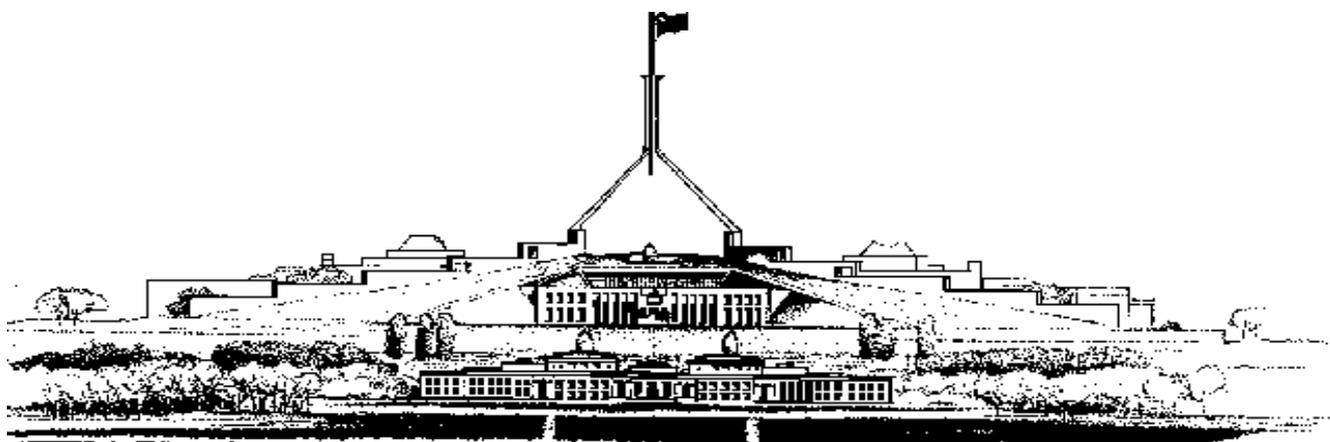




COMMONWEALTH OF AUSTRALIA

**PARLIAMENTARY DEBATES**



**Senate**

**Official Hansard**

**No. 2, 2010**

**Wednesday, 24 February 2010**

FORTY-SECOND PARLIAMENT  
FIRST SESSION—SEVENTH PERIOD

BY AUTHORITY OF THE SENATE



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### **SITTING DAYS—2010**

Month	Date
February	2, 3, 4, 22, 23, 24, 25
March	9, 10, 11, 15, 16, 17, 18
May	11, 12, 13
June	15, 16, 17, 21, 22, 23, 24
August	24, 25, 26, 30, 31
September	1, 2, 20, 21, 22, 23, 28, 29, 30
October	25, 26, 27, 28
November	15, 16, 17, 18, 22, 23, 24, 25

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

**Governor-General**

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

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*Deputy President and Chair of Committees*—Senator Hon. Alan Baird Ferguson

*Temporary Chairs of Committees*—Senators Guy Barnett, Suzanne Kay Boyce,  
Thomas Mark Bishop, Carol Louise Brown, Michaelia Clare Cash, Patricia Margaret Crossin,  
Michael George Forshaw, Annette Kay Hurley, Stephen Patrick Hutchins,  
Gavin Mark Marshall, Julian John James McGauran, Claire Mary Moore,  
Stephen Shane Parry, Hon. Judith Mary Troeth and Russell Brunell Trood

*Leader of the Government in the Senate*—Senator Hon. Christopher Vaughan Evans

*Deputy Leader of the Government in the Senate*—Senator Hon. Stephen Michael Conroy

*Leader of the Opposition in the Senate*—Senator Hon. Nicholas Hugh Minchin

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

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

*Manager of Opposition Business in the Senate*—Senator Stephen Shane Parry

**Senate Party Leaders and Whips**

*Leader of the Australian Labor Party*—Senator Hon. Christopher Vaughan Evans

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

*Leader of the Liberal Party of Australia*—Senator Hon. Nicholas Hugh Minchin

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

*Leader of the Nationals*—Senator Barnaby Thomas Gerard Joyce

*Deputy Leader of the Nationals*—Senator Fiona Nash

*Leader of the Australian Greens*—Senator Robert James Brown

*Deputy Leader of the Australian Greens*—Senator Christine Anne Milne

*Leader of the Family First Party*—Senator Steve Fielding

*Chief Government Whip*—Senator Kerry Williams Kelso O'Brien

*Deputy Government Whips*—Senators Donald Edward Farrell and Anne McEwen

*Chief Opposition Whip*—Senator Stephen Shane Parry

*Deputy Opposition Whips*—Senators Judith Anne Adams and David Christopher Bushby

*The Nationals Whip*—Senator John Reginald Williams

*Australian Greens Whip*—Senator Rachel Mary Siewert

*Family First Party Whip*—Senator Steve Fielding

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### Members of the Senate

Senator	State or Territory	Term expires	Party
Abetz, Hon. Eric	TAS	30.6.2011	LP
Adams, Judith Anne	WA	30.6.2011	LP
Arbib, Hon. Mark Victor	NSW	30.6.2014	ALP
Back, Christopher John <sup>(3)</sup>	WA	30.6.2011	LP
Barnett, Guy	TAS	30.6.2011	LP
Bernardi, Cory	SA	30.6.2014	LP
Bilyk, Catryna Louise	TAS	30.6.2014	ALP
Birmingham, Simon John	SA	30.6.2014	LP
Bishop, Thomas Mark	WA	30.6.2014	ALP
Boswell, Hon. Ronald Leslie Doyle	QLD	30.6.2014	NATS
Boyce, Suzanne Kay	QLD	30.6.2014	LP
Brandis, Hon. George Henry, SC	QLD	30.6.2011	LP
Brown, Carol Louise	TAS	30.6.2014	ALP
Brown, Robert James	TAS	30.6.2014	AG
Bushby, David Christopher	TAS	30.6.2014	LP
Cameron, Douglas Niven	NSW	30.6.2014	ALP
Carr, Hon. Kim John	VIC	30.6.2011	ALP
Cash, Michaelia Clare	WA	30.6.2014	LP
Colbeck, Hon. Richard Mansell	TAS	30.6.2014	LP
Collins, Jacinta Mary Ann	VIC	30.6.2014	ALP
Conroy, Hon. Stephen Michael	VIC	30.6.2011	ALP
Coonan, Hon. Helen Lloyd	NSW	30.6.2014	LP
Cormann, Mathias Hubert Paul <sup>(2)</sup>	WA	30.6.2011	LP
Crossin, Patricia Margaret <sup>(4)</sup>	NT		ALP
Eggleston, Alan	WA	30.6.2014	LP
Evans, Hon. Christopher Vaughan	WA	30.6.2011	ALP
Farrell, Donald Edward	SA	30.6.2014	ALP
Faulkner, Hon. John Philip	NSW	30.6.2011	ALP
Feeney, David Ian	VIC	30.6.2014	ALP
Ferguson, Hon. Alan Baird	SA	30.6.2011	LP
Fielding, Steve	VIC	30.6.2011	FF
Fierravanti-Wells, Concetta Anna	NSW	30.6.2011	LP
Fifield, Mitchell Peter	VIC	30.6.2014	LP
Fisher, Mary Jo <sup>(1)</sup>	SA	30.6.2011	LP
Forshaw, Michael George	NSW	30.6.2011	ALP
Furner, Mark Lionel	QLD	30.6.2014	ALP
Hanson-Young, Sarah Coral	SA	30.6.2014	AG
Heffernan, Hon. William Daniel	NSW	30.6.2011	LP
Hogg, Hon. John Joseph	QLD	30.6.2014	ALP
Humphries, Gary John Joseph <sup>(4)</sup>	ACT		LP
Hurley, Annette Kay	SA	30.6.2011	ALP
Hutchins, Stephen Patrick	NSW	30.6.2011	ALP
Johnston, Hon. David Albert Lloyd	WA	30.6.2014	LP
Joyce, Barnaby Thomas Gerard	QLD	30.6.2011	NATS
Kroger, Helen	VIC	30.6.2014	LP
Ludlam, Scott	WA	30.6.2014	AG
Ludwig, Hon. Joseph William	QLD	30.6.2011	ALP
Lundy, Kate Alexandra <sup>(4)</sup>	ACT		ALP
Macdonald, Hon. Ian Douglas	QLD	30.6.2014	LP
McEwen, Anne	SA	30.6.2011	ALP

Senator	State or Territory	Term expires	Party
McGauran, Julian John James	VIC	30.6.2011	LP
McLucas, Hon. Jan Elizabeth	QLD	30.6.2011	ALP
Marshall, Gavin Mark	VIC	30.6.2014	ALP
Mason, Hon. Brett John	QLD	30.6.2011	LP
Milne, Christine Anne	TAS	30.6.2011	AG
Minchin, Hon. Nicholas Hugh	SA	30.6.2011	LP
Moore, Claire Mary	QLD	30.6.2014	ALP
Nash, Fiona Joy	NSW	30.6.2011	NATS
O'Brien, Kerry Williams Kelso	TAS	30.6.2011	ALP
Parry, Stephen Shane	TAS	30.6.2011	LP
Payne, Marise Ann	NSW	30.6.2014	LP
Polley, Helen Beatrice	TAS	30.6.2011	ALP
Pratt, Louise Clare	WA	30.6.2014	ALP
Ronaldson, Hon. Michael	VIC	30.6.2011	LP
Ryan, Scott Michael	VIC	30.6.2014	LP
Scullion, Hon. Nigel Gregory <sup>(4)</sup>	NT		CLP
Sherry, Hon. Nicholas John	TAS	30.6.2014	ALP
Siewert, Rachel Mary	WA	30.6.2011	AG
Stephens, Hon. Ursula Mary	NSW	30.6.2014	ALP
Sterle, Glenn	WA	30.6.2011	ALP
Troeth, Hon. Judith Mary	VIC	30.6.2011	LP
Trood, Russell Brunell	QLD	30.6.2011	LP
Williams, John Reginald	NSW	30.6.2014	NATS
Wong, Hon. Penelope Ying Yen	SA	30.6.2014	ALP
Wortley, Dana Johanna	SA	30.6.2011	ALP
Xenophon, Nicholas	SA	30.6.2014	IND

- (1) Chosen by the Parliament of South Australia to fill a casual vacancy vice Amanda Eloise Vanstone, resigned.  
(2) Chosen by the Parliament of Western Australia to fill a casual vacancy vice Ian Campbell, resigned.  
(3) Chosen by the Parliament of Western Australia to fill a casual vacancy vice Christopher Martin Ellison, resigned.  
(4) Term expires at close of day next preceding the polling day for the general election of members of the House of Representatives.

#### PARTY ABBREVIATIONS

AG—Australian Greens; ALP—Australian Labor Party; CLP—Country Liberal Party;  
FF—Family First Party; LP—Liberal Party of Australia; NATS—The Nationals

#### **Heads of Parliamentary Departments**

Clerk of the Senate—R Laing

Clerk of the House of Representatives—B Wright

Secretary, Department of Parliamentary Services—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 to the Prime Minister and Parliamentary Secretary for Trade	Hon. Anthony Byrne MP
Parliamentary Secretary for Social Inclusion and Parliamentary Secretary for the Voluntary Sector	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 Innovation and Industry	Hon. Richard Marles MP

## SHADOW MINISTRY

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Shadow Minister for Foreign Affairs and Deputy Leader of the Opposition	Hon. Julie Bishop MP
Shadow Minister for Trade, Transport, Regional Development and Local Government and Leader of The Nationals	Hon. Warren Truss MP
Shadow Minister for Resources and Energy and Leader of the Opposition in the Senate	Senator Hon. Nick Minchin
Shadow Minister for Employment and Workplace Relations and Deputy Leader of the Opposition in the Senate	Senator Hon. Eric Abetz
Shadow Treasurer	Hon. Joe Hockey MP
Shadow Minister for Education, Apprenticeships and Training and Manager of Opposition Business in the House	Hon. Christopher Pyne MP
Shadow Minister for Infrastructure and Water	Hon. Ian Macfarlane MP
Shadow Attorney-General	Senator Hon. George Brandis SC
Shadow Minister for Defence	Senator Hon. David Johnston
Shadow Minister for Health and Ageing	Hon. Peter Dutton MP
Shadow Minister for Families, Housing and Human Services	Hon. Kevin Andrews MP
Shadow Minister for Climate Action, Environment and Heritage	Hon. Greg Hunt MP
Shadow Minister for Indigenous Affairs and Deputy Leader of The Nationals	Senator Hon. Nigel Scullion
Shadow Minister for Finance and Debt Reduction and Leader of the Nationals in the Senate	Senator Barnaby Joyce
Shadow Minister for Agriculture, Food Security, Fisheries and Forestry	Hon. John Cobb MP
Shadow Minister for Small Business, Deregulation, Competition Policy and Sustainable Cities	Hon. Bruce Billson MP
Shadow Minister for Broadband, Communications and the Digital Economy	Hon. Tony Smith MP
Shadow Minister for Immigration and Citizenship	Mr Scott Morrison MP
Shadow Minister for Innovation, Industry, Science and Research	Mrs Sophie Mirabella MP
Chairman of the Coalition Policy Development Committee	Hon. Andrew Robb AO MP

**[The above constitute the shadow cabinet]**

## **SHADOW MINISTRY—*continued***

Shadow Minister for Tourism and the Arts and Shadow Minister for Youth and Sport	Mr Steven Ciobo MP
Shadow Minister for Employment Participation, Apprenticeships and Training	Senator Mathias Cormann
Shadow Minister for Consumer Affairs, Financial Services, Superannuation and Corporate Law and Deputy Manager of Opposition Business in the House	Mr Luke Hartsuyker MP
Shadow Assistant Treasurer	Hon. Sussan Ley MP
Shadow Minister for COAG and Modernising the Federation	Senator Marise Payne
Shadow Minister for Early Childhood Education and Childcare and Shadow Minister for the Status of Women	Hon. Dr Sharman Stone MP
Shadow Minister for Justice and Customs	Mr Michael Keenan MP
Shadow Minister for Defence Science and Personnel and Assisting Shadow Minister for Defence	Hon. Bob Baldwin MP
Shadow Minister for Veterans Affairs	Mrs Louise Markus MP
Shadow Minister for Ageing	Senator Concetta Fierravanti-Wells
Shadow Minister for Seniors	Hon. Bronwyn Bishop MP
Shadow Special Minister of State and Scrutiny of Government Waste	Senator Hon. Michael Ronaldson
Shadow Parliamentary Secretary Assisting the Leader of the Opposition and Shadow Parliamentary Secretary for Infrastructure and Population Policy	Senator Cory Bernardi
Shadow Parliamentary Secretary for Northern and Remote Australia	Senator Hon. Ian Macdonald
Shadow Parliamentary Secretary for Roads and Transport	Mr Don Randall MP
Shadow Parliamentary Secretary for Regional Development and Emerging Trade Markets	Mr Mark Coulton MP
Shadow Parliamentary Secretary for Tourism	Mrs Jo Gash MP
Shadow Parliamentary Secretary for Education and School Curriculum Standards	Senator Hon. Brett Mason
Shadow Parliamentary Secretary for the Murray Darling Basin and Shadow Parliamentary Secretary for Climate Action	Senator Simon Birmingham
Shadow Parliamentary Secretary for Public Security and Policing	Mr Jason Wood MP
Shadow Parliamentary Secretary for Defence	Mr Stuart Robert MP
Shadow Parliamentary Secretary for Regional Health Services, Health and Wellbeing	Dr Andrew Southcott MP
Shadow Parliamentary Secretary for Disabilities, Carers and the Voluntary Sector	Senator Mitch Fifield
Shadow Parliamentary Secretary for Families, Housing and Human Services and Shadow Parliamentary Secretary for Citizenship	Senator Gary Humphries
Shadow Parliamentary Secretary for Agriculture, Fisheries and Forestry	Senator Hon. Richard Colbeck

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*Wednesday, 24 February 2010*

**The PRESIDENT (Senator the Hon. John Hogg)** took the chair at 9.30 am and read prayers.

### BUSINESS

#### Consideration of Legislation

**Senator LUDWIG** (Queensland—Manager of Government Business in the Senate) (9.31 am)—I move:

That the provisions of paragraphs (5) to (8) of standing order 111 not apply to the Carbon Pollution Reduction Scheme Bill 2010 and 10 related bills, allowing them to be considered during this period of sittings.

Can I outline that the bills implement the government's commitment to establish a Carbon Pollution Reduction Scheme. They provide for the establishment of—

**Senator Abetz**—A big new tax!

**Senator LUDWIG**—a scheme regulator and a registry, and address such matters as emissions coverage of the scheme, emission caps and the definition of liable entities. Of course the opposition interject, but this is a matter requesting exemption from the cut-off. The bills are required to address the urgent need to respond to climate change through the CPRS. The bills give effect to the outcomes of negotiations that were agreed by the government and the opposition back in November 2009. The provisions that give effect to these agreed outcomes back in November 2009 were considered in detail by the Senate Committee of the Whole in November and December, as we recall.

The CPRS is the key mechanism for meeting emissions reduction targets that have the support of both the government and the opposition and are key targets. Uncertainty created by a delay in the passage of the bills does raise risks for business regarding the future costs of climate change action and is

hampering investments that enable the transformation to a low carbon pollution economy.

**Senator Abetz**—Nice try, but untrue!

**Senator Bernardi**—That's not what they're saying!

**Senator LUDWIG**—I note that the opposition now seem to carp and interject. Nonetheless, some elements of the CPRS such as the crediting of carbon sequestration by reforestation projects commence on 1 July 2010, and passage will give certainty to both farmers and businesses who intend to participate. These are the reasons we require urgency for these bills. Passage of the legislation will also give business time to prepare for the CPRS and associated regulation.

The introduction and passage of these bills in the same sitting will not limit consideration by the Senate. The Senate has obviously taken a view to discuss and debate these bills at length. There has been ample opportunity for proper consideration of these bills, consistent with the government's longstanding commitment to ensuring adequate scrutiny and debate of proposed legislation. Those are the reasons outlined for why the bills require exemption from the cut-off and I ask the Senate to agree to the motion.

**Senator PARRY** (Tasmania) (9.34 am)—The coalition will not be supporting the exemption from the cut-off under standing order 111. The government is asking us to change procedure. We do not want to change procedure on this occasion. This is the third attempt to introduce this suite of bills. The government has introduced these bills in the past. The Senate has rejected them. The government now wants to waste time introducing these bills for a third time here when there is no case put that these bills need to be exempt from the cut-off which is a normal position in this place. The government has not made a case.

The minister has outlined that these bills have a commencement in 2011—not this year, but 2011. So there is no urgent need demonstrated for these bills to be brought into this session when the normal Senate procedure under the standing orders would be for these bills to be considered in the next session of parliament after being introduced in this session. It is clear that the bills do not have majority support in this place and I would anticipate that being the case again, so there is no urgency. I think the government is just trying to waste time and maybe make a political point out of these bills. Let the Senate do its work in its normal manner.

**Senator LUDWIG** (Queensland—Special Minister of State and Cabinet Secretary) (9.35 am)—In closing the debate can I say that the point the opposition make is that they do not see that failure to deal with the bills will result in continued uncertainty for business and further delay in new investments that will lead to a low-pollution economy. These bills were agreed to by the opposition in November. They have been through a committee debate that went for many, many days. The need to act on climate change remains pressing and the CPRS remains the lowest cost way to tackle climate change. Passage of these bills will ensure Australia caps carbon pollution for the first time. The CPRS will make polluters pay and use the money raised from polluters to support families. Failure to pass these bills will make the challenge of tackling climate change more difficult.

Question put:

That the motion (**Senator Ludwig's**) be agreed to.

The Senate divided. [9.41 am]

(The President—Senator the Hon. JJ Hogg)

Ayes.....	34
Noes.....	<u>34</u>
Majority.....	<u>0</u>

#### AYES

Arbib, M.V.	Bilyk, C.L.
Bishop, T.M.	Brown, B.J.
Brown, C.L.	Cameron, D.N.
Carr, K.J.	Collins, J.
Crossin, P.M.	Farrell, D.E.
Feeney, D.	Forshaw, M.G.
Furner, M.L.	Hanson-Young, S.C.
Hogg, J.J.	Hurley, A.
Hutchins, S.P.	Ludlam, S.
Ludwig, J.W.	Lundy, K.A.
Marshall, G.	McEwen, A.
McLucas, J.E.	Moore, C.
O'Brien, K.W.K. *	Polley, H.
Pratt, L.C.	Sherry, N.J.
Siewert, R.	Stephens, U.
Sterle, G.	Wong, P.
Wortley, D.	Xenophon, N.

#### NOES

Abetz, E.	Adams, J. *
Back, C.J.	Barnett, G.
Bernardi, C.	Birmingham, S.
Boswell, R.L.D.	Boyce, S.
Bushby, D.C.	Cash, M.C.
Colbeck, R.	Coonan, H.L.
Cormann, M.H.P.	Eggleston, A.
Ferguson, A.B.	Fielding, S.
Fierravanti-Wells, C.	Fifield, M.P.
Fisher, M.J.	Heffernan, W.
Humphries, G.	Johnston, D.
Joyce, B.	Macdonald, I.
Mason, B.J.	McGauran, J.J.J.
Nash, F.	Parry, S.
Payne, M.A.	Ronaldson, M.
Ryan, S.M.	Troeth, J.M.
Trood, R.B.	Williams, J.R.

#### PAIRS

Faulkner, J.P.	Kroger, H.
Evans, C.V.	Scullion, N.G.
Conroy, S.M.	Brandis, G.H.

\* denotes teller

Question negatived.

**Senator FIELDING** (Victoria—Leader of the Family First Party) (9.44 am)—I seek leave to make a short statement.

**The PRESIDENT**—Leave is granted for two minutes.

**Senator Carr**—Explain yourself again!

**Senator FIELDING**—I am glad that Senator Carr is so keen for me to make a statement. Maybe he would like to keep quiet and actually listen for once, rather than speaking over someone—as a fellow Victorian. I was not able to get down here before the vote. But, on that last vote, I want to share the reasons why I did not support the motion to exempt the bills from the cut-off. Frankly, in Australia support for the Carbon Pollution Reduction Scheme is dropping by the day. There is no need to rush this through parliament, bypassing simple processes. It is an absolute joke. That is the reason why I did not support the cut-off motion—because it would have meant rushing through this legislation when there is absolutely no rush at all.

## BUSINESS

### Rearrangement

**Senator BOB BROWN** (Tasmania—Leader of the Australian Greens) (9.45 am)—I seek leave to move a motion to provide that the Environment Protection and Biodiversity Conservation Amendment (Prohibition of Support for Whaling) Bill 2010 have precedence over all government business until determined.

Leave not granted.

### Suspension of Standing Orders

**Senator BOB BROWN** (Tasmania—Leader of the Australian Greens) (9.46 am)—Pursuant to contingent notice, I move:

That so much of the standing orders be suspended as would prevent me moving a motion relating to the conduct of the business of this Senate, namely a motion to provide that the Environment Protection and Biodiversity Conserva-

tion Amendment (Prohibition of Support for Whaling) Bill 2010 have precedence over all government business until determined.

I note that the government did not give leave for this bill to be brought on for debate—

*Senator Ian Macdonald interjecting—*

**Senator BOB BROWN**—and I note that Senator Macdonald is effectively giving support to that government point of view. That being said, this is an important issue. The bill, you will note, Mr President, is hosted into this place by Senator Siewert and Senator Abetz. One would expect, therefore, that the motion to give precedence to debating, passing and bringing this bill into law would have the support of the opposition, but I am told that that is not to be the case.

The reality is that whaling is occurring south of this nation today. The disgusting process of a slow death after grenade-tipped harpoons are put into these great cetaceans—these great, warm-blooded fellow mammals of ours—is occurring while the current government, like the previous government, does nothing about it, although we know from the most recent opinion polls that 94 per cent of Australians want action by the government.

What this bill seeks to do is complement Australia's own decision under the Fraser government in 1978 to end whaling, which led to the consequent ban on whaling fleets entering Australian ports, by making sure that Australians and Australian companies and entities do not give support to this bloody destruction of whales by Japanese whaling ships. This was brought into focus by the news earlier this year that the Japanese whaling fleet had employed, through a New Zealand agency, flights out of Albany or Perth, Hobart and/or Melbourne to track down the gallant Sea Shepherd defenders of the whales so that a ship that was part of the Japanese fleet could peel off and obstruct Sea Shepherd and prevent them from going

to the defence of the whales and getting in the way of the whaling fleet—in other words, very clearly aiding and abetting the killing of whales. Now, that is an extraordinary abuse of the sentiment of Australia about this practice and the enactment by Australia of the defence of whales and the end of whaling. This is pure common sense. The bill needs to be enacted now so that we do not get a repeat of that behaviour by the Japanese authorities and whaling fleet, where they are using Australia to effectively help kill whales instead of defend them.

I might add here that one member of the Sea Shepherd group is currently locked up on a Japanese ship, having gallantly tried to get aboard that ship to give the captain a bill for the sinking of the *Ady Gil*, the fleet boat that was financed by Mr Ady Gil, who is currently in Canberra and should be applauded for the support he has given to Sea Shepherd.

**Senator Bernardi**—The pirates of the sea—that's what they are.

**Senator BOB BROWN**—The opposition say 'the pirates of the sea'. I think that is a fairly telling comment: it is Senator Abetz that is co-hosting this bill to defend the action of Sea Shepherd, but his colleague just one row back is putting forward this calumny—which the Japanese government will like but the Australian people will not—that Sea Shepherd are in some way pirates. Of course, the pirates are the Japanese whalers who are killing these great whales. And now we have the news that the Australian government might be working out a fix in the International Whaling Commission to legalise the commercial taking of whales, including humpback, in the Southern Ocean. What an extraordinary turnaround on their election commitment on whaling.

This bill is urgent. It is clearly a private senator's bill that needs to be debated in time

for it to have effect. It should be supported by the government and it should be supported by the opposition. It is logical and warranted that this legislation be dealt with now and put into law so that it has the effect that Australians want to see it having.

**Senator LUDWIG** (Queensland—Special Minister of State and Cabinet Secretary) (9.51 am)—We have now heard the Greens debating not the substantive reason why this bill should come on but in fact the content of the bill. What we have before us is not an urgent bill. If the Greens were serious about this bill, with the opposition, then there is time on Thursday, during general business, for that to be dealt with. If senators want to debate the bill, it can be debated and argued at that time. That is the appropriate time for this bill to be debated. The time set aside in the program for general business is available. If Senator Abetz and the Greens want to debate this bill then it is entirely appropriate that they use that time for that purpose.

This effort today, of course—an amendment to the Environment Protection and Biodiversity Conservation Act 1999—is a complete stunt to avoid debate on substantive matters before the Senate. The Greens have repeatedly claimed that there is not enough time in the program on sitting days and that the government is at risk of not managing its program. What we now have is a stunt by them to up-end the day so that they can deal with a bill that is not urgent. They do have time tomorrow to debate it, but they are using the Senate time in this way.

What we have on the agenda is the fairer private health insurance legislation, which is very important for two reasons. The fairer private health legislation is an important part of our health reform, it is making the system fairer and more sustainable, and we want to make sure nurses and taxi drivers do not have to subsidise the private health of mil-

lionaires and politicians. It will save taxpayers \$1.9 billion over the next four years and nearly \$100 billion by 2050. That is money we could use for more doctors and more nurses. You would think that the Greens would understand or at least be reasonable about this instead of trying to use the Senate process to up-end the Senate to deal with a bill that is not urgent.

Even if you went to the content of their bill, you would see that it would fail at first instance. It is not one where they have turned their intellectual rigour to ensure that the bill will pass muster in the first instance. Quite frankly, it would not provide the outcome that they are seeking. So you could only conclude that it is nothing more than a stunt by the Greens to use the five minutes—they know it will be defeated in the Senate because of what it is, a stunt—to argue their case. There are many opportunities in the Senate where Senator Brown and the Greens can argue their case about legislation or about particular points. They can use that time rather than take government time where we have a program that has been set.

Of course, on the substantive matter we do have, yesterday the Greens took up further time with a wasteful censure motion. We had a number of hours wasted during that period.

*Senator Abetz interjecting—*

**Senator LUDWIG**—Senator Abetz makes a good point: this is a waste of time. I will not take up my five minutes to deal with this issue. This is a matter that should not be supported. There is ample opportunity to deal with this private senator's bill if the opposition want to assist Senator Brown and the Greens during general business tomorrow.

**Senator ABETZ** (Tasmania) (9.55 am)—If ever the Australian people needed a reason why the Greens should not be given the balance of power in this Senate or indeed in the

Tasmanian parliament, we have a clear example of that here today. Sure, there is no doubt that the issues raised in the EPBC Amendment (Prohibition of Support for Whaling) Bill 2010 are important, but the issue is of balance and common sense. With the Greens, everything they do is vital—it is the most important thing for the day; it is absolutely important. I still remember the passion with which Senator Brown spoke in this place about whether senators had to wear jackets or not. It is the same sort of passion that he uses to speak about whales. There is no sense of balance. There is no sense of priority. I remind the Australian people and the Australian Greens—

**Senator Bob Brown**—Mr Acting Deputy President Hutchins, I raise a point of order. Senator Abetz is straying from the matter to talk about a debate on jackets. I would remind him that that was a successful debate and made a very important and innovative change for the Senate.

