develop because of obesity.

Mr IRONS (Swan) (10.18 am)—I rise to talk about the House of Representatives Standing Committee on Health and Ageing report *Weighing it up: obesity in Australia*. I acknowledge the contribution of the member for Hindmarsh and the member for McPherson. I also see other committee members here. The member for Dawson and the member for Kingston are in the chamber, and I look forward to hearing and reading their contributions as well, particularly that of the member for Kingston, who gave us a great display of Tai Chi prowess on the Gold Coast trip that we had. I am sure her hamstrings are still suffering from that trip, but it was a great display of Tai Chi.

I spoke about this report previously and endorsed the chair's comments at that time, and I also acknowledged his efforts during the inquiry. Again I say to you, Steve Georganas, the member for Hindmarsh, thank you. I would also like to take this opportunity to recognise the efforts of your staffer Heather Atcheson, who travelled with us on some of the hearings and helped us tremendously during that period of time. If you could pass that on to Heather, that would be great. I also acknowledge the previous deputy chair of the committee, the member for Menzies, Mr Kevin Andrews, whose place I took on this committee. As I said previously, some of the other committee members are here, and I look forward to their contributions, as they were contributing during the inquiry as well.

This inquiry was into what is seen as an increasing problem in Australia—the level of obesity amongst adults and children of our nation. This report made 20 recommendations, ranging from urging the government to continue supporting existing programs, such as the Active After-school Communities program and the Stephanie Alexander Kitchen Garden Program—which unfortunately I was not able to attend, because I was not on the committee at that time, but listening to the member for McPherson and the member for Hindmarsh it seems as though

I missed out on an excellent meal and contributions by some young people in our community—through to recommending the development and implementation of the healthy food code of good practice in conjunction with industry. The recommendations considered tax incentives and what more governments could do. Food labelling was considered—and I know the member for Kingston was particularly enamoured with that approach. She unfortunately did not get up the recommendation that she wanted, but it was a great effort and she did a lot of lobbying in the background. Urban planning was seen as an important step to encourage Australians to be healthy and active.

While the report recognises that individuals are ultimately responsible for their own health and wellbeing, the inquiry has highlighted that the modern environment in which we all live can make weight loss very difficult. It is stated in chapter 6 of the report that any strategy to successfully combat the growing problem of obesity will need to include community involvement and programs that are community centred. All three levels of government will need to be involved and be supportive of any group within the community that runs programs that are designed to encourage community participation and involve people from the local community to take ownership of these programs.

Many areas were covered in this report. As the chair mentioned, the personal, economic and social costs to Australia from obesity place stress on our community and health services in all areas and underpin the need for action. Many people have different and varying views on this subject, extending from the simplistic solution—which someone contributed to me on a flight coming over from Perth one day—of increasing breastfeeding rates in Australia from 19 per cent to over 50 per cent to help fight obesity and other chronic illnesses in our society to another simple act of reducing our intake of fructose.

Community awareness of this societal problem is increasing, and we must continue to alert all Australians to the benefit of a healthy lifestyle. In my previous speech I mentioned that I personally tried fructose reduction in my diet and six months later I am 10 kilograms lighter.

Mr Bidgood interjecting—

Mr IRONS—I will take that as a compliment, thank you. I thank David Gillespie, who came and presented to us on the Gold Coast, for his evidence and his book *Sweet Poison*, which I know some of the committee read. I know the member for Kingston had doubts about it, but I am living proof that it does work. It focused my thoughts on what I was eating, on my intake, and also on my output of physical effort. Again I thank David Gillespie. Not every solution is going to work for every person but it has worked for me, and I think if that can help other people to focus on a healthy lifestyle and activity that would be great.

On the matter of submissions to the inquiry, I must congratulate all the groups, associations, businesses and individuals who presented to the committee. The individuals who had the courage to tell their stories were fantastic and I applaud them. The member for Lyons came and spoke to us as well. I was not at that particular hearing, but I applaud him for his opening up about his personal situation. The report also dealt with bariatric surgery, which is the surgical reduction of the stomach and includes lap band surgery and gastric bypass.

Unfortunately the media focus after the release of this report was on the recommendation that said, 'Obesity should be placed on the Medicare Benefits Schedule as a chronic disease requiring an individual management plan.' The media were more interested in the fact that

this would lead to people obtaining free surgery for stomach lap banding at the expense of the taxpayer. If the media had bothered to understand the full implication of the report, they would have understood that the inclusion of this type of surgery on the Medicare schedule would give access to people who could not afford it and, from evidence given during this inquiry, to people from lower socioeconomic areas, who are most likely to need the surgery. The benefits to society would far outweigh the costs and might also lead to social and economic benefits as well as just health and physical benefits. The media failed to recognise that the report indicated that people in certain environments need assistance and this surgery would have been a final solution, not a first choice, for anyone who qualified for lap-banding surgery.

The reports we received on this surgery are positive but, again, as the chair stated, the committee is wary of giving open slather access to bariatric surgery. It has to be maintained in a clinical program, and many aspects of that program would need to go to the wellbeing of the people who are involved in bariatric surgery. On radio 6PR in Perth, this report was discussed on talkback radio twice during the day after it was released, with some radio callers calling in saying how their lives had changed since the surgery.

We must all treat obesity as not actually a disease but a result of the person's environment, lifestyle and eating habits. A holistic approach should be taken. The chair stated in his speech that a number of witnesses called for changes to be made to the health system to better treat and manage Australians who are overweight or obese. I believe that the committee has made recommendations in this report that will put Australia on the pathway to achieving a reduction in obesity levels in Australia.

Before I conclude, I would like to say that in my electorate I have started to implement a program which will be called the Swan 10/10 program. That will involve the community as a whole in active lifestyles and healthy eating options. We are just getting our ducks in a row and making sure that all the i's are dotted and the t's are crossed before we launch the program. I look forward to that, and it is purely based on the efforts of this obesity inquiry that I have decided to activate a combination of the Gold Coast program and the WellingTONNE Challenge in my electorate. I hope this report contributes to the bettering of our lifestyles and health in Australia. I commend the report to the House.

Mr BIDGOOD (Dawson) (10.26 am)—I rise to speak concerning the report that we have before us, which is *Weighing it up: obesity in Australia*. The committee has weighed it up, and the facts are that we are one of the most obese nations in the world. It is like the antismoking advert. We all know what we have to do. We all know that we need to exercise, to eat properly and to drink responsibly. We cannot afford to avoid the situation of obesity in our society. We have to address the situation as we have it now. We have overweight people in our nation far and above any other developed nation in the world, so we need to address that. The most important recommendation in this report, from my perspective, is recommendation No. 7, which says:

> The Committee recommends that the Minister for Health and Ageing place obesity on the Medicare Benefits Schedule as a chronic disease requiring an individual management plan.

I personally argued very strong and hard that this be placed as a recommendation. Having run medical centres for nine years, looking after 10 GPs, 20 staff and the healthcare needs of

40,000 patients in the Mackay region, I have seen the success of management plans concerning asthma, diabetes, mental health and the aged, and this is what we need.

If we are serious as a government and a nation, from a bipartisan point of view, if we really care about our people and we really want to do something constructive, this recommendation is an absolute necessity. It will give GPs, who are mainly the first port of call for people in our community, the access not just to a weigh-up to see how overweight you are but to a holistic plan, including the psychology of how you are motivated to do what you need to do. A lot of people lack motivation and self-esteem, and it becomes a vicious circle. Psychology is very important in breaking that vicious circle. We need to get people from the point of hopelessness, where they just feel they cannot do anything anymore about their situation, to a point where they believe: 'Yes, I can change. Yes, I can do it.' That motivation is very important.

In a multidisciplinary plan, such as a Medicare obesity plan, we can have psychology and we can have dietitians advising the best types of food and not to go on radical crash diets. As you know, we go into those diets with New Year's resolutions and by February it is all over. We need realistic, sustainable dietary plans. This needs to be backed up by realistic physical exercise regimes. The fact of the matter is we are a very sedentary nation. We drive everywhere, we do not walk as much as we used to and we spend a lot of time in front of televisions and computers.

The basic bottom line here is: we need to get moving. The most realistic and easy way to get someone moving is to say, 'Go for a walk.' People who are obese are often very self-conscious about their size and have poor self-image. We need to encourage people to do basic things every day which are achievable, such as get up early in the morning, walk 15 minutes in one direction, stop, turn around and walk back home. That is very achievable. But for a lot of people who are acutely obese that is a very difficult thing to do and it is a big strain on their heart. Simple things like that need to be done.

We need to take a holistic approach. We need to take an approach towards psychology, nutrition and exercise and we need to look at the environment in which people live, work and operate. These are very important keys to the holistic management of the problem of obesity in our society. A lot of where we are right now as a nation is due to our wealth and our success as an advanced economy. We have luxuries such as cars, televisions and computers which take up our time and reduce our physical activity. The human being is designed to be functional, moving and engaged in society. Obesity can cause a feeling of dislocation from society. It can cause loneliness and family break-up. These have far wider implications in our society.

Recommendation 7 is, in my opinion, the most important recommendation, which I would like to see adopted by the Minister for Health and Ageing. We need change to address the problem now, and this addresses it. We need the political will. We need the determination to take on this goal to reduce the amount of obesity in our nation. We need to have a clear vision. Part of that is addressed by the economic facts and figures that we have before us in this report. I would like to draw your attention to the National Health Survey, which reported just recently. In 2007-08, 68 per cent of men were overweight or obese compared to 10 years ago, when it was just 64 per cent. In 2007-08, 55 per cent of women were overweight or obese compared to 10 years ago, when it was 49 per cent. We need to move towards addressing these problems.

Access Economics have worked some figures out on lost productivity and cost to society as a whole in dollar values. In 2008 they estimated the cost to the Australian economy was $49.9 billion. That is a very big figure caused by the very big problem of obesity in our nation. From a purely economic point of view, this needs to be addressed. There has been an increase over the years in discrimination and stigma and, as I said, the social isolation of people who are obese. They have lower levels of occupational prestige and lower levels of income. There is more sickness and there are more unemployment benefits being paid. There is a lower workforce participation rate and much higher absenteeism. This is having a very direct effect on the productivity of our nation. Just the productivity in the workplace is estimated to be worth $3.6 billion. Productivity is, in the long term, the key to building a more internationally competitive economy. So obesity has far more wide-ranging ramifications in our society than just the personal and local. It affects the whole community, the whole nation and our exports as well.

The reason I am so passionate about this subject is that it is at the very core of our existence and our being to have people who are functional in our society—people who are holistic and happy in mind, body and soul. That is why, as part of the Rudd Labor government, I am so passionate about sports in our society. That is why I have been so passionately fighting for my community to have excellent sporting facilities, such as the Mackay rugby league stadium, for which I managed to get $8.8 million of funding, and, for Mackay cricket, the Harrup Park Country Club, which will have facilities of international standard worth $1.3 million. I am also proud to say that I managed to get funding of $114,000 for the Dolphins Soccer Club in Northern Beaches, Mackay.

It is important to have our people engaged at a young level. Our children are our future. It is a cliche, but it is true. We need to set a child in the direction of the way and the manner that the rest of their lives will be. I personally have a very strong issue about having no salt in our diet. At the age of 50 I can honestly say I am glad I made a decision 20 years ago to cut salt completely out of my diet, along with sugar, and to reduce my intake of fat and other not-so-healthy foods. I can say honestly that my heart rate is way better than, perhaps, is normal for my age, even after doing a massive workload and carrying on in the stress of the job that I do and also in the physical activities that I do. We need to set examples as politicians. We need to get down to the gym. We need to walk in our communities. If we do not do that then who are we to say to others, 'This is what you should do. This is the way to live a healthier life'? We need to get children into the routine of exercise through sport. We need to get them out walking as a family. Whether you are a single parent or in a couple, you need to go walking with your kids. It is a time to communicate and it is a time to exercise. As I said at the beginning of this talk, it is achievable, it is realistic, it is not hard. We need to get our nation moving.

I commend this report because it really does address important issues in our society. This is an excellent report and I wholeheartedly endorse it. Of all the things I have done in this parliament, being involved in this report is the most satisfying thing I have done to date. I wholeheartedly commend it to the Minister for Health and Ageing and also to the Main Committee.

Mr COULTON (Parkes) (10.37 am)—I also am pleased to speak today on the report from the House of Representatives Standing Committee on Health and Ageing, *Weighing it up: obesity in Australia*. I will not take a lot of the House's time. A lot of this has already been said. I just will comment on a few things that I picked up from undertaking my role in the

committee to put this report together. I guess what really was highlighted was that obesity is a very complex problem. While this report is certainly not a solution to the problem, I see this as a tool for, hopefully, legislators in this place and also in other places around Australia, including local government, urban planners and whatever. I hope they will take the information that we have put together in here and use it however it is applicable to their area.

We looked at a lot of different aspects in this report, from preventative measures with children right through. One of the more interesting and more sobering presentations was from Hunter New England Health. They spoke about the added cost to the healthcare system from morbidly obese people. I got hope out of this, as well. We had a couple of visits. We went to Marks Point Public School in the member for Shortland's electorate, and we played sport there. I have to say that these kids were not selected athletes; they were the entire section of the school in that age group. They were healthy, active kids. There was no-one there that obviously, I do not think, had an unhealthy weight.

On another visit we went to a primary school in Melbourne, where they were growing their own vegetables. City kids not only got the idea of where food came from and the joys of actually growing something—some of us who grew up in the country probably take that for granted—but also got to learn how to prepare that food. They said that, because of the lifestyles of their families, they very rarely ate together as family units. They did not see food that did not come out of a plastic bag. I was quite taken with that.

If there is one thing that comes out of this report it is that obesity is not a condition of affluence. Obesity is a condition of disadvantage and poverty. In my own electorate the highest incidence of diabetes, obesity and heart disease is in the isolated areas—that is, in my Aboriginal community, in the lower demographic. A lot of the things that the previous member spoke about are not achievable in these areas. I was at Collarenebri Central School a couple of weeks ago. They do not have enough senior boys or girls to have a netball or a football team. But, even if they did, they would not have anyone to play against because of the declining population in the area. I think originally there were thoughts that there would be recommendations on junk food advertising and on the terror of the multinational food corporations, but in the areas in my electorate that have this problem there are not any of those. We do not have any fast food restaurants. Indeed, one highlight was the expense of fresh food. I commend the information that came from the Walgett Aboriginal Medical Service. They are not only one of the leading health providers in my electorate but recognised around Australia. They spoke about the problem of not being able to buy healthy food at a reasonable price.

Another issue is education. If you have a young family—if you are a young, teenage mum with a couple of kids—and do not have a lot of education, it is hard to understand why you should pay more money and go to the trouble of preparing a healthy meal for your children when they can be easily satisfied by chips and gravy. That is the word of a witness quoted in this report. That is entirely correct. I have a relationship with the Lifehouse in Dubbo, which is run by the Riverside Church in Dubbo. It is a voluntary organisation. They are trying to reach out to these young mums. They have a food bank, where people can come along and for $25 buy approximately $80 worth of food. There is quite a complicated network to get that food there, but it is a fantastic thing. I have been trying to get funding for this since I came into this place. All they want is somewhere for the children to play so they can be supervised. Then the mums could be taught—you know, with a bag of rice and a few vegetables—how to

serve a nutritious meal to their family, as well as freeze half of it and feed them again in a couple of days time, for not a lot of money. I commend the people that are doing this sort of thing.

Really, if we are going to address this problem, we need to start with the kids. It needs to be like seatbelts and smoking. I do not know how many people gave up smoking or started wearing seatbelts because their kids nagged them. I took great heart in what I saw with the kids coming through. But I will go back to the disadvantage. While it would be lovely to go walking as a family, in the housing commission areas in south Dubbo there are no footpaths. If you want to go walking with your family, you have to walk on the road. If you want to walk to the local shop, you have to cross over the Mitchell Highway. There are things like that, which we take for granted. It is a wonderful thing to do. Despite what might appear obvious, my wife and I walk on a regular basis in Canberra. We see people cycling to work and walking to walk—hundreds of them every morning—but there are cycleways, walkways and overpasses over highways.

There are gyms if you want to use them. The building I live in has a gym in it. This place has a gym in it. My adult children, who work in professions, one in Newcastle and one in Tamworth, are members of gyms. They are members of boot camps that grind up and down hills at 5.30 in the morning. They have all those advantages. But the people in Collarenebri, Mungindi and Walgett or in certain parts of Dubbo, Wellington and places like that do not have that opportunity. So while I am loath to place any more burden on teachers, who are asked to do too much now, I think somehow—maybe not through the schools—we need children to form these habits for life.

I am very pleased with this report. I have to admit I was concerned when we started that we were going to look for an easy answer. The more we delved into it, the more we realised how complicated it is. So I would like to commend Sara, Penny, James and the other members of the secretariat who worked so hard on this. I would like to thank my fellow committee members. Indeed, one of the pleasures of this place, which sometimes may be few and far between, is the committee work we do and the inspirational people we get to meet. In some cases, the grinding poverty that we get to witness has been very rewarding for me. I thank my fellow committee members for their goodwill, fellowship and friendship in putting this report together. I commend this report and I hope that over the years to come many people who are involved in public policy and even private policy can use this as a very worthwhile reference tool.

Ms RISHWORTH (Kingston) (10.46 am)—I also rise to commend the House of Representatives Standing Committee on Health and Ageing's report *Weighing it up*. I would also like to reflect on some of the comments that have already been made. This report was based on keen interest from all the committee members. We worked in a really constructive way to look at this issue of obesity in our society and how we might tackle it. On the face of it, it seems quite simple to address the obesity problem: people should take in fewer calories and burn off more calories by exercising. But, as we heard during this inquiry from witnesses and submissions, it is not that simple. What is very important about this report is that it picks up on many different levels of our society that need to tackle it. It looks at some of the grassroots programs. It looks at some of the structural issues in our society such as urban planning. It

also looks at some things that we as a government can do in collaboration with industry and other groups around the place. So I think it is a report that looks into many different areas.

As we know, the issue of obesity does get a lot of media, and certainly if you put the word 'obesity' in something then often it will get attention. I think part of the reason is that, as has been demonstrated as part of this report, there will be some very serious ramifications for our society if we do not tackle this problem. The report highlights that high body weight has been estimated to contribute to 7.5 per cent of the burden of disease in Australia, and this is nearing the 7.8 per cent contribution that tobacco use makes. The scope of this problem can be seen in the latest national health survey from the Australian Bureau of Statistics. The 2007-08 figures found that more adult Australians were overweight or obese in 2007-08 than in 1995. That was when the previous survey was conducted. The survey found that 68 per cent of men and 55 per cent of women were either overweight or obese. It was similar for children. There was a significant increase in the proportion who were obese, from 5.2 per cent in 1995 to 7.8 per cent in 2007-08. So it would seem that we do have a trend where this issue is continuing to rise, and this rise is going to continue to lead to a very serious cost burden on our health system.

In addition to the cost of overweight and obesity incurred by individuals, families and the community, there is a huge financial cost on the health system. As the report indicates, we got a submission from Access Economics who did a report, *The growing cost of obesity in 2008: three years on*, which updated their earlier report titled *The economic cost of obesity*. They found that the total cost of obesity in 2008 was around $58 billion. This sum includes costs of diseases such as diabetes, cardiovascular disease, various types of cancer and osteoarthritis. The figure has risen from the earlier estimate of $21 billion for the total cost of obesity. We can see that the cost of this problem will only increase if we fail to act. These costs will be compounded by the unique nature of Australia's demographics. The 2008 Access Economics report predicted that population ageing alone will result in 4.6 million Australians being classified obese in 2025. So it continues to be an issue that we must address.

We heard evidence that hospitals were also bearing a significant proportion of costs as a result of overweight and obesity. For example, the report showed that the increased cost of specialised equipment was a major concern for hospitals. We heard witnesses present this evidence. Similarly, there are also many hidden costs resulting from the obesity health issues. Professor Samaras from St Vincent's Hospital, told the committee:

> Every time a coronary artery stent is put in, and obesity is the cause of that, that costs $10,000. You will not see it as an obesity statistic; you will see it as a cardiac statistic.

In fact it is inherently related to the issue of obesity.

The committee realised just how complex this policy area is, and that is why none of the recommendations are a silver bullet. We must acknowledge that the costs to our health system are not the only costs. As the committee observed, there is extensive personal cost incurred by individuals who are affected by obesity. It was very moving to hear evidence from witnesses to the inquiry identifying a number of areas, in addition to financial areas, where people bear what I would call the personal costs of obesity. These costs include particularly devastating emotional harm, from discrimination, stereotyping and bullying, that often lead to mental health issues. This was very important and certainly should not be seen as less important than the cost burden on our health care system.

Some of these negative effects are fuelled by the increased focus on obesity by the community which, although warranted, has had some perverse effects. The report highlights that too much of this media coverage has been overly alarmist and sometimes of a defeatist nature. Although it was recognised that popular weight-loss television shows draw attention to the issue, they can be somewhat extreme. TV reality shows that encourage people to compete to lose huge amounts of weight in a short time—although, once again, they draw attention to these issues—do not really provide people with some solid solutions that they can follow.