**The ACTING DEPUTY PRESIDENT (Senator Hutchins)**—Order! There is no point of order.

**Senator ABETZ**—If the Australian people needed another example of why the Greens should never be allowed to control the Senate or the Tasmanian parliament, it was that interjection and alleged point of order by Senator Brown. I remind the Australian people and the Australian Greens that, when an issue of genuine importance came up before this place in August 2009, when my very good friend and very capable colleague Senator Bernardi sought precedence for the Crimes Legislation Amendment (Enhanced Child Protection from Predatory Tourism Offences) Bill 2008, Senator Brown voted against giving it precedence. Here we have today in the Senate an example of the fact that the Australian Greens see protecting whales as a more important issue than pro-

tecting children from predatory tourism. That is their sense of community consciousness. That is how warped their priorities are. If it is not their idea, it is not good and it does not deserve precedence. But if it is about jackets, if it is about whales or whatever, if it is their thought, then of course it deserves precedence and everything else has to be swept aside.

The Australian people should look very carefully at the exercise we are witnessing today. I support the general thrust of the bill. Indeed, as Senator Brown indicated, it bears my name. But I then have to ask the question: is the provision of supplies and support to whaling vessels—and I abhor whaling—a more important, burning issue than protecting innocent young children from the abhorrent practice of so-called child sex tourism? What a terrible sense of priorities the Australian Greens have brought into this place today. They are on the record as opposing precedence for Senator Cory Bernardi's request that young children, especially in Asia, be protected from those abhorrent criminals that seek to use them and destroy their lives. But the Australian Greens say, 'No, that is okay. Sweep the kids aside. We want our five minutes in the sunshine to pull a stunt on whales and show people how warm-hearted we are.' These mammals, I think Senator Brown said, have warm blood flowing through them. Can I tell you, Senator Brown, so do the kids in South-East Asia. But you thought they were of no consequence.

We in the coalition approach all these things with a sense of balance. We say that the bill co-sponsored by Senator Siewert is a good bill, and we do support it in general terms. But the question is: where should it fit into the scheme of priorities? I make no apologies on behalf of the coalition in saying that, if there is a choice between bringing precedence to a piece of legislation that seeks to protect children from the evil of so-

called child sex tourism and supporting whaling vessels, it will be the children that win each and every day, and heaven help this country if the Greens ever get control of this place or the Tasmanian parliament. (*Time expired*)

**Senator FIELDING** (Victoria—Leader of the Family First Party) (10.01 am)—The Australian public do care about protecting whales, but, again, the Greens are showing how wacky they are by trying to give precedence to this motion before every other piece of legislation. It is just a common theme that they seem to have with their wacky ideas.

It is interesting to know that the coalition are now saying they want to move on this issue, when in 10 years or so not a lot was actually done. I am trying to work out whether Greg Hunt wants to be the new whale rider, sailing the seas, seeking out the big dragons and making sure they are not killed. But I think you have to be fairly careful about how much they want to give precedence to this issue as well. At the end of the day, protecting whales is important, but it is crazy to think that we are going to give this bill precedence before we look at other issues in this parliament. It is crazy and I will not be supporting it.

**Senator SIEWERT** (Western Australia) (10.02 am)—It is interesting to note that the opposition spokesperson for the environment, Mr Hunt, said on Monday that the government should show it is serious about stopping whaling by supporting a bill in the Senate this week. He went on:

This week is the opportunity for Mr Rudd to support direct action to half Japanese whaling.

Then he went on to say—and he is talking about Mr Rudd:

Why will he not support the bill to end spy flights in support of Japanese whaling from Australian airports?

I, and I think most Australians, would interpret those comments to suggest that Mr Hunt was in favour on Monday—that is just two days ago—of our debating this bill in the Senate this week. Things have changed since Monday. It is interesting to note that two days ago the opposition thought this bill should have precedence, but on Wednesday they do not think that it deserves precedence anymore.

This is a substantive issue, Senator Ludwig, and it is essential that Australia does everything it can to stop the abhorrent practice of whaling in the Southern Ocean. It is essential that Australia amends its legislation as soon as possible to ensure that Australian resources and services are not used to support Japanese whaling. The government knows the Australian population is totally behind Australia's policy of not supporting whaling in this country.

The bill is a fairly simple, short bill, which the opposition have signed onto. You will notice that Senator Abetz's name was not on Senator Bernardi's bill, but it is on this bill. He thinks that it is so important that he will put his name to a bill that the Greens put forward. He is prepared to overcome traditional rivalries to put his name to a bill that we have come up with and support, but he is not prepared to debate it. This is a fairly simple amendment that means that Australian services do not support whaling—something that nearly all Australians support. We could have a short, sharp debate and we could fix the bill now to ensure that next summer this does not happen again.

It is all very well for the government to say that they could debate it on Thursday afternoon, but the government and the opposition—but particularly the government—know that they always speak out bills on a Thursday afternoon. We never get to vote on the bills. They just keep them there on the

*Notice Paper* and they never get finally dealt with. That is why we needed to suspend standing orders and bring this bill in and give it precedence. That way we could have a proper debate. We could make it short and sharp. We know Australians support this. We know it makes sense. We could have a debate about it. We could then have a vote on it. But if we were left to deal with this on Thursday afternoon in general business, in the limited time we get to debate, they would talk it out and we would never get to vote on it. That is why we need to bring it on now. If the government were prepared to deal with these private senators' bills properly then we would not need to seek precedence to debate this sort of bill. That is why, Minister, we bring it on now—so that we can actually deal with this properly instead of it being shuffled off to Thursday.

This government is not serious about dealing with whaling. Just yesterday a small group of the International Whaling Commission released its report that effectively will commercialise whaling. And, just by chance, the Prime Minister has said he is going to take legal action in November. Knowing full well that this report would basically allow commercial whaling, he says, 'Oh, well, we are going to take legal action in November.' This will not be dealt with before the next whaling season—so that will be another whaling season, another nearly 1,000 whales taken and slaughtered. Not only that, he knows the rules might change so he might not even be able to take legal action at that stage. His government are basically now talking to other governments about trying to commercialise whaling. How disingenuous is that! They will not support changing this bill. They are working with other governments to effectively commercialise whaling. They are not taking legal action until it is too late and another 1,000 whales are killed.

That is why this issue is urgent. That is what Australian people are also saying. In an online survey that we did, in just a few days we got 3,500 signatures supporting our stance on this. It is a simple amendment. If the government and the opposition were dinkum about ensuring that Australian services and resources do not support whaling in our Southern Ocean, they would support this. So instead of having to have this debate about precedence, we could actually have a debate about the issue. (*Time expired*)

**Senator XENOPHON** (South Australia) (10.07 am)—I indicate that I support Senator Brown's motion. In relation to Senator Abetz's contribution, I have genuine regard and respect for Senator Abetz, but that was not Senator Abetz's best contribution. I think it is quite disingenuous for Senator Abetz to somehow imply that the Greens are not concerned about child sex exploitation. I think that was a pretty shameful contribution. It is a pity that Senator Abetz is not in the chamber now. I think he was fundamentally wrong to try to characterise it like that. It was the basest of base politics. I am disappointed in Senator Abetz and the way he has tried to characterise it.

The fact is, what is before us now is whether this particular motion has precedence. Senator Abetz has co-sponsored this legislation—and I congratulate him for co-sponsoring it. I think it is a good piece of legislation—it is simple; it is straightforward. We could have dealt with this expeditiously in the course of an hour or two at the very most if there was the political will to do so. To put this in context, just two days ago the opposition spokesperson on this, Greg Hunt, was saying that we should be supporting this bill in the Senate. I have heard Mr Hunt's advocacy of this issue—and good on him for the way he has advocated this on behalf of the coalition—highlighting inaction on the part of the government in relation to

the issue of whaling. I find it incredible that we have a situation where just 48 hours ago the opposition were saying, 'Let us get on with this in the Senate,' and now they are opposing it. It does point to a serious structural problem in the way that the Senate does its business in the context of dealing with private senators' bills. I know that in my time in the Legislative Council in the South Australian parliament, we had time set aside to deal with private members' bills, and those bills would be brought to a vote. If it got to the second reading stage, the committee stage would then be held and we could actually deal with it. I think that this place, of all chambers, could have a set of standing orders in place to make a difference so that we can actually deal with these issues expeditiously and in the way that matters of public importance and matters of public interest should be dealt with.

For the record, I can say that I did support the suspension of standing orders for Senator Bernardi's bill because I think that, as a matter of course, issues of importance ought to be dealt with expeditiously by the Senate. In terms of the contributions so far, again with respect to Senator Abetz—and I do have high regard for him—I expected better from him. We can do more than one thing. We can tackle important legislation on a whole range of issues and we ought to change the standing orders so that that can be facilitated. I urge the government and the opposition to come to the party so that the Senate can do what it is meant to do, and that is not just to scrutinise legislation and be a watchdog for the executive arm of government but also to initiate legislation that is clearly in the public interest and ought to be debated and voted on in this chamber.

Question put:

That the motion (**Senator Bob Brown's**) be agreed to.

The Senate divided. [10.15 am]  
(The Acting Deputy President—Senator  
SP Hutchins)

Ayes.....	6
Noes.....	<u>39</u>
Majority.....	<u>33</u>

**AYES**

Brown, B.J.	Hanson-Young, S.C.
Ludlam, S.	Milne, C.
Siewert, R. *	Xenophon, N.

**NOES**

Abetz, E.	Adams, J.
Back, C.J.	Barnett, G.
Birmingham, S.	Bishop, T.M.
Boyce, S.	Brown, C.L.
Bushby, D.C.	Cameron, D.N.
Carr, K.J.	Cash, M.C.
Colbeck, R.	Collins, J.
Coonan, H.L.	Cormann, M.H.P.
Crossin, P.M.	Eggleston, A.
Farrell, D.E.	Feeney, D.
Ferguson, A.B.	Fielding, S.
Forshaw, M.G.	Furner, M.L.
Humphries, G.	Hurley, A.
Hutchins, S.P.	Johnston, D.
Ludwig, J.W.	Marshall, G.
McEwen, A.	Moore, C.
O'Brien, K.W.K. *	Parry, S.
Pratt, L.C.	Ryan, S.M.
Troeth, J.M.	Williams, J.R.

\* denotes teller

Question negatived.

**CARBON POLLUTION REDUCTION  
SCHEME BILL 2010**

**CARBON POLLUTION REDUCTION  
SCHEME (CONSEQUENTIAL  
AMENDMENTS) BILL 2010**

**AUSTRALIAN CLIMATE CHANGE  
REGULATORY AUTHORITY BILL 2010**

**CARBON POLLUTION REDUCTION  
SCHEME (CHARGES—CUSTOMS)  
BILL 2010**

**CARBON POLLUTION REDUCTION  
SCHEME (CHARGES—EXCISE) BILL  
2010**

**CARBON POLLUTION REDUCTION  
SCHEME (CHARGES—GENERAL)  
BILL 2010**

**CARBON POLLUTION REDUCTION  
SCHEME (CPRS FUEL CREDITS) BILL  
2010**

**CARBON POLLUTION REDUCTION  
SCHEME (CPRS FUEL CREDITS)  
(CONSEQUENTIAL AMENDMENTS)  
BILL 2010**

**EXCISE TARIFF AMENDMENT  
(CARBON POLLUTION REDUCTION  
SCHEME) BILL 2010**

**CUSTOMS TARIFF AMENDMENT  
(CARBON POLLUTION REDUCTION  
SCHEME) BILL 2010**

**CARBON POLLUTION REDUCTION  
SCHEME AMENDMENT  
(HOUSEHOLD ASSISTANCE) BILL  
2010**

**Second Reading**

Consideration resumed from 22 February.

**Senator LUDWIG** (Queensland—Special  
Minister of State and Cabinet Secretary)  
(10.18 am)—I move:

That these bills be now read a second time.

I seek leave to have the second reading  
speeches incorporated in *Hansard*.

Leave granted.

*The speeches read as follows—*

Carbon Pollution Reduction Scheme Bill  
2010

Carbon Pollution Reduction Scheme 2010

In the final hours of parliamentary sittings  
last year the government made the commit-  
ment that on the first sitting day this year, we  
would introduce into parliament legislation  
for the Carbon Pollution Reduction Scheme  
(CPRS).

The government did this through introducing the CPRS legislative package into the House of Representatives on 2 February 2010.

We said the bill introduced would be inclusive of the amendments agreed to by the coalition party room in November 2009.

And that is what this bill contains.

Let me make it clear on behalf of the government that our position on the CPRS is based on five strong foundations:

Firstly, it reflects a scientific consensus, accepted by governments around the world, that climate change is real and happening now, and will inflict severe costs on this country.

Second, the government's target for emissions reduction is both responsible and achievable and the CPRS is the best mechanism to achieve those targets.

Third, the CPRS is the lowest cost way to reduce emissions for Australian households.

Fourth, the CPRS is the most globally responsible approach to the threat of climate change—it ensures Australia meets its emissions reduction targets.

And fifth, the CPRS reflects the consistent policy of the government that formed a key element of our 2007 election platform that was supported by the Australian people.

The alternative approach offered by the opposition is nothing more than a pretend policy and it cannot be trusted.

Mr Abbott, the Leader of the Opposition, thinks climate change is, in his own words, 'absolute crap'.

The opposition leader's climate change plan is nothing more than a climate con job.

It does less, costs more and will mean higher taxes.

There are three essential problems with the opposition leader's climate con job.

Firstly, it will not work; it does not require anything of emitters of carbon pollution and there is no cap on carbon pollution.

Secondly, it slugs taxpayers instead of big polluters.

Thirdly, it is unfunded, inevitably meaning higher taxes.

The Tony Abbott climate con job does less, costs more and will mean higher taxes.

This is the contrast that the Australian parliament faces today.

### **Climate change science**

It is extremely important, of course, that we take account of the climate change science.

Human induced emissions are increasing concentrations of greenhouse gases in the atmosphere.

Global carbon dioxide emissions from fossil fuels in 2007 were nearly 40 per cent higher than those in 1990.

The Intergovernmental Panel on Climate Change (IPCC) said in its 2007 fourth assessment report that:

*... warming of the climate system is unequivocal—*

*and—*

*very likely due to the observed increase in anthropogenic greenhouse gas concentrations.*

Its findings are supported by the national science academies in all major developed and developing countries, including our own.

No government can ignore these findings. No political party or political leader can responsibly ignore the science.

The Australian government accepts that climate change is a reality and that we must act.

Despite the claims of many in the coalition, there is no evidence warming has stopped.

Globally, 14 of the 15 warmest years on record occurred between 1995 and 2009.

The Bureau of Meteorology reports that 2009 was the second hottest year on record in Australia.

The past decade was the hottest decade on record in Australia and globally.

The current Leader of the Opposition is risking Australia's economic and environmental future by saying he is:

*... hugely unconvinced by the so-called settled science on climate change.*

He made that statement on 27 July 2009.

Every other responsible political leader in Australia—including the former member for Bennelong and the member for Wentworth—has previously accepted the global scientific consensus and resolved to act in Australia's national interest.

#### **Impacts on Australia**

The science shows that in future, without global action, the earth will continue to warm and sea levels will continue to rise.

Australia is already the driest inhabited continent on earth and is heavily exposed to the impacts of climate change.

Australia faces huge environmental and economic costs from climate change impacts, including on water security, agriculture, energy supply, health, coastal communities and infrastructure.

Climate change is already affecting water availability in Australia.

If global emissions continue unabated, irrigated agriculture—and the thousands of associated jobs—in the Murray-Darling Basin may well disappear by the end of the century.

Australia is a largely coastal society, with around 85 per cent of the population living in the coastal region. This means as many as 247,000 existing residential buildings valued at up to \$63 billion are potentially at risk from a 1.1-metre sea level rise.

The Great Barrier Reef is already showing impacts of climate change through mass coral bleaching and could be effectively destroyed by mid-century if there is not action.

Climate change will affect the frequency and intensity of bushfires, heat waves and extreme tides in Australia.

We know only too well the impact that these events can have on the lives of others in our community.

Yet the Leader of the Opposition has rejected the science, mainstream conservative thinking and the best economic advice.

And he has rejected, therefore, acting in Australia's national interest.

#### **CPRS: the best mechanism**

Australia's emissions challenge is clear and it has bipartisan support, as we understand it.

In May last year the government set out its target range: a five per cent unconditional reduction, with up to 15 per cent and 25 per cent both conditional on the extent of action by others.

This target range was supported by the coalition at the time and reaffirmed on 2 December 2009 by the office of the Leader of the Opposition:

The Coalition is committed to the bipartisan targets as they currently stand.

The challenge posed by those targets is clear:

- In 2020 Australia's emissions are projected to be 664 million tonnes of carbon dioxide equivalent; and
- At a five per cent target, Australia's emissions reduction challenge is to reduce 2020 emissions by 138 million tonnes; at a 15 per cent target, the challenge is 194 million tonnes; and at 25 per cent, the challenge is 249 million tonnes.

That is the challenge that both political parties—both sides of politics—have committed to on the grounds that there is a bipartisan position concerning the targeted cuts in emissions by 2020.

The debate today, therefore, should fundamentally be about how best to rise to that bipartisan challenge.

On this front, the Howard government's Shergold report, the Garnaut review and the United Kingdom government's Stern report all canvassed different approaches to taking action to achieve emission reductions and came to the same conclusion that an emissions trading scheme is the lowest cost and most effective mechanism to deal with climate change.

Even the current Leader of the Opposition in his 2009 book *Battlelines* acknowledged that:

*The Howard Government—*

*in 2007—*

*proposed an emissions trading scheme because this seemed the best way to obtain the highest emission reduction at the lowest cost.*

That appears at page 171 of the book of the member for Warringah called *Battlelines*.

The business community also recognises the value of the emissions trading approach. The Business Council of Australia has said:

*... the best way for Australia to transition to a low emissions economy is through a market-based emissions trading scheme—*

and the international community accepts that view. Thirty-two countries around the world already have emissions trading schemes, and others, including the US, Japan and Korea, are developing such schemes currently.

Virtually no other developed economy in the world agrees with the opposition leader's more recent rejection of emissions trading.

And there is a simple reason why, and that is that emissions trading is the most effective and lowest cost means to reduce carbon emissions.

The Carbon Pollution Reduction Scheme requires emitters to buy a permit for each tonne of carbon pollution they produce.

The government will determine the number of permits that will be available each year and, by doing so, will set a cap on pollution levels.

A cap each year allows a targeted reduction in emissions to be achieved over time.

A carbon price is established, therefore, by the auctioning and trading of permits.

The carbon price creates an incentive for polluters to reduce their emissions in the cheapest, most efficient way.

After dismissing the CPRS, the current Leader of the Opposition has proposed what he calls a 'direct action' policy as an alternative—but it is a con job.

His plan lets polluters off the hook and shifts the burden to ordinary families.

The fact is no cobbled-together list of subsidies, as outlined in opposition leader's policy announced today, could ever hope to match the effectiveness of putting a clear price and cap on carbon pollution across the economy because, unlike the CPRS, the opposition leader's policy is less effective. It will not work.

It will cost more because it does not create incentives to find the low-cost methods to reduce emissions. It is a 'pick winners' approach.

It also has no cap on emissions; it therefore cannot guarantee to meet an emissions reduction target.

The opposition leader's position also cannot link to international markets to take advantage of cost effective emissions reductions in other countries, and it will shift the cost of emissions reductions from big emitters of carbon pollution to households.

Finally, the proposal does not provide compensation to pensioners, carers and low- and middle-income households, something to which the government has paid particular attention.

Former Prime Minister John Howard's own Shergold report found that relying on subsidies alone to reduce emissions will be more expensive than a market-based approach like the CPRS.

Likewise, Professor Garnaut concluded that without a carbon price, the cost of achieving emissions reductions will be much higher.

#### **Lowest cost way to reduce emissions**

The government, for its part, is determined to implement a scheme which tackles climate change at the lowest cost. Ultimately there is no cost-free way of reducing carbon emissions and tackling climate change.

Any politician who tells the community otherwise is simply not telling the truth—and cannot be trusted. The Leader of the Opposition, in announcing the coalition's policy, stated it would not cost the community and it would not cost jobs. It is a position that defies rational thought. It is not true.

The fact is the CPRS is the lowest cost way of reducing emissions.

It also imposes the lowest costs on Australian families.

The impact on household costs will be just above a one per cent price rise.

The average price impact of the CPRS on households is estimated at around \$624 per year by 2013 for the average household.

Around 90 per cent of all households under the proposals for the CPRS will receive assistance—on average that will be around \$660 per year.

All pensioners and low-income households will be fully assisted.

That is because the money raised from emitters of carbon pollution, who have a liability to purchase permits, will be used to assist working families with the price increases under the scheme.

#### **The CPRS is globally responsible**

Any country that accepts the science, as I said before, and the threat that climate change represents has a responsibility to act.

No country can address this problem alone—it will require an unprecedented level of international cooperation.

The government has said that Australia will do its fair share as part of the global effort—we will do no more and no less than other countries.

Last December, the world met in Copenhagen as part of the effort to forge a global agreement to tackle climate change.

The outcome, called the Copenhagen accord, is less than we, and like-minded countries, wanted.

But it is an important step forward towards coordinated global action on climate change.

For the first time, leaders of both developed and developing countries have agreed to:

- specify emissions reduction targets or actions by both major developed and developing nations;
- limit global warming to less than two degrees;
- provide the finance necessary to support mitigation and adaptation action in developing countries; and
- measurement, reporting and verification by both developed and developing countries.

However, the Copenhagen conference also left much work to do and Australia remains committed to achieving a comprehensive agreement under the UNFCCC.

Countries are already acting and Australia is by no means going it alone.

Thirty-two countries already have emission trading schemes and others are developing their own.

Others including the US, China, and India have set targets and are taking climate action.

In recognition that the Copenhagen accord did not deliver a final binding treaty, the government has said that we will not increase Australia's emissions reduction target above five per cent until three conditions are met:

- the level of global ambition becomes sufficiently clear;
- the credibility of those commitments and actions is established; and
- there is clarity on the assumptions for emissions accounting and access to markets.

The government's aim and intention is to reach conclusion on these matters of course in partnership internationally as soon as possible.

#### **A consistent and responsible approach to climate change**

The CPRS is the principal mechanism by which we will achieve our targets and act on climate change in the national interest. It is the only fundamental foundational mechanism by which we will achieve the targeted reduction that I averted to earlier, 138 million tonnes by the year 2020 to achieve the five per cent reduction.

But we have also put in place around \$15 billion in complementary measures to assist the transition to a low-carbon economy and increase the demand for low-pollution jobs. These are very important measures. They include:

- increasing the renewable energy target to 20 per cent of electricity from renewable sources by the year 2020;
- support for energy efficiency;
- \$4.5 billion for industrial scale carbon capture and storage and large scale solar power generation; the Australian Climate Change Science Framework to set climate change research policies; and
- \$126 million Climate Change Adaptation Program to better manage climate change impacts.

However, projections show that even with these measures Australia's emissions will continue to rise, reaching 120 per cent of 2000 levels in 2020.

That is why we need a substantial, economy-wide approach that reduces emissions in the most efficient lowest cost mechanism possible.

For the last three years, Labor both in opposition and in government has backed the Carbon Pollution Reduction Scheme as the most effective and lowest cost means to reduce carbon pollution.

The current Leader of the Opposition has had five different positions on this issue. The government has been consistent and the new Leader of the Opposition completely inconsistent on this issue.

He supported emissions trading during the Howard government period when the former Prime Minister, Mr Howard, concluded and made absolutely clear that the science demanded a response from government and that the lowest cost most efficient mechanism for achieving targeted emission reductions was an emissions trading scheme.

As part of that government the now Leader of the Opposition accepted that position. Then of course when it was opportune to afford him the opportunity to drag down the then Leader of the Opposition, the member for Wentworth, the now Leader of the Opposition claimed that climate change was 'absolute crap'.

Then he said at one point that the Liberals should support the CPRS unamended. Then he demanded amendments to the legislation last year when it was previously in a different form before the parliament.

And now he opposes the Carbon Pollution Reduction Scheme in totality for his own political gain.

Indeed, in his own words, the opposition leader has described himself as a 'weather vane' on climate change. He shifts around on the most important public policy challenge that we face.

It is the responsibility of any political leadership figure in this country to adopt a credible position and he has already failed that test.

His erratic approach now forms Liberal Party policy.

And you cannot trust a leader on issues like this if he thinks the climate science, the subject of considered peer review work by many, many scientists around the world that have stood up to intense scrutiny, is 'absolute crap'. His position cannot be respected.

What we know is that the Leader of the Opposition does not accept the climate science and he is looking for a political fig leaf. Hence we see the

policy position that has announced today and it cannot work.

What will work is an emissions trading scheme in the form of the Carbon Pollution Reduction Scheme.

#### **Conclusion**

The government respects the climate science and the need to act.

Our position has been consistent for years.

And we are acting in an economically responsible manner seeking the most effective and lowest cost means to achieve targeted emissions reduction.

The bills before the House today establish a clear framework to tackle this great challenge.

If the opposition still has any credibility, character or consistency, they will support this legislation based on the agreement that was endorsed by the coalition party room less than 10 weeks ago.

That was a credible stance to engage responsibly on behalf of the Australian community with the government to negotiate amendments and agree to the Carbon Pollution Reduction Scheme to secure passage of the legislation.

The responsible stance that the former Leader of the Opposition took on that issue on behalf of the community led to him being torn down as the Leader of the Opposition for politically opportunist reasons. What we now see from the opposition is a completely unrealistic, unworkable, incredible, economically irresponsible policy response.

What this country needs to deal with climate change is an emissions trading scheme to achieve the least cost emissions reductions.

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#### **Carbon Pollution Reduction Scheme (Consequential Amendments) Bill 2010**

The Carbon Pollution Reduction Scheme (Consequential Amendments) Bill 2010 contains consequential and transitional provisions relating to the Carbon Pollution Reduction Scheme.

The Bill seeks to amend 12 Acts and one set of regulations.

**National Greenhouse and Energy Reporting**

The most significant amendments relate to the National Greenhouse and Energy Reporting Act 2007.

This Act provides the existing national framework for the reporting of information on greenhouse gas emissions, energy consumption and energy production. To maintain the Government's commitment to the streamlining of reporting of greenhouse and energy data, the Act will be the starting framework for monitoring, reporting and assurance under the Carbon Pollution Reduction Scheme.

A number of changes are proposed to strengthen the Act and align it with the requirements of the Scheme, as outlined in the Government's White Paper titled Carbon Pollution Reduction Scheme: Australia's Low Pollution Future, which was released on 15 December 2008. Under the amendments, one report will satisfy an entity's reporting requirements for the Scheme and current reporting requirements under the National Greenhouse and Energy Reporting Act 2007.

**Coverage of synthetic greenhouse gases**

The Carbon Pollution Reduction Scheme covers synthetic greenhouse gases. As some of these gases are already regulated under the Ozone Protection and Synthetic Greenhouse Gas Management Act 1989, amendments will be made to that Act to align it with the Scheme.

**Establishment of the Australian Climate Change Regulatory Authority**

The bill contains a number of consequential amendments relating to the establishment of the Australian Climate Change Regulatory Authority.

As well as administering the Carbon Pollution Reduction Scheme, the new Authority will take over administration of both greenhouse and energy reporting and the renewable energy target. This necessitates a number of legislative amendments to replace two existing statutory bodies—the Office of the Renewable Energy Regulator and the Greenhouse and Energy Data Officer—and transfer their functions to the Authority.

The creation of the Australian Climate Change Regulatory Authority also gives rise to a number of other consequential amendments—for exam-

ple, to apply financial management and accountability requirements to the Authority.

**Measures to prevent market manipulation and misconduct**

Australian emissions units and eligible international emissions units are to be financial products for the purposes of the Chapter 7 of the Corporations Act 2001 and Division 2, Part 2 of the Australian Securities and Investments Commission Act 2001. The bill amends these Acts accordingly.

These amendments will provide a strong regulatory regime to reduce the risk of market manipulation and misconduct relating to emissions units. Appropriate adjustments to the regime to fit the characteristics of units and avoid unnecessary compliance costs will be made through regulations. The Government has consulted on those regulations, which will be made shortly after passage and apply from commencement of this legislation.

As required by the Corporations Agreement between the Commonwealth, States and Territories, the Ministerial Council for Corporations has been consulted about the amendments to the corporations legislation and, to the extent necessary, has approved those amendments.

**Taxation treatment of emissions units**

Schedule 2 of the bill amends various taxation laws to clarify the income tax and goods and services tax treatment of emissions units.

The main consideration in designing the tax treatment of units is that the tax treatment should not compromise the main objectives of the Scheme. This means that tax should not influence decisions between purchasing, trading and surrendering units or alternatively reducing emissions. The preferred tax treatment will help implement the Scheme and reduce compliance and administration costs for taxpayers and the Australian Government.

For income tax, the amendments establish a rolling balance treatment of registered emissions units which is similar to that for trading stock. The result of the treatment is that the cost of a unit is deductible, with the effect of the deduction generally being deferred through the rolling balance until the sale or surrender of the unit.

The proceeds of selling a unit are assessable income with any difference in the value of units held at the beginning of an income year and at the end of that year being reflected in taxable income. Any increase in value is included in assessable income and any decrease in value allowed as a deduction.

The Bill also amends the goods and services tax law. It characterises a supply of an eligible emissions unit or a Kyoto unit as a supply of a personal property right and not a supply of or directly connected with real property. The amendments will promote certainty about the application of the normal GST rules to Scheme transactions.