In contrast, our report makes numerous recommendations that look at ways that we can improve a number of measures. Particular recommendations need to be highlighted. Recommendation 3 recommends that the minister for health works with states, territories and local governments through the Australian Health Ministers Advisory Council to develop and implement long-term, effective, well-targeted social marketing and education campaigns about obesity, and more importantly about healthy lifestyles, and to ensure that these marketing campaigns are made more successful by linking them to broader policy responses to obesity.

This is important, because as the report shows, social marketing, if well directed, can play a significant role in educating Australians about healthy eating and living. The report makes it clear that the message of the social marketing campaigns can increase people's demand for healthy products as well as encourage physical activity and healthy eating to become part of everybody's daily routine. An example of this is the How Do You Measure Up? campaign which includes a hard-hitting television ad and billboard posters. But this is not enough by itself. As the anti-smoking campaign over the last 20 years has shown, long-term ongoing integrated campaigns are the most successful in influencing behaviour across society. We also heard a lot of evidence from the witnesses and submissions about grassroots programs that are having an effect on the ground. As previous members have mentioned, the federal government's Active After-school Communities program has certainly been supported.

There are also programs such as the Stephanie Alexander Kitchen Garden program. I felt very lucky to attend the Stephanie Alexander Kitchen Garden program and see it up and running in Melbourne. This program is very inspirational. For people who do not know about the program, kids make a garden with some help from teachers and volunteers. They plant a whole lot of things and then they have a lesson in taking those things from the garden and cooking them, really making that connection between growing fresh healthy food in the garden and learning how you transform that into a cooked meal.

We talked to one of the coordinators, who said that they do not talk about 'healthy' versus 'non-healthy' products. Really they are looking at making the connection between good food and the kitchen. I talked to some of the children in this program and one comment really stuck with me. I was talking to one of the young people in the program and I asked him whether he takes home some of these lessons in cooking. The young boy said, 'Well, look, I do. In fact Dad used to cook everything from packets and now I take home the recipes and we cook fresh food.' I think that was really important and it showed just how this program is making that connection between fresh food and the home environment. As the previous speaker said, our young people have the nag factor for their parents and, if we can get them nagging their parents about healthy eating and good eating as opposed to wanting to eat lollies, then that is certainly a positive thing.

One aspect of the integrated approach to fighting obesity that I am particularly passionate about is an improved food labelling system. I do believe that Australians need good information in order to make good choices and that an informative, simple food labelling system is really important in doing this. As the report shows, there has been overwhelming support for the introduction of an improved labelling system, one that gives you key information that is very visual and placed on the front of the package.

The design of such a labelling system needs a lot of consideration. I know that as a committee we heard a lot of information supporting the traffic light labelling system. This is a system that does have a lot of merit. I will be particularly interested in the report commissioned by the UK Food Standards Agency, which involves an independent group of experts studying over 18 months the most effective food labelling, to see how we might go forward on this. As we know with food labelling, there are always different issues, and I look forward to this report by the UK Food Standards Agency, which might show us how Australia might move forward with better food labelling. I note also recommendation 12, which talks about the industry and the government working together to provide better food labelling.

I would also like to draw the chamber's attention to recommendation 15, which looks at reformulation of foods. I think it is important that we reduce the amount of salt and fat in our products. We heard evidence from a lot of the canteens that we went to that they are opting to buy pies and pasties with reduced fat and reduced salt so that you can get products that can taste the same that may have reduced amounts of fat and salt and sugar. Recommendation 15 looks at that as well. I know there has been a lot of discussion in South Australia about how we might remove trans fatty acids, which are, from all accounts, a nasty fat, from food products.

In conclusion, the costs of obesity in Australia are significant. The international evidence tells us that Australia is not alone in facing increasing rates of obesity. The World Health Organisation has classified obesity as a chronic disease and, as far back as 1997, declared that:

> … overweight and obesity represents a rapidly growing threat to the health of populations in an increasing number of countries worldwide.

This threat does mean that individuals need to take responsibility. The report shows there are factors, though, that impact on people's ability to control their weight, and that is where industry, government and other organisations have a role to play.

I would like to take this opportunity to thank all the other members of the committee. As I said from the outset, this was a particularly constructive committee report where everyone did work together very well. I would like to thank the secretariat—Sara, Penny, James and the other members—who did work very hard in providing us with a very interesting program. I would also like to thank all the witnesses that appeared before the committee, and those that made the many submissions. This did provide the committee with real food for thought, which we have certainly highlighted in the report. There is no silver bullet, but there are things that all levels of government can do, and that industry and individuals can do to address this problem.

Mr ADAMS (Lyons) (11.01 am)—It is a pleasure to speak on this very good report. The excellence of this report indicates the importance of the committee system to the House of Representatives and the need to continue to have a well-funded and working committee system.

The report came out of surveys from the Australian Bureau of Statistics that found that more adult Australian were overweight or obese in 2007-08 than in 1995 when the last surveys had been done. The survey found that 68 per cent of adult men and 55 per cent of adult women were overweight or obese. This shows a growing incidence over 12 years. There was a significant increase in the proportion of children who were obese. This has huge implications for us in the future and for the health system. There are, of course, high personal and economic costs associated with this increasing incidence. So I was very pleased that it was decided that a report should be produced, looking at solutions right through to the design of urban development, where councils can play a role with exercise programs, community gardens and cooking classes—which I will mention a bit later.

This is something very close to my heart, and I gave evidence to the committee about my experiences—wrestling with weight since childhood, but going through the adult stages of life when one is doing a lot more activity, one gets through those issues. As one gets older, one is inclined to put on weight because of lifestyle, and not doing the exercise one used to do. Of course, there is also the downhill spiral which we can all get onto, and I think it is important that we do have knowledge to assist us.

I think recommendation 7 is very important. It asks the minister to put obesity on the Medicare Benefits Schedule as a chronic disease requiring individual management planning. This would make a huge difference to people struggling on their own to control their weight. I also think recommendation 9 is an important one. If adopted, the Commonwealth and states would develop a tiered model of health management, incorporating preventative community based primary care and acute care models. This is a bigger issue than just a medical model, and I think there needs to be a broader process in this area.

There are recommendations for tax incentives for fresh food, which is an interesting one, as well as for access to physical activity programs, especially for those in the bush. The member for Parkes was very articulate about that, noting that there is little opportunity for people in those areas to access the modern gyms and programs which people in cities and certain occupations have access to. I think that is important for those bush areas.

I have spoken before about the importance of urban planning and local government walking tracks. People will use walking tracks if there are signs on them saying how long they are. They feel safer about it and will utilise those tracks. We were talking earlier about how, in some of our low-socioeconomic areas, there are no footpaths for people to walk on. You have to walk on the road if you are going to go for a walk with your family and get that important exercise. Those are important issues that should be addressed and should be on the health agenda.

The other issue that I am very passionate about is swimming pools. Local governments usually run the other way, trying to get away from swimming pools. Bureaucrats in councils are always talking about the cost of swimming pools. Of course, there is no economic gain for councils from health budgets, so the states and Commonwealth should be looking at how to help create those very important opportunities for people, particularly young people, to use swimming pools. Pools should be connected to the broader health debate as a part of the solution.

It is important to understand food and the growth in easily available, cheap fast foods, which is an issue that is becoming more important and which has caused some of these prob-

lems as well. My colleague the member for Kingston spoke about the reduction of salt and fats in food. These are important issues—the eating of pure fat and salt and not much else. They are addictive and it is hard to give them up, just as it used to be with cigarettes. We are tackling a similar issue to smoking. We have achieved a lot in that area because we took it on as a nation, and a lot of people played a good part.

Also important are cooking classes, starting at school, to help children get curious about food and what they eat. Knowing what they eat, knowing what is in the food, having the opportunity and the knowledge to grow food, knowing what growing is all about and knowing what nutrition is in that food are all important parts of the future. I am very pleased that Stephanie Alexander's School Gardens programs are underway. These issues are very important. Those programs are marvellous things and I hope many more opportunities will grow out of them. I have a daughter who is a chef and who is now training as a teacher, and she is very keen in this area. I am sure that she will make a very good contribution to the future of this area. Getting young people to appreciate gardening and growing things will change things.

We heard about the nag factor, getting kids going home talking about fresh food. There is a great opportunity to change how the nag factor usually works, when kids say, 'Take me down to one of the fast food chains.' Let us turn that around and have the nag factor working the other way. We can do that through good public education processes. Of course, making things fun and enjoyable is one of the important ways to do that.

I come to the situation, which is mentioned in the report on page 56, which deals with bariatric surgery and the issues around that. I have had that surgery and it achieved great results for me. The figures that I have seen indicate that this is a very successful way of helping people to significantly reduce their weight and the effects of type 2 diabetes. The figures point to significant drops in blood sugar levels. This assists in turning around type 2 diabetes results and in people getting management of their sugar levels. With a cost of around four or five thousand dollars, this surgery is a very cost-effective way of managing such problems, as opposed to the hundreds of thousands of dollars of costs associated with the ongoing problems of having diabetes.

As the report has recommended, I certainly believe in the need for a very tough criterion to limit how this surgery would be used but I believe it is one of the opportunities that we have to use another tool in the process. It does need to be done under a proper criterion, but the cost-effectiveness is very important here. Federal and state treasuries should look at this report as there are real important issues here about spending some money now on some of the recommendations because it will certainly help us reduce spending a lot more money in the future.

There is a need for planning with this surgery and for people to understand that it is only a tool. There is also a need to continue to change one's lifestyle, to think about one's food and to take on the physical opportunities that will help to continue to reduce health problems. As other people who have been involved in this report have said, there is no silver bullet. As the report has recommended, you have to take a whole range of measures to achieve these goals. We should use the tools available and we should look at these. Of course, an issue with this surgery is that it has been very difficult for people at the low end to get it. Most of this surgery has been done in the private sector, in private hospitals, and not very often in the public sector.

We do need to turn that around and give people opportunities to use this tool to assist them in managing their health needs.

I understand that the figures that have been used state that the cost of obesity is $58 billion in Australia. I think that is probably underdone. There are the ongoing costs of other complications that come out of some of the diseases that latch onto obesity. Through my conversations with the medical profession and the knowledge that I have gained, that could be a very conservative number. I think there is so much more that we need to do. The report gives us a great opportunity to pursue those. In starting with the kids and getting them to understand more about food, nutrition and eating fresh foods, I think there are great opportunities here for industry. In the way that we present food and fruit, there is lot more that can be done in the marketing of fresh foods. That needs to be given much more time and consideration.

In relation to labelling, I have always found that there is a difficulty in using the knowledge you get from a GP or a dietician when you are in a supermarket looking at a label. There is not much of a relationship. There needs to be a lot more done in the area of what comes out of a GP's surgery and what comes out of a dietitian's recommendations as related to what somebody gains from a food label. I think we are underdone in that area. I am sure there is a lot of self-interest in that area that is protected. We should be putting the public health first, knocking over some of that self-interest and getting to where we can actually provide the right information for people who need it.

Mr Neville—I do not think you and I have been looking at it that well.

Mr ADAMS—We can in the future and we can talk about these things, member for Hinkler. I am sure that somebody coming from a seat that has a fair bit of sugar growing would need to make sure that one is giving some consideration to the future of that industry and whether they make ethanol out of it or whether we are still putting it on our cornflakes. There are a whole lot of issues—including urban planning and educating young people for all of us to take on more fresh foods—and recommendations in this report which show us the importance of the committee system of the House. This report can play a significant role in helping make policy into the future. I congratulate all those members of the committee, particularly Steve Georganas as the chair and Mr Irons as the deputy.

Ms HALL (Shortland) (11.17 am)—This is quite a landmark report. I think it is a report that has only taken the format it has because of the enormous contribution by the secretariat. I would like to put on record my thanks to the secretariat for the work that they have done in relation to this report. They have been very dedicated in following up on the issues that we as a committee have raised and also been absolutely committed to the task of putting together the report that I believe is an excellent report.

Obesity is a problem that is confronting our society and most developed societies throughout the world. In some ways the more affluent a society is the greater the number of people who suffer from obesity. If you live in a developing country you are much less likely to be obese than if you live in Australia, the United States or the UK. It is interesting to note that when we were receiving evidence in the committee there were a number of people who came along and gave evidence who had suffered from a weight problem for a very long time. They had tried numerous approaches to lose weight, to get their body mass index into the normal range, and had failed on numerous occasions. I think the reasons for this are extremely complex. I also believe that it is important that much more research is done in this area.

I do not think there is any person not aware of the fact that they can address their weight issue by eating less and exercising more. I think everybody is aware of that. Yet, even with the knowledge and the ability to make that change, things have not changed. To me this is a very complex societal issue. It takes in enormous psychosocial issues. It is also interesting to put on the record at the commencement of my contribution to this debate the fact that there are socioeconomic factors involved with obesity and being overweight. I think the psychosocial factors have been underestimated in relation to obesity. I think that these factors need to be addressed in any lasting solution to this problem.

Childhood obesity starts basically from the time of birth. Someone with fewer resources is less likely to breastfeed their baby. It is a known fact—and this is covered by every bit of research that has been taken—that breastfeeding provides the ground for a child's nutritional lifestyle and those who are breastfed do much better in the fight against obesity. The propensity for a child to develop obesity can start basically from the time they are born.

The media hype around the report related to bariatric surgery. That was just one recommendation in the report. A second recommendation that related to that was that a national register of bariatric surgery be established. I think the two need to be put together. It is important that bariatric surgery is available to people who do not have the same financial ability to access it as those who are accessing it at the moment. It is also very important that a register be developed because from the register the effectiveness of the surgery can be observed.

Bariatric surgery on its own is not the answer. Once again I am touching on the psychosocial factors that I mentioned at the commencement of my contribution to this debate. A person needs to have support all the way through the process. They need to have access to a multidisciplinary team to ensure they get the backup and the support that will ensure that they succeed.

Probably the most important thing in addressing obesity is that we have a whole-of-government approach to the issue—an approach that goes across each and every level of government and that encompasses the community. The only way we can successfully deal with this epidemic that is increasing our health costs and so many other costs within our community is for everybody to work together. To some extent this has taken place already. The national Preventative Health Taskforce has been looking at obesity. The government has identified three key areas in preventative health that it wants to address—tobacco, alcohol and obesity.

It is so important that we all work together on this. We need better research. We need research that gets to the core of why obesity is so prevalent in our society. We need to make sure that programs such as the Active After-school Communities program are retained, but extended. I touched on obesity from the point of view of breastfeeding and the importance of that baseline, but the committee was able to visit a number of excellent programs that targeted children. If a child develops the right exercise and eating patterns—like the Stephanie Alexander school garden program and other programs that target young people—and the right approach to healthy eating and healthy lifestyle then as they grow older the problem will dissipate.

The committee believes very strongly that general practitioners play a very important role in the area of counselling and referral for their patients who are suffering from obesity. It was felt that the government needs to include them very much in any sort of consultation and

planning to address this important issue. There were some standout issues, issues that we were approached on by a number of people who came and gave evidence to the committee—and there were different perspectives on each of these. There was labelling, and we were lobbied very strongly to put in place a traffic light system. It was also proposed that food be labelled with the daily intake system. The committee believed that it was important that the Food Standards Australia New Zealand food labelling review all the issues relating to guidelines and that we have a uniform guideline placed on food so that people can make an informed choice. Labelling is a big issue. I do not know about other members, but whenever I go shopping I spend a lot of time looking at those labels and trying to find out what food is going to be the best.

Advertising was another issue we received quite a bit of information on. I thought the information there was most interesting. We had people from the advertising industry come along and say that advertising does not in any way affect children's behaviour or desire to eat fast foods or high-fat foods. They argued that there were studies that supported advertising not encouraging people to go down that track. We had other health professionals saying that advertising was an issue that did impact on the choices that children made. The committee came up with a recommendation that we have got this conflicting information and we feel that it needs to be investigated. It needs to be investigated whether the billions of dollars that advertisers spend on targeting children to purchase various foods is worthwhile or whether there should be some limitation placed on advertising directed at children.

The whole industry that has developed around weight loss needs some regulation. I believe that there are so many claims being made by different people that it needs to be standardised and looked at so that you know that the information being presented is correct, and the committee made some recommendations about that. Recommendation 17 urged that we review the adequacy of the regulations governing weight loss products and programs. I think that is very important because so many people see an advertisement and then become involved in a particular program, or buy a particular product, but quite often there is no research to back up that advertisement. I think that really needs to be looked at.

The other issue I would like to spend a little time on concerns planning. Planning is an area in which local government plays an important role. Planning the way we build our towns and our cities is extremely important. Urban design over the years has quite often led to an environment that works against a person being able to undertake physical activity. I think that all levels of government are much more aware now that we need to be mindful of creating a built environment that encourages people to exercise. I think that guidelines in relation to creating a built environment that is conducive to exercise are very important. Local government should be quite mindful of that need when they are putting together their plans for sporting facilities and bike tracks and the access to those facilities.

This is an outstanding report. I think this is an exceptionally important issue for our society. If we do not act to end obesity now, the next generation of Australians will be dying earlier and will be sicker than the current generation. I recommend the report to the House.

Debate (on motion by **Mr Craig Thomson**) adjourned.

Infrastructure, Transport, Regional Development and Local Government Committee

Report

Debate resumed from 1 June, on motion by **Ms King**:

That the House take not of the report.

Mr NEVILLE (Hinkler) (11.32 am)—It is a pleasure to speak on the report of the House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government, *Funding regional local community infrastructure*. In saying that, I want to add a qualification with regard to the preamble to the terms of reference from the minister, which says:

... make recommendations on ways to invest funding in genuine regional economic development and community infrastructure with the aim of enhancing the sustainability and liveability of Australia's regions

Liveability is certainly enhanced by community and social infrastructure. I would never resile from that nor do I suggest that it should be downplayed in any program. What I am suggesting is that, if you genuinely want sustainability in regions, they will not just be sustained by social and community infrastructure; they have to be sustained by economic infrastructure. In many regions that means more industry. Under the old ACC program, the Regional Partnerships program, which has been very roundly criticised by some people—and I understand that—what is not said is that the vast majority of those projects were very good. Yes, there are always failures, and I know the member for New England, who is here today, has been quite critical of some of those projects. Nevertheless, in the wider picture, the vast majority of those projects, both social and commercial, were very good.

I did not lodge a dissenting report through any bitterness or with any malice towards my Labor colleagues; in fact, I have a great deal of affection and respect for them. Let us say that on this report we agree to disagree on the emphases. There are two emphases that I think we disagree on. The first one is that community and social infrastructure should be the total focus of the new RDAs to the exclusion of commercial projects. The second one is the excessive involvement of the three tiers of government and the bureaucracy in the running of the program.

I spent 20 years in regional development. It is a very exciting and challenging field. In fact, I probably came to politics through regional development. I think we all come here for two reasons. We come here because we want to make things better and we want to contribute. Obviously, we will come at this through different ways. Having seen regional development in this country in practice, I can tell you that under governments of both political colours at both state and federal levels it has been a dismal failure. If anyone really wants to understand regional development, there are various places around the world where you can go to see it, but I think the starting might be the Shannon Development corporation in Ireland. For a ministry that carries the title of 'regional development' not to engage in some form of private or commercial activity, to my way of thinking, is an abrogation of the role of the ministry and the department. Again, that is said with no malice; it is just a statement of fact.

In spending those 20 years in regional development, it became obvious that regional development is not one for short-term initiatives. You might get a lucky industry at a first hit, but by and large it is a culture that needs to be in a community and it needs to extend over at least

five, if not 10 or 15, years. In Ireland the two major parties have an agreement that when Shannon puts in its plan for 10 years they both agree to it so that the Shannon Development corporation—and, I imagine, other agencies like that in Ireland—can go about its work in the certain knowledge that there is going to be continuity. For regional development to become a culture and to start to make inroads into a regional community, you really need to have that longevity.

This might surprise you. I think one of the things that Gough Whitlam got very right was the idea of having larger regional cities in Australia, and although some people will criticise the Albury-Wodonga experiment and say that it may become over-bureaucratised—and there is probably some truth in that too—I did a paper on this when I first went into regional development and I thought Whitlam had it pretty right. We need to have outside the capital cities of Australia large, inland provincial cities that are hubs for those areas. For example, I would like to see a large provincial city on the Darling Downs, west of Brisbane—not Toowoomba or Warwick but another large provincial city, perhaps around Clifton or in that area, of 150,000 to 200,000 people. Otherwise Brisbane is going to go exactly the same way as Sydney and Melbourne: it is just going to sprawl and sprawl and sprawl. I think Whitlam was saying to move some of the things out and develop them in those areas.