#### **Conclusion**

The consequential amendments contained in this bill are important for the efficient and effective operation of the Carbon Pollution Reduction Scheme. The amendments seek, where possible, to streamline institutional and regulatory arrangements and minimise administrative costs with the Scheme.

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#### **Australian Climate Change Regulatory Authority Bill 2010**

This bill would establish the Australian Climate Change Regulatory Authority—a new statutory authority that would be responsible for administering the Carbon Pollution Reduction Scheme.

It is one of a package of bills to establish the Scheme.

The Authority will be responsible for auctioning and allocating emissions units, maintaining a national registry of emissions units and ensuring that firms comply with their obligations under the Scheme.

The Government's intention is to establish an effective, efficient and independent regulator.

The Authority will be a body corporate headed by a Chair and between two and four other members. Through the Chair, it will employ Australian Public Service employees on behalf of the Commonwealth.

It will have a modern set of information-gathering, inspection and enforcement powers,

conferred on it by the Carbon Pollution Reduction Scheme Bill 2010.

The Authority will be at arm's length from Government. As with other independent regulators, the Minister will only be able to provide directions on general matters and there are limited grounds on which a member of the Authority may be removed from office.

The Authority will also be accountable. It will be required to produce three yearly corporate plans and annual reports, and comply with the Financial Management and Accountability Act 1997.

The Authority will take over the functions of the existing Office of the Renewable Energy Regulator and the Greenhouse and Energy Data Officer, so that a single regulatory body will have overall responsibility for administration of climate change laws. This transfer of functions is to be affected through the Carbon Pollution Reduction Scheme (Consequential Amendments) Bill 2010.

While it will have strong powers to ensure that Scheme obligations are complied with, the Authority will also have an important role in advising and assisting persons in relation to their obligations under the Scheme—something that is formally reflected in the Authority's functions.

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#### **Carbon Pollution Reduction Scheme (Charges—Customs) Bill 2010**

This bill, which is part of the legislative package to establish the Carbon Pollution Reduction Scheme, is one of three technical bills which anticipate the possibility that the charge payable by a person to the Commonwealth for issue of an Australian emissions unit as the result of an auction, or for a fixed charge, is a tax within the meaning of section 55 of the Constitution.

This bill caters for the possibility that the charges I have mentioned are, in whole or part, both a tax and a duty of customs by providing for the imposition of such a charge under this bill.

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#### **Carbon Pollution Reduction Scheme (Charges—Excise) Bill 2010**

This bill, which is part of the legislative package to establish the Carbon Pollution Reduction Scheme, is one of three technical bills which an-

anticipate the possibility that the charge payable by a person to the Commonwealth for issue of an Australian emissions unit as the result of an auction, or for a fixed charge, is a tax within the meaning of section 55 of the Constitution.

This bill caters for the possibility that the charges I have mentioned are, in whole or part, both a tax and a duty of excise by providing for the imposition of such a charge under this bill.

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#### Carbon Pollution Reduction Scheme (Charges—General) Bill 2010

This bill, which is part of the legislative package to establish the Carbon Pollution Reduction Scheme, is one of three technical bills which anticipate the possibility that the charge payable by a person to the Commonwealth for issue of an Australian emissions unit as the result of an auction, or for a fixed charge, is a tax within the meaning of section 55 of the Constitution.

The Commonwealth does not consider that these charges are taxes for constitutional purposes. However, the Government has taken an approach of abundant caution, with the charges bills providing safeguards in case a court reaches a different view on this question.

This bill caters for the possibility that the charges I have mentioned are, in whole or part, a tax. In those circumstances, this bill imposes the charge, but only to the extent the charge is neither a duty of customs nor a duty of excise.

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#### Carbon Pollution Reduction Scheme (CPRS Fuel Credits) Bill 2010

This bill seeks to establish in legislation the CPRS fuel credit measure. It will provide transitional assistance to eligible industries and fuels that will not benefit from the cent-for-cent fuel tax reduction made under the Excise Tariff Amendment (Carbon Pollution Reduction Scheme) Bill 2010.

The CPRS fuel credit will offset the increase in eligible fuel prices by an amount equal to the reduction in the fuel tax rate. CPRS fuel credit amounts will be adjusted automatically with adjustments to the fuel tax made under the Excise

Tariff Amendment (Carbon Pollution Reduction Scheme) Bill 2010.

The CPRS fuel credit program will give transitional assistance to the agriculture, forestry and fishing industries for the period 1 July 2011 to 30 June 2014. For the period the Government has fixed the emissions unit charge at \$10 per tonne, based on current taxation arrangements, this credit will equal 2.455 cents per litre.

Activities incidental to the agriculture, forestry and fishing industries currently receive 50 per cent of the fuel tax credit under the Fuel Tax Act 2006 until 30 June 2012 after which they will be entitled to a full fuel tax credit. As these incidental activities will therefore receive a partial benefit from the reduction in fuel tax until 30 June 2012, they will be entitled to a partial CPRS fuel credit until that date. This CPRS fuel credit will be 50 per cent of the full CPRS fuel credit while the reduced fuel tax credit rate applies, and the full CPRS fuel credit thereafter until 30 June 2014.

CPRS fuel credits will also provide transitional assistance to heavy on-road transport users for the period 1 July 2011 to 30 June 2012. The industry will be entitled to a CPRS fuel credit of 2.455 cents per litre based on current taxation arrangements and the introduction of an emissions unit charge fixed at \$10 per tonne.

Liquid petroleum gas (LPG), liquid natural gas (LNG) and compressed natural gas (CNG) are alternative transport fuels and will face a Carbon Pollution Reduction Scheme emissions unit obligation. However, as LPG, LNG and CNG are currently outside the fuel excise system they will not benefit from the fuel tax reductions applying to other fuels. The CPRS fuel credit program will therefore be extended to these fuels.

To be eligible for a CPRS fuel credit for the supply of gaseous fuels, an entity must be the liable entity for that fuel under the Carbon Pollution Reduction Scheme Bill 2010.

Suppliers will benefit from a CPRS fuel credit for differing transitional periods depending on the fuel.

The CPRS fuel credit will be provided to LPG suppliers for the period 1 July 2011 to 30 June

2014 as it is predominantly used for private motoring as an alternative to petrol.

The CPRS fuel credit will be provided to LNG and CNG suppliers for the period 1 July 2011 to 30 June 2012. This treatment is the same as for heavy on-road transport as LNG and CNG are predominantly used for this purpose.

The Government will review these measures upon their conclusion.

As the volume of emissions from these fuels is substantially lower than the volume from petrol and diesel, the Australian emissions unit auction charge impact on them will be lower. To reflect this, these fuels will receive less than the full amount of the CPRS fuel credit.

From 1 July 2011, based on current taxation arrangements and the introduction of the emissions unit charge fixed at \$10 per tonne for one year, CNG will receive a CPRS fuel credit of 1.91 cents per litre which is 78 per cent of the full credit, LNG will receive a credit of 1.23 cents per litre which is 50 per cent of the full CPRS fuel credit. LPG, which has the three-year assistance period, will receive a credit of 1.64 cents per litre, which is 67 per cent on the full CPRS fuel credit, for the first year after which the credit will be adjusted in accordance with increases in the emissions unit charge.

The CPRS fuel credit program will be administered by the Australian Taxation Office and claims will be made in the Business Activity Statement in the same manner as fuel tax credits.

Full details of the Carbon Pollution Reduction Scheme (CPRS Fuel Credits) Bill 2010 are contained in the explanatory memorandum.

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#### Carbon Pollution Reduction Scheme (CPRS Fuel Credits) (Consequential Amendments) Bill 2010

The Carbon Pollution Reduction Scheme (CPRS Fuel Credits) (Consequential Amendments) Bill 2010 will legislate amendments to the Fuel Tax Act 2006, the Income Tax Assessment Act 1997 and the Taxation Administration Act 1953 necessitated by the introduction of the CPRS Fuel Credits Bill and the administrative arrangements announced by the Government.

The measures in the CPRS Fuel Credits (Consequential Amendments) Bill are mechanical in nature. For example the existing formula in the Fuel Tax Act for determining the net fuel amount, which is the amount either owed to the Commissioner of Taxation or that the Commissioner owes, is being replaced. The new formula includes the CPRS fuel credit and increasing or decreasing adjustments for CPRS fuel credits.

Full details of the Carbon Pollution Reduction Scheme (CPRS Fuel Credits) (Consequential Amendments) Bill 2010 are contained in the explanatory memorandum.

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#### Excise Tariff Amendment (Carbon Pollution Reduction Scheme) Bill 2010

This bill seeks to amend the Excise Tariff Act 1921 to confirm in legislation the Government's commitment in the Carbon Pollution Reduction Scheme: Australia's Low Pollution Future White Paper. The Government will cut fuel taxes on a cent-for-cent basis to offset the initial price impact on fuel of introducing the Carbon Pollution Reduction Scheme.

The Government recognises that people have limited flexibility to respond quickly to changes in fuel prices but that, over time, transport choices can respond to price changes.

To give households and businesses time to adjust to the Scheme, this legislation introduces a mechanism to automatically adjust the rate of fuel tax on all fuels that are currently subject to the 38.143 cents per litre rate of excise.

Fuel tax consists of excise duty on domestically manufactured fuels and excise-equivalent customs duty on imported fuels. Fuel tax is predominantly applied at a rate of 38.143 cents per litre across the range of fuels including petrol, diesel, kerosene, fuel oil, heating oil, biodiesel and fuel ethanol.

Different fuels emit different amounts of carbon when they burn and their prices will increase according to the volume of their emissions. To minimise compliance costs, the fuel tax cut will be made 'across the board' to currently taxed fuels. The fuel excise adjustment will be based on the expected rise in the price of diesel resulting from the introduction of the Scheme. This will

ensure there is cent-for-cent assistance for diesel users.

Diesel emits more carbon than petrol on a per litre basis so the fuel tax cut will provide more than cent-for-cent assistance for petrol users, which make up the majority of motorists. However, diesel use is becoming more common as fuel and vehicle standards improve. Basing the fuel tax cut on diesel will therefore ensure that the Government's cent-for-cent commitment is delivered for the most common fuels used by households.

Any reductions will take place on 1 January and 1 July of each year, to harmonise with the Business Activity Statement reporting period.

The first fuel tax reduction will occur on 1 July 2011 with the commencement of the Carbon Pollution Reduction Scheme. On 1 July 2011, based on current taxation arrangements and that the emissions unit charge will be fixed at \$10 per tonne, the fuel tax will be reduced by 2.455 cents per litre to 35.688 cents per litre.

After the fixed emission unit price of \$10 per tonne lapses on 30 June 2012, the need for further reductions, and the amount, will be assessed based on the average Australian emissions unit auction charge over the preceding six-month period. If the average unit charge at the time of the assessment is greater than the average unit charge that formed the basis of the previous reduction, then the fuel tax rate will be further reduced. This approach will apply to adjustments that occur from 1 July 2012.

If the current average unit charge amount is less than the previous average unit charge amount then the rate of fuel tax will remain the same — the fuel tax rate will not be increased if the emissions charge has fallen.

Information on the six-month average Australian emissions unit auction charge will be published by the Australian Climate Change Regulatory Authority in accordance with section 271 of the CPRS Bill.

The final reduction will be made, if necessary, on 1 July 2014. The fuel tax rate at that date will be the ongoing rate, that is, the fuel tax rate will not revert to the 38.143 cents per litre rate. At this

time the Government will review the mechanism introduced by these amendments.

The amendments to the Excise Tariff Act will commence on 1 July 2011 assuming that the Carbon Pollution Reduction Scheme commences on that date.

Full details of the Excise Tariff Amendment (Carbon Pollution Reduction Scheme) Bill 2010 are contained in the explanatory memorandum.

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#### Customs Tariff Amendment (Carbon Pollution Reduction Scheme) Bill 2010

I am introducing today a Bill to amend the Customs Tariff Act 1995 to confirm in legislation the Government's commitment in the Carbon Pollution Reduction Scheme: Australia's Low Pollution Future White Paper. The commitment is to cut fuel taxes on a 'cent for cent' basis to offset the initial price impact on fuel of introducing the Carbon Pollution Reduction Scheme.

This amendment will introduce a new section into the Customs Tariff Act to ensure that the reductions made to the excise rates on fuels due to the introduction of the Scheme also apply to the relevant imported products.

Where a relevant excise rate, as defined in the Excise Tariff Amendment (Carbon Pollution Reduction Scheme) Bill 2010, is reduced, this amendment will substitute the same rate to the excise-equivalent customs duty rates. The substitution will apply to the subheadings in Schedules 3, 5, 6, 7, 8 and item 50(1A) in Schedule 4 to the Customs Tariff Act.

Only the rate of excise-equivalent duty - that is, the non-ad valorem - component of the duty will be substituted.

The amendments to the Customs Tariff Act will commence on 1 July 2011 assuming the Carbon Pollution Reduction Scheme Bill 2010 commences on that date.

Full details of the Customs Tariff Amendment (Carbon Pollution Reduction Scheme) Bill 2010 are contained in the Explanatory Memorandum.

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Carbon Pollution Reduction Scheme  
Amendment (Household Assistance) Bill  
2010

This bill delivers on the Government's commitment to assist low and middle-income households with the expected increases in the cost of living arising from the introduction of the Carbon Pollution Reduction Scheme.

Climate change threatens Australia's way of life and our future prosperity.

Australians want action on climate change.

That's why the Government has moved to introduce the Carbon Pollution Reduction Scheme.

It will allow economic growth without growth in emissions.

However, the introduction of the Scheme will have a modest impact on the cost of living for households.

That is why the Government is providing low and middle-income households with upfront assistance to adjust to the impacts of the scheme.

Through a package of cash assistance, tax offsets and other measures, the Government will help these households maintain their standard of living while moving to a low pollution future.

This bill delivers on the Government's commitments given in the Carbon Pollution Reduction Scheme White Paper that:

- pensioners, seniors, carers, veterans, people with disability, the unemployed, students and other allowees will receive additional support, above indexation, to fully meet the expected overall increase in the cost of living flowing from the scheme;
- low-income households will receive additional support, above indexation, to fully meet the expected overall increase in the cost of living flowing from the scheme; and
- middle-income households will receive additional support, above indexation, to help meet the expected overall increase in the cost of living flowing from the scheme.

The assistance in this bill delivers on these commitments.

The average overall cost of living for households is expected to be \$624 higher once the scheme is

fully up and running (by the middle of 2013), or about \$12 per week. However, the average amount of assistance that the Government will provide to help with this will be \$660.

8.1 million households, out of a total 8.8 million households will receive direct cash assistance. All pensioners, people with a disability, carers and low income households will be fully compensated for cost increases they face.

This bill takes account of changes to the Carbon Pollution Reduction Scheme announced on 4 May 2009 that introduces an initial \$10 per tonne fixed carbon price in 2011-12 and a flexible carbon price in 2012-13. The composition of the Household Assistance package reflects this staged approach.

The Bill is also fully consistent with the amendments to the CPRS package agreed with the former Opposition leader, Mr Turnbull, and introduced and debated in the Parliament in November and December of 2009.

The Bill also takes account of other policy changes in the Budget, principally the Government's Secure and Sustainable Pension Reform, which will affect how assistance is paid.

The Carbon Pollution Reduction Scheme will see a modest increase in the overall cost of living as we start to recognise the costs of carbon pollution in our everyday lives.

It is anticipated that the Carbon Pollution Reduction Scheme will result in increases in the cost of living of 0.4 per cent in 2011-12 and 0.7 per cent in 2012-13, resulting from an initial \$10 per tonne fixed carbon price in 2011-12 and a flexible carbon price in 2012-13.

For many households government payments only represent a share of their income. Therefore increasing payments in line with headline Consumer Price Index impacts alone will not fully restore their standard of living following the introduction of the Carbon Pollution Reduction Scheme.

To adequately compensate these households, compensation needs to go beyond the average household Consumer Price Index impact.

To ensure fairness, household composition has also been taken into account in designing the assistance.

This household assistance will be funded from the sale of carbon pollution permits. The Government has committed to use every cent raised from the introduction of the scheme and the sale of carbon pollution permits to help households and businesses adjust and move Australia to the low pollution economy of the future.

#### **Increases to pension, benefit and allowance payments**

The measures contained in this bill will increase the amount of certain social security and Veterans' Affairs pension and allowance payments by 2.5 per cent over two years. This includes a 1 per cent increase from 1 July 2011 and a further 1.5 per cent increase on 1 July 2012, including up-front indexation.

These payment increases include bringing forward the expected Consumer Price Index related indexation increases that will automatically flow from the Scheme's introduction. These indexation increases are expected to be 0.4 per cent in 2011-12 and 0.7 per cent in 2012-13. The 0.4 per cent expected indexation increase for 2011-12 will be brought forward and paid from 1 July 2011. The 0.7 per cent increase in the expected indexation increase will be brought forward and paid from 1 July 2012.

Because assistance for the cost of living increase provided through certain payments will be brought forward, subsequent indexation arrangements will be adjusted to avoid duplicate assistance.

These increases will apply to a range of income support payments including the age pension, carer payment, veteran service pensions, disability support pension, Newstart allowance, Youth Allowance, parenting payments and the special benefit. A list of affected payments is included in the bill.

#### **Increases to family tax benefit**

Similar to pension and allowance increases, family tax benefit will be increased to help low and middle-income families meet the expected overall increase in the cost of living flowing from the Carbon Pollution Reduction Scheme. The increases to family tax benefit will include the up-

front payment of the expected automatic indexation increases that will flow from the scheme's introduction. These automatic increases are expected to be 0.4 per cent in 2011-12 and 0.7 per cent in 2012-13. Subsequent indexation points for family tax benefit payments will be adjusted to avoid the duplication of assistance.

The per-child maximum standard rates of family tax benefit Part A for under 16 year olds and the family tax benefit Part A supplement will be increased by 2.5 per cent over two years, in line with changes to pensions and allowances.

Per-family standard rates of family tax benefit Part B and the Part B supplement will also be increased by 2.5 per cent over two years.

Additional increases are also being made to the base rate of family tax benefit Part A to assist recipients of these payments.

Adjustments will be made to indexation of family tax benefit Part A and Part B rates on 1 July 2012 and 1 July 2013 (and over further indexation points if necessary) to prevent duplication of the amounts brought forward on 1 July 2011 and 1 July 2012.

A new family tax benefit combined end-of-financial-year supplement will be created for families eligible for both family tax benefit Part A and Part B, where the main income earner has income above \$58,000 per year. The value of the supplement will be up to \$240 per family in 2011-12 and up to \$620 per family in 2012-13 and later years. The supplement will phase in at four cents in the dollar when the primary earner's income reaches \$58,000 until the supplement reaches the maximum amount. The entitlement to this supplement will cease when a family's entitlement to family tax benefit Part A or Part B ceases.

#### **Measures delivered through the tax system**

Assistance is also being provided through the tax system. These measures provide additional assistance to eligible low and middle-income households through increases to the low income tax offset and various tax offsets for taxpayers who maintain a dependant.

**Low income tax offset**

From 1 July 2011, the low income tax offset will increase by \$150 from \$1,500 to \$1,650. From 1 July 2012, it will increase a further \$240 to \$1,890. This will increase the taxable income up to which a taxpayer is entitled to an amount of low income tax offset to \$71,250 for the 2011-12 income year and to \$77,250 for the 2012-13 income year and later income years.

**Senior Australians tax offset**

These increases in the low income tax offset will increase the income level above which senior Australians eligible for the senior Australians tax offset begin to pay tax. From 1 July 2011, eligible senior Australians will have no tax liability until their income reaches \$31,474 for singles and \$27,680 for each member of a couple. From 1 July 2012, eligible senior Australians will have no tax liability until their income reaches \$32,737 for singles and \$29,280 for each member of a couple. Adjustments will also be made to the Medicare levy thresholds for senior Australians.

**Dependency tax offsets**

Measures for households include assistance to eligible adults who maintain a dependant. These increases will apply to the dependent spouse offset, the child-housekeeper offset, the invalid-relative offset, the parent/parent-in-law offset and the housekeeper offset.

From 1 July 2011, these dependency offsets will increase by \$60 while, from 1 July 2012, they will increase by \$90. These increases will be in addition to the annual increases in these offsets that occur due to automatic indexation.

**Transitional payments**

A carbon pollution reduction transitional payment will be payable for each of the 2011-12 and 2012-13 income years to independent adults in low-income households who can show they have not been assisted in line with the Government's commitments.

The amount of the carbon pollution reduction transitional payment for the 2011-12 income year will be \$200 per claimant and \$500 per claimant in 2013.

The carbon pollution reduction transitional payment will become payable to qualifying individu-

als for the first year from 1 July 2012 and will be assessed with reference to the individual's income in the 2011-12 financial year. The person will have until 30 June 2014 to lodge a claim for the 2012 carbon pollution reduction transitional payment.

The second year of carbon pollution reduction transitional payment will be assessed with reference to the individual's income in the 2012-13 financial year and will become payable from 1 July 2013. A person will have until 30 June 2015 to lodge a claim to receive the 2013 carbon pollution reduction transitional payment.

**Conclusion**

Through the measures introduced by this bill, the Government will provide upfront support to low and middle-income households to help in adjusting to a low pollution future.

The Government will update the household assistance package on the basis of any new information on the estimated carbon price before the scheme starts. Each year, the adequacy of this assistance will be reviewed in the context of the Budget.

Ordered that further consideration of the second reading of these bills be adjourned to the first sitting day of the next period of sittings, in accordance with standing order 111.

**FAIRER PRIVATE HEALTH  
INSURANCE INCENTIVES  
(MEDICARE LEVY SURCHARGE)  
BILL 2009 [No. 2]**

**FAIRER PRIVATE HEALTH  
INSURANCE INCENTIVES  
(MEDICARE LEVY SURCHARGE—  
FRINGE BENEFITS) BILL 2009 [No. 2]**

**Second Reading**

Debate resumed from 23 February, on motion by **Senator Ludwig**:

That these bills be now read a second time.  
upon which **Senator Siewert** moved by way of amendment:

At the end of the motion, add: and the Senate calls on the Government to invest the full amount raised by the Medicare Levy Surcharge (ap-

proximately \$145 million over 4 years) into mental health programs:

- (a) Communities of Youth, Mental Health (\$30m p.a.) proposed by National Health and Hospitals Reform Commission (NHHRC);
- (b) Headspace (30 new services at \$1m p.a. or \$30m);
- (c) Early psychosis prevention and intervention services (\$26m p.a.); and
- (d) Lifeline suicide hospital discharge and treatment plan (\$15.39m as a total package over three years) and a new Lifeline freecall number (\$17.5m p.a.).

**Senator BARNETT** (Tasmania) (10.19 am)—I stand here proudly opposing the Fairer Private Health Insurance Incentives (Medicare Levy Surcharge) Bill 2009 [No. 2] and the Fairer Private Health Insurance Incentives (Medicare Levy Surcharge—Fringe Benefits) Bill 2009 [No. 2], albeit knowing that the government thinks that this might be a trigger for a double dissolution election. If that is the case, I say, ‘Mr Rudd, bring it on!’ Health is critically important to all Australians and this legislation is going to adversely impact on our health system. We want to have a balance, as I said yesterday, between the public and the private sector. We know the consequence of this initiative, and that consequence will be increased pressure on public hospitals and increased pressure on private health insurance premiums. We have seen in the media today suggestions that there are likely to be increases in private health insurance and we do not want that made any worse as a result of Mr Rudd’s miscalculation.

What is very important, though, with respect to this legislation is that the government has breached its word, the government has broken yet another promise, and that is on top of the promise with respect to GROCERYchoice and the shocking waste of taxpayers’ money, Fuelwatch, the promise of childcare centres being established in schools

and the establishment of GP superclinics. The government has failed dismally. The superclinics were promised before the previous election and the government has not delivered. The government promised to fix the public hospital system by 30 June 2009 and it failed—it has not responded. Here we are heading into the second quarter of 2010 and the government still has not responded. It said it would take over the public hospital system. The government has not. It has breached its word; it has broken its promise. As families, as mums and dads, we tell our kids that truth and honesty is important and that you do not break your word. Mr Rudd, you should take that lesson. You should know that that is the case. You have children and you should be aware of that. I am sure that is what you have told them as kids.

There are so many promises that have been broken. I have a copy of a letter to the Australian Health Insurance Association from Mr Rudd dated 20 November 2007. It promises no change to the private health insurance rebate scheme. And then we have a whole range of promises. On 12 May 2009 the Australian Health Insurance Association commented on how upset they have been with respect to the broken promise by Mr Rudd. The Australian Medical Association, on 12 May 2009, said:

Changes to the 30 % Private Health Insurance Rebate mean many Australian singles and families will pay a lot more for health insurance, and if you don’t keep your private health insurance you’ll be slugged with an increased Medicare Levy surcharge. They get you both ways.

I was at a rural doctors breakfast this morning. We were talking about the importance of health in rural and regional Australia. There were some very good demonstrations of that in the presentations that were made. This is not just going to hurt in the capital cities; this will hurt in rural and regional areas, places

like northern Tasmania and north-west Tasmania.

*Senator O'Brien interjecting—*

**Senator BARNETT**—I hear Senator O'Brien interjecting. What we want is real change in Tasmania on 20 March, because we know the state Labor government has failed dismally when it comes to health and the provision of health services in Tasmania. They made a promise to move the Royal Hobart Hospital onto a working port. They spent millions of dollars on consultants and reports to make that happen and guess what happened? They did a backflip. They changed their mind and wasted all that money. What a shocking waste. I have it here. It says:

After three years of planning costing in excess of \$10 million—

of Tasmanian taxpayers' money—

in May 2009 the State Labor Government again changed its position to redevelop the hospital on the current site but defer completion until 2030 ...

Hello? Yes, 2030, in 20-odd years time from now. What a joke that is.

In terms of health services in Tasmania, Tasmanians deserve real change. They deserve better. Let us see what else we can learn from the health situation in Tasmania, knowing it is a very important issue, one of the top issues for Tasmanians as they make their decision on 20 March 2010. They will decide whether they want real change with the Will Hodgman led Liberal government post that special day.

In 1998 the state Labor Party promised to reduce waiting lists, but today there are thousands more Tasmanians on waiting lists. Tasmanians wait much longer than the national average. They promised to do better and they have failed, just like Mr Rudd promised and has not delivered. At the end of May 2009 there were 4,094 Tasmanians who had been waiting longer than the clinically

recommended times—more than half of the waiting list. Of the 4,094 overboundary cases, there were 2,847 waiting at the Royal Hobart Hospital, 875 at the Launceston General Hospital in my home town of Launceston, 292 at the North West Regional Hospital in Burnie and 80 at the Mersey. These people were promised better services. They were promised that the waiting list would reduce and they have been let down by the Bartlett Labor government. They should do so much better. Tasmanians, as I say, have an opportunity to decide on 20 March.

It is clinically recommended that patients in categories 1, 2 and 3 be admitted within 30 days, 90 days and 365 days respectively. Waiting longer than clinically recommended for elective surgery, let us face it, often means more pain. That is what has happened, sadly, to the Tasmanians who have had to wait on these lists—they have suffered and endured, in many cases, more pain.

What did Lara Giddings, the Tasmanian Minister for Health, say in budget estimates on 20 June 2009? She said:

We do know people who have been on elective surgery waiting lists become emergencies.

So we know what is going to happen. Once that list stays long—and it will stay long under Labor—people will end up in accident and emergency. That is not what we want for our fellow Australians and fellow Tasmanians.

**Senator O'Brien**—If you're worried about waiting lists, why did you sell them?

**Senator BARNETT**—I do not mind the odd interjection from Senator O'Brien, who is a Labor senator for Tasmania. I hope he is passing on this factual information to his state Labor colleagues so that we can get a good deal for Tasmanians when it comes to health and health care right across the state.

In May 2009 only 72 per cent of category 1 patients, 51 per cent of category 2 patients and 68 per cent of category 3 patients were admitted within clinically recommended times—a poor performance. In Tasmania, in the year to June 2008, there were 2,886 patients who waited more than a year for surgery and, of those, 173 waited longer than—wait for it—500 days. They had to wait 500 days. Even the federal government's own state of our hospitals report last year showed that the number of Tasmanians waiting longer than a year for surgery was 10 per cent—in fact, 10.1 per cent—compared to 1.8 per cent in New South Wales and the national average of three per cent. Why do we lag behind? Why are we suffering so much under the Bartlett Labor government in terms of health and health care? It is totally unacceptable. It is very unfair on Tasmanians.

The acting CEO of the Royal Hobart Hospital, Michael Pervan—and you would think he would be reasonably balanced and independent—said in evidence to a parliamentary inquiry in 2009:

Our performance on elective surgery at the Royal Hobart Hospital has been lacklustre to say the least ...

We know that the Tasmanian Liberals are committed, under Will Hodgman and his team, to fix the problems and make it better. I congratulate Will Hodgman and Brett Whiteley, the shadow minister for health down there, who has worked hard. He has consulted with all the key stakeholders to make a real difference, to make a real change. I hope that is delivered not just for him but for Tasmanians on 20 March, in a few weeks time.

In conclusion, what will definitely occur as a result of this legislation under Labor—whether it be federal or state Labor—is increased pressure on public hospitals, in-

creased waiting times and waiting lists under Labor and increased pressure on private hospital insurance premiums. The Rudd government promised up hill and down dale, in cold hard writing and in face-to-face meetings with the key stakeholder groups and the public prior to the election that there would be no change. They have broken that promise. That is a great shame. But it is consistent with their breach of promises on a whole range of issues, and not just in the area of health. It is consistent with their mismanagement and maladministration of our economy generally and, more recently, of the installation program. What a disaster of mismanagement and maladministration. The government should be ashamed, but it seems that the government have no shame. Instead, they have used the Sergeant Schultz response: I know nothing. That is the response they have made. It is not good enough, and I call the government to account.