Of course, you can do that by government intervention from above or you can do it from below. The best regional development is bottom up, but almost all regional development in Australia over the last 50 years has been top down. What happens in that circumstance is that, as governments change and ministers change and emphases change, the programs fall over and the new minister or the new government wants to stamp their character on what the new program will be. The minister might get promoted or the ministry might be changed in name six or 12 months later in a reshuffle and that all falls over again. That has been going on endlessly. I am thinking of the Queensland Department of Industry and Development. It became the Department of Industry and Commercial Development, then I think it went back to being the Department of Industry and Development, and then it became the Department of Business, Industry and Regional Development and then it became something else and then it became the Department of State Development and now it has another name. Each minister who comes to the department—and I am not querying the sincerity of those ministers—does not put in place a program with longevity at its centre.

If you drive regional development from the bottom up, you need to involve the community. It needs to be driven by the businesses and the organisations of regional areas. These regions cannot be so big such that the focus is too amorphous or general; they need to be focused on the wider region. I think the ABS have got it pretty right. In most areas, the ABS regions are about right. I think there are 10 in Queensland and 10 in New South Wales. You all know the ABS regions. Some of them could perhaps be divided into two, but by and large they are right. They generally present a provincial city or a couple of provincial cities and the hinterland and, for those on the coast, the coastal towns of that region. That is the community of interest. That is where the business is done. That is where the accountants, the banks, the planners, the various industries, suppliers to industry and the transport companies hub. They are, if you like, the building blocks of regional development.

You then need something to drive it; you need a board. The board should not be too heavily influenced by either local government or government. If it is going to be just an extension of

the local council, that is meaningless; you may as well do it in council. I think about half the people need to come from business itself; you have to headhunt a few leaders in these things. And then you have the chamber of commerce, the agricultural industries and certainly representatives of city and country local government and perhaps, if there is government money involved—and there should be—a representative from state or federal government. But the driving power needs to be the community itself. It is that sense of relevance, community and ownership which makes these things work.

If you have top-down local government, the second the government gets an embarrassing situation or turns off the funding the whole darn thing falls over. It just stops overnight. There is nothing to drive it. Once the government money is pulled out, finito! If you want to see an example of that, there is the VEDC in Victoria. It was probably one of the best regional development programs. There was a bit of scandal in it. Again, instead of going in and fixing the scandal, they chopped off the whole program and went back to zero. I think to maintain the continuity of regional development you need to have those building blocks in place and government should fund the base running costs of those things. At present they spend up to about $300,000 on ACCs and RDAs. But I think federal government should put about $150,000 or $200,000 into each of those development boards or bureaus or whatever you like to call them—and perhaps the state government should put in $100,000—and then let the communities get on and do it.

The next thing you need to do is a survey of your industries and your supply chain and the image that the broader Australian business and industry community has of your area. We go off and name things and we look at our navels thinking, 'What a marvellous name!' Everyone in town says, 'Isn't that a good name!' What is important is what people in Sydney, Melbourne and Adelaide, who are making the decisions, think of your area. If it is Bundaberg, Bathurst, Dubbo, Armidale or Tamworth, or wherever it might be, what does that conjure up? You have a survey and find what people think of your area—how they perceive it—because, if you are going to go out and market a region, perception is everything. You have to know what you need to correct in the minds of the decision makers and what they are looking for in your region. Honourable members, that seldom if ever happens. Governments devise a program and say, 'We'll call it Regional Partnerships or RDA or something else. We're going to put all this money into it and it's going to be marvellous.' Then it gets bogged down, as this last program did, in bureaucracy.

It was interesting to see what Bill Trevor, the former mayor of the Isis shire, said about it. He was somewhat critical of the bureaucracy around the program. He pointed out that the department just did not seem to have a handle on how things should happen. For example, he said there was a:

- Misunderstanding about the complex place-based issues facing communities;

That is, there was no research into what is needed. There were:

- Unrealistic expectations of the capacity of community organisations to prepare complex grant applications;
- Unrealistic expectations about the capacity of community organisations to raise funds for local projects;
- Unrealistic expectations about the duration of funding required for projects to become sustainable; and

- A lack of understanding about the damaging impact on community organisations and private sector applicants of delays in decision-making.

What we need to do—and I could speak on this for an hour if I had to—is start with the building blocks, and then all the other things, the subregions, the liaison officers and the grant corridors for those things, would become relatively easy. My criticism of the report is not so much where it is going but the way it is attempting it. I call on my colleagues and the minister to give the sort of thing I am talking about today serious thought.

Mr CHEESEMAN (Corangamite) (11.47 am)—I rise to speak on the House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government report titled *Funding regional and local community infrastructure: principles for the development of a regional and local community infrastructure funding program*. From the outset I would like to put my thanks to the committee secretariat on the record. The nature of this inquiry and the nature of the work undertaken by this particular committee make the logistics of organisation challenging, and I am certainly very appreciative of the support provided by the staff of the secretariat. I would also like to put on record my thanks to the member for Hinkler who, through a period of this inquiry, acted as committee chair whilst the member for Ballarat was taking some time off with the birth of her first son, Ryan King. I very much appreciate that and I know other committee members do as well. I also acknowledge the contribution made through the course of the inquiry by the member for Hinkler. He certainly has vast experience in regional development. Whilst he has dissented from parts of the report, I know that we enjoyed his support for quite a substantial amount of the report.

Like the member for Hinkler, I was motivated to seek public office by a number of issues and areas. Regional development, of course, was one of those areas that I had a pre-existing passion for. That extended back to my time in local government, where I certainly had some responsibilities, within the council that I served, in regional development and assisting in growing the economy and growing the liveability of a region.

I think it is fair to say that the effort that we have put in through the course of the inquiry has led to some very substantial recommendations in this report. It is pleasing to see that government has, in a very short period of time, moved on quite a number of the aspects of the recommendations and the work within this report. I am tremendously pleased and grateful that that has happened.

A government member's perspective of why we thought there was a need to undertake this inquiry is that it arose from the previous program, the Regional Partnerships program. This government, then in opposition, was tremendously critical of the approach that the previous government took with respect to Regional Partnerships. We were particularly concerned about a number of recommendations that came out of the National Audit Office that were critical of the previous program. From my perspective, I know that I was very keen to ensure that, in the course of this inquiry and the report that we developed as a consequence, we picked up the issues that were dealt with there and the criticisms and concerns that we heard through the evidence in the inquiry's work around the country.

As you might well appreciate, Mr Deputy Speaker Andrews, by the nature of the work that the committee undertook, we needed to engage with all of the states and territories across Australia. We also needed to engage with local governments and regional development boards across Australia. I think it is fair to say that, depending on where we went and who we talked

to, criticisms and concerns varied throughout the inquiry. But it is also fair to say that there were a number of very practical concerns that were raised with us, and I will deal with some of those shortly.

The committee's report specifically looked at a couple of things. We provided advice on the future funding of regional programs in order to assist in genuine and accountable community infrastructure projects. The evidence that was gathered through the course of this inquiry but also evidence and knowledge gained by committee members, particularly those who had presided on this committee in previous parliaments, was taken into consideration by a number of us.

Clearly, local government has a very substantial role to play in providing infrastructure projects that lead to communities becoming more liveable and more sustainable, leading to healthier and more vibrant communities. We also know, through previous reports, that in many parts of this country local government practitioners are concerned about a growing infrastructure gap.

We also examined ways to minimise administrative costs and duplication for taxpayers. One of the clearest observations that I made through the course of this inquiry was at a practical level. When a community group made an application for funding, under the previous program in particular, they often needed to make an application to local government, to state government and to the Commonwealth government. That led to many community groups and organisations being utterly daunted by the volume of paperwork and correspondence that needed to be entered into to access funding across those three levels of government. It became clear to me that, in many cases, there were competing priorities, making it difficult for communities to access regional development funding to address some of the significant challenges that they might have.

The third term of reference was:

Examine the former government's practices and grants outlined in the Australian National Audit Office report on Regional Partnerships with the aim of providing advice on future funding of regional programs;

We spent considerable time on this term of reference and considerable evidence was received in relation to it. The fourth term of reference was:

Examine the former government's practices and grants in the Regional Partnerships Program after the audit period of 2003-2006 with the aim of providing advice on future funding of regional programs.

I know that the member for New England was particularly concerned with that.

After undertaking the inquiry, the committee came up with five broad recommendations, which I hope provide clear guidelines to the government on how we might go forward in this area. Recommendation 1 was:

The Committee recommends that the Government replace the Regional Partnerships Programme with a new program designed to provide ongoing funding support for regional and local community infrastructure.

I might take a moment to speak on that point. It was absolutely clear through the work that we undertook that both the government and the opposition were firmly committed to the view that the Commonwealth government ought to play a role in assisting regional and local com-

munities to grow. That became obvious throughout the course of our inquiry. The second recommendation was:

The Committee recommends that the Government examine RLCIP applications received from local government and quantify the amount of funding which is being allocated to non-profit organisations.

We spent considerable time discussing this. I think it is fair to say that there is more work for the government to do in this area. Not-for-profit organisations in many instances provide the glue that holds our communities together. Without the support, guidance and assistance that those organisations provide in our communities, things become that little bit harder.

One of the previous occupations that I held before coming to this place was working for an organisation called Vision Australia Foundation, which provided services to the blind and vision-impaired. Whilst that organisation was of quite a significant size, of quite a significant nature, and, as a charitable organisation, had been around for a long time, I know that there are many others that have not been around for anywhere near that length of time and do not have their own internal resources that they have built up. I think accessing programs like this is critical in enabling those types of organisations to grow.

The third recommendation was:

The Committee recommends that the Government, in establishing a new regional infrastructure funding program, consider the need for clarity and simplicity when structuring guidelines that address an applicant's eligibility and the manner in which it will assessed and funds awarded.

It was clear under the previous program that guidelines and structures were not necessarily always followed to the letter that they should have been. In fact, it became quite clear that the majority of funds seemed to go—from my observations—into a limited number of National Party and Liberal Party marginal seats. I think that is a chapter in our history that we should not revisit in the future. We need to ensure that there are proper guidelines in place that enable a fair and equitable distribution of funding to all communities, with a discrete bucket of money being made available for applicants to chase on a more competitive basis.

I note, with some pleasure, that the federal government moved down that path with its various stimulus packages. We provided substantial funding to all local governments so that they could make their communities much more liveable and sustainable into the future. I think that is very important. We also made funding available under a set of arrangements to ensure that small councils got more of a slice of the pie than larger ones. *(Time expired)*

Mr RANDALL (Canning) (12.03 pm)—I am pleased to speak today on the Standing Committee on Infrastructure, Transport, Regional Development and Local Government's report *Funding regional and local community infrastructure: principles for the development of a regional and local community*. I believe that supporting the programs that build and help communities is one of the most fundamental roles of the parliament and of local representatives. It has achieved real results for the community.

Having only become a member of this committee in early November, I was not part of the full inquiry process and of the hearings. However, having seen the results of Regional Partnerships projects delivered not only to my electorate of Canning but to the whole of Australia, I obviously have an interest in this report. The government's dismantling of the area consultative committees and Regional Partnerships will be seen as nothing more than a sham if subsequent programs fail to deliver to local communities. I agree with Deputy Chair Paul Neville's

dissenting comments that the government's proposed RDAs—regional development authorities—appear to take the process and the role of infrastructure development away from local communities and put much more of a heavy process on governments at all levels. It is bureaucratic nonsense. This is clear in the recommendation to have a departmental delegate as the chair of these RDAs.

The Leader of the Nationals has suggested that the recommendations made in the report are likely to lead to a less efficient program that will favour large population centres and do little to stimulate local community growth.

I agree with the comments of the member for Hinkler, Mr Neville, about an enlargement of the ACC role of strategically placed regional offices with skilled field officers. I think it is vital that these officers know the regions that they are in very well. Any intention to simplify the application and assessment process has been lost. The area consultative committees became the backbone of local development and infrastructure.

In Canning, the entire community was lucky to have what would have been one of the most motivated and successful ACCs in the country. Why were they so successful? Because they knew the local area. They knew the needs of the local community and made a commitment to delivering the best results for the people of the Peel region. The Peel ACC covered an area of some 6,027 square kilometres and incorporates the local government areas of Rockingham and Kwinana, which are in the member for Brand's electorate, and, in my electorate, the localities of Serpentine Jarrahdale, Mandurah, Murray, Waroona and now Boddington.

The Peel ACC region remains the fastest growing in Western Australia and also one of the fastest growing in Australia. That made the work of the ACC vital to delivering infrastructure to cater for this growth. I will be sad to see John Lambrect and Noela Durnin leave at the end of this month and I want to pay special thanks to former executive officer Pat Gallagher. Pat was highly successful in delivering outcomes for the region because he was in touch with local people and local programs and he was very hands-on. He had the trust of those in the region to identify programs to help provide much sought infrastructure to add to their local programs.

This Rudd government would have us believe that the Regional Partnerships program was all bad, but this program was highly successful and delivered real results. I will outline some successful Regional Partnerships projects that were delivered by the ACC and which will benefit the Canning local community for many years to come. One example is the magnificent war memorial in Mandurah, which was supported by the ACC to the tune of $275,000. There have been many fantastic Anzac services and other services held there.

In another project, the Waroona Town Square redevelopment, which was partnered with Alcoa, the sponsorship of the ACC was $286,000. A multi-use sporting facility at Peelwood Reserve in Mandurah was sponsored to the tune of $588,000 and is now being used by all the local soccer clubs, cricket clubs and schools. It is a multipurpose facility that is used all year and was sorely needed because the City of Mandurah could not afford it on its own, but the city did partner with the state government's sporting programs.

The Boddington Medical Centre was sponsored to the tune of $33,000 and the Peel Tourist Railway was sponsored for $969,000. This was a fantastic project that has brought a concentration of commercial development to Pinjarra and, again, was partnered by Alcoa.

Support for the Fairbridge Village redevelopment was $2 million. This was one of the most unique villages in Australia. Those present would know that this is the last of the Kingsley Fairbridge Villages from around the world and it was in decay. It was actually going to be bulldozed about 10 years ago until successive governments supported it. I have to congratulate the member for Brand because he is currently working with the Fairbridge executives to continue the support of this magnificent village, which delivers fantastic outcomes for young people at risk—Indigenous young people in training. This, and restoring the village back to its original use, is what this $2 million went towards. So it is a great program.

None of the people that received these moneys ever said it should go back, because it is doing fantastic things on the ground. They all had partners. For example, because Alcoa is the largest employer in the area and abuts Fairbridge Village, they put money into this program, along with the Freemasons of Western Australia. The Freemasons are one of the biggest patrons of Fairbridge and many of the Fairbridgeans that came out there are obviously members of the Masonic Lodge and continue their association with the village.

During the 2006-07 financial year 12 Regional Partnership applications were submitted from the Peel region, including the above-mentioned Pinjarra pool, the Meadow Springs open space facility, the Port Bouvard Surf Sports and Life Saving Club and the paediatric ward. Six projects were approved with the total amount of funding being $3,365,000. This funding was to contribute towards $20 million of capital development in the region. So the $3 million was going to actually enhance the region by bringing in other partners to make a total development of $20 million. It was a great outcome.

Then we had the unfortunate situation where Labor decided to axe those projects that had not been approved in writing by the previous minister prior to the election. The Pinjarra Indoor Heated Aquatic Facility, the Meadow Springs open space facility, the Port Bouvard Surf Sports and Life Saving Club, the paediatric ward of the Peel Health Campus and the c-pod digital studios in the City of Gosnells, which is now in the area of the member for Hasluck—just to mention the details of a few. I am pleased to say that after rearguard actions, a lot of lobbying and some sensible behaviour with the support of the member for Brand, the Port Bouvard Surf Sports and Life Saving Club is now back on track.

I visited this site last week to observe that the construction is well under way. Credit for this must go largely in part to the City of Mandurah and the Club President Ric Roberts, who recently received a Member of the Order of Australia for his work in surf lifesaving; but this in particular was one of his last and best projects. The club room's proposal included a viewing platform for lifesavers, a first aid room, a training room, a kiosk, change rooms and storage—not to mention a base for the club's 200-plus members. This will vastly assist the members to help save lives. Already there has been a death in this area because of the unmanned beach. Tragically, that happened before we could put this facility in place. Now that the construction has started, not only will the beach be patrolled but later in the summer they will have this facility to operate from.

Finally, I would like to say that the Shire of Murray is in Canberra today. I know that they are seeking the funding for the Pinjarra pool project of $1.1 million which was committed to the expansion of the existing Murray District Community Recreation Centre to include an indoor heated, eight lane, 25 metre pool, spa and leisure pool. As I said, this was axed and now the project is at a standstill because it is waiting for funding despite the fact that the fund-

ing had been committed from all other sources. Those other sources included, again, Alcoa helping provide the generation of power through their cogen facility, the shire and the state government. Now that the federal government has pulled the funding, it is at a standstill.

It would be a great community facility that is sorely needed for the recreation, welfare and health of this local community. But I suspect that it has been knocked on the head because it was a commitment from the former government. It is tragic for the local community and I will do my best to try and help these people see this project come to fruition. With all the money sloshing around at the moment in the stimulus packages, sadly this magnificent project is being stymied because of what I see as spiteful and vindictive politics from the member for Grayndler. I hope that this is one of the projects that this program—and the government—proposes to revisit and look at to see that it will be funded in the future.

Mr SULLIVAN (Longman) (12.15 pm)—I am pleased to rise to speak as a member of the House of Representatives Standing Committee on Infrastructure, Transport, Regional Development and Local Government today to discuss the second report on funding regional and local community infrastructure, which was released earlier this month. I very much enjoyed the work of this committee. I think we were very well led by Catherine King, and having the member for Hinkler, Paul Neville, with his 16 years of service to this committee and its predecessors, on the committee gives a wealth of historical context to the work that we are currently doing.

I would just like to respond to a couple of things that the member for Canning had to say during his contribution just finished. He opened up talking about the area consultative committees and Regional Development Australia. This is not the time or the place for that debate. In fact, during the committee hearings and processes, we understood that this was not the time and or place for that debate, and yet, time after time, ACC witnesses appeared before us, seemingly more interested in saving their own necks than in coming up with a program of grant funding to help develop their communities. The transitioning from ACC to RDA is in progress. It is a government decision, not something that has been brought about by this committee or, quite frankly, something that this committee can influence in a major way at all. What I understand the government is doing is trying to harmonise across Australia all of the different regional development priorities—whether they be at state government or local authority level, or even developed by development associations—so that they are combining but not competing.

The member for Canning spoke about the late unlamented Regional Partnerships program. Nobody ever said—as he claimed—that it was all bad. In fact, a lot of good work happened in the Regional Partnerships program. But it was open to abuse and it was abused quite widely. I suggest to anybody listening to this debate or reading it later in *Hansard* that they should go to the transcript of the committee hearings in Cairns on 25 July last year and read the words of the member for Kennedy, the Hon. Bob Katter, who probably represents as big a chunk of regional Australia as any member in this place. He was most disgusted by the way the Regional Partnerships program had been developed. In fact, the only way he could see out of the problem was to divide the money allocated each year by 150 and allow that amount to be spent in each of the 150 electorates. Obviously, we have not followed that advice, but he was most vociferous in his understanding that the program was rorted outrageously.

Mr Windsor—It was a disgrace!

Mr SULLIVAN—I take the interjection from the honourable member for New England whom, I know, also represents regional parts of Australia—and I am sure he is going to mention some of the problems that occurred in his area in his contribution to come.

Local governments are struggling to provide both essential and aspirational infrastructure for their communities. This is evidenced by the massive oversubscription to the second stage of the government's Regional and Local Community Infrastructure Program, known as the RLCIP. In November last year, $250 million was shared among all of Australia's local councils, and a second $50 million was set aside for competitive submitters. Some $1.3 billion worth of submissions were received—submissions for projects which, were they to proceed, would enrich community life in our country enormously. That is, $1.3 billion worth of submissions for $50 million on offer. I am pleased to say that the local government which includes my electorate of Longman, the Moreton Bay Regional Council, was successful in that competitive process and received $3.8 million towards the construction of a state equestrian centre at Caboolture, which will be a joint project between that council, the federal government and the state government. In February, the government had to defer the $500 million to the RLCIP as part of the Nation Building and Jobs Plan stimulus package—an acknowledgement of the unmet need for community infrastructure and of the capacity of local government to move quickly on projects, thereby ensuring that the economy received the necessary boosts in a timely manner.

The federal government, of all three levels of government, has the necessary power and capacity to raise revenue. I understand—and these figures may not be accurate—that revenue raisings by local governments amount to three per cent of government revenue in Australia. State governments amount to another 19 per cent, meaning that the federal government raises around about 78 per cent of government revenue raised in Australia. As I say, whilst I cannot vouch for the absolute accuracy of those figures, simply taking them as an indicator illustrates the magnitude of the problem. When it comes to day-to-day services and the facilities needed to provide those services, the local and state governments carry the burden of responsibility and are dependent in large part on the flow of funds from the federal government. Members of the committee recognise the absolute necessity of an ongoing infrastructure grant program to assist local government in particular but also to assist community groups to provide infrastructure sufficient for the needs of their community.