**Senator TROETH** (Victoria) (10.30 am)—I too would like to make some comments in the debate on the Fairer Private Health Insurance Incentives (Medicare Levy Surcharge) Bill 2009 [No. 2] and the Fairer Private Health Insurance Incentives (Medicare Levy Surcharge—Fringe Benefits) Bill 2009 [No. 2] about the management by this government of what is a \$100 billion a year system—big business in anyone's terms. The coalition government had a good track record of managing that \$100 billion a year system, but in a few short years Labor has shown that it cannot do it. The Labor government has been an abject failure on health. Prime Minister Kevin Rudd promised big and delivered little. Of the billions of dollars splashed around in stimulus packages, not one cent went to health. The private health insurance rebate changes are a tax on health—a tax that Kevin Rudd promised he would not impose. In opposition, the now Prime Minister and the Minister for Health

and Ageing, Nicola Roxon, both stated before the election that they would not alter the health insurance rebates. They even put it in writing. In a press release dated 20 September 2007, the current health minister—and I know my colleague Senator Humphries quoted this yesterday but it will not do any harm to quote it again today—said:

On many occasions for many months, Federal Labor has made it crystal clear that we are committed to retaining all of the existing Private Health Insurance rebates, including the 30 per cent general rebate and the 35 and 40 per cent rebates for older Australians. The Liberals continue to try to scare people into thinking Labor will take away the rebates. This is absolutely untrue.

The Prime Minister put the same commitment in writing to the Chief Executive of the Australian Health Insurance Association in November 2007 prior to his election as Prime Minister.

The coalition rejected Labor's attack on private health, and it was defeated in the Senate. This new tax has been rejected by the parliament, but Labor is determined to impose it. The health rebates were one of three pillars introduced by the Howard government to strengthen private health. These measures saw membership of private health funds rise from 34 per cent under the Keating government to 44 per cent today. I am very proud to say that the coalition has always believed in a balance between public and private health. After all, a strong and affordable private health sector alleviates pressure on state public hospital systems.

The fact is that all Australians will pay a price if this new tax is imposed. On the government's own estimates, tens of thousands of people will drop their insurance coverage. It would force people to rely on our already stressed public health system. Queues at emergency departments and waiting lists for surgery would grow longer. It would affect

not only the public hospitals but also, as people drop out of insurance, those who continue to keep their private health insurance who would see their premiums rise. Higher premiums would continue to make it harder for many to keep their insurance and possibly deter young people from taking out a private health insurance policy for the first time. Public hospitals are already stressed and strained and broken. Remember that the Prime Minister promised to fix them by mid-2009, but he is yet to produce a plan to fix hospitals, a plan that he said he had before the last election.

The Labor government says it needs this tax because of the global financial crisis, but its attack on private health started in its first budget before the global financial crisis. The Labor government misleads people about the need to tax private health insurance. Kevin Rudd says the money is needed for health reform, and he told Australians that the recent *Intergenerational report* would show that the tax would deliver \$100 billion over decades to come. But there was no mention of the \$100 billion in the *Intergenerational report*. Ms Roxon, the health minister, said the money from this new tax would be used to fund e-health. Then she said it would be used for new medicines and improved technology. That just proves that Labor is willing to say anything to support this tax increase.

The fact is that in regional, rural and remote Australia e-health could be used to great benefit. With only a small number of medium-sized regional towns, doctors in outlying areas, particularly in Western Australia and the Northern Territory, could use e-health to have faster diagnoses, faster treatment and faster recovery times for the many patients that they have to treat. But, at present, if there are no advances in e-health—and advances are technically possible in this day and age—many patients must make the very long round-trip to regional hospitals to

get a diagnosis, go home and then come back to be treated and, hopefully, get well in the long term. It is estimated that the measures that Labor is putting forward in the Senate today will save \$1.9 billion over the forward estimates. Anyone would have to say that that is a drop in the bucket compared to the cash splashes Labor has thrown around without one cent going to health.

For instance, the wasted funding of the failed Home Insulation Scheme has cost more than this will save. The coalition suggested increased excise on tobacco as an alternative, but Labor refused to consider this. Let's face it: Prime Minister Rudd and Health Minister Roxon are ideologically determined to hit those Australians who pay to look after their health needs. The changes to the private health insurance rebate are just the latest phase in Labor's unrelenting war against private health insurance—Labor hates private health insurance. When in government the coalition introduced an open-ended private health insurance rebate because, for every rebated dollar, a privately insured person contributes two more to our health system as a whole. We believe in the right of all Australians to take charge of their own healthcare needs and plan for the future. We have always worked hard to deliver incentives to promote the uptake of private health insurance and take the pressure off Medicare.

People will now drop out of health insurance because they cannot afford the much higher premiums. With interest rates no doubt on the rise, people will be thinking, 'What do we pay for this month? Do we pay the mortgage'—which is more or less obligatory—'do we pay school fees and provide for our children; do we buy food to put on the table; or do we go on with private health insurance?' It will be very tempting for them to scrap the latter option. That will restart the catastrophic premium membership death

spiral of the 1980s and 1990s, when Labor almost wiped out private health. It took a herculean effort on behalf of the coalition to reinstate that when we came to government.

Under this scheme, the private insurance rebate will decrease on a sliding scale for singles earning over \$75,000 and couples on \$150,000 per annum. The 30 per cent rebate remains for people with an income up to \$75,000 a year for singles and up to \$150,000 for couples. The rebate will decrease to 20 per cent for people on incomes of \$75,000 to \$90,000 for singles and \$150,000 to \$180,000 for couples. It will decrease further to 10 per cent for people on incomes of \$90,000 to \$120,000 for singles and \$180,000 to \$240,000 for couples. Payments cut out completely at that upper level of \$120,000 for singles and \$240,000 for couples. The Medicare levy surcharge will increase to 1.25 per cent for people on incomes of \$90,000 to \$120,000 for singles and \$180,000 to \$240,000 for couples. The Medicare levy surcharge will rise to 1.5 per cent for people at a higher income level. It is currently one per cent for people earning over \$70,000 for singles and \$140,000 for couples.

Over 9.5 million Australians are covered by private health insurance for hospital cover—that is 45 per cent of the population—and over 11 million people have some form of private health cover; 1.3 million people insured are over 65 years of age, which is 50.3 per cent of all Australians in this age group.

Members of health funds contributed \$10.6 billion to the Australian healthcare system in 2008, an increase of 10 per cent on the previous year. Fifty six per cent of all the surgical procedures are performed in private hospitals. Most of these are covered by private health insurance. And almost 15 per cent of public hospital admissions are pri-

vately insured patients. It is estimated that premiums will increase at rates of around 10 per cent, or possibly more, per year from 2010 to 2011, rather than the five to six per cent as now. Inevitably, there will be demands from the states for additional public hospital funding from the Commonwealth over the next Australian healthcare agreements to compensate them for extra pressure on their public hospitals.

If this measure goes through, we are talking about increased financial pressure on the federal government, increased financial pressure on the state governments and increased financial pressure on families and individuals as they start to make what could be catastrophic choices for them between paying for health as they would like to and choosing other forms of expenditure. I urge the Senate to defeat this measure.

**Senator CASH** (Western Australia) (10.42 am)—I too rise to contribute to the debate on the Fairer Private Health Insurance Incentives (Medicare Levy Surcharge) Bill 2009 [No. 2] and the related bill. The history of politics in Australia tells us many things. One of the things that it tells us is that a government will only remain in office as long as it faithfully retains the public's trust and confidence. At times, however, and rather unfortunately, we have a government that attempts to manipulate the trust and confidence of the people of Australia by making very specific promises to them in the run-up to an election while, at the same time, having a secret political agenda whereby it never has any intention of actually delivering on those promises. The Rudd government was very big on making promises in the run-up to the 2007 election—and it never had any intention of delivering on those promises. The Rudd government, many times over now, has clearly shown to the people of Australia that, when making a pre-election commitment, it will do anything, it will say anything and it will

promise anything, but it has absolutely no intention of ever carrying out those policy commitments.

We on this side of this chamber have often described the way that the Labor Party manipulates the voting public of Australia as 'spin over substance'. We see that spin every single day in his chamber as ministers stand up and provide sham or non-answers to questions related directly to their portfolios, and then we go home and we see the spin again on the TV at night as ministers and Mr Rudd make their shallow political excuses. Senator Conroy, in his portfolio, is a direct example of someone who makes very shallow political excuses in relation to Labor's repeated failures to carry out their policy commitments.

It is also accepted that a political party may make a promise that it genuinely believes will be in the national interest. It makes that promise based on the best advice that it is given at the time, and then the political party may find out later that due to circumstances that are so radically changed it would actually be irresponsible to put that promise into effect. The global financial crisis was not such an excuse. I think it is also fair to say, and indeed fair to acknowledge, that in the run-up to an election, in the heat of an election battle, a future prime minister, a party leader, a minister or a shadow minister may overreact in a given situation and, in promising a remedy to an issue, may actually overreach themselves and their good intentions. However, there is a clear difference between overreaching or overreacting as part of election fervour and blatant lying by a political party as part of its party platform. In the case of Labor the record is very, very clear. The Labor Party gave a commitment to the people of Australia that it would not change the existing private health rebate system should it be elected into office. That is the promise that Mr Rudd made to the people

of Australia. The next election will be all about trust and confidence, and Mr Rudd, by his repeated actions, has destroyed the trust and confidence that the Australian people had in his government.

Before I deal with the specific issues surrounding this legislation, I would like to just remind the Senate of some other promises that Mr Rudd made in the lead-up to the election that yet again he never had any intention of delivering on. Perhaps the most famous one was when the now Prime Minister uttered the words: 'I am an economic conservative, and as an economic conservative I believe in budget surpluses.' Mr Rudd told the people of Australia that he was an economic conservative, because he had worked out that was the faith and the confidence that the people of Australia had put in former Prime Minister John Howard. There was a true economic conservative. Mr Rudd realised that, if he could hang off the shirt tails of Mr Howard, if he could portray himself as being an economic conservative, that would do well in the lead-up to the election. So the voters, based on the promises made by Mr Rudd, based on the words that were uttered by him, placed that faith in him. What we now see, though, is that, with the record debt levels that this country is in, Mr Rudd would have trouble even spelling the word 'surplus' let alone delivering one as part of a budget to the people of Australia.

Mr Rudd also told the people of Australia that he would keep our borders safe. Who can remember these famous words on 15 August 2007 by Arch Bevis, the then homeland security spokesman for Labor? He made this promise to the Australian people: 'Labor places the highest priority on national security, both defence and homeland security.' I see Senator Humphries, our now shadow parliamentary secretary, here smiling. Yes, you are right, Senator Humphries: that was once again merely a promise that they never

had any intention of delivering on. What are we up to now? Eighty-one, 82, it could be 83—I have not checked the news in the last hour—but I understand there were 82 boats at the last count since the Labor Party relaxed the coalition's strong border protection policy in 2008.

**Senator Conroy**—Mr Acting Deputy President, I rise in a point of order on relevance. I am truly enjoying the colour and movement of the debate, but the bills are to do with the private health industry rebate. We have had about five minutes on refugees. I am wondering whether at any stage the good senator would like to wander back to debate the bill.

**The ACTING DEPUTY PRESIDENT (Senator Ryan)**—I understand that the tradition in this place has been to allow wide-ranging relationship to the legislation. I remind Senator Cash of the bills and call upon her to continue.

**Senator CASH**—I thank you very much for that, Mr Acting Deputy President, because clearly the Labor Party have no idea why we are in this chamber today. It is just another piece of legislation to them—another broken promise which they would like this Senate to put through without scrutinising. We are here today because of the broken promises that Labor made to the Australian people. I note that not one member on that side has the guts to come into this place—

**Senator Conroy**—Mr Acting Deputy President, I rise on a point of order. I add sound to colour and movement in my earlier point of order.

**The ACTING DEPUTY PRESIDENT**—There is no point of order. Senator Cash will continue.

**Senator CASH**—We are here today because the Australian people voted those on the other side into office based on the specific commitments they made prior to the

2007 election. How disappointed they now must be with the performance of the Rudd Labor government, because the bills that we are debating here today are just others in a series of broken promises by the Rudd Labor government. The Rudd Labor government made the promise to the people of Australia that, if elected to govern, they would not change the private health insurance rebate regime for the 11 million Australians who take responsibility for their own health care needs by taking out private health insurance and thereby relieving the pressure on the public system. That was the Labor Party's promise to the people of Australia. Did they say it once? No. Did they say it twice? No. It was a little bit like Christmas when this promise was being made. Let us have a look. What did Nicola Roxon say when she was shadow minister? She had the audacity to accuse us on this side of saying that we did not have any faith that the Labor Party would deliver on the private health care rebate promise. This is what she actually said:

Federal Labor has made it crystal clear that we are committed to retaining—

sorry, I am almost laughing as I am saying this—

all of the existing Private Health Insurance rebates, including the 30 per cent general rebate and the 35 and 40 per cent rebates for older Australians.

The Liberals continue to try to scare people into thinking Labor will take away the rebates.

This is absolutely untrue.

She also said this:

The Howard Government will do anything and say anything to get elected.

How words come back to bite you. On 20 November 2007, in a letter to the AIHA from the now Prime Minister, this is what Mr Rudd said:

Both my Shadow Minister for Health, Nicola Roxon, and I have made clear on many occasions this year that Federal

Labor is committed to retaining the existing private health insurance rebates, including the 30 per cent general rebate and the 35 and 40 per cent rebates for older Australians.

Federal Labor will also maintain Lifetime Health Cover and the Medicare Levy Surcharge.

But the promises did not stop there; they continued. In February 2008, as quoted in the *Australian*, the Prime Minister said:

The Private Health Insurance Rebate policy remains unchanged and will remain unchanged.

In May 2008, on Macquarie Radio, Nicola Roxon said:

We continue to support the 30 per cent, 35 per cent and 40 per cent rebate for those Australians who choose to take out private health insurance.

It goes on. In October 2008 in a speech to the relevant association, Nicola Roxon said this:

Private health insurance consumers will still be able to claim the 30 to 40 per cent rebate and the lifetime health cover incentives will remain in place.

And then there was another one on 24 February 2009, as quoted in the *Age* newspaper. She is now the health minister of this country. Nicola Roxon said:

The government is firmly committed to retaining the existing private health insurance rebate.

So when is a promise not a promise? When it is given by the Australian Labor Party in the lead-up to a federal election. The fact that we are here today, yet again, debating these bills in the Senate, after they have already been rejected by the parliament, goes straight to the Labor Party and the lack of credibility that it has. All these bills show the Australian people is that Mr Rudd and the Labor Party made these promises as part of what one might describe as a contrived scheme of deception aimed at conning the Australian voters into believing one thing, when Mr Rudd knew that the Labor Party never had any intention on delivering on those promises.

Putting aside the fact that the bills that we are debating today represent nothing more

and nothing less than yet another one of the broken promises by the Labor Party, if we actually look at the policy itself, the policy is fundamentally flawed and, if implemented, will actually have a detrimental impact on the people of Australia. The Labor Party tells us that the measures contained in these bills are estimated to save \$1.9 billion over the forward estimates. And when one actually looks at those figures in terms of the Labor Party and its spending, one might say it is really just a drop in the bucket compared to the cash splashes that were thrown out by them, but with not one cent being spent on health. Do you know why? Because these bills have nothing to do with saving money. That is just the ruse, that is just the excuse that the Labor Party are giving. These bills represent nothing more and nothing less than the politics of envy. The Labor Party is ideologically determined to hit those Australians who are prepared to pay up and look after their own health needs. These bills represent nothing more and nothing less than Labor's ideological push to target the so-called rich of this country.

These changes represent just another phase in the unrelenting war that the Labor Party rages against private health insurance, because at the end of the day we all know one thing: Labor hates private health insurance. But that is where the Labor Party is so wrong. The problem for the Labor Party—that is, in targeting the so-called rich—is that the damage that will be caused if this legislation is passed is going to be much more widespread. It will end up affecting those people who cannot afford to look after their own health and take out private health insurance. So much for the Labor Party telling the people of Australia that they are the ones who try to look after the battlers.

The fundamental flaw in this legislation is that, whatever money the Rudd government tells the people of Australia it is trying to

save by implementing these measures, the actual effect of the policy once implemented will be the fact that the consumer, the average Australian person, will actually end up paying more either in terms of increased hospital waiting lists or increased private health premiums. People will actually drop out of private health insurance if these measures go through, and the only end result of that can be more pressure on the public health system. How is that a solution to the health crisis that this nation is actually facing? It is not a solution. It is bad policy. But, what is worse, it is bad policy based on nothing more and nothing less than an ideological war. The end result is going to be the restart of the catastrophic premium/membership death spiral of the 1980s and 1990s, when Labor almost wiped out private health insurance and almost destroyed Australia's health insurance system. So much for fixing our hospitals.

But what is new in that regard? Labor has been an abject failure in health previously and their record to date shows that they continue to be an abject failure in health. Remember Kevin Rudd—Mr Rudd, the now Prime Minister? He was the chief bureaucrat in Queensland under the Goss Labor government, which began widespread hospital closures and the removal of more than 2,200 hospital beds. That is how Mr Rudd fixes a hospital system. He balloons the bureaucracy while actually taking away the beds on the ground. That is a Labor Party solution to solving the health problems that Australia faces! These bills are not about saving money. They represent nothing more and nothing less than an ideological war that the Labor Party wages on those people who are able to afford—and only just, some of them—to take out private health insurance. It is an ideological war against those Australians who put aside money every week to take responsibility for their own healthcare needs.

It has been noted during the debate that it appears to be only those on this side of the chamber who have stood up to contribute. I note that not one Labor senator has yet fronted this chamber to justify to the Australian public why we are again being asked to push these bills through the Senate—not one member from the other side. Where is their explanation to the people of Australia as to why the Labor Party has done a complete backflip on a 2007 election promise and a 2008 promise when elected, continuing into 2009? Maybe they know that you actually cannot come into this place and defend the indefensible.

**Senator BUSHBY** (Tasmania) (11.03 am)—I rise today to speak on the Fairer Private Health Insurance Incentives (Medicare Levy Surcharge) Bill 2009 [No. 2] and a related bill. The fact that I am standing here today speaking on these bills astounds me. I recall clearly Minister Wong standing up immediately after the defeat for the second time of the government's CPRS legislation late last year and stating loudly and clearly that the legislation would be reintroduced as a matter of priority this year. Of course, this statement followed the pronouncement by the Prime Minister that the CPRS legislation was required to address the greatest moral challenge of our time.

So what has the government done with the CPRS? It has used its numbers to ram the legislation through the other place, but incredibly it failed to give the CPRS bills sufficient priority to bring them on here before the cut-off date. That is right, the government could not get its act together to get the legislation in here by the cut-off date—legislation that the government claims is needed to address the greatest moral challenge facing this generation, legislation that the minister said would be put before the parliament at the earliest opportunity. Clearly there appears to have been a greater moral

challenge for the government, and that can only be the breaking of a clear promise to the people of Australia to maintain the Medicare levy surcharge and the private health insurance rebate.

It is clear to all this week where the priorities of this government lie, pressing forward with measures that are in clear breach of undertakings made to the Australian people. What is not clear is the government's motivation. Did the Prime Minister really believe climate change to be the greatest moral challenge, or was it just a convenient political ploy that worked to wedge the then coalition government before the election? The lack of priority provided to their flagship measure for addressing climate change suggests it was probably the latter. Similarly, what motivations are behind the promise to maintain the levy surcharge thresholds and the private health insurance rebates followed by their current attempt to breach them? Again, a cynic would conclude the necessity of avoiding electoral backlash from everyday Australians with private health insurance cover may have had more to do with their promises prior to the election than any sort of commitment to maintaining the measures. Their current actions are illuminating in that regard.

The impact of the federal government's proposed changes to the Medicare levy surcharge thresholds on the public hospital system are of serious concern and should frighten all Australians who care about the public health system, and all state governments due to the impact on their responsibility for delivery of primary health care. Not only have Kevin Rudd and Labor broken an election promise on private health insurance—one that he put in writing, I note—but they have also broken a promise not to impose new taxes, which is exactly what this is: another great big new income tax. By the late 1990s, private health insurance membership

had collapsed to around 30 per cent of the population. In the June quarter 2008 it was 44.7 per cent. Make no mistake, this was all down to the Howard government's success in encouraging Australians to take out private health insurance cover, to take pressure off the public purse and the public health system—a system which was designed to help those who do not have the financial resources to cover their health requirements.

This was a remarkable turnaround, from 30 per cent in the 1990s to 44.7 per cent in 2008. It did not just happen in a vacuum. The turnaround was achieved through the deliberate and persistent introduction of measures in the first few years of the Howard government. Upon its election in 1996, that government saw the need for urgent and decisive action to redress the neglect that the private health insurance sector had suffered under 13 years of Labor, which had led to the numbers of privately insured falling consistently for many years prior to the election of the Howard coalition government. It is important to remember that this is not just a question about the health of the private insurance industry or even about those who can afford private cover. What Mr Rudd is proposing in these bills will punish those who have been paying to look after their own health and, by the government's own assessment, force tens of thousands of them into the public system, taking away resources from those who do not have the financial capacity to access the private system.

The issue is of huge importance to all Australians with healthcare needs and those who are close to them. Put simply, as the number of Australians and their families with private insurance falls, the number of Australians needing to access their healthcare needs through the public system increases, with consequent increases in demand for those publicly funded services and a greater inability by the public system to cope. And, as was

happening in the early to mid-1990s, the more people who drop out of private cover and take their chances in the public system—in general and for obvious reasons, the people who drop out of private cover tend to be those with no immediate healthcare needs—the more expensive the premiums become for those remaining in the private system, who for obvious reasons tend to be those who actually do have current healthcare needs, and the more likely it is that those remaining will be forced to drop out because they can no longer afford the higher premiums that result. As this works through the system, that will include many of those who do actually have immediate care needs but cannot afford the higher premiums. In the 1990s the result was an impending explosion in demand for public health care, with detrimental consequences looming for all Australians' healthcare needs. Wisely, the Howard government sought to address this through a series of three targeted measures now known as the three pillars: the 30 per cent rebate, lifetime health cover and the Medicare levy surcharge. With the three pillars and the delicate balance that they provide, the decline in private health coverage was arrested and we are now back at the levels of private health cover that we see today. But changes proposed by the government in these bills threaten to undermine the effectiveness of the three-pillars approach to private health funding, with enormous potential consequences for public health care in this country.

There are a number of facts that are relevant to this debate. Labor says it needs this tax because of the global financial crisis and its impact on the government's ability to fund health measures. But the fact is the government's attack on private health started in its first budget, before the global financial crisis, when it was still predicting large surpluses—and those were the days! Labor says

that these measures will save \$1.9 billion over the forward estimates, this coming in the same week that we see the pink batts program exposed as throwing away and wasting billions of dollars. The government says that scheme and other measures—such as the bungled Building the Education Revolution—are stimulating the economy. But the reality is that all these measures contain massive waste and inefficiency and any actual benefits could have been achieved for far less with better targeted measures that were better thought out. There is a total sum of around \$94,000 million, or \$94 billion, committed to stimulus measures. If better targeting and management could have resulted in just a 10 per cent saving on that spend, some \$9,400 million, or \$9.4 billion, could have been saved—not to mention the interest savings of at least half a billion dollars each and every year as less would have had to be borrowed. It becomes clear that Labor's attempt to disenfranchise middle Australians from their private insurance health cover cannot be justified on good management grounds.

While Labor rips \$1.9 billion out of the hands of private individuals, the government continues to borrow billions, raise taxes and distort the economy with ill-conceived, non-productive and badly run programs. If it isn't pink batts or Building the Education Revolution, it is the nationalisation of the communications network and a program of central control of the economy which is clearly going to see health nationalised as part of the government's head-long ideological rush towards a failed system that we all thought had ended decades ago. Raising the cost of people's private health cover will not fix the massive and unnecessary national debt that Labor has created. And the fact remains that encouraging people who can afford to make a long-term commitment to private health is good for the overall viability of a health in-

surance system built on the community rating approach, under which insurers are prohibited from charging premiums assessed on the basis of risk; that is, they cannot price-discriminate on the basis that a potential insured person is, for example, a smoker or on the basis of their age or family background or medical history or even their current medical condition. Indeed, having healthy people participate is a vital component of a system based on the community rating approach.

It is also important to note that private health insurance adds money to the health system. Over 10 million Australians have private health insurance. This means that over 10 million people are adding an amount, generally equal to 70 per cent of their private health insurance premiums, to the overall amount of money available to fund health care across Australia. And of course, yes, the government has also paid 30 per cent of each premium. As such, for every 30c in the dollar that the government spends on health care supporting the privately insured, a further 70c is contributed by individuals to the overall amount of money being spent on hospital health care across the country—but not if Labor has its way and introduces a reduced rebate. Looking at it the other way around, on the fairly sound assumption that without the delicate balance provided by the three-pillars policy people would drop out of private cover and that they may, sooner or later, require hospital care which would then need to be entirely funded from the public purse, the government is getting a return on its expenditure through the 30 per cent rebate of over 200 per cent; that is, for every dollar it spends assisting the private health insured it saves over another \$2.

In a sense, rather than the federal government subsidising people's private healthcare needs, the system is actually subsidising the

expenditure of all Australian governments on primary health care to the tune of 70c in the dollar for every privately health insured person in this country. But the government is prepared, through the measures contained in these bills, to put all this at risk. As a result of these bills, the delicate balance achieved through the three-pillars process will be destabilised, leading to a mass exodus—by the government's own figures as released in Treasury modelling last year—from the private health system mainly by, and this is important, those with little immediate need for hospital care. This will then lead to the semi-failure or even the complete failure of the community rating system as the loss of the premiums provided by those who have little need for current care will leave a greater proportion of those privately insured who do have high-care needs, thereby leaving the private insurers with the majority of expenditure while suffering a severe loss in income. As such, private health insurance premiums will go through the roof.

This in itself is bad. In the short-term it will lead to far higher premiums but it will probably have little impact on the public health sector, as the first wave of people leaving private health insurance as a result of higher premiums will have little immediate need to call on public health resources since they are probably the healthier of those who are currently insured. But what will be the further consequences? As private health premiums rise, the number of insured persons with little ability to pay higher premiums but with high hospital care needs—particularly older Australians—will increase. Shamefully, many will be forced to abandon their private cover because they simply cannot afford higher premiums. This is when the public health system will start to feel the full consequences of this measure—when the loss of the 70c in the dollar subsidy that privately insured persons provide, from their

own pockets, to the overall healthcare spend in the nation will come home to roost.

Over 10 million Australians are covered by private health insurance for hospital cover. There are 1.3 million people insured who are over 65 years of age, which is 50.3 per cent of all Australians in this age group. Members of health funds contributed \$10.6 billion to the Australian healthcare system in 2008, an increase of 10 per cent on the previous year. Fifty-six per cent of all surgical procedures are performed in private hospitals. Most of these are covered by private health insurance. Almost 15 per cent of public hospital admissions are privately insured patients. It is estimated that premiums will increase at a rate of around 10 per cent or more per year from 2011 to 2012, rather than the five to six per cent increase that we see currently.

Inevitably, in the next Australian healthcare agreements there will be demands from the states for additional public hospital funding from the Commonwealth to compensate them for extra pressure on their public hospitals directly arising from the passage of these bills. The consequences for the private health sector—not just private health insurance but the providers they fund—and the public hospital system are completely ignored by this government and, tellingly, by the state Labor governments. Hopefully, there will be a couple fewer of those in a few weeks time.

The changes to the private health insurance rebate are just the latest phase in Labor's unrelenting war against private health insurance. It is undeniable that Labor hates private health insurance. The coalition introduced an open-ended private health insurance rebate, because, for every rebated dollar, a privately insured person contributes two more to our health system as a whole. The coalition believes in the right of all Australians to take charge of their own health-

care needs and plan for the future. We have always worked hard to deliver incentives to promote the uptake of private health insurance and take the pressure off Medicare. People will drop out because they cannot afford the much higher premium increases. That will restart the catastrophic premium membership death spiral of the 1980s and 1990s, when Labor almost wiped out private health.

If tens of thousands of people now give up their private cover, the Prime Minister and this government will be directly responsible for a massive blow-out in public hospital waiting lists. At this stage, there is no indication that any meaningful compensation or allowance will be made by the Commonwealth to compensate for the impact on the states and territories of this measure that we are debating today. The Australian Medical Association has said:

Changes to the 30 per cent Private Health Insurance Rebate mean many Australian singles and families will pay a lot more for health insurance, and if you don't keep your private health insurance you'll be slugged with an increased Medicare Levy surcharge. They get you both ways.

Labor clearly promised prior to their election that they would maintain the Medicare levy surcharge, but they are now opening the door for thousands of people to leave private health insurance. Sick people already wait for hours in public hospital emergency departments, despite the big increase in bulk-billing since 2003. Australians still wait months for elective surgery, despite a 16 per cent real increase in federal funding for state-run public hospitals by the previous government under healthcare agreements. People who leave private cover as a result of these changes will now add more waiting time and people to these lists.