This final report and the interim report tabled last November have focused on principles which we believe will ensure that the ongoing program is fair and transparent. Together they seek to establish a framework on which a program with the objectives of assisting local communities in this way can be a truly AAA program—available, accessible and accountable. The report sets out clear guidelines about who should be eligible to access the scheme and what they are able to use it for. It seeks to have an application process that is both simple and adequately supported, so that assistance is available when it is needed. It places great emphasis on the need for diligent acquittal, appropriate to the size of the grant, to provide assurances of a fully accountable program.

Throughout the inquiry process, I developed a view that local councils' priorities were routinely hijacked by requests from community groups seeking to access the former Regional Partnerships program for a matching contribution from council. The program recommended by this report seeks to eliminate that potentiality, but it does present a risk that community

groups could be frozen out by any council. Recommendation 2 of the final report, which relates to the quantification of funding allocated to non-profit organisations, sends a message to councils that they need to be considerate of the needs of that sector, who have had their capacity to raise funds severely curtailed in recent years.

I want to address in part the dissenting comments from the deputy chair—and, by dint of his 16 years service on this committee and its predecessors, as I said, its elder statesman—the member for Hinkler, Paul Neville. Mr Neville laments the fact that the committee recommendations exclude the profit sector—that is, businesses—from accessing this program. I have said frequently throughout the process, as Mr Neville will attest, that in order to have regional development you have to have social development and economic development. Yet, as loudly as he bemoans the exclusion of the profit sector from this program, I will applaud it louder. The first report acknowledged the need for programs to assist economic development in the regions and indicated a view that it would be better managed by another portfolio. That is a view that I hold very strongly. There is no reasonable justification for social infrastructure having to compete with business proposals for funding in any community. The quarantining of the social and the economic, each drawing from a pool of funds allocated by the government according to government priorities from time to time, is by far a more transparent process and, dare I say it, much less open to the types of abuse we saw with the former government's Regional Partnerships program.

During the inquiry process the committee visited the electorate of the member for Hinkler. There we saw evidence of many successful businesses who had received grants, gifts of money, from the former government under the RPP. These businesses had developed new products and had provided employment in the community. One firm in particular received about a million dollars of government assistance to relocate to Bundaberg from Nambour. It is claimed that, without the gift of a million dollars from the government, their bankers would not have provided the finance to allow them to make the move. Yet this firm paid farmers in the Bundaberg region over $2 million in their first year for the cane trash on the paddocks after the cane harvest. It seems to me that that was a pretty solid business, that it probably had a pretty solid business plan and that it was not a business that the banks ought to have been reluctant to finance. I believe a culture was developing within banks to send regional business loan applicants to the federal government for some 'free money' before agreeing to assist them with bank finance. This, of course, greatly reduced the bank's risks, but at a cost to the taxpayer. I know that I am not alone in finding that kind of behaviour unconscionable.

During the course of the public hearings in Bundaberg, witnesses who had received funding from the RPP agreed with me that businesses helped by governments should in some, if not all, instances have repayment responsibilities—for example, when an assisted business is sold or reaches sustainable profitability. Certainly the creation of jobs in regional areas is a legitimate consideration for government. However, money allocated for this purpose in successive budgets would be much more useful accumulating as it is repaid, so that each year more and more businesses can be assisted, rather than ultimately lining the pockets of clever and successful business people.

I have great pleasure in commending this report to the parliament. In closing, like all members, I want to acknowledge the good work of the members of the secretariat, in particular those who were heavily involved with this report—inquiry secretary Michael Crawford, and

researchers Susan Cardell and Dr Brian Lloyd—who have served our committee with great distinction and served this parliament well in the report that they have helped us produce.

Mr WINDSOR (New England) (12.26 pm)—I second the words of the previous speaker in endorsing the work of the committee secretariat in relation to this particular issue. I was seconded to this committee for this particular inquiry. I think a few members have alluded to my interest in this particular issue and the way it should be done into the future. I congratulate the government, in that there was recognition of the Audit Office report on the previous government. There was no doubt that there were absolute and shocking abuses of process in terms of the way funding was allocated to various organisations. I might spend some time on that in a minute.

I think the main focus of this report was to put in place something that would work for the future. This document is not perfect, and what the government is doing so far is not perfect; but it is better than what was in place before. Time will judge its capacity to deliver. One of the important things that it has delivered so far is a degree of fairness to the process that was not there before. It was that unfairness in the previous Regional Partnerships arrangements that shone through when we had an application process that was open to all and a determination process that was not open to all. The Audit Office noted in a quite scathing report that there were many cases where there was abuse of process or the process was not even entered into. Almost by definition, that is unfair to those community groups and local government groups et cetera that applied thinking they would be assessed fairly against other organisations and bodies. I think what the government has done since is an improvement on that, in that the process of assessment is fairer. That is not suggesting that it cannot be politicised like the other program was. I would hope that it is not. I think the Financial Management and Accountability Act amendments are being looked at by the minister for finance, but I think they have to be improved more than what is being done there.

One of the problems with the previous arrangements was that, if the minister—and you cannot take away discretion from the minister—or the government of the day determined that a particular program should get funding and did not adhere to the guidelines, quite obviously that is a breach of the Financial Management and Accountability Act. There were instances where people did not even fill out application forms and were still issued with funds. What happens when a minister does that? Virtually nothing. The Minister for Finance and Deregulation, Lindsay Tanner, has looked at that issue and has in fact made some changes; there will be a process but there are no penalties.

I find it quite interesting that last week we were debating—and we will waste time on this again this afternoon—who has done favours for whom on the back of this utility that is driving around Brisbane somewhere. The Audit Office report into the Regional Partnerships arrangements was essentially on that very issue: who was doing favours for whom inside a process that had various processes within it which, in a lot of cases, were being ignored. That is why this particular report was put together—to find a way forward which was better. In my view, what is better about this report is that it does involve local government. I am pleased to see here today a practitioner of local government, the Mayor of Gunnedah. He is one of the youngest mayors in Australia and, I might say, a very good one. I might add that he is not in my electorate, so I say that without displaying any favours towards him—but I do welcome him to this building.

Mr Chester—He could be soon, though!

Mr WINDSOR—He could soon be in my electorate. When I was a state member, I did represent Gunnedah and I would be very privileged to be able to do that again if there were a redistribution. I take the support of the member for Gippsland and I might ask him to be a signatory to a boundary change recommendation. It would be interesting if the National Party and the Independents supported each other on this particular issue.

Mr Chester—I fear I am being verballed!

Mr WINDSOR—I wish the member for Gippsland well. He does not have any boundary changes—but he has effectively diverted me from what I was saying.

There are positives in this particular arrangement; it does involve local government. One of the great problems with the previous program was that it was open to abuse in a whole range of areas. It could be abused at the area consultative committee stage. I am not suggesting that of any of the staff. The staff of the New England North West Area Consultative Committee are very good, and the board members are, in the main, very good, but the position of the chair became greatly politicised in recent years. I think it was back in the early 2000s that the Chairman of the New South Wales National Party was made the chairman of the area consultative committee, so you can imagine what sorts of processes started to unfold. He was replaced some years later by the current National Party member for Barwon in the state parliament, so you can imagine what sorts of shenanigans were going on regarding funding streams et cetera. There were some quite blatant abuses of those funding areas, which the New England North West Area Consultative Committee embraced, and some of those are still under investigation. There was a development, value-adding, of an orange farm in the citrus industry. I think about $280 million was accessed through Regional Partnerships. A photograph was taken of a cheque being presented by the former Deputy Prime Minister. Nothing has happened; the money has gone but nothing has occurred. I am told that there are still some investigations into the probity of that particular process. There was a guideline within the Regional Partnerships process where what were called 'competitive neutrality issues' were breached. That has been clarified by this recommendation. By competitive neutrality I mean where favouring one business gives another business competitive advantage.

I disagree with the member for Hinkler and I agree with the previous member who spoke. I argued on the committee that the commercial organisations should not be funded through these discretionary funding arrangements. They should not be funded. They were funded. As with the citrus business that never occurred as one of those commercial activities, nothing ever happened. It was open to abuse at that particular stage and, within the electorate of New England, for instance, the breaches of the competitive neutrality guidelines did occur on a number of occasions.

There are two zeolite mines within 15 kilometres of each other; in fact, they can see each other's dust on a still day. One was granted Regional Partnerships funding—they are private businesses—of something like $300,000 to upgrade its plant and equipment, not to do some marketing exercise with the Chinese or the Russians or someone else externally but to upgrade its equipment. Obviously, because they are in the same business—they are both mining zeolite—that would have a competitive effect on the non-funded business. Both these businesses are run by very decent people; I know them both very well. But that is an unfair advantage that was bestowed by government. I see Malcolm Turnbull and others in the parliament

berating the Prime Minister and the Treasurer over some sort of unfair advantage that some fellow in Queensland was getting with his motorcars. We have not seen any proof of that yet, but for some of these people in the parliament to be getting on their hind legs and suggesting that granting someone an unfair advantage is a crime, when these crimes were committed under the former Regional Partnerships arrangements, I think is quite interesting to watch.

There have been, as I have said, other areas where I believe the previous program did not work and was blatantly politicised. Let us look at the example of the much reported Australian Equine and Livestock Events Centre in Tamworth that I was involved with and have been for over a decade. I was the state member when we received funding from the state government at that time. I was involved with keeping the various national equine groups together on a committee. I was brushed aside, in a sense, because of my political persuasion—being an Independent—and then other people were installed in that position. The applications for funding that went on at that particular time were brushed aside, as independent people came in and assessed the project—which was valued at about $13 million at the time—as being nonviable. So the Commonwealth was unable to fund. That particular project now, instead of costing $13 million, costs about $35 million and is judged as being terribly viable, and that amount of money was requested from the Commonwealth parliament. So I think that is a demonstration of the lengths that some people went to in order to create circumstances not to fund and then to create an opportunity to fund the same projects.

Another improvement noted in the document that we are debating today is that the acquittal processes are much clearer. They were quite blurred in some areas and abused in others. I think there is less opportunity for the politicisation process to occur. I would recommend to the government and to the minister: do not go down that path. In fact, great credit comes to government when it does not politicise the funding and try and take political advantage of it.

A classic example of that—I am sure the mayor of Gunnedah, Adam Marshall, would agree—was the previous government's Roads to Recovery program. This was a very fair program, where everybody got their fair share and people appreciated it. They still appreciate it out there now, and they appreciate what the current government is doing. But as soon as a government try to abuse the process, they abuse the people, and the people are more likely to abuse them at the polls. So it is a counterproductive exercise.

The National Party took hold of what was originally a very good program with quite good intent—it was actually initiated by Simon Crean many years ago—and abused that intent over time and politicised it. As a consequence, they have not gained seats but have lost them. They have lost credibility and respect in the electorate, even from those who received money from that program. There were deals done in coffee shops. There were deals retrospectively. There were deals done all over the place. People do not respect those who do deals of that nature, particularly when they are using taxpayers' funds.