Fewer people covered by the surcharge means less money invested in the health system. At present, a family on \$100,000 a year

takes out private health insurance or pays an extra \$1,000 to Medicare. Statistically, most families in this situation have private insurance, which means that they do not compete with less financial people for elective surgery in public hospitals, or they can contribute to public hospital revenue by electing to be treated as private patients. Under the measures contained in this bill, these families will have far less incentive to be privately insured.

On 12 May 2009, The Australian Health Insurance Association said:

The Rudd government's decision to dismantle the private health insurance rebate will place increased pressure on the public hospital system and force up premiums for those Australians who take responsibility for their own health care by taking out private health cover. Every single one of the more than 11 million Australians with private health insurance (one million of whom live in households with an income of less than \$26,000 pa) will have to pay more for their private health insurance as a direct result of this policy.

The Prime Minister himself has undertaken not to play with the three-pillar system. In a letter to the Australian Health Insurance Association, the Prime Minister said:

Both my minister for health, Nicola Roxon, and I have made clear on many occasions this year that federal Labor is committed to retaining the existing private health insurance rebates, including the 30 per cent general rebate and the 35 and 40 per cent rebates for older Australians. Federal Labor will also maintain Lifetime Health Cover and the Medicare Levy Surcharge.

No wonder Australians are questioning the Prime Minister's ability to do what he says he will do. Let us not forget Labor's abject failure in health. Kevin Rudd has promised big but delivered little. Of the billions of dollars splashed around in the stimulus package, not one cent went to health. The billions spent on insulation batts have been more important to this government than people

continuing to fund their own health needs—or building hospitals or paying doctors or nurses more money.

Labor's overriding promise was to 'fix' the nation's hospitals. Labor 'had a plan', Mr Rudd told Australians, 'to end the buck-passing' between Canberra and the states. He had 'a long-term plan' to fix the nation's hospitals, and the 'buck would stop' with him. Mr Rudd went further—he promised to 'fix' hospitals by mid-2009 and said that 'if significant progress' on hospital reform had not been achieved by then his government would 'seek a mandate from the Australian people at the following federal election for the Commonwealth to take financial control of Australia's 750 public hospitals'.

But the hospitals remain unfixed and, as evidenced by the legislation we are debating today, it has not taken long for the old ideological hatreds within Labor to emerge in the government. This attempt to limit access to private health insurance rebates—which would see people downgrade or drop their cover—is an instance of that. We see the government's attempt to introduce superclinics—there are only 12 operating out of the 36 promised—along with their attack on private hospitals and health insurance, and we have to ask: are they trying to move us to a British-style national health system?

Working families, low- and fixed-income earners, the elderly and people living in rural and regional Australia will be hardest hit by the consequences which will flow from this ill-conceived policy. This legislation represents bad policy, appears hard to justify on any of the measures put forward by the government and will ultimately lead to the undermining of the public-private healthcare balance achieved in this nation.

**Senator PARRY** (Tasmania) (11.23 am)—I rise to speak on the Fairer Private Health Insurance Incentives (Medicare Levy

Surcharge) Bill 2009 [No. 2] and the Fairer Private Health Insurance Incentives (Medicare Levy Surcharge—Fringe Benefits) Bill 2009 [No. 2]. I will commence my contribution to this debate by commending Senator Bushby, who, like a number of my other colleagues, raised the issue of the Prime Minister's promise to the nation prior to the last federal election that he would not remove the private health insurance rebate. This to me has been the core of this debate. Articulated by coalition senators throughout this debate has been the core issue of a broken promise. It is worth repeating again. It will be in *Hansard* many times so that, when people read each of these speeches in coming months, they can clearly understand the core promise that was broken by Mr Rudd. I will read it again for the benefit of listeners:

Both my Shadow Minister for Health, Nicola Roxon, and I have made clear on many occasions this year that Federal Labor is committed to retaining the existing private health insurance rebates, including—

as Senator Bushby clearly said a moment ago—

the 30 per cent general rebate and the 35 and 40 per cent rebates for older Australians.

Mr Rudd said that in a letter addressed to the Australian Health Insurance Association on 20 November 2007 which has since become public.

The core issue is commitment by a government to the people of Australia. If you make promises during an election campaign, the people, when they go to the ballot box, expect to have those promises fulfilled. Promises on health matters are always core promises. Health matters are very significant. I have three quotes I wish to read out on the theme of promises or commitments that the Prime Minister made to the Australian people prior to the last election. The first one is from a press conference held by the Prime

Minister on 29 February 2008. This is generally on keeping election promises. He said:

Trust is the key currency of politics, and unless you can be trusted to honour that to which you've committed to do, then, I've got to say, you're not going to obtain the enduring respect of the Australian people.

Well, Mr Rudd has broken his own promise as well as breaking other promises. In breaking this commitment on the private health insurance rebate, he does not have the enduring respect of the Australian people. He then said, to the National Press Club, on 27 August 2008:

When we formed government, I said I had no intention of recycling the absolute cynicism of previous governments - making a swag of pre-election commitments then renege on them as "non-core" promises.

He also said, at the Australian War Memorial, on 17 March 2008:

We're going to adhere to the integrity of the budget process but all working families, all working families will be protected by our Government in the production of that budget and we will honour all of our pre election commitments. Every one of them, every one of them.

Well, he is not going to do that. If protecting working families does not involve keeping the private health insurance rebate, what does? That is an essential element in the budgets of many families. That is what keeps them in the private health insurance system.

My colleagues have indicated, in previous contributions to this debate, that the burden upon the public hospital system will be increased exponentially in some areas because of people dropping out of the private health insurance system. We have an overburdened system as it is. To add complication to this by removing the rebate is just beyond comprehension. I cannot understand why a government with the flavour of Labor want to hurt families. That does not make sense.

Their rhetoric is certainly not matched by their actions in relation to this legislation.

I contrast a promise that Prime Minister Howard made in 1996. Mr Howard has often been badgered about this promise, but let us get clearly on the table the facts about how his honesty and integrity stand up to Mr Rudd's. In 1996, Mr Howard promised there would be no goods and services tax introduced, and he kept that promise throughout that term of government. During that period it became obvious that a GST was required and would be—as it has proven to be—very beneficial to this country. What did Mr Howard do? He said: 'I gave a commitment not to introduce the GST. However, on the evidence now facing me, I want to introduce a GST. But I will go back to the people and let the people of Australia decide before that implementation takes place.'

Let us contrast that with what Mr Rudd has done. Mr Rudd said prior to the election, 'There will be no removal of the rebate.' Now he has introduced legislation into the parliament to remove that rebate, to hurt the working families he so wants to protect, without giving the people of Australia a chance to make a decision about that. A promise was given by Mr Howard. He changed his mind and then went back to the people in a very open, honest and sincere manner. A promise was given by Mr Rudd. He changed his mind and said, 'Let's run the legislation through the parliament; let's not include the people in this decision.' That shows a huge contrast between the style of government that Mr Rudd has now and the honesty and integrity that we had when we were in office. We had the guts and the fortitude to say, 'Yes, we have changed our minds but we're going to go back to the Australian people to get their approval before we implement legislation which is going to have a serious impact on their lives, financially.'

Mr Rudd's legislation is going to have a serious financial impact on people's lives. That is one aspect of this debate, and that has been covered adequately by all of my colleagues. However, the main aspect is going to be the psychological, emotional and physical comfort of the Australian families who will have to opt out of the private system and go into the public system. The public system, as we know, is overburdened.

I want to highlight some issues from my home state of Tasmania in relation to the overburdening of the public system. We have an election coming up on 20 March in Tasmania—as you would be aware, Acting Deputy President Hurley, as you are also from the lovely state of Tasmania. The election will be fought on a number of issues, but a contrasting issue will be health. We have a leader, in Will Hodgman, and a shadow health minister, in Mr Brett Whitely, who wish to improve the waiting list times in our Tasmanian hospital system, enabling Tasmanians to have elective surgery and other aspects of treatment at a rate that the current Labor government cannot achieve.

If Mr Rudd's bills concerning the rebate pass through this place, the good work that the Tasmanian Liberals are about to undertake if they win office—and all indications are that they are going to come very close to winning office—will be undone. The hard policy line that the Tasmanian Liberal team want to take will be undone because of the additional workload that will be placed on hospitals. There are 218,000 Tasmanians who currently have health insurance—that is 43.2 per cent of the population covered by private health insurance—which is assisting to take the burden off the public sector. If this rebate is removed, that burden will be placed squarely back onto the public sector by the so-called 'working families' that Mr Rudd wants to protect.

We are talking about income levels where the rebate will be removed. We are talking about income levels that are not really high. Take a married professional couple with three or four children. The combined income of the two professionals—teachers, policemen or nurses—will be hit fairly significantly by the rebate. This is an important aspect that I think the Prime Minister and his health minister have overlooked—the rebates are going to cut into ordinary families. The thresholds are ridiculously low for families who get out there and work, contribute and assist in easing the burden on the public system.

Waiting times in Tasmania, as I indicated, have increased from 34 days to 46 days, and 7,750-odd people are on these waiting lists at any given point in time. That is an increase of 600 people on the waiting list since 2006. Now, if the rebate is removed, we are going to have the terrible situation of additional people being placed on those waiting lists. Our hospital systems, as they are currently managed, could not run with those additional burdens.

We have had others indicating that the rebate should not be removed. In particular, some of the key industry stakeholders have indicated that the rebate should stay. We could argue that, yes, the private health industry has a vested interest in maintaining rebates. However, the fact is—as Senator Bushby put it—that every one dollar that is placed into the private health system saves two dollars in the public health system. That has to be a good thing. That has to be something that this government should want to continue.

Why does the government—in the false set of economic figures—want to remove that assistance from the private sector and place it squarely on the public sector? It just does not make sense. Again, as I indicated, if

Mr Rudd is concerned about looking after working families why is he doing this? What is the purpose of putting this hurt onto families? As some of my colleagues have asked, is it some kind of ideological warfare? The facts do not add up. The argument that it will be assisting working families does not add up. And there will be a public backlash, which the government probably has not even thought of.

Is this something deep-seated, deep-rooted? Is this an evolution of something that started way back in the past? Does it not really matter what the facts and figures are or how they are presented—do they just think, ‘We don’t want to see people on a salary over \$60,000, \$70,000 or \$80,000 getting a rebate’? Is there some deep-seated issue that we are not aware of and that the government are not coming clean about?

I do not know; I just know that the policy does not make sense and that the community backlash would be enormous. That is why—I go back to my point about broken promises—the Rudd government will, mostly likely, not go to the people on this issue. There would be a backlash. So they have to pass it in the mid-term or towards the latter days of this period of the parliament. If we went to the coming election with this policy, I am sure Mr Rudd would feel the full brunt of the people of Australia. And maybe, if this bill did pass through the Senate and become law, the people would remember and there would be a backlash towards the Rudd government for breaking yet another promise.

This goes to the core of what Mr Rudd’s government is doing in breaking promises—more than any other government that I have ever seen. A litany of promises is slowly but surely being compiled and documented. The original shine on this Prime Minister, along with the original thought that this Prime Minister would be good for Australia, is

slowly but surely coming off. It is becoming a talking point throughout this country that Mr Rudd is not standing up for what he first said.

I go back to my point about the contrast with Prime Minister Howard. When he changed his mind he had the guts and the decency to go to the people of Australia and say: ‘I’m changing my mind. The coalition has a different view to what we had prior to the last election. I’m going to give you, the people of Australia, a chance to make a decision on this, and you can throw me out of office or re-elect me.’ History tells us that we were re-elected on that issue, and the GST has become a prominent part of Australia’s economy and has assisted the states enormously.

So Mr Rudd needs to rethink this. He needs to really consider the impost he is placing on families. He needs to really consider the implications of breaking yet another election commitment. If he does have any decency about him, he should just come clean and say: ‘It’s a mistake. We are focused on an ideological issue here. It does not make sense. Let’s just drop it.’ But I think we have come to see that there is a little bit of arrogance creeping into the prime ministership. I think the Prime Minister thinks he is not vulnerable at all. I just hope that the Australian people judge him correctly on this issue and try to sort through the smoke-screens to see why the government wants to remove this rebate and really consider the other promises that the Prime Minister has made and failed to deliver on.

These promises go over many, many issues. I do not have enough time to highlight them all, but there are a lot of things: Fuel-watch, GROCERYchoice and the takeover of hospitals that was intimated by the Prime Minister. Now he just wants to have a takeover of discussions about hospitals; he does

not want to take them over at all. He said he would be simplifying paperwork and reining in corporate salaries. He has had issues with bank deposit guarantees and even with where he was going to live, as well as the Special Envoy for Whale Conservation. The list of issues that this Prime Minister is committed to and has completely ignored or failed to deliver upon goes on and on.

As I said in my opening remarks, nothing goes to the core of Australian issues and honesty as does health. Health is a very important issue in this country. Health is a very important issue for all the working families and others in Australia. Promises that were made—promises that potentially could have changed a decision at the last election—have not been kept. A promise on health is one you do not break, and you do not continually break promises on health through an election period or through the cycle of a parliament. I think Mr Rudd really needs to take a long, hard look at where he is going with the health rebate and stop the silliness and apologise and come clean to the Australia people.

**Senator MINCHIN** (South Australia) (11.39 am)—I am honoured to follow my colleague Senator Parry in condemning this legislative attack on private health insurance. The coalition remains steadfastly opposed to the Fairer Private Health Insurance Incentives (Medicare Levy Surcharge) Bill 2009 [No. 2] and the Fairer Private Health Insurance Incentives (Medicare Levy Surcharge—Fringe Benefits) Bill 2009 [No. 2] despite the fact that our vote on this legislation will hopefully lead to its defeat. This will, of course, give the government another mechanism by which it could dissolve both houses. That does not deter us from our determination to see this horrendous and outrageous legislation defeated. We say that because, as my colleagues have emphasised, this is one of the most extraordinary and blatant

breaches of a profound and clear and unqualified election commitment by the Labor government that we have ever seen.

These changes to implement a means test for the private health insurance rebate and increase the Medicare levy surcharge for certain income levels will affect all Australians reliant on the health system in this country. This attack, as it is, on private health insurance is a clear indication of the inherent ideological contempt that the Labor Party has for private health insurance which we have seen repeatedly over the years. Most importantly, it is a breach of a fundamental election commitment made by the Labor Party to the Australian people before the last election. They promised the Australian people that they would keep the private health insurance rebate as it was. On the eve of the last election, in a letter to the Australian Health Insurance Association, then opposition leader, Kevin Rudd, said:

Both my Shadow Minister for Health, Nicola Roxon, and I have made clear on many occasions this year—

that is, 2007—

that Federal Labor is committed to retaining the existing private health insurance rebates, including the 30 per cent general rebate and the 35 and 45 per cent rebates for older Australians.

It could not have been clearer or more unqualified. We have never trusted Labor on this. We have always said to the Australian people, 'You should not trust Labor on the subject of private health insurance.' Labor has a longstanding and deeply rooted hatred of private health insurance. But, of course, in 2007 Labor accused us of running a scare campaign on the matter. Then shadow health minister, Ms Roxon, said in a press release on 26 September 2007:

The Liberals continue to try to scare people into thinking Labor will take away the rebates. This is absolutely untrue.

As we now know, it was absolutely true. Only one party has now proven that it misled the Australian people prior to the last election, and that is the Australian Labor Party. They promised the world prior to the last election, and it is now catching up with them. As we have seen, they have broken this fundamental commitment in relation to the private health system.

While in government Labor continued publicly to commit to leaving the rebate unchanged, even as late as February of last year, but we now know that the Minister for Health and Ageing was getting advice on imposing a means test on the rebate. It was only because of the coalition's belief, when in government, that Australians should have a choice in regard to health care that the significant decline in private health fund membership brought about by Labor's last term in government was curtailed and reversed. Through a series of measures under our government, such as the rebate on premiums and Lifetime Health Cover, the former coalition government, frankly, rescued private health insurance in this country, bringing membership levels up to a sustainable 44 per cent of the population, compared with 34 per cent under Labor when we came into office.

We as a coalition have always believed in a balance between public and private health as being fundamental to the health system in this country. We do believe that a strong and affordable private health sector eases the pressure on the state public hospital systems, which we all know are under relentless pressure. Members of private health funds contributed \$10.6 billion to the Australian healthcare system in 2008, an increase of 10 per cent on the previous year. According to the Australian Health Insurance Association, its data:

. . . also demonstrates that the private health sector has contributed to a greater increase in the provision of in-hospital treatments since the in-

roduction of the 30 per cent rebate. Since 1998-99, when the rebate was introduced, in-hospital treatments in the private sector have risen by 60 per cent, compared to a 25 per cent increase in the public sector's capacity in the same period.

I go on to quote the AHIA:

The rebate is therefore an important policy component which assists in keeping premiums as low as possible for all Australians with private health insurance, especially the 1 million Australians who live in households where the household income is under \$26,000 a year.

So there is no doubt that the private health insurance system does play a fundamental role in our healthcare system. The association stated in their submission to the Senate inquiry into this matter:

The 30% Rebate represents an effective investment in the health system by the Australian Government because every dollar that the government contributes towards the private health insurance rebate is matched by more than two dollars by the individual. The AHIA is concerned that the means - testing of the rebate, with its projected savings-to-government of \$1.9 billion over five years, could reflect a total withdrawal from the health system of up to \$6.3 billion in funding over that period.

Any attempt to undermine private health insurance will inevitably have a dramatic impact on the public system as more people inevitably abandon their private health insurance to rely solely on the public system. We in the coalition are certainly not convinced by the government's arguments in relation to the rationale for these bills. Nor are we convinced that they have acknowledged the full ramifications of this attack on the private health insurance industry.

This package of measures, as we know, imposes a decreased rebate, on a sliding scale, for singles earning over \$75,000 and couples earning over \$150,000. The rebate will decrease to 20 per cent for single people on incomes of \$75,000 to \$90,000 and for couples on combined incomes of \$150,000 to

\$180,000. The rebate will decrease further to 10 per cent for single people on incomes of \$90,000 to \$120,000 and for couples on combined incomes of \$180,000 to \$240,000. Payments will cut out completely at \$120,000 for singles and \$240,000 for couples. The government, on its own figures, admits that 40,000 people will drop private cover as a result of this measure. On the government's figures that comprises 25,000 people expected to drop their hospital and general treatment cover; 10,000 with hospital and general treatment cover expected to keep the hospital cover but drop the general cover; and 5,000 people with general treatment expected to drop that cover.

But I think there is evidence that the Treasury modelling is unduly optimistic. The Australian Private Hospitals Association said in their submission to the Senate inquiry:

Both Treasury and the Department of Health and Ageing, in providing advice to the government, have made some assumptions that are, to say the least, open to serious question.

Catholic Health Australia commissioned research by Access Economics which showed that five times the number of Australians would quit their private health insurance as a result of these changes. Their commissioned research indicated that approximately 100,000, or more, Australians would abandon private health insurance. The CEO, Martin Laverty, told the Senate inquiry that the difference in the results of the Access Economics modelling and the Treasury modelling was due to Treasury assumptions around price elasticity. Catholic Health said:

Treasury is assuming that an income earner on \$75,000 a year has the same spending power as an income earner on some \$250,000 a year. Treasury has applied a price elasticity formula to someone on \$75,000 as it has to someone on \$250,000. If you think about that for a moment, it is assuming that, if there is a 10 per cent increase in the cost of private health insurance for some-

one on \$75,000, that would mean an average policy is going to be about \$2,000. That would represent 3.4 per cent of the take-home income of someone on \$75,000 as opposed to 1.2 per cent of the take-home income of someone on \$250,000.

So, clearly, there are major flaws in the Treasury assumptions by which they have arrived at the numbers of people they think will drop private health cover. The CEO of the AHIA, Dr Michael Armitage, told the Senate committee examining these bills that their research indicated that significantly more would abandon their private health insurance as a result of this disastrous policy. Dr Armitage told the committee:

... up to 240,000 Australians are likely to exit their cover as a result of the legislation. This number represents a decline in membership 10 times greater than that projected by the Department of the Treasury. Further, we have calculated that 730,000 Australians are likely to downgrade their level of private hospital cover and an additional 775,000 Australians will exit their general treatment cover for matters such as dentistry as a consequence of the policy.

So this decision to means test the private health insurance rebate, representing as it does a fundamental breach of an undertaking to the Australian people, will have a dramatic effect on premiums and on public hospital waiting lists. Catholic Health Australia estimates this measure would mean another 36,000 people joining public hospital queues. Inevitably, that will mean there will be demands from the states for additional public hospital funding from the Commonwealth in the next Australian healthcare agreements to compensate for the extra pressure that this government, by dint of this disastrous policy, is going to put on the public hospital system.

It is estimated that premiums will increase at a rate of around 10 per cent, or possibly more, per year from 2010-11 rather than the five to six per cent as of now. We have just seen a six-odd per cent increase approved by this government—well, just watch this

space: the increases that would result from this policy, were it to be implemented, would all be that much greater. Private health fund Bupa told the Senate committee that premium increases as a result of this policy will affect all holders of private health insurance, not just the so-called 'higher income earners' which this government is attacking. Further, Bupa highlights the risk that it is younger people who are expected to downgrade or abandon their cover. The Australian Private Hospitals Association, like others, are concerned about how these changes will undermine the community rating system as those least likely to make a claim drop out of the system. They highlight:

... major changes that undermine the fragile balance of the insured population—

such as these proposed changes to the PHI rebate—

will have severe effects on the capacity of health insurers to continue to pay claims without needing to raise premiums.

The Private Hospitals Association also points out, as have many others, that waiting times for public hospital waiting lists can only go up as a result of the government's means testing of private health insurance.

And there is a double hit to these individuals and families, of course—not only does the rebate decrease but, if you drop your private health cover, the Medicare levy surcharge increases. So they get you going both ways. It will go up to 1.25 per cent for people on incomes of between \$90,000 and \$120,000 for singles and \$180,000 to \$240,000 for couples. Then it rises to 1½ per cent for single people on incomes over \$120,000 and families earning over \$240,000. 'Sock it to the'—so-called—'rich' has been a Labor mantra from the beginning of the Australian Labor Party's existence.

There is an overwhelming weight of evidence that this is a deeply flawed policy that

will impact on the entire healthcare system in a very damaging and detrimental manner. What we have seen this government progressively do is try and impose means testing on a number of programs as a way of finding savings rather than getting into the business of addressing the core issue of its reckless spending. We have seen the recklessness of that spending on a grand scale with the disaster of the Home Insulation Program.

In relation to private health, they have sought to implement these changes with very little real and well-based analysis of the flow-on effects to all those who are privately insured and the dramatic effects that this will have on the public hospital system of this country. The opposition remains completely opposed to these unjustified policy changes. We condemn Labor for an extraordinary and blatant breach of an election commitment, for which they have given no rationale and no excuse to the Australian people. This is very bad policy. We remain steadfastly opposed to this ideological ALP attack on private health insurance.

As I said at the outset, this is the second time that the Senate has considered this disastrous package of measures. The opposition urges the whole Senate to oppose these bills yet again, despite the fact that that would give the government a second trigger for a double dissolution election. Labor has broken a fundamental promise that it made to the Australian people in a completely unqualified fashion. It is a crusade by the Labor Party to undermine the private health system and, by dint of that action, increase pressure on the public hospital system that is so important to so many Australians. These measures should not be supported. The government should find other ways to reduce the massive debt and deficits that it has created by its reckless spending in office.

**Senator FIELDING** (Victoria—Leader of the Family First Party) (11.54 am)—The Fairer Private Health Insurance Incentives (Medicare Levy Surcharge) Bill 2009 [No. 2] is before us. It is entirely linked to the Fairer Private Health Insurance Incentives (Medicare Levy Surcharge—Fringe Benefits) Bill 2009 [No. 2]. They go hand in hand. They are completely linked. You cannot debate this bill without debating the other bill to cut the health insurance rebate for thousands of Australian families. They need to be considered together.

The Rudd government wants to hike up the Medicare levy surcharge that Australian families will have to pay if they decide not to take up health insurance. Why is the government doing this? It knows very well that cutting the 30 per cent health rebate, which many Australian families rely on and depend on, will make private health insurance more unaffordable for many Australian families. The government also knows that, if you drastically reduce the health rebate, you face the huge risk of people exiting the private system and further overburdening our public system, which is already under the pump. Already, many families are going to feel the pinch after the announcement yesterday that health insurance is set to go up by another 5.8 per cent—around that figure—from April this year. That means that the costs to Australian families of comprehensive health insurance—which does not even include extras such as optical, physio and many dental services, and all the other expenses that families rack up throughout the year—will be just short of \$3,000.

What is this government trying to do to help? I do not know about help: it is trying to jack up the Medicare levy surcharge so that all those people who cannot afford the increase in health insurance will be forced to grin and bear it—otherwise, they are going to be slugged with a higher Medicare levy

surcharge. That is not fair. It is another Rudd slug.

This is like a double blow. It is like whacking the Australian public for six and then the very next ball whacking them for six again. First you get told that your health insurance is going to go up. Then you get told that there is nothing that you can do about it. This hardly sounds like the kind of policy that should be coming from a government that pretends to be looking after working families. The Rudd government has proven itself to be a phoney with health. It is all talk about helping families, but when push comes to shove it is all spin and no substance. The Rudd government is most vulnerable on health. I have been saying this for a while. The Rudd government has overpromised and underdelivered on health. This is clearly an issue for the Rudd government. They are not listening to the Australian public. The idea of making it harder for Australian families with health is not on. We will not be supporting a clear breaking of an election promise on the health insurance rebate. We will also not be supporting this idea of penalising families with a higher Medicare surcharge just because of the other bill that you are bringing in. It is wrong. The Rudd government needs to be held to account on this issue.

**Senator BIRMINGHAM** (South Australia) (11.57 am)—I thank the Senate for the opportunity to speak on these important pieces of legislation, the Fairer Private Health Insurance Incentives (Medicare Levy Surcharge) Bill 2009 [No. 2] and the Fairer Private Health Insurance Incentives (Medicare Levy Surcharge—Fringe Benefits) Bill 2009 [No. 2]. These are measures that speak volumes of the contempt that the Rudd government holds for the Australian people and for what the ALP said and did going into the last election. This legislation is a clear example of the government saying one thing to get elected and doing another thing in office.

That is the tragedy behind so many stories of the way that the Rudd government has approached these things. But private health insurance stands out as one of the strongest and clearest examples of failings by the government to live up to its word and to live up to the promises that it made to millions of Australians.

Private health insurance is an issue that affects all Australians, whether they have it or they do not. That is something that is often misunderstood and misinterpreted by those on the other side in the way that they present information in this debate. A strong private health insurance industry helps all aspects of the health sector. A strong private health insurance sector that keeps people utilising private hospitals and private health facilities reduces demand on the public health sector. It is a very simple formula. It reduces demand on public hospitals and, in doing so, helps to ease what are very long and unacceptable waiting lists and delays at a state level.

The problem with the approaches and the policies of the Rudd government is that they will reduce the incentives for people to take out private health insurance and strip support for the taking out of private health insurance from many thousands of Australians. In doing so, they will ensure that the take-up rate of private health insurance is lower and that public support for and utilisation of the private healthcare sector is reduced. As a consequence, demand and pressure on the public sector will increase.

That is why this issue affects all Australians, whether they have private health insurance or not. All Australians should be concerned that this government—which promised not to fiddle with private health insurance rebates and which from Prime Minister Rudd down gave its solemn word in the run-up to the last election that it would not

change anything—wants to break its promise on this and that, for the second time around, has brought legislation to this place to try to break its promise in this key area. Once again, we see the Australian Senate acting as both the barrier between the government and the breaking of its own promises and the body that tries to keep the government honest on what it delivers to the Australian people.

Between nine and 10 million Australians have private health insurance, and many of these people will be directly impacted by the changes that this government is attempting to introduce. We know that when Labor was last in power the private health insurance sector was a shadow of what it is today. It was a shadow of what the Howard government helped it to build itself up to. We saw during that period of Labor government that the participation rates in private health insurance dropped from 67 per cent in 1983 to just 33½ per cent in 1996. In 13 years of the Hawke-Keating Labor government attempting to manage private health insurance we saw this massive reduction—that is, a halving of participation in the private health insurance sector.

What will we see under the Rudd government? Based on its current policy and approaches, we will see the same type of outcome. We will see that its attacks on the health insurance sector and the taxes that it is applying to ordinary Australians who want to do their bit to look after themselves, their families and their health insurance will cause these rates to plummet yet again. The government broke its word to the Australian people after the last election, and I am sure that this will be the first of many assaults that this government launches on the health insurance sector, the nearly 10 million Australians who have health insurance and every single Australian who has an interest in the

private health sector and, indeed, the health sector overall.

This debate impacts on every single electorate across Australia. Many of the South Australian electorates are directly affected by private health insurance. South Australia has among the highest numbers of older Australians in Australia. Older Australians cling to their private health insurance because they know how important it is. They go without to hold onto their private health insurance because they know how important it is. South Australians in every one of our federal electorates hold onto their private health insurance because they know how important it is for them to be able to access the private healthcare system, to do their bit to look after themselves and, in doing so, to ease the pressures on the public healthcare sector.

Let us look at some of those electorates where there will be a very direct impact on thousands and thousands of South Australians. In the electorate of Wakefield, there are some 44,567 voters who are estimated to have private health insurance. Nearly 63,000 people across the electorate are covered by that insurance—families with younger people—

**Senator Fierravanti-Wells**—And Labor voters.

**Senator BIRMINGHAM**—Indeed, many of them are Labor voters. In the seat of Wakefield, which the Labor Party won from the Liberal Party at the last election on the promise that they would not fiddle with private health insurance—‘not one jot, not one tiddle’ were the famously bizarre words of the Prime Minister when giving his commitment not to fiddle with private health insurance—there are 63,000 people. Where has Nick Champion, the local member, been on this issue? What has he been doing to champion the many people in his electorate who will be negatively impacted by the tax and

attacks on private health by this government? In the electorate of Grey, 64½ thousand people have private health insurance—that is, around 47 per cent—and I am sure that a good many of them are Labor voters, as Senator Fierravanti-Wells pointed out before. I know that Rowan Ramsey, the member for Grey, has been pursuing this issue passionately, and at least he has stood up for the voters in his electorate.

I am sure that 47 per cent of voters in Grey will be grateful to Rowan, as will the people in Barker, where the local member, Patrick Secker, has stood up for the 48 per cent of people in that electorate who have private health insurance. Nearly 70,000 people in the electorate of Barker have private health insurance and will be impacted by this legislation. Patrick Secker has been out there with Rowan Ramsey talking about the impact in his electorate and standing up for his voters.

That stands in stark contrast to the electorate of Port Adelaide, where the local member, the Parliamentary Secretary for Health, Mark Butler, is a key defender of these attacks on private health insurance. He is defending them notwithstanding the fact that 67,400 people living in his electorate have private health insurance coverage and that those people will be impacted by his and his government’s decision to attack the private health insurance industry and make it harder for them to maintain their private health coverage. That is what it comes down to: it is making it harder for them to maintain it.

Another seat that the Labor Party won at the last election was Kingston. Another new member, Amanda Rishworth, joins Nick Champion, from Wakefield, in having gone silent on this issue. She has been dead quiet when it comes to standing up for her electorate. But she should be standing up for her

electorate because, in Kingston, 55 per cent of people have private health insurance—that is right: 75,400-odd people living in the electorate of Kingston have private health insurance, which is the majority of households and families. They are doing their bit to look after themselves and will be penalised by the decision of the Rudd government that their local member, Ms Rishworth, is supporting.

An electorate with an even higher proportion of private health insurance is Adelaide, represented by Kate Ellis, a minister in this government, no less. She is, once again, defending this policy despite the fact that 68 per cent of households in her electorate are covered by private health insurance. That is up to around 89,000 people in the electorate of Adelaide who have coverage—old people and young people, on the roll and not on the roll. A clear majority of people in the electorate of Adelaide who commit themselves to doing their bit to help the system overall will be penalised by the decision of Ms Ellis and the Rudd government to make it harder for them to keep up their private health insurance.

In the adjacent electorate of Hindmarsh, Mr Steve Georganas, who chairs one of the parliament's committees on health and ageing matters, seems to think it is acceptable to attack the private health insurance industry. This is notwithstanding the fact that, estimated on previous figures, 89,193 people—or some 68,000, or 69 per cent of, voters—in Hindmarsh, an electorate that statistically has been shown time and again to have one of the highest proportions of older Australians anywhere in the country, have private health insurance. Many of them will be hurt by this decision. Where has the Chair of the House of Representatives Standing Committee on Health and Ageing been? Where has the member for Hindmarsh been in standing up for nearly 70 per cent of his electorate? Where has he been as the representative of

the electorate in Australia with one of the oldest populations and therefore, unsurprisingly, such a high level of private health insurance? These members all stand condemned for their failure to champion the issues in their electorates.

The final electorate in South Australia is Sturt, represented by Christopher Pyne. It has the highest, 70-plus per cent, coverage of private health insurance in South Australia. Christopher Pyne, Patrick Secker, Jamie Briggs in Mayo, which has an equally high level of private health insurance coverage, and Rohan Ramsey in Grey have all championed the tens of thousands of families in their electorates who will be hurt by this measure. But we have heard not a peep from any of these Labor members, in particular Mr Georganas, who represents an electorate with such an aged population. This is the shame of it.

I have gone through those statistics to demonstrate that there is a clear reason why the opposition is taking a strong stance on this issue. We are taking a strong stance because the policy issues stack up. As I explained at the beginning of my contribution, it is about protecting the private health insurance sector so that we can sustain the public health sector in a strong way. But it is also about standing up for voters, standing up for people who will be adversely affected by this measure and standing up for the people who heard the promises of the Rudd Labor government during the last election campaign that it would not change anything to do with private health insurance rebates—not one jot; not one tiddle, as I have said before. Instead, the Rudd government has come in and, in one fell swoop, is attempting to hit so many voters so hard on this issue that is so important to them.

That is why we will continue to stand steadfast in our opposition to these changes.

We will continue to oppose the government. We will continue to ensure that, no matter how hard the government try to break their promises, we will be there holding them to their promises, holding them to do what is right and, in doing so, standing up for the millions of Australians who will otherwise be hit by this seriously wrong policy measure.

**Senator LUDWIG** (Queensland—Special Minister of State and Cabinet Secretary) (12.13 pm)—in reply—I thank senators for their contributions and appreciate the opportunity to sum up the debate and respond to the points raised. The Fairer Private Health Insurance Incentives (Medicare Levy Surcharge) Bill 2009 [No. 2] and the Fairer Private Health Insurance Incentives (Medicare Levy Surcharge—Fringe Benefits) Bill 2009 [No. 2] will amend various acts to give effect to our 2009-10 budget measure to introduce three new private health insurance incentive tiers. They are part of a package with the Fairer Private Health Insurance Incentives Bill 2009 [No. 2]. We believe that these reforms are needed to make the rebate fairer and more sustainable for the future.

These bills were defeated by the Senate at the second reading on 9 September 2009. When defeating these bills last September, the Senate dismissed one of the government's key measures to deal with the fiscal impact of the global financial crisis. If these bills and associated legislation are defeated again today by the Senate, it will have a \$2 billion impact on the budget over the forward estimates. Taking a longer view, Treasury advises that the private health insurance rebate will be the fastest-growing part of our health expenditure over the next 10 years, growing by more than 50 per cent above inflation. If this measure is not passed it will increase health spending by 0.15 per cent of GDP, or around \$100 billion, over the period 2049 to 2050.

The Minister for Health and Ageing has announced that in 2010 private health insurance premiums will increase by an average of 5.78 per cent. This is after the government had sought resubmissions that reduced premiums for 8.5 million Australians, or 75 per cent of the people covered by private health insurance. While the government acknowledges that any increase may place pressure on insured people, careful scrutiny of private health insurers' applications has kept increases to the minimum necessary. This is unlike the opposition's policy as put forward by the shadow Treasurer at the National Press Club last week where he said that he preferred a pure market and criticised that the minister has the power to set rate increases. The rate rise reflects that in 2008-09 private health insurers paid more than \$11 billion in benefits to members—an increase of 10 per cent—compared with the previous year's \$10 billion. Benefits paid to members were around 87 per cent of total premiums paid by members. This increase in benefits is highlighted in the *Intergenerational report* findings that the private health insurance rebate is going to be the fastest-growing aspect of our health expenditure. Spending on the private health insurance rebate has grown from \$2.1 billion in 2000-01, the first full year of operation, to \$4.2 billion last financial year. This spending is unsustainable, particularly in light of the global financial crisis and since the 2008-09 budget tax receipts were revised down by around \$170 million. This is why the government has reintroduced these bills and is firmly committed to seeking their passage in this form.

The government does support a mixed model of financing and delivery for health services in Australia and recognises the essential role of the private health sector. However, government support for private health insurance must be directed to those hard-working Australians who need the assistance

most, not the high-income earners who clearly do not. Hairdressers, secretaries and taxi drivers will continue to receive benefits, but not the millionaires and politicians who, quite frankly, do not need it. Under the fairer private health insurance budget measure, those who most need the rebate will be completely unaffected and the overwhelming majority of insured Australians will not see any change to their rebate. An estimated 75 per cent of Australians with private hospital cover will be totally unaffected by these changes, but high-income earners who have a greater capacity to contribute to the costs of their health care will no longer have their premiums subsidised by those on much lower incomes.

In designing the reforms a key element has been to ensure Australians maintain a high level of private health insurance membership. Already almost 475,000 more people have taken out private hospital cover since this government was elected. This is not something we want to see reversed. The opposition predictions that previous changes to the Medicare levy surcharge were going to lead to a massive exodus of people from private health cover have been shown to be false. To maintain this high level of insurance we need to use the complementary levers of the Medicare levy surcharge, lifetime health cover and continued support of private health insurance rebates for those who need it. Treasury advises the government that by balancing the measures we can ensure that 99.7 per cent of privately insured Australians keep their cover. Treasury estimates that only 25,000 people will drop out of private health insurance. These Treasury estimates have been supported by the independent Ipsos private health insurance survey where the results show only 15,900 people would drop their hospital cover, based on members' responses when the package was explained to them.

The Department of Health and Ageing estimates that the small reduction in hospital cover will only result in 8,000 extra admissions to public hospitals over two years. The President of the Australian Medical Association, Dr Andrew Pesce, agreed, saying that their modelling showed that 'there isn't going to be a huge dropout at this stage.' The peak public hospital body, the Australian Healthcare and Hospitals Association, has said that there will be 'little or no impact on the numbers of people with private health insurance'.

There is one politician on the opposition side in this chamber who has spoken honestly about this legislation: Senator Joyce. He said that the opposition should consider the legislation with 'an open mind'. He said, 'If there is a net saving, you would have to positively consider it.' I call on Senator Joyce and all members of the coalition to look at the evidence of the net saving to budget, to be financially responsible and to support this measure. The ministers for health and finance have written to Senator Joyce offering him evidence and further information if he needs it on how this is a net saving to budget.

In relation to the position of other members of this chamber, I am aware that the Greens have proposed two positions. Their first was that they support the rebate reduction but not the Medicare levy surcharge changes, which is why we are now dealing with these three bills separately and not as a package. The government's position on this is very clear. These bills need to be agreed to as a package which is how we can ensure that the membership rate of private health insurance will stay high. Ensuring this high level of participation requires increased Medicare levy surcharge rates for higher income earners so that the increased costs of insurance for high-income earners after the reduction in the rebate is balanced by an in-

crease in tax penalties for those high-income earners who drop out of or refuse to take out private health insurance. It is important to note that this measure is not being introduced in isolation. It is just one element of the reforms that the government has been implementing. Since coming to office, the government has been working hard to reform Australia's health system, including a \$64 billion package on health and hospital funding.

I would also like to deal with a number of issues that have been raised by senators during this debate. Senator Fierravanti-Wells—it is fortunate that she is in the chamber today—accused the Prime Minister of misleading the public by saying that the cost of not passing this package is \$2 billion over four years, \$9 billion over 10 years and \$100 billion over 40 years. I can explain this to the Senate. The cost of the program grows over time. All of those figures are correct; they have been verified by Treasury. If the opposition does not pass this package, the cost will continue to go up. Not passing the package will cost the budget \$2 billion over the forward estimates, \$9 billion over the next 10 years and a whopping \$100 billion over the next 40 years. This is why you need to rethink your outright opposition and particularly how it will impact on the nation's finances.

Senator Siewert raised in her speech a suggestion, and has tabled an amendment, that the total cost of the increase in the surcharge should be devoted to mental health. The government agrees that mental health is a priority and has been increasing funding in this area since coming to office in addition to the 50 per cent increase in the Health and Hospitals Fund. However, I will be clear with the senator that we cannot support her amendment. This measure is part of the budget package; it is not an additional available pool of expenditure. Further, we need to

reform our health system in a methodical and strategic way, not on the run.

Senator Bernardi made the bold claim that the Howard government delivered the record high participation rate of private health insurance. I can assure the senator, although I know he is loyal to the Howard government past, that this is not the case. Firstly, rates of private health insurance before the introduction of Medicare were much higher as there was no universal scheme. Secondly, we now have a higher rate of participation than the Howard government did: 0.5 per cent higher than when the previous government left office; almost 475,000 extra people have private hospital cover. And just this morning the shadow health minister said to reporters:

The \$1.9 billion in this measure, in this attack by the Rudd government on private health, comes from people dropping out of private health.

This is clearly not correct. It is a concoction by the opposition and typical of their ability to be very liberal with the truth on these bills. As we have said many times before, 99.7 per cent of members are estimated to retain their membership. The savings come from the increase in the surcharge under this bill and the reduction in the rebate under the other bills—certainly not from any dropout beyond 0.3 per cent of members. To continue to reform our health system and to cope with the ageing of the population, we will have to spend smarter, putting the health dollars where they are needed most. These bills will help the government to do just that.

In summing up, by maintaining a carefully designed system of carrots and sticks, the government's budget measure will have a negligible effect on both premiums and the public hospital system while increasing the sustainability of the rebate and the fairness with which it is applied. With that contribution, I thank all of the speakers in the debate and commend these bills to the Senate.



\* denotes teller

Question negatived.

#### MATTERS OF PUBLIC INTEREST

**The PRESIDENT**—Order! It being almost 12.45 pm, I call on matters of public interest.

#### Cybersafety

**Senator WORTLEY** (South Australia) (12.42 pm)—The internet and new and evolving technologies open up a world of exciting possibilities and benefits for the very young, right through to the senior members of our communities. The take-up of text messaging and twitter, and social networking sites such as Facebook and MySpace, Bebo and Habbo, to name just a few, have all changed the way we communicate. As we experience these exciting developments, it is crucial that children and young people using these technologies have the necessary information and skills they need to make smart decisions online and to become good digital citizens. It is clear that understanding how to navigate the online world safely is an important element in the development of digital literacy. It is important, too, that teachers and parents are empowered to provide the right advice to their students and their children. And it is important for education departments and their schools to use the appropriate methods to address cybersafety within their communities.

One of the issues to do with cybersafety is cyberbullying. Other dangers include cybergrooming, sexual solicitation, child pornography, cyberstalking, identity theft and breaches of privacy. These are all issues that must be addressed. The tragic death of a teenager in my home state of South Australia in 2007 brings home these dangers in a heart-wrenching way. Cybersafety is a term with which we are all becoming increasingly familiar. This government is committed to addressing the issues of cybersafety.

This month, along with many other countries, we recognised the need for greater awareness with Safer Internet Day. ‘Think before you post’ was the core message of this year’s international cybersafety event, supported in Australia by the Australian Communications and Media Authority as part of its Cybersmart program. To mark Safer Internet Day, the Australian Communications and Media Authority held cybersafety educational activities in schools throughout Australia. These activities included a national Cybersmart detectives activity for more than 800 primary-school students; the release, on the Cybersmart website, of cybersafety themed videos produced by children and young people; a hot seat, new cybersafety badge and poster in protected children’s networking website SuperClubsPLUS Australia; and a mail-out of posters and other cybersafety materials to all Australian local councils and public libraries. ACMA Chairman Chris Chapman explained the Safer Internet Day theme well on the ACMA website, saying:

While many claim to know the risks of posting too much personal or inappropriate information online, they may not always translate that into safe online behaviour. Thinking about the consequences before hitting ‘post’ may help to minimise negative experiences online ...

ACMA has joined forces with state and federal police, Bravehearts, MySpace, the Alanah and Madeline Foundation, the Internet Industry Association, Microsoft, the Interactive Games and Entertainment Association, Yahoo!7, Google and Telstra, in promoting Safer Internet Day cybersafety messages. Safer Internet Day is observed in more than 50 countries and recognised right across Europe, North and South America, Asia and, of course, as I have said, Australia. Activities internationally are run by Insafe, an international network for internet safety.

The Rudd Labor government are committed to action in this area and are investing more than \$125 million in a comprehensive suite of measures to address the varying challenges faced by families when they spend time online. Our plan includes law enforcement, education and information, research and international cooperation. Money allocated to cybersafety programs includes funding for 91 officers in the Australian Federal Police Child Protection Operations team. To provide a safer online environment for Australian internet users, particularly children, additional funding has been allocated to ACMA to continue to expand educational activities to help deal with cybersafety risks, including the risk I mentioned earlier of cyberbullying. In particular, waiting times for schools participating in the ACMA cybersafety outreach program will be reduced and the operating hours of the cybersafety online helpline will be increased to ensure its availability when children are most at risk. In developing our overall approach, the government have considered extensive industry feedback on the most appropriate ways to improve safety online.

We take cybersafety seriously. We know that there is no easy solution and there is no one solution to this issue. Cyberdangers are complex. The internet can be a minefield as well as a mine of information. Because cyberbullying and cybergrooming, sexual solicitation and cyberstalking are not carried out face-to-face, people may not know the identity of the person targeting them. Children and young people can be groomed, bullied or stalked in their own homes, in their bedrooms and personal spaces, where they should feel safe and protected. Cyberbullying, unlike pre-internet bullying in schools, does not stop at the front door when a child gets home from school; it can be with them 24/7. It does not stop at the flick of a switch or the push of a button but continues even

without the victim's presence—and this can be through mobile phones or on the internet. That is why parents are encouraged to ensure that their children's mobile phones and computers do not live in the children's bedrooms. There is evidence that cyberbullying, particularly among the young, is emerging as a significant risk to cybersafety for young people and that the consequences can be devastating, from acute anxiety, depression, anger and truancy to self-harm, eating disorders and, unfortunately, in extreme cases, suicide.

As I said, action is being taken to address this increasingly serious and very often underreported problem, as well as the issue of cybersafety more generally. I carried out a study tour of the UK specifically relating to this issue, and one message that came across was that the underreporting of such incidents by children was because they feared parents would take away their mobile phones or switch off their computers, thinking that it would end there, when in fact research has shown that that is not the appropriate thing to do to assist in resolving the issue.

ACMA provides free resources for children, parents, teachers and library staff. It has a user-friendly website, [www.cybersmart.gov.au](http://www.cybersmart.gov.au), and also an online helpline for confidential counselling and advice, so parents and children can go to this website and access the information they need to deal with this issue.

In addition, as part of its cybersafety plan the Rudd government has also been getting advice from young people through its youth advisory group. Funding of \$17 million over five years for a range of education, awareness and counselling services based on recommendations from the government's 300-strong youth advisory group, and advice from its consultative working group on cybersafety are all genuine steps taken by this

government to address the issue of cyber-safety. Earlier this month the government announced a \$3 million pilot project that was to be carried out in 164 schools across Australia. The program is to be developed and run by the Alannah and Madeline Foundation child safety charity—whose representatives I met with in Parliament House today—which is currently working with government and non-government primary and secondary schools from urban, rural and remote areas.

Participating schools are provided with online resources to help them create a tailored approach to cybersafety issues. Overall, the program aims to help schools work with parents and the community to keep children safe. Ways that they hope to achieve this include improving the curriculum and student welfare practices in this area and giving teachers the skills to confront such issues. The results will be independently assessed and considered in the federal government's review of the National Safe Schools Framework, due to end midyear.

As further support for its work in this area the government is committed to setting up a joint parliamentary standing committee on cybersafety. Also this month the Australian Federal Police teamed up with Microsoft Australia to deliver the UK created internet safety program, ThinkUKnow Australia. It was launched by the Minister for Home Affairs, Brendan O'Connor, last Friday and offers interactive training to parents, carers and teachers through schools using a network of accredited trainers.

As parents and community members we can contribute by being watchful and by taking time to listen to the concerns of young people and to the concerns of our children, by accessing the ACMA website and by getting the information that we need so that we can address the issues before they arise and have the information ready. We can also en-

courage people to speak out about their fears and experiences. Communication, understanding and support are the keys, and we can all play a part.

#### **Green Loans Program**

**Senator BOYCE** (Queensland) (12.55 pm)—I am a very practical person. I do not pay extra money so that I can use clean energy in contrast to dirty energy. I have the view that clean energy should, in fact, be cheaper than dirty energy, and when that happens, as it must under an emissions trading scheme, I will certainly be supporting that. But I am a very curious person and I became interested recently in what happens to all the carbon offsets that conscientious Australians pay in their use of air travel and all manner of other things. It turned out to be a very interesting tale.

On 3 February this year the Senate agreed to a motion from Senator Milne which, while it dealt principally with the government's hopelessly bungled Green Loans Program that does not have loans in it, noted with grave concern:

... the company Fieldforce has consistently received preferential treatment through the program including being allowed to book as much work as it wanted during the shutdown period, despite thousands of other assessors being forced to go without work ...

In response to this motion the Special Minister of State and Cabinet Secretary, Senator Ludwig, admitted that Fieldforce was the single largest operator under the Green Loans Program and he added that, to accommodate this, a special arrangement had been made so that their bulk bookings were processed by the environment department once a week. This was confirmed by the Minister for Climate Change and Water, Senator Wong, the following day. The coalition's sustainable cities spokesperson, Mr Bruce Billson, also raised the matter of

Fieldforce on 4 February in the House of Representatives and referred to the relationship between the government and Fieldforce as 'cosy'.

According to the *Age* of 5 February, a spokesman for Mr Garrett, Minister for the Environment, Heritage and the Arts, said that Fieldforce was given a computer link to the department to streamline approvals for it to assess homes. It was and is—despite the program not being a program anymore—the only company to have this preferential treatment. The *Age* that day quoted the managing director of another firm, Melbourne based Alpha Green, Mr Fraser Clayton, as saying that he had two people who were working 12-hour shifts calling the department's hotline to get approval for assessments, and that it would usually take 15 or more attempts to get into an automated queue and then another two-hour wait to get through to an operator. Happily, Fieldforce did not have the same problem; they had their hotline.

So just what is Fieldforce? The company commenced operations in 1993 in New South Wales supplying services to the water, gas and electrical utilities, including meter reading, meter maintenance and replacement plumbing, electrical and gasfitting. Throughout the 1990s Fieldforce expanded nationally and now has offices in every state and territory except Tasmania. In 1999 Fieldforce ventured into the environment sector, partnering a pilot water conservation program with Sydney Water to provide a residential demand management service. This proved successful to the point that Fieldforce has now retrofitted more than half a million homes. Based on the success of this program, similar demand management programs have been delivered by Fieldforce to many of the major utilities and government agencies around Australia—and they have been delivered very successfully from all reports. In

2004 Fieldforce joined the UXC group of companies. It is now fully accredited under the Department of Climate Change's Greenhouse Friendly scheme and similar government schemes in New South Wales, Victoria and South Australia. Fieldforce has done very well in recent years and, as Senator Milne's motion regarding the Green Loans Program shows, Fieldforce apparently has friends in high places.

But there is one other aspect of their remarkable success that I want to raise today, and this is the tale that my curiosity led us to discover. I refer to the voluntary carbon offset program introduced by Qantas. The program and its principles are admirable and Qantas is to be congratulated for introducing it. According to the Qantas website, all payments, other than the GST, made by customers who decide to pay the extra for the voluntary carbon offset program on their tickets are used to acquire abatement approved carbon offset projects. Qantas is of course to be commended for carrying the necessary administrative costs of this program. The Qantas website once—and I stress 'once'—stated:

In August 2008, Qantas announced that Fieldforce, a Greenhouse Friendly accredited provider, will supply the next group of carbon credits for the Qantas carbon offset program. Fieldforce operates across Australia and generates carbon offsets by providing energy efficient light bulbs and water saving showerheads to eligible homes and businesses.

The Qantas website went on to quote at the time it was looked at:

You can register at [fieldforce.net.au](http://fieldforce.net.au) for a free home energy assessment and, if eligible, receive the free installation of the energy efficient light bulbs and showerheads.

On 29 January this year I wrote to the Chief Executive Officer of Qantas, Mr Alan Joyce, about his company's relationship with Fieldforce and I quoted that full two-paragraph

transcript from their website. I wondered in my letter to Mr Joyce whether I was missing something, because a visit to the Qantas website did not provide a readily identifiable way of registering for that advertised alleged service. Equally, a visit to the advertised Fieldforce website failed to provide any way of registering for the same free service. Perhaps it is sheer coincidence, but the Qantas website has erased the second paragraph of the section I have just quoted from the website since I wrote that letter. This, in its own way, gives the answer to why I could not find any way to register for a free energy assessment service with free light bulbs and free showerheads from Fieldforce apparently being subsidised by Qantas carbon offsets, because it does not seem to exist.

Prior to writing to Qantas on 29 January and failing to have had any success on either the Qantas or Fieldforce websites about how to arrange for the free inspection, a member of my staff telephoned the Brisbane office of Fieldforce to be told that the way to make the arrangement was to call the free number 132040. This is actually the freecall number of the Queensland government's Climate Smart Home Service. The operator there advised that this service was in fact provided by Fieldforce and was paid for under contract by the Queensland government. Thus it would seem that environmentally conscious Qantas passengers are happily paying the voluntary carbon offset when they purchase their tickets and that money is ultimately being channelled to a commercial operation which, in Queensland at least, is being paid by the state government for providing this service. This Queensland government service, unlike the elusive one once allegedly provided free of charge by Fieldforce, according to the Qantas website, costs homeowners \$50. The Qantas 2009 annual report stated:

The voluntary carbon offset program was integrated in the qantas.com booking process, also enabling customers to use Frequent Flyer points to offset their share of emissions when booking a Classic or Any Seat award flight. Qantas and Jetstar customers paid to offset almost 250,000 tonnes of CO<sub>2</sub>-e.

There is no mention at all of Fieldforce, as far as I have been able to discover, in the Qantas annual report.

The Fieldforce website provides an excellent profile of the company, which, as I noted earlier, has been a part of the UXC Ltd group of companies since 2004. However, the Fieldforce website makes no mention of the company's relationship with Qantas. It would seem to me that a reasonable assumption would be that it is proud of this association and the success it is having with greenhouse gas abatement work on behalf of the generous and public-spirited Qantas passengers. What the website did say was that when Fieldforce joined the UXC Ltd it was offered:

... considerable financial support and this support allowed us to invest in the company's future, which in turn, propelled us into the realm of the Greenhouse Gas abatement sector. Today, we are the leading supplier of energy efficiency and carbon offset services in Australia.

According to the Executive Chairman of UXC Ltd, Mr Geoff Lord, in his AGM address in November last year, the company has a 'successful record of creating shareholder wealth and dividends over an extended period'. It has an annual revenue approaching \$800 million and has about 3,600 employees. UXC Ltd is obviously a great Australian success story and all associated with it should be proud of that success.

But my concern is that Qantas customers who are voluntarily paying the extra for the carbon offset program may not be aware—as I certainly was not until I conducted this inquiry—where their money is going. Until my

discoveries I had presumed—obviously quite naively—that these funds would be going to not-for-profit community based organisations with volunteers doing selfless, practical, useful on-the-ground environmental work.

In my 29 January letter to Mr Alan Joyce I asked him why Fieldforce had been chosen in August 2008 to receive these funds from Qantas, how much has been paid to them in that period and how long it was intended to keep Fieldforce as the paid supplier of carbon credits for the program. I have had no reply to that letter and I have since written to Mr Joyce, on 23 February, asking him why the second paragraph of that information about the free Fieldforce service that was on their website in January was no longer there. I had asked him in my first letter how people could register with Fieldforce to get the ‘free home energy assessment’ proudly advertised on the Qantas website, what the eligibility criteria were and who decided. Quite obviously, from my investigations, there appears to be no way of registering for such a service because the service does not exist now, if ever it did exist.

Qantas has removed all reference to any allegedly free service provided by Fieldforce—a prudent if yet unexplained decision. The government seems to continue to be under the impression that Fieldforce still provides a free service. The Department of Climate Change lists Fieldforce Services Pty Ltd in its list of abatement providers as providing what is called an ‘enviro saver program’, which provides:

Free of charge residential CFL and low flow showerhead installation/giveaways ...

But, as I have noted previously, it is nonexistent, at least as far as Queensland is concerned—and, apparently, also as far as Qantas is concerned.

I also wrote to Fieldforce, using the contact details available on the Department of Climate Change website—to Mr Wayne Blanch, the financial controller of the company. In that letter I asked him exactly what the relationship between Fieldforce and Qantas was, what funds had been remitted to Fieldforce by Qantas from its environmentally conscious passengers and what free services had been provided by these funds. I asked Mr Blanch to let me know what free services were available under its enviro saver program listed on the Department of Climate Change website, and how they could be accessed. I have yet to receive a reply.

In my second letter to the Qantas CEO I drew his attention to the statement on the website of the Department of Climate Change. I pointed out that if the Department of Climate Change was under the impression Fieldforce was an altruistic company providing a free service, why had Qantas chosen to take away this reference to this apparently free service? Who is right about Fieldforce? Is it the Department of Climate Change or Qantas? Is it the receptionist in Brisbane who thinks that all these services must be paid for?

In any case, why is Qantas channelling money from its passengers who generously pay the carbon offset payment to a company which in the last financial year had annual revenue of almost \$800 million? How much money from Qantas passengers has been given to Fieldforce? Why is its relationship with Qantas being kept so deliberately low key—and by both parties? I would like to add that I do not believe that Qantas is acting in bad faith here; I am suggesting that in fact there has been a lack of due diligence. In my view, both Qantas and Fieldforce have some serious questions to answer.

### Green Loans Program

**Senator MILNE** (Tasmania) (1.09 pm)—There are a number of issues that I wish to cover today. I am very interested in the contribution just made by Senator Boyce, and it just adds further questions. First of all, I want to talk about the Green Loans Program and to indicate that the government has mismanaged the fix of its own mismanaged program. This is a pretty stunning effort. It would be pretty hard to match the level of mismanagement that has gone on with the Green Loans Program. You would find this hard to believe, but the fix was announced last Friday and people were told that they had until 22 March to go to the bank and get their loan—that was the cut-off date. We are now told that some of the banks are refusing to provide those loans because their understanding, at least in a couple of cases, was that the Green Loans Program finished last Friday and that people who had already applied had until 22 March to finish their paperwork and for the loan to be provided—but, as of last Friday, new applications ceased. Other financial institutions have been told something different. How is this possible? How is it that when you are trying to fix the problems you have got that you cannot make phone calls to all your financial institutions, or send letters, to make sure they have the same information?