I think the involvement of local government is a positive because local government is elected and at least there is some stream of accountability in that process. Under the previous arrangements, local governments could apply and, if they were of the right political flavour, they might have a chance and, if they were not, they did not. There was a range of ways you could dodge and weave around them, but they were not considered as the elected body with a legitimate priority in terms of which of their major projects should be looked at.

I agree with the changes proposed in the report. As I said earlier, I think there needs to be a firming up of penalties on ministers that abuse the Financial Management and Accountability Act. There need to be real penalties, not of the kind where a minister will have a black mark against their name or their conduct will be noted by the Audit Office. I make this plea to the Audit Office: look at this program as it unfolds over time and see whether there are any abuses of it and make sure that, where we can, we strengthen the FMA Act so that, if a minister starts to interfere in a fair process and politicises it, as happened under the previous government, they are penalised with the loss of their job.

Mr RAGUSE (Forde) (12.41 pm)—I also rise today to speak on the report by the Standing Committee on Infrastructure, Transport, Regional Development and Local Government into funding regional and local community infrastructure. I certainly acknowledge the comments made by the member for New England and the member for Longman and also their intense understanding of what this report is challenging us all to consider. But I should say that, from my perspective, we have moved forward from where this report details methods by which governments should engage communities in providing them infrastructure. The report is very good. I applaud the secretariat. They did a lot of work in providing not only the information and the logistics for the hearings but also a quality report from this inquiry.

The notions of probity and integrity in terms of how a system like this should operate are very important. My own personal experiences have brought this home to me, especially when I was campaigning for the seat of Forde prior to the election. We all know the program that existed prior to the election—the Regional Partnerships program. Some communities appeared to do very well out of the commitments made by the then government. I have spoken many times in this House about how an area like mine, the seat of Forde in south-east Queensland, has been underresourced in terms of community infrastructure. The reality then was that we were a black hole when it came to being on anyone's map in terms of the infrastructure that we required as a community.

In the lead-up to the election campaign, letters from the then minister, who is now retired from this parliament, had committed the then government under the RPP to three major community projects in the Forde electorate. When the election was over and there was a little bit of backtrack over the detail, it was found that there were no contracts and no commitments made. This indicated to me that this was very much an election campaign against my attempts to be the local member. We understand that these things do happen, and I think this report goes a long way to understanding the direction that we now need to take. The community of Forde has essentially been passed by on many occasions, but it was eventually promised some fairly crucial pieces of social infrastructure only to find out later that there was no veracity to those claims or commitments. So, as the member, I have had to go back to the community and say that these commitments were made but were unfunded and uncontracted.

However, good things do come: there is the fact that this report was commissioned and the inquiry took place. It also built along the way an understanding by our current government, the Rudd government, of the need to look at how we might provide community infrastructure, and the large commitment of $800 million has been made. That is going into community infrastructure via a process of engaging local government. I certainly reflect on the words of the member for Hinkler and his concern that the private sector or organisations for profit cannot benefit from this funding. There is a fundamental problem with that approach. You are sug-

gesting that the only way community infrastructure can be rolled out is by the private sector. Another good thing about this report and the approaches we have taken as a government now is that it is about a partnership. It always has been about a partnership and while it is clear that the private sector has a role to play, it is very much the case that if you give the private sector the incentive, the motivation and the direction in terms of how they can be involved in investment in the community then they can make their business decisions based on that.

In one of the recommendations we talk about local government and local government involvement. As the member for New England said, local governments are elected representatives; they are people who have an understanding of their community needs and the priorities for the community. As I mentioned, those three projects that were promised by the previous government in my electorate had very little input from the local authority. When you look at the liabilities that were being placed on the local authority through those commitments, it is not just the building of infrastructure but, as we all know, it is the recurrent costs that may go into provision of any infrastructure. To have a process that has the integrity that I believe has been outlined in our report, the way forward is to look at how we as a government are providing that infrastructure on the ground right now.

As I said, the 24 recommendations very much put in place the approach and some suggestions about how government can certainly provide a process that is watertight. It is a perception of wrongdoing that is more damaging than the actual accusations—the fact that there can be allegations or accusations made about a process that is not complete. So this report, which outlines through those 24 recommendations a way forward, is very important. The way forward is to look at what we have done as a government and to certainly take note of the intent of the report, even at this stage, in the rollout of infrastructure. There is now the ability for local government in my community to put their hand up and ask for some very important pieces of infrastructure. I would like to detail a little bit of that investment. Given our approach and the suggestions and recommendations made by this report, the approach forward seems to be working very well for many communities.

We had the Australian Council of Local Government, which formed last November, again in Canberra this week in conference talking about their move forward and the ability of the federal government to engage with them. In fact we had all levels of government—federal, state and local—working together to provide essential community projects. You have heard me almost complain in this House about how the electorate of Forde has been overlooked. I am very pleased to say that now we have some leverage on the ground we have got good projects and we are getting support from the federal government, at the local government level and also from the state government.

I can name a couple of large projects in South-East Queensland in which I have been involved. There are some just outside of my electorate. You are aware of the AFL stadium on the Gold Coast—a large investment by the three levels of government working together to provide that outcome. There are also projects on Tamborine Mountain, a very beautiful part of my electorate. Traditionally that is a very conservative community but they boast that they now have their first Labor member. It is interesting that they can see that Labor governments have a philosophy and an understanding of what we need to provide to communities. We have been able to provide their community with a number of very important but very fundamental resources—sporting facilities.

I always consider mountains to be like islands; you have limited resources. Tamborine Mountain, which has nearly 9,000 residents, had no sporting facilities of note—there was a park somewhere and another little bit of equipment somewhere else. With cooperation from the local government—the Scenic Rim Regional Council, once known as the Beaudesert Council—and the state government and federal government commitment of $3.6 million, that community will be able to build very important, very fundamental basic sporting facilities. This means that children and families on that mountain will now no longer have to travel for an hour or an hour and a half for sporting events down on the Gold Coast or further north towards Brisbane. They will have their own facilities. Again, it is through that partnership that we have been able to create this in a very short time. This was a project that has been on the drawing board for nearly eight years. The community have lobbied, have spoken to state members, to their council, to the federal government. They were essentially ignored by the federal government. Their concern about those other projects that were promised under the RPP left them somewhat dissatisfied. They believed that not only did they not get a look-in but these other projects certainly did not warrant the support that they got or the political involvement that was provided for those particular projects.

While we have received a commitment of $3.6 million to the community for those sporting facilities, there is also a restoration of a very important iconic piece of community infrastructure: the Zamia Theatre, which has a long history. As you know, Madam Deputy Speaker, I am a bit of a thespian; I tramped the boards for a couple of years in my early life. So theatre and that kind of cultural expression are very, very important for a community. The Zamia Theatre company, on a promise from the federal government—what was a bogus promise—undertook with their own money to strip the facility of its lining, its roofing and make major changes to its foundation. Of course, it could not proceed—no money. The federal government commitment at the time was not forthcoming, yet here was an iconic community facility that was certainly being challenged by weather conditions and was very much in a poor state.

Through the Community Infrastructure Program, and with the Scenic Rim Regional Council, we as a government were able to commit $179,000 to that particular project. This will now bring that community facility back to use and also protect the heritage that is very much a strong part of the mountain community.

Other proposed infrastructure includes projects like a skate bowl and park in Tamborine Village. If you know the region, you have Tamborine Mountain and Tamborine proper is actually a village at the bottom of the slopes of the mountain. For that community, we are providing some very simple infrastructure that they would not have otherwise been able to use or have installed.

In talking about this report, I mention that it is about partnerships and the three levels of government working together. The fourth column to this is the private sector. I know the member for Hinkler's concerns, and I would like to allay his concerns. As the member for Longman mentioned, there are opportunities that the private sector can tap into. If the community is getting a basic piece of infrastructure and there is an economic outcome that can be generated further by private investment, that is essentially the stimulus that that community needs.

Let me give you an example of a little bit of infrastructure that has been provided very recently in the electorate of Forde. You have heard me in the House and this particular chamber

talk about the 'great south-west' and the development of a strategy to open up the electorate of Forde as a major transport corridor. We talk about Australia's freight effort and of giving alternatives to the region, in terms of how we might move freight and other forms of transport through a region. Some of the simple infrastructure that we will be providing to the region essentially allows the private sector to come on board. The private sector will tell you that all they want is certainty about what infrastructure will be provided. And that provision of infrastructure by government agencies—in this case, the federal government—means that they can invest with some certainty. So, while I understand the member for Hinkler's concerns, I would like to allay his fears and say that the private sector will be supported, as it has been by our general rollout of infrastructure around the country. Communities generally cannot afford the total provision of infrastructure, but the stimulus that local, state and federal government working together can provide—

Ms George—Together with the great federal representative in these parts!

Mr RAGUSE—The member for Throsby has visited there. In fact, I forgot to mention that I won Tamborine Mountain through the help of the member for Throsby, who visited in her shadow parliamentary secretary role and did a wonderful job. In fact, we had a huge turnout.

Ms George—It is a wonderful achievement.

Mr RAGUSE—She does understand the community very well and knows how we have been able to achieve those outcomes for our community.

Again, the private sector can certainly benefit. The projects that I have been outlining and the strategies that I have brought forward to our region will include multibillion dollars worth of investment in the area of Bromelton on the standard gauge railway line. Essentially, small pieces of infrastructure in other parts of the country—when you talk about transport corridors—can bring about those sorts of outcomes: the major investments, the multibillion dollar investments that will bring to my region and the area of Bromelton some 8,000 jobs in the next 10 years.

This occurs not necessarily through governments providing money to the private sector; this provides other community infrastructure that then allows the private sector to have some certainty that governments will be supporting the rollout of further infrastructure by the private sector. Can I say in closing that in the seat of Forde we have been able to move forward with a commitment from government in terms of community infrastructure. The recommendations in the report put forward a solution in terms of how we may be able to look at regional development. I know the deputy chair, the member for Hinkler, who is passionate about regional development, gave a lot of information, and we value his understanding of the history through his involvement in regional development. Can I say that the report, therefore, brings to us recommendations that will certainly support the government's infrastructure rollout.

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

The DEPUTY SPEAKER (Ms AE Burke)—I thank the member. Before I conclude the Main Committee, I would like to welcome the representatives from Bundaberg Rum who have been brought in by the member for Hinkler. I trust they have an interesting time during their visit to parliament and I thank them for coming to check out the Main Committee. We do not get many visitors, so we thank them.

Main Committee adjourned at 12.57 pm