Now the community does not know. Out there, people think they have until 22 March to get a report from the government, to go to the bank and get a loan. It is unclear whether that is the case. It really behoves the minister to come out and tell people what he meant when he said that green loans would still be available until 22 March. If he meant you could still apply up until then, he had better go and tell all his financial institutions that that is the case.

Secondly, how many outstanding reports are there? A lot of people who had assessments are waiting for their report from the government in order to be able to get the loan. And it is the government's fault that there has been this extraordinary delay—sometimes, I am told, eight to 12 weeks. I am told there are people who had an assessment in October who are still waiting for their report so that they can go to the bank. So it looks like they are going to be left high and dry.

The thing that is fascinating, too, is that there is still no audit of this program. There is still no audit of the quality of the assessments that have been made. We now know that 205,000 assessments—more by now—have been made and there is no-one out there checking to see that the assessments have any level of quality and are being done properly. There are no audits on the ground, yet I have seen the documents from the pilot part of this program. There is a whole audit facility imbedded in the design of the program. Why are there no auditors on the ground? This matters because the minister has said he is going transition assessors from this program to the Green Start program, which was a retrofit for lower socioeconomic households. If you are going to transition people into that program you have to be sure that the assessors that you are transitioning into that program are properly qualified and know what they are doing. Otherwise, you are going to have mistakes.

The other issue with this, and it is a real concern, is that the Green Start program is not just an assessment program; it is to actually do some of the work. How will I or anyone in the community have confidence that the people going into the house can actually do the work? After the insulation debacle, how are we going to be assured that the people going in to do the assessment are qualified? And if they are doing any of the work,

are they qualified for that even if they are qualified to assess what might need to be done? So it is a real concern to me. Of course I am pleased that people have a pathway to additional employment but we have to make sure they are qualified people or we are simply going to compound the problems that we have.

We do not have any auditors out there. The banks issue is a big problem. Then there is the software tool. If you are not going to provide loans, and you are going to give people reports, you have to make sure those reports have integrity. The only way they will have integrity is if you can be confident that the software provides you with a report with integrity—and there is no guarantee of that because the software, it seems, is still not finished. The program is finished but the software that was meant to deliver the assessment—the calculator to generate the report—has been recalibrated several times. We do not know whether it is finished. Has the government paid out RMIT? Will they give people a guarantee that the thing is actually finished?

Finally, what about the contract it has already got? I understand the government has now said that all contracts are null and void and you now have to get a new contract. The government could give you two weeks—and that is in the original contract—but who out of the 5,000 people who have already been accredited and the 3,000-odd who previously had contracts will make a decision about who gets the new contracts? There has to be some principle behind this. Now that it is only individuals who can get contracts—so one would assume there will not be contracts with companies—some companies, for example, have 400 auditors and are those 400 auditors going to automatically be reregistered? What is the basis on which you will choose one person to be reregistered or another person not to be reregistered? There are

some really serious issues here which still have not been addressed in the government's fix. We deserve to get some answers about the basis on which, and to whom, they are going to issue the new contracts because there are many more people trained and accredited than there will be contracts on offer.

Senator Boyce just mentioned Fieldforce. I know that they as a company spent nearly \$1 million in training their assessors, in paying registration and so on. What is going to happen now if their 400 assessors are not 400 who are reregistered? They have got 100 people in their call centre, 25 support staff—525 people—and who is going to pay the cost of redundancy because the government messed up this program? There are really big issues here. There are people out there who do not know if they are going to have work. They do not know what circumstances they are going to find themselves in. They are already out of pocket.

The government yesterday was saying that the censure motion about the implementation of the program was a joke—it had contempt for the censure motion. I can tell you that out there today there are thousands of people across the country who want to know how the government is going to fix this program. The Minister for the Environment, Heritage and the Arts still has not provided answers. I would like him to come out today and tell me whether they sent the same letter to all financial institutions with which they had an arrangement for the loan subsidy, whether the letter went at the same time, whether all financial institutions got the same information and to clarify the position as to whether last Friday you could not apply for a loan and whether only those with paperwork saying that it could be dealt with by 22 March or whether you still had until 22 March were eligible. Please, Minister, tell us how many people are awaiting their reports. What is the backlog and when do you intend to get them

out to people so that they can make a choice to have a loan, if indeed it is still open?

The Greens are also moving to try to fix the next government debacle—the renewable energy target. As we all know, we have had Roaring 40s in Tasmania stall the Musselroe wind farm. We have had an announcement that there will be no more wind farms in South Australia until after this is fixed. We had an announcement today from Portland, Victoria saying that people in the wind industry would be put off at the end of the month because the government has not moved to fix the renewable energy target. I am bringing legislation in here today to address this issue. The Minister for Climate Change and Water, Senator Wong, was told on the very day she brought in the renewable energy target that the price would collapse because there would be a flood of renewable energy certificates from solar hot water, from heat pumps and from the photovoltaic multiplier. She took no notice. She said that was not the advice from the department and that I was wrong—the department was right and the people advising me had got it wrong. No; she was wrong—her department was wrong.

The wind industry is now going broke. People are being put off as we speak. I moved amendments to actually address this at the time and I was very disappointed that the coalition voted with the government to defeat those amendments. It is rather cynical that Senator Barnett has a motion in here today condemning the government because of this debacle with the renewable energy target when he was one of the people who voted down my amendment which would have dealt with this issue at the time.

I want it very firmly on the record here that there was an opportunity to fix it. I note that Senator Minchin has said the coalition still will not support the proposition that I have on the table to fix it. It is beholden on

the coalition, then, to say how they are going to fix it—what they would support—because I have got a very clear program here to add those certificates, that whole amount, to the top of the target. In that way you create the space for wind. We have to do it quickly—we must do it quickly—because people are going to lose their jobs in Victoria by the end of the month. There are profit results coming out at the end of this week for another company. You have got the one in Victoria at the moment. We desperately need this to be fixed immediately or else we are going to see not only the loss of opportunity for renewable energy in Australia but also job losses.

These job losses are in rural and regional Australia, where we desperately need to create jobs. This is one of the great things about the renewable energy sector. It can create jobs in rural and regional communities, and we want those jobs to be created. I want to see the situation clarified so that the Musselroe wind farm can proceed, so that jobs are not lost in Portland and so that we have not seen the end of large-scale wind in Australia.

I know that the advocates for the renewable energy industry are in the parliament today. For goodness sake, I do not want to hear the minister coming out and saying again that there is not a problem. Under the blaze of the distraction that was going on with insulation last week, the minister announced that he would change the rebate for solar hot water, reducing it from \$1,600 to \$1,000. That was because he thought it might dampen demand for solar hot water; therefore, dampening the number of renewable energy certificates. In some way, he thought he would deal with the situation in the House of Representatives. I have got news for the minister—it will not. It will make a marginal difference. All he has done is collapse the solar hot water industry and a whole lot of businesses associated with that. So yet further disasters are going on because it was ill

considered and not thought out properly. We have now got businesses in the solar hot water sector on the phone saying: 'What are we supposed to do? We have got all these orders for solar hot water systems based on a \$1,600 rebate. Now these people are saying they are not going to pay the extra \$600 on a \$1,000 rebate and we will be out of pocket by \$600.' So small businesses now are going to have cash flow problems because they have brought in all these systems and they are now in a position where customers are cancelling. That is the latest effort of Mr Garrett, the minister for the environment, last Friday in crashing the solar hot water sector.

The Minister for Climate Change and Water is pretending there is not still a problem with the renewable energy target. The Greens have a solution on the table. We are ready to deliver the solution to the Senate right now. I would like more from the coalition than just their condemnation of the government's program; I would like them to get behind what the Greens are trying to do to fix it, because the government is arrogantly continuing to claim that there is not a problem here, yet jobs are being lost as we speak.

The third issue I want to speak about briefly is water contamination in the George River in north-east Tasmania. The catchment of the George River, like many catchments in Tasmania, has been converted from native forests to plantations. The Greens have argued for years against the conversion of catchments in Tasmania from native forests to plantations. *Eucalyptus nitens* has been planted in that catchment—I understand up to 80 per cent of that catchment has been planted with *Eucalyptus nitens*. A toxin from those trees has gone into the river system and into the water supply of the town.

I notice today that Roscoe Taylor, the Director of Public Health in Tasmania, has said that the research first revealed in the *Austra-*

*lian* on Monday and featured on *Australian Story* on the ABC raised issues potentially relevant to aquaculture and forest management. Yes, that is right, but they were not raised first via those media outlets. He got the results of this research in 2008 and he did not open and study them. He did nothing about them until it became a national scandal, and now we are going to finally have an inquiry.

The inquiry needs to be independent. The inquiry needs to ask: why is it that the Director of Public Health did not act on the research results that were given to him some time ago? Why is it that he kept playing down the seriousness of this issue and dismissing the community concerns? Why is it that the government continued to dismiss these concerns, as Forestry Tasmania continues to dismiss these concerns? They are very real. As Dr Blamey has argued, there is a cancer cluster now in St Helens, which cannot be explained. We need an independent inquiry. (*Time expired*)

#### **Muscular Dystrophy**

**Senator McLUCAS** (Queensland) (1.25 pm)—I rise today to talk about muscular dystrophy and the effect it has on those who have been diagnosed and their families. Neuromuscular disorders are not terribly prevalent in our country. There are 60 separate disorders which have in common the progressive and irreversible wasting of muscle tissue. They include muscular dystrophies, spinal muscular dystrophies, motor neurone diseases and peripheral neuropathies. One in 1,000 people are affected—that is, 30,000 children and adults in Australia have been diagnosed.

Today I want to specifically focus on Duchenne muscular dystrophy. Duchenne muscular dystrophy, DMD, and Becker muscular dystrophy, BMD, are progressive, degenerative muscle diseases affecting one in

about 3,300 people, mainly boys. Until recently, there were no treatments available to halt the disease process or to restore muscle function. DMD is caused by alterations in the dystrophin gene that encodes for a protein essential for muscle integrity. Advances in gene technology, though, have facilitated potential treatment options to overcome the altered gene and to produce sufficient protein to restore the integrity of the muscle cells and improve muscle function.

On average, boys lose the ability to walk by the time they are 10, have respiratory insufficiency in their teenage years and most have cardiac involvement from an early age to varying degrees. Their lifespan is shortened to their late teens or early 20s without specialist quality care. For the many boys and their parents, the diagnosis of DMD and BMD is devastating. The happy, healthy and adored little boy stops crawling, is listless and does not progress. Concerned parents seek an answer and, unfortunately, mainly due to the rarity of the disease, diagnosis is often delayed. When diagnosis is made it usually results in the loss of employment, usually of the mums, and the juggling of myriad doctor, physiotherapist and other medical specialist visits. For those who live outside the major capital cities, this necessitates regular trips to the city, with the inherent dislocation, concern about accommodation and travel costs—large costs are associated with the regular trips—and then the effect on the family that is left at home. The financial burden on a family with a son diagnosed with DMD is estimated at \$126,000 every year.

I am indebted to members of Muscular Dystrophy Australia, MDA, Parent Project Australia, the Duchenne Foundation—and those names are sometimes interchanged—and local constituents of mine, including Ms Deb Robins, for informing me about DMD and sharing their life experiences following

their diagnosis or the diagnosis of their sons. I also acknowledge Mr Laurie Stroud, who was a strong advocate and ambassador for MDA. I also know there are many other organisations right across the country that are supporting families who have been diagnosed with muscular dystrophy or Duchenne muscular dystrophy.

Parent Project Australia, which is also known as the Duchenne Foundation, is a voluntary organisation advocating for patients and families affected by DMD and BMD. They recently initiated a nationwide campaign to seek support for expanded gene sequencing of those children with DMD, who are usually boys, and to select appropriate patients to enter specific gene therapy clinical trials. Further, they are seeking government funding for the development of a national database of DMD patients that would then feed into the global database managed in Europe. I commend the former Chief Medical Officer, Professor John Horvath AO, for listening to the request and taking up their case with the relevant parties.

The creation of a national registry for DMD has been referred to the Clinical, Technical and Ethical Principles Committee of the Australian Health Ministers Advisory Council for consideration and further discussion. I am advised that the committee is still considering the proposal. Parents tell me that this is the best way forward, that it is not 'expensive' in the scheme of things and that it will give them real hope that their sons will get the best medical support that is currently available. I urge the committee to look favourably on this proposal and consider the value that such a register would have for these children.

Why do we want a register? For each person enrolled in the DMD registry, the most important data are the precise type and location of the particular mutation, as potential

therapies for DMD are generally mutation specific. For example, the clinical trials currently proposed will use specific therapies based on whether the disease is caused by, firstly, the deletion of one or more exons in the gene sequence, which accounts for about 60 per cent of cases of DMD and 80 per cent of BMD cases; secondly, large DNA duplications and complex arrangements as occur in between five and eight per cent of cases; or, thirdly, point mutations, including premature stop codons which occur in an estimated 30 per cent of DMD cases and about 15 per cent of cases of BMD. The establishment of the register is supported, naturally, by the families of children with DMD and BMD, but it is important to note that it is supported by their treating medical personnel and by the MD research community.

There are other ways that we can assist families having to work with this particular diagnosis. As mentioned earlier, after diagnosis families are confronted with managing a huge list of medical appointments, with many and various practitioners—cardiologists, physiotherapists, dieticians, geneticists, respiratory clinicians and social services. They are invariably in different locations and sometimes the order in which one sees them is important. It is a crazy juggle which is stressful for families and stressful for the little boys who are being shunted round.

One solution has been found at the Royal Children's Hospital in Melbourne. MDA has employed a neuromuscular coordinator whose role is to arrange to have development specialists available and present at the one location at the one time. The MDA November 2009 journal states:

Parents and their children have the benefit of coming to the clinic and seeing all their specialists within the one visit, which drastically increases the emotional wellbeing of the children.

I am sure it increases the emotional wellbeing of the parent, usually the mother, who is having to manage this list of appointments. It is a solution that I am sure could be replicated in other centres in other states. It is a simple, cheap and clearly effective solution. The presence of such a coordinator surely reduces costs not only for families but also for the health systems that are supporting those families.

I move on to another solution. There are a range of support options available at varying levels of suitability right across the country. But, rather than talk about what is not available, I would like to take this opportunity to highlight one service that is very much valued by the muscular dystrophy community. CampMDA has been operating since 1989 and has held 76 camps since its inception. It has evolved since then into a quarterly activity conducted at different locations throughout urban, regional and rural Victoria. CampMDA offers activities that are planned and resourced to reflect the needs, wants and abilities of the participants, catering for both young and not so young people. The youngest camper to date has been six years old, and the oldest 76.

MDA has value-added the experience for those with muscular dystrophy by using the opportunity to train undergraduate students who are undertaking studies in physiotherapy, nursing, occupational therapy and disability studies. As we all know, the curriculum for these courses is invariably packed with all sorts of material that a student has to know and understand. This often means that a focus on a disease such as muscular dystrophy is limited, and graduates leave their training with only a small degree of understanding of the condition. So MDA is funding—over \$1 million to date—the placement of these students at the camps in order to improve their understanding of the range of types of muscular dystrophy and the range of

responses that are appropriate. Over the years more than 2,000 students have attended, and reports indicate that the experience is positive for them in that they are gaining knowledge that is hard to access in a university or hospital placement. The more understanding that the medical profession has of these disorders, the better the rate of diagnosis will be and the better the treatment provided will surely be.

I turn to research. In the late 1980s, MDA made a deliberate decision to work towards the establishment of a dedicated research facility to accelerate the rate of research into muscular dystrophy. In 1993, the Melbourne Neuromuscular Research Institute was established. Its work is well regarded both here in Australia and internationally. I am pleased to report that the National Health and Medical Research Council is currently funding research into Duchenne muscular dystrophy, with a grant of \$800,000. I also take this opportunity to commend the Duchenne Foundation for the work it has undertaken to bring together a conference to be held at the University of Sydney on 26 and 27 February—later this week.

The people who work so hard are often the parents and grandparents of children who have been diagnosed with DMD. Sometimes they feel very alone. Sometimes they feel as if they are not supported. I am impressed by the quality of the work that they do. They have been rigorous, they have been unemotional when surely they could be afforded the latitude of being quite emotional about their circumstances and they have been professional. I want to pay tribute to Deb Robins in particular. She is a wonderful advocate. A woman whose son has DMD, she is a woman whom I have enormous respect for. Clearly, diagnosis of one's child with DMD or BMD is devastating for those families. But, to quote MDA, there is hope as there is a growing number of treatments that will bring

greater quality of life for these young boys and men. The potential for a register is giving families hope that Australia will be able to join the international community in seeking the right treatment for their child. Surely coordinated care is an option that other jurisdictions can consider, being a practical, cheap, simple and effective way of supporting families through the maze of medical appointments that they have to attend. There is support for training of the medical professions so that diagnosis is quicker and treatments are best practice. There is assistance for families through respite and also the opportunity to share their experience and provide mutual support. As I said, I commend the many groups and individuals across our country who are supporting families with children with DMD and BMD. I thank them for all the work they are doing.

#### **Teal Ribbon Day**

**Senator ADAMS** (Western Australia) (1.38 pm)—I rise today on what is known as Teal Ribbon Day. People around this building probably will have noted that a teal ribbon is being worn by many members of parliament and many staff. At 11 o'clock this morning we had the launch of an ovarian cancer report, called *Ovarian cancer in Australia: an overview: 2010*, which represents a significant contribution from the continuing partnership of the National Breast and Ovarian Cancer Centre, the Australian Institute of Health and Welfare and the Australasian Association of Cancer Registries. It highlights the importance of registries as a national resource. The report provides a nationwide snapshot of a major condition affecting a substantial number of Australian women.

At the launch we were welcomed by Dr Helen Zorbas, who is the Chief Executive Officer of the National Breast and Ovarian Cancer Centre. This centre has been in existence for nearly 10 years and at every Senate

estimates session I always make sure that we have that agency come to speak to us about the research that they are doing and to keep us up to date. It does very valuable research and the women of Australia hope that there will be a breakthrough from that research. The report was launched by the Hon. Justine Elliott, MP, the Minister for Ageing, and then we had a very enlightening and sincere speech from Ms Paula Benson, who is an ovarian cancer survivor. She was speaking on behalf of Ovarian Cancer Australia, which is an advocacy group. I will speak about national breast cancer research and also about this advocacy group, which I believe provides a very good service to the women of Australia and probably to other countries with its website on the net where discussion of these issues and advocacy is available to all.

I would like to speak about ovarian cancer as it is today. I note the heading of the media release that was put out by the institute and by the National Breast and Ovarian Cancer Centre: 'Despite improvements, prognosis still poor for women diagnosed with ovarian cancer'. This is the sad part: it is very hard to diagnose, because the symptoms do not really stand out, and once diagnosed often it is far too late. I will go through those symptoms a little later. The media release says:

Despite improvements in survival rates for ovarian cancer, the prognosis for women diagnosed with the disease remains relatively poor, according to the latest national report on ovarian cancer released today by the Australian Institute of Health and Welfare ... and National Breast and Ovarian Cancer Centre ...

The report ... shows that in 2006, there were 1,226 cases of ovarian cancer diagnosed in Australia, which equates to an average of three women being diagnosed with the disease every day.

'Between 1982 and 2006, although the overall number of cases increased (largely due to a growing and ageing population) the incidence rate

dropped slightly from 12.4 to 10.7 per 100,000 women,' said Christine Sturrock, Head of the AIHW's—

Australian Institute of Health and Welfare's—

Cancer and Screening Unit.

Almost 800 Australian women, an average of two per day, died from ovarian cancer in 2006.

One in 77 women will be diagnosed with ovarian cancer by the time they reach the age of 85.

The report shows that 40% of women who were diagnosed with ovarian cancer between 2000 and 2006 were alive five years after their diagnosis. This is in contrast to those diagnosed between 1982 and 1987, when only 33% were alive five years after their diagnosis.

'Although survival rates have improved since 1982, the challenge remains that ovarian cancer is difficult to detect in its early stages,' said Dr Helen Zorbas—

from the National Breast and Ovarian Cancer Centre.

'Improved survival rates give increasing hope to women diagnosed today, however, a better understanding of the biology of ovarian cancer, and the need for an effective early detection test remain key areas of focus for future research,' ...

The report also found survival rates were significantly poorer for older women than younger women.

'Reasons for poorer survival rates among older women include a greater likelihood of these women being diagnosed with more aggressive types of cancer or when the cancer has already spread,' ...

'In the absence of a screening test, women who experience new or persistent symptoms of ovarian cancer are encouraged to see their doctor,' ...

Women lead such busy lives that we do not tend to think about it, and the symptoms can appear to be quite normal. The symptoms of ovarian cancer can include abdominal bloating, abdominal or back pain, appetite loss or feeling full very quickly, changes in toilet habits, unexplained weight loss or gain, indi-

gestion or heartburn and fatigue. I think most women who are listening to me today would certainly relate to these issues. I say, as the professionals have said: if these symptoms persist, please go and see your GP. Do not be put off. Keep going back if symptoms persist. It is just so important with this particular disease. It is your life.

The National Breast and Ovarian Cancer Centre came into being 10 years ago. Its vision is to reduce mortality and improve the wellbeing of those diagnosed with breast or ovarian cancer. Its mission is to play a lead role in national cancer control and to improve cancer care through an evidence based approach—providing information on best practice health system reform and policy—and it is certainly doing that. It is Australia's national authority and source of information on breast and ovarian cancer, funded by the Australian government. The NBOCC works in close partnership with health professionals, cancer organisations, researchers, governments and women diagnosed with these cancers to translate worldwide cancer research into meaningful and evidence based information.

This organisation has accomplished significant gains in ensuring Australians with breast and ovarian cancer have the best possible outcomes through the delivery of quality clinical and supportive care. This is only achievable through work on many fronts—from the wide-reaching promotion of early detection messages to the provision of trusted evidence based information to guide clinical best practice and to inform policy on the identification of variations and outcomes and ways in which to address them. Other issues that the NBOCC deals with are raising community awareness, informing consumers on decision-making, guiding evidence based practice, improving the delivery of care and informing policy.

The other organisation that was involved today, and whom Paula Benson was representing, is Ovarian Cancer Australia. This is a national not-for-profit organisation providing support and advocacy for people affected by ovarian cancer. It is a peak body for ovarian cancer awareness and prevention. Its programs are focused on very important areas such as awareness of ovarian cancer and its symptoms, giving Australian women and their healthcare providers a better understanding of the early signs of ovarian cancer, providing support networks and resources to women and their families and friends affected by ovarian cancer, and advocating with medical professionals, government and the media for women diagnosed with ovarian cancer. It is the only organisation that works with Australian women and their families and friends who have been affected by ovarian cancer. Breast Cancer Network Australia, which is an advocacy group for women diagnosed with breast cancer, is really a sister body associated with helping women who have had a diagnosis of early breast cancer to cope with their issues.

Ovarian Cancer Australia has put out a pamphlet that sets out who is at risk of developing ovarian cancer. It lists women over 45 as being at greater risk of developing ovarian cancer. But, beware, it does affect girls as young as seven. It lists others at risk as women who have never taken the contraceptive pill, those who have had few or no pregnancies, those on a high-fat diet, being overweight and smokers, and those with a history of cancer in the family, especially ovarian, breast or some bowel cancers. Approximately 10 per cent of all ovarian cancer cases are due to an inherited gene fault, and this is found in one in 500 people in Australia—which is quite a frightening statistic.

I would like my colleagues to think of our former colleague Jeannie Ferris, who died of this disease nearly three years ago. She

fought it with strength and supported organisations to make sure that people like her had the opportunity to have the best possible care. She certainly supported the research and put quite a lot of money into research for ovarian cancer so that other women who were also diagnosed were perhaps able to survive for much longer. We really do miss her.

#### **Victoria Cross Exhibition**

**Senator BARNETT** (Tasmania) (1.51 pm)—I am moved, like others in this Senate, by Senator Adams's speech. On behalf of all of us, I think, I associate our thoughts with the remarks made by Senator Adams regarding the late Jeannie Ferris. On behalf of us all, I wish to put that on the record.

In the time I have in this matters of public interest discussion, I want to firstly congratulate the Australian War Memorial for its announcement yesterday of a rare and unique initiative to take an exhibition of Victoria Cross medals around mainland Australia to mark the 95th anniversary of the landing at Gallipoli. It is an excellent initiative in that it wishes to highlight the importance of the service of our armed men in previous conflicts and to remember in particular the service of those men at Gallipoli. The Victoria Cross medal is of course the highest award for acts of bravery during wartime, with the most recent being awarded to Trooper Mark Donaldson in January 2009 for acts of bravery in Afghanistan. Trooper Donaldson was further honoured on Australia Day as Young Australian of the Year for 2010.

But—and it is a very significant 'but'—it is a great disappointment that, from this tour of our great nation of Australia, Tasmania has been excluded, together with New South Wales. We will get to the bottom of why that is in due course. I do not fully know or understand why it is. I do know that Tasmanians draw just as much pride and inspiration

from these brave men as any of our mainland cousins do.

**Senator Polley**—Hear, hear—more so!

**Senator BARNETT**—In fact probably more so, Senator Polley—thank you very much for that interjection. In Tasmania, we have a very fine record of military service to our nation. Tasmania is actually the home state of 13 of Australia's 97 Victoria Cross recipients. My understanding is that that is the highest proportion of any state or territory. I am deeply concerned on behalf of Tasmanians. I know that the President of the RSL in Tasmania, Bill Kaine, is equally concerned. This came to my attention yesterday. Frankly, it is not good enough. Tasmanians should not be excluded. Tasmania should not be snubbed in this way.

In my research, I have discovered that at least three of Tasmania's 13 Victoria Cross recipients also served at Gallipoli. One of them was Australia's most highly decorated soldier, Lieutenant Colonel Harry Murray VC. I had the great honour of being at Gallipoli in 2005 to mark the 90th anniversary of the Gallipoli landing with Prime Minister Howard and others. I tracked the steps of Harry Murray VC to where he fought, where he was wounded and where he received his DCM, at Pope's Hill. I have a photo of that proudly displayed in my office in Launceston. He demonstrated such courage. He then went to the Western Front, where he subsequently obtained his Victoria Cross and his many other awards. Just a few years ago, the Governor-General flew to Tasmania to unveil a statue in honour of Harry Murray VC at Evandale, in Northern Tasmania. The Australian government at the time provided taxpayers' funds to support that memorial and a memorial for all of Tasmania's 13 Victoria Cross recipients. That was following lobbying efforts by me and the Tasmanian Liberal Senate team to get those funds. We

were successful and we are very proud of that. The other two Tasmanian Victoria Cross recipients who served at Gallipoli were Sergeant John Dwyer, of Bruny Island, and Captain Percy Cherry, of Cradoc, in southern Tasmania.

The Victoria Cross is such an important medal, and the service of our men and women at Gallipoli should never be underestimated. At Gallipoli, for example, more than 8,700 Australians died and there were 19,000 Australian casualties. In total, 44,000 Allies and 86,000 Turks died during just eight months of battle there. Nevertheless, the Anzacs at Gallipoli left a profound legacy that lasts until this day. I think we all in this chamber would accept that and support that.

I am advised that this tour by the Australian War Memorial is currently set to visit Western Australia, the Northern Territory, South Australia, Victoria and Queensland, starting on 20 March in Perth, going all the way through to 14 November in Brisbane, with some five or six weeks in each location, including Darwin. As I said, it will go to all states and territories except Tasmania and New South Wales. Frankly, if it is supposed to be a national tour, it should be a national tour and every part of Australia should have the benefit of learning more about our Victoria Cross recipients. It is simply not good enough. It is an opportunity, in my view, for young and old Australians to learn about the important service of our men and women of old and the bravery that they demonstrated.

I personally had the honour of visiting Gallipoli in 2005, and from there I went to the Western Front in France. A couple of years ago now, on Anzac Day, I visited and trekked the Kokoda Track. I have visited Changi and Changi prison in Singapore, and this year I am preparing for an Anzac Day visit to the Thai-Burma Railway. I am investigating and researching the role of our

POWs, which is often underestimated. I will not say it is forgotten but it is not considered highly enough, because those people offered their lives and their service to this great country.

So why would the Australian War Memorial not have a national tour going to every state and territory and why would it snub Tasmania? I do not know that, but I raised it with the Minister for Veterans' Affairs, Alan Griffin, this morning at breakfast time. We happened to be sitting next to each other and I spoke to the minister, who said that he would be raising it with Steve Gower, the Director of the Australian War Memorial. That is excellent. I appreciate that, and I indicated to him that I would be pursuing this matter on behalf of the Liberal Senate team, on behalf of Tasmanians and on behalf of the RSL, to make sure that we get a result and that Tasmania will not be snubbed. I have also raised it with Louise Markus, the shadow minister for veteran's affairs. She is likewise concerned and supports our efforts to bring the Victoria Cross medals to Tasmania on that fantastic and unique tour. So we have got support all round. I am hoping that the government will be able to intervene and the Australian War Memorial's Mr Gower will see fit to bring the tour to Tasmania. I thank the Senate.

#### QUESTIONS WITHOUT NOTICE

##### Home Insulation Program

**Senator ABETZ** (2.00 pm)—Mr President, my question is to Senator Evans, the Minister representing the Prime Minister. I refer to the Prime Minister's statement yesterday that he takes 'full responsibility for the implementation of government programs', including the failed Home Insulation Program. Will the minister ask the Prime Minister when each of the Prime Minister, the Minister for the Environment, Heritage and the Arts and the Minister Assisting the

Prime Minister for Government Service Delivery, were first informed about the risks in the home insulation program and report back to the Senate.

**Senator CHRIS EVANS**—As I understand it, both Mr Garrett and the Prime Minister, Mr Rudd, have answered questions about these matters—about their knowledge of concerns about the implementation of the program—in the House of Representatives, but—

**Senator Abetz**—They haven't been answered.

**Senator CHRIS EVANS**—Well, I will take on notice the questions the senator asks and seek replies. But, as I said, as I understand it both the Prime Minister and Minister Garrett have answered questions in the House of Representatives regarding these matters. And Senator Arbib has been questioned about these matters in the Senate. Obviously, if the opposition are interested in Senator Arbib's knowledge of these matters, not only have they previously taken them up but they have the opportunity to take them up today with him. That is what question time is about. I do not quite understand why Senator Abetz would ask me what knowledge Senator Arbib had about matters.

Clearly, this is a cunning tactic from the tactics committee that escapes me! In any event, I am happy to take on notice the question that Senator Abetz asks. As I said, I think those answers have already been given in the House of Representatives and the Senate, but I will certainly take them on notice.

**Senator ABETZ**—Mr President, I have a supplementary question. I refer to the Prime Minister's statement yesterday that he takes full responsibility for the implementation of government programs including the failed Home Insulation Program. Can the minister tell the Senate what actions the Prime Minister has taken in the exercise of that responsi-

bility, and what steps the Prime Minister has taken to hold the minister for the environment to account for his gross mismanagement of the Home Insulation Program?

**Senator CHRIS EVANS**—Senator Abetz obviously has a desire to stand as a candidate for the House of Representatives in Tasmania! If he wishes to question the Prime Minister about such issues he should get himself a seat in the House of Representatives. I would welcome him nominating because I think that would be to the great advantage of the Australian Labor Party. But we have had the Prime Minister and Mr Garrett explaining to the Australian public and to the Australian parliament all the issues related to these schemes and the consequential events. They have been available and accountable to the parliament and to the Australian public. They are, at this very moment, in the House of Representatives answering questions, no doubt, from the opposition. That is the forum in which the sort of question Senator Abetz poses ought to be answered.

**Senator ABETZ**—Mr President, I rise to ask a further supplementary question. I refer to the Prime Minister's statement yesterday that he takes full responsibility for the implementation of government programs, including the failed Home Insulation Program. Is it a fact that the Prime Minister has done nothing to hold the minister for the environment to account for his gross mismanagement of the Home Insulation Program, and is that not just further proof that the Prime Minister is all talk and no action?

**Senator CHRIS EVANS**—I think the Australian public listening to this question time will also be at a loss as to what Senator Abetz is thinking he is doing. The Prime Minister and Mr Garrett are available, at this very moment, to answer questions from the opposition about the actions they have taken in relation to these matters. They have re-

peatedly answered questions about these matters in the House of Representatives, which is the appropriate forum. We welcome that scrutiny, and we have made ourselves accountable.

Senator Arbib has been accountable in this chamber. Mr Rudd and Mr Garrett have been accountable in the House of Representatives. That is as it should be under our democratic system of government. Those answers are available to the opposition when they question those ministers in the relevant chambers. So, certainly, when I can help the senator I will but, as I said, I have no idea what the senator thinks he is doing in— (*Time expired*)

#### Economy

**Senator HURLEY** (2.06 pm)—Mr President, my question is to the Assistant Treasurer, Senator Sherry. Is the Assistant Treasurer aware of the latest analysis from the International Monetary Fund on exit strategies from the global recession? Can the Assistant Treasurer inform the Senate on how this independent analysis of the global response to the world's worst synchronised economic downturn in 75 years relates to the Rudd government's timely, targeted and temporary response to the crisis?

*Senator Abetz interjecting—*

**Senator SHERRY**—Senator Abetz would do better to look at the performance of Senator Barnaby Joyce this morning in the media. I understand it is well worth a look. The IMF, a very respected international economic forecaster and analyst, has released a document called *Exiting from crisis intervention policies*. The executive directors of the IMF noted:

The bold and extraordinary measures taken in response to the crisis have helped lessen the severity of the global recession and stabilised financial markets, allowing normality to return in many countries.

That, of course, would be the bold and decisive action that the Rudd Labor government took to introduce stimulus at the onset of the crisis.

**Senator Ian Macdonald**—With Peter Costello's money.

**Senator SHERRY**—And I should not forget the support of the Greens, Senator Fielding and Senator Xenophon—but the strong opposition of the Liberal and National parties to that stimulus package. The IMF also cautions in its report that 'available data does not advocate a broad based withdrawal of stimulus'. It is warning against too rapid a withdrawal of stimulus. It also notes that the 'recovery still appears sluggish', Senator Joyce. It still appears sluggish 'especially in advanced economies, and there is little evidence that private demand is self-sustaining'. Importantly, the IMF says:

Letting the fiscal stimulus expire should be straightforward from a technical standpoint because much of the stimulus has consisted of temporary measures.

That is true of Australia. Our stimulus peaked last year and has a phase-out within it. As the Rudd government has said from day one, stimulus measures have been timely, targeted— (*Time expired*)

**Senator HURLEY**—Mr President, I ask a supplementary question. Does the IMF report on how governments should deal with their debt commitments and what do the debt levels outlined in this analysis say about Australia's public debt compared with that of other advanced countries?

**Senator SHERRY**—Thank you for that very important question. The IMF points out that the global economic crisis has resulted in the largest worsening of the fiscal accounts—that is, government debt—since the Second World War. General government gross debt—and that is gross debt, Senator

Joyce, not net debt; you got a little confused this morning in the media—

**Senator Brandis**—Don't be so arrogant!

**Senator SHERRY**—If Senator Joyce is going to go out in the media and talk about gross debt and net debt he should understand these concepts. His performance this morning is well worth a look. The IMF points out that the ratio of gross debt to GDP in advanced economies will rise to 73 per cent in 2007—

*Opposition senators interjecting—*

**The PRESIDENT**—The time for debating this is at the end of question time. Senator Sherry, continue.

**Senator SHERRY**—Government debt will rise to 73 per cent in 2007 and to 109 per cent in 2014. The IMF recommends that there should be debt reduction to 60 per cent of GDP. Of course, Australia has the lowest government debt of any advanced economy. *(Time expired)*

**Senator HURLEY**—Mr President, I ask a further supplementary question. Does the IMF state what fiscal measures government should take to reduce their debt levels? Are there obstacles to the Rudd government's plans for fiscal restraint—in particular, the Rudd government's initiatives to help Australia meet the challenges of a growing and ageing population?

**Senator SHERRY**—As far as the IMF is concerned, it is the Rudd government that has ensured that Australia has the lowest level of government debt of all the advanced economies in the world. Of course, there is some nostalgia on the other side for Mr Costello. Where is he? Where is Mr Costello? He has been replaced by Senator Joyce. He has been replaced by Mr Hockey and Mr Abbott, who thinks economics is boring. So where is he, for those on the other side who are revelling in their nostalgia? I

can tell you one thing: I will give Mr Costello a compliment. If you look at Senator Joyce, if you look at Mr Hockey and if you look at Mr Abbott, Mr Costello is a three-time winner of the Nobel Prize for Economics. I will give you that, but where is he? Revel in your nostalgia, and look at what has replaced him. *(Time expired)*

#### **Home Insulation Program**

**Senator RYAN** (2.11 pm)—My question is to the Minister representing the Prime Minister, Senator Evans. Given that the Prime Minister has now accepted full responsibility for the mismanagement of the Home Insulation Program, why will government ministers not simply say when they were first advised about the risks to the homes of Australians through this grossly mismanaged program?

**Senator CHRIS EVANS**—I think Senator Ryan must have been out of the room when Senator Abetz asked me the same question at the start of question time. I took on notice the question about when each of the ministers was advised. I referred Senator Abetz to the *Hansard* of the House of Representatives, where both Mr Garrett and the Prime Minister have answered similar questions. As I pointed out, at this very moment they are both in the House of Representatives and able to be questioned by the Liberal Party about such matters.

I took on notice from Senator Abetz the question that he asked. As I said, I think it is probably easiest if he just looks up the *Hansard* for the House of Representatives, but because I am an accommodating chap I have undertaken to get him an answer to that question. Senator, I suggest you actually listen to your colleagues' questions or do not just accept what they hand you and repeat the first question. As I indicated before, those questions have been asked in the House of Representatives and answered. I have taken

on notice the details you have sought, but I think you have wasted another question since that question was taken on notice by me in response to Senator Abetz's question a mere 10 minutes ago.

**Senator RYAN**—Mr President, maybe the minister can answer this supplementary question. How does the continual refusal of government ministers to state exactly when they first became aware of the risks in the Home Insulation Program square with the Prime Minister's pre-election promises that ministerial accountability would mean that ministers 'should be responsible to the parliament for their actions, to be responsible for the operation of their department as well'? Does the Prime Minister still require his ministers to meet this standard?

**Senator CHRIS EVANS**—As I said to Senator Minchin: he really ought to go to the tactics committee meetings! I dispute the premise of Senator Ryan's question. The ministers responsible are answerable to the parliament. They are in the parliament now. They are answering questions proposed by the Liberal opposition. So, if you do have questions, they can be asked at this very moment, directly of those ministers.

As for Senator Arbib, he is sitting right there—eager to respond to any questions asked of him! So you have the ability to hold the government to account. That is what the parliament is in part for. The ministers are available to answer questions for you. It seems to me that you do not like the answers you are getting. But the ministers are responsible, they are taking responsibility for their portfolios and they are available in the parliament at this very moment to answer any questions you have of them. (*Time expired*)

**Senator RYAN**—I was not aware that certain questions were not to be asked in this place. The question was about the operation of the Prime Minister's code of conduct for

ministers. Mr President, I ask a further supplementary question. Does the fact that the Prime Minister has done nothing whatsoever to sanction his ministers for their mismanagement of this program, and their refusal to come clean about when they first knew of the safety issues, prove again that the Prime Minister's word cannot be trusted, that he is simply all talk and no action?

**Senator CHRIS EVANS**—Senator Ryan uses his questions to repeat tired, prepared lines from the opposition, but I do not think he seeks a serious answer. As I have made clear, both the minister and the Prime Minister have taken responsibility for the programs and have taken responsibility for the administration of those programs. That has been made very clear. In terms of parliamentary accountability: they are in the chamber now, available for questioning—but you waste your time, Senator, by asking me questions about whether they are accountable.

*Opposition senators interjecting—*

**Senator CHRIS EVANS**—Well, ask Tony Abbott whether or not he should pursue that right now. If he has concerns with our answers, he ought to pursue that now. But, Senator, you seem to have been misguided by the tactics committee. I am happy to answer questions that are relevant. If you are concerned about the answers given by ministers, I have only taken one question on notice. Really, Mr Abbott ought to ask Mr Rudd directly, if he has concerns. (*Time expired*)

#### **Immigration: Humanitarian Program**

**Senator HANSON-YOUNG** (2.17 pm)—My question is to the Minister for Immigration and Citizenship and the Minister representing the Prime Minister, Senator Evans. Is the minister aware of reports today from the Refugee Council of Australia that suggests Australia's refugee and humanitarian program has dropped to 6.6 per cent of the na-

tion's total migration program, the lowest in 35 years, despite the rise in the number of people seeking resettlement around the globe? Given that the government continues to inform us—and I realise there is opposition to that from the coalition—of the global rise in numbers of refugees around the world, what is the reasoning behind Australia's decrease in our humanitarian intake?

**Senator CHRIS EVANS**—I thank the senator for her question, but her last statement is just wrong. There has not been a decrease in our intake; there has been an increase in our intake. The senator relies on a claim based on the percentage of the total migration program. But her claim at the end of her question that there has been a decrease in the program is absolutely wrong—in fact, this government increased the program, on both occasions that we brought down a budget, which includes the humanitarian program numbers. On both occasions we have increased it.

The current program of 13,750 places is the largest since 2005-06 and does contribute very much to addressing the worldwide need for humanitarian resettlement. In each of the last two years we have increased the program: an increase of 500 places in the 2008-09 budget, targeted at the resettlement of vulnerable Iraqi refugees; and a further increase of 250 humanitarian places in 2009-10. On top of those increases we made provision for up to 600 humanitarian visas to be granted to Iraqi employees who supported Australian troops in Iraq, and their families.

It is important to note that we have increased the program, on both occasions that this government has brought down a humanitarian and refugee program. The argument from the Refugee Council is that it has fallen as a percentage of the total program. It is true that, over the last 10 years, there has been a large increase in the number of skilled mi-

grants coming to this country, as both this government and the previous government sought to meet the skills needs of this economy. But the total number of humanitarian program entrants has increased both years under this government. So the premise of the question is factually not right.

**Senator HANSON-YOUNG**—Mr President, I ask a supplementary question. It is not factually incorrect, Minister, to suggest that the percentage has dropped—that is, clearly, actually correct. Having said that, Mr President, I ask the minister: does he agree with the comments made this morning by a member of the government's own backbench, Mr Kelvin Thomson, that increasing the humanitarian intake to 20,000 by cutting skilled migration could be doable?

**Senator CHRIS EVANS**—I respect Kelvin Thomson's contribution to this debate, and his interest in these matters, but no, I do not agree with him—I do not agree with him at all. He has made claims that support a reduction in the total program, and I have opposed those. I have made it clear that it is not my view nor the view of the government when he seeks a much smaller program—and, virtually, the abolition of skilled migration into this country, which would be a huge loss to our economy and to the potential of companies in this country to grow the economy and to grow job opportunities for Australians. But today I understand that he supported an increase to 20,000 in the humanitarian program. I will make this point: Australia does its share, but it is expensive. In tight economic times I do not think we are going to see a large increase in the program, but that is obviously a consideration for government as part of the budget. But we have grown the program in the last two years, and we do intend to continue our contribution—*(Time expired)*

**Senator HANSON-YOUNG**—Mr President, I ask a further supplementary question. Mr Thomson also linked an increase in the humanitarian intake to the possible reduction in the number of asylum seekers using people-smugglers to enter Australia. Given yesterday's announcement with respect to increasing ASIO's duties to deal with the global rise in asylum seekers, how will these proposed new powers interact with genuine refugees seeking protection in Australia?

**Senator CHRIS EVANS**—Mr Thomson, as you indicated, Senator, sought to suggest that an increase in the humanitarian program might decrease the number of people seeking the use of people-smugglers. I am not sure that there is a direct correlation in that regard. I am not sure that you guarantee that an increase in the humanitarian program would reduce the demand for people-smuggling, given the millions of people around the world who are seeking refuge or resettlement. So I do not necessarily think that there is a direct link in that way. But there is no doubt that, if people have other options, they are less likely to seek to engage people-smugglers. The changes in the legislation regarding ASIO's powers are to deal directly with a concern that ASIO has not been able to assist in attacking people-smuggling. That legislation will come before the parliament. *(Time expired)*

#### **Home Insulation Program**

**Senator CORMANN** (2.23 pm)—My question is to the Minister Assisting the Prime Minister on Government Service Delivery. Does the minister agree with the statement made by the Prime Minister on the day that he was appointed as the Minister Assisting the Prime Minister on Government Service Delivery that he is 'responsible directly for making sure that energy insulation is happening'?

**Senator ARBIB**—I have not seen that comment, but I have to say that, knowing the form of Senator Cormann, I am not going to take anything he says as gospel. I would certainly like to see the context, because the one thing we know about Senator Cormann is that he takes things out of context every day. I would have to see it before I would be happy to answer a question like that.

Over the past three days I have answered numerous questions about my role. I am again happy to put on record that my roles were to maximise job opportunities and to ensure the timely rollout of the stimulus package. As I have informed the Senate, when I became the Parliamentary Secretary for Government Service Delivery, I—along with the Coordinator-General, Mike Mrdak—met a few times with ministerial officers from departments that were responsible for delivering an element of the stimulus package. These meetings were designed to ensure strong reporting and lines of communication between Commonwealth agencies and state governments and to provide feedback between agencies, state governments and ministerial offices to ensure that the rollout of the stimulus was proceeding smoothly and on time. That is the role that I was playing. I would not be taking the words of Senator Cormann without actually seeing the document that he is quoting from.

**Senator CORMANN**—Mr President, I ask a supplementary question. I would like to table the transcript of the interview with the Prime Minister on radio 2UE on 9 June 2009.

**The PRESIDENT**—Is leave granted?

**Senator Chris Evans**—In accordance with normal procedure, if it is shown to us and we accept that it is what he says, it will be tabled at the end of question time.

**Senator CORMANN**—I refer to the minister's answer yesterday, when he excused

himself from the responsibility of raising safety concerns regarding the rollout of the rushed and failed Home Insulation Program with the Prime Minister on the grounds that at the time he was only the parliamentary secretary and not a minister. Given that his responsibilities as parliamentary secretary also included the Home Insulation Program, does he still maintain that he had no responsibility to inform the Prime Minister about the safety issues with the program, either as parliamentary secretary or as a minister?

**Senator ARBIB**—It is pretty clear that he got that question from Senator Abetz, because that was a complete misrepresentation of what I said yesterday. You are lucky that you did not get that by email. Minister Garrett, as the minister responsible, has always taken account of any element of risk identified during the course of the Home Insulation Program and has always taken action on advice to address these risks. The minister advises that, from the commencement of the program, his office was kept abreast of how the program was developing, the risk assessment processes that were underway, issues that arose during the assessment process, and the design and implementation of the Home Insulation Program. The minister further advises that this included participation in roundtables. *(Time expired)*

**Senator CORMANN**—Mr President, I ask a further supplementary question. I think that the minister should check yesterday's *Hansard*. It is exactly what he said. Will the minister now tell the Senate when he first became aware of the serious safety issues for workers involved in the failed Home Insulation Program? Has the minister checked his records, as he said he would yesterday, to ascertain whether any members of the Prime Minister's personal staff were present at the regular meetings at which safety issues and risks in the Home Insulation Program were discussed?

**Senator ARBIB**—I think that I made it clear yesterday that in terms of any meetings that I was involved in—

**Senator Cormann**—Will you now tell the Senate when you first became aware—

**Senator ARBIB**—Senator Cormann, you asked the question. I think that you should have the courtesy of actually listening to the answer.

*Honourable senators interjecting—*

**Senator ARBIB**—They are not interested in answers. Again I say in relation to any discussions I had with departments that, while discussions included risks to the Commonwealth and program delivery risks, they did not include fire or electrical hazard. I made that clear yesterday and restate that now.

*Opposition senators interjecting—*

**The PRESIDENT**—Order! If you want to debate it, the time to debate it is after question time.

**Senator Cormann**—Mr President, on a point of order: I seek your guidance because the Leader of the Government tells us that we should ask the minister about when the minister first became aware of safety issues, and the minister does not answer. Who should we direct questions about safety issues to?

**The PRESIDENT**—That is not a point of order; it is a debating point. You are quite entitled to debate that at the end of question time. That is when that should be debated.

### Hospitals

**Senator MOORE** (2.30 pm)—My question is to the Minister representing the Minister for Health and Ageing, Senator Ludwig. Can the minister advise the Senate on the latest private health insurance premium round and the latest statistics on private health insurance coverage? How do these fit with the government's plans to secure the

future of health care in Australia? Do they face any impediment?

**Senator LUDWIG**—I thank Senator Moore for her question and note her interest in the government's commitment to making sure that health care is accessible to and affordable for all Australians. The government knows that families are doing it tough and battling to balance the books. That is why we have worked very hard to ensure that private health insurance remains affordable for Australian families. The people of Australia can be very sure that premium increases would be a lot higher under the out-of-touch Liberal Party, whose extreme free marketeers have already signalled their will to let the market rip and let health premiums off the leash. Just last week, the shadow Treasurer, Mr Joe Hockey, said:

The problem with the market is that ultimately premium increases are the decision of a Minister, so it's not a pure market.

In contrast, the government has worked hard to keep these increases to an absolute minimum. This year, the Minister for Health and Ageing has asked for resubmissions from over half of the health funds as their proposed increases were too high. The result has been lower rebates for 75 per cent of private health members, some 8.5 million people across the country. Average premiums will increase by 5.78 per cent from 1 April. This increase is lower than last year's increase, it is lower than industry expectations and it is below the 2009 consumer price index of 5.9 per cent for hospitals and medical services. It is significantly lower than it was during the opposition leader's four years as health minister, when the average increase was 6.63 per cent. Mr Abbott's extreme beliefs were evident then, as his extreme policies continue to be evident now, and any attempt by the opposition to claim that they are sticking up for low-income families is, quite frankly, ridiculous.

**Senator MOORE**—Mr President, I ask a supplementary question. Is the minister aware of any impediment to the government when it comes to addressing Australia's health needs? Could the minister update the Senate on what this might mean for the health of Australians?

**Senator LUDWIG**—I thank Senator Moore for her supplementary question. Unfortunately, what we have seen from those opposite is a callous and risky disregard for the need to protect the health of Australians. More interested in playing political games and fighting amongst themselves than boosting the health of all Australians, they have refused to pass landmark legislation giving more support and recognition to our midwives and nursing practitioners, they have failed to allow dental services to be delivered to hundreds of thousands of Australians and they have failed to pass legislation establishing Australia's first-ever preventative health agency. Last year they opposed and delayed government reforms to put the extended Medicare safety net on a more sustainable basis, make the Medicare levy surcharge fairer on middle-income Australians and close the tax loophole that turned alcopops—*(Time expired)*

**Senator MOORE**—Mr President, I ask a further supplementary question. Can the minister advise the Senate on additional measures the government has put in place to ensure health care is more accessible to Australians? How does this compare to what has come before?

**Senator LUDWIG**—I thank Senator Moore for her second supplementary question. The Rudd government is committed to making health care in Australia accessible to and affordable for all. This stands in stark contrast to those opposite, who after 12 years of neglect of doctors and nurses and bed shortages affecting 74 per cent of the country

are playing extreme and obstructionist politics instead of what they should be doing: improving the health of all Australians. Their record in government was one of failure, and their record of extremist opposition is now putting the improved health of Australians at risk.

Let us look at some of our key achievements in contrast to the achievements of those opposite. Almost 500 communities around Australia will become eligible for rural incentive payments on 1 July; more than 2,400 rural doctors will for the first time— (*Time expired*)

#### **Broadband**

**Senator BARNETT** (2.35 pm)—My question is to the Minister for Broadband, Communications and the Digital Economy, Senator Conroy. Can the minister outline the selection process that resulted in yet another Labor mate, Mr Jody Fassina, being appointed to the board of the Tasmanian NBN Co. last year? Was the minister directly responsible for this appointment?

**Senator CONROY**—Thank you for this sharp and fast question. I think Mr Fassina's appointment was made when Senator Minchin was the shadow communications spokesperson. I think he even noticed it at the time. In fact, I think he even raised it. There have been some attempts recently to add to the colour and movement in my portfolio area by regurgitating and dragging up Mr Fassina's appointment. I simply go back to the comments made at the time of his appointment by those from across all parts of the political divide, including Mr Warwick Smith, a former predecessor of mine, who said that he was an excellent appointment, he had worked with him and he was well worthy to be appointed to that position.

So let me be very clear: this was an appointment that was welcomed by those from your side of politics. What we are seeing

now is simply an attempt to muddy up a whole range of people who, in Mr Fassina's case, have not worked for the Labor Party for over 10 years. Equally, we have seen attempts to muddy up quite disgracefully a former staffer of mine.

**Senator Barnett**—Mr President, I rise on a point of order, on relevance. The minister has just 35 seconds left and the minister has not addressed either part of the two-part question in terms of what is involved in the selection process and whether the minister was directly responsible for his appointment.

**The PRESIDENT**—Order! When there is silence the Senate will proceed.

**Senator Ludwig**—On the point of order, Mr President, if they are going to raise spurious points of order then I will respond. The minister was responding to the question that was asked. The minister has 33 seconds to continue his answer in the relevant manner that the minister was answering in respect of the question asked. What we now have is those opposite rising to make political points or to add to their original question. I ask that you rule it out of order.

**The PRESIDENT**—I draw the minister's attention to the question. He has 33 seconds remaining in which to answer the question that has been raised by Senator Barnett.

**Senator CONROY**—Let me make it very clear: I am responsible for all of the Tasmanian NBN Co. appointments. I do not know how much clearer I can be. I announced them. I said at the time, and this was something that you commented on at the time—and I repeat: Mr Fassina is known and respected by people on both sides of politics. Mr Fassina has a strong understanding of government. As I said, former Liberal minister Warwick Smith said that— (*Time expired*)

**Senator BARNETT**—Mr President, I ask a supplementary question. Following his appointment, Mr Fassina reportedly said: 'I've

known Senator Conroy for a number of years and it's a relationship I'm very proud of. I have a lot of respect and time for Stephen and I am honoured to have been selected by the Rudd government to serve on the board.' Is it true that when the opportunity arises the minister has no qualms in using the NBN as a vehicle to reward Labor mates?

**Senator CONROY**—I repeat: Mr Warwick Smith said about Mr Fassina that he was an exceptionally good analyst, and he went on to say: 'I was very impressed with him and will be a strong referee for him.' But the hypocrisy of those on the other side! They had nothing to say when Richard Alston's former adviser became the Channel 10 lobbyist, when Richard Alston's former chief of staff became the Telstra lobbyist, when Richard Alston's former staffer became the Nine and now the News Ltd lobbyist, when Richard Alston's former chief of staff, Paul Fletcher, became the Optus lobbyist, or when Helen Coonan's former media adviser, Jane McMillan, went to work at SBS—

**The PRESIDENT**—Senator Conroy!

**Senator CONROY**—Or Gary Dawson at the ABC! Do not try and lecture with that level of hypocrisy—

**The PRESIDENT**—Senator Conroy! When you are being called to order I expect you to respond to the call!

*Senator Conroy interjecting—*

**The PRESIDENT**—You did not hear because you were shouting. I was calling you to order so that there can be order in this place, which is proper. You should not be addressing your comments across the chamber and there should not be interjections across the chamber during question time. The time to debate these issues, as I keep pointing out, is at the end of question time. If you disagree with a minister's answer, you are quite entitled to do that and, if you want to take that disagreement up, debate it at the

end of question time. Senator Conroy, you have two seconds.

**Senator CONROY**—My apologies for allowing myself to be distracted, Mr President.

**Senator BARNETT**—Mr President, I ask a further supplementary question. I note in the minister's response that every organisation referred to by the minister was a private organisation—none were funded by the taxpayer; none were government organisations or agencies.

*Honourable senators interjecting—*

**The PRESIDENT**—Order! Senator Barnett! Order! Senator Barnett, continue.

**Senator BARNETT**—How many other NBN Co. employees or board members has the minister or other members of the Rudd government recommended or suggested for appointment, as was the case with the disgraced former Labor MP Mike Kaiser?

*Honourable senators interjecting—*

**The PRESIDENT**—Order! On both sides I need order!

**Senator CONROY**—I repeat what I said in answer to the earlier question: I recommended all of them. But those opposite selectively try and pretend that working for the SBS, as the former media adviser to Helen Coonan does, is not taxpayer money. A former prime ministerial adviser went to work for the ABC and a former Liberal staffer currently works as a lobbyist for Australia Post—nothing wrong with any of that. The hypocrisy on that side on this issue is quite embarrassing for them. They have no recollection of what they undertook while they were in government. They continue to try and trawl around and muddy up people in quite a disgraceful way, handing out documents to journalists. Let me be clear—

*Honourable senators interjecting—*

**The PRESIDENT**—Order! When there is silence!

**Senator CONROY**—All board members. Let's be clear: Those opposite are walking around peddling lists of names and addresses. They gave one to Glenn Milne before last weekend. Even Glenn Milne would not write it.

**The PRESIDENT**—Order! Senator Conroy, resume your seat! Order!

#### **Defence Superannuation**

**Senator FIELDING** (2.45 pm)—My question is to the Assistant Treasurer, Minister Sherry, in his capacity as the Minister representing the Minister for Financial Services, Superannuation and Corporate Law and in his capacity as the former minister for this portfolio. Given that Minister Sherry personally hand-picked Mr David Harris to be one of the principal leads for the Matthews review into the pension indexation arrangements for military superannuation, does the minister agree this appointment raised a serious conflict of interest given that there are reports that Mr Harris, back in 2005, treated the minister to a return airfare to England and Scotland, as well as four nights accommodation? Is it just convenient that the Matthews review happened to come up with a recommendation that was contrary to the findings of every other Senate inquiry on the issue and that it just happened to support the government's position?

**Senator SHERRY**—I can confirm Mr Harris did provide some sponsorship for a trip to the UK. That has been declared; it is on my Senate register. That is a matter of fact. As to the appointment of the individual who conducted the inquiry into Public Service pension indexation, it was carried out by Mr Trevor Matthews, not Mr Harris. I understand that Mr Trevor Matthews did take some advice—

*Opposition senator interjecting—*

**Senator SHERRY**—Certainly not Tasmanian. Mr Trevor Matthews did take some advice from Mr Harris, but the report is known as the Matthews report. That was carried out by Mr Trevor Matthews. He was appointed on my recommendation. Mr Trevor Matthews is an Australian; he works in the United Kingdom. He is the former head of the Institute of Actuaries of Australia. I do regard him as eminently qualified to have carried out that inquiry.

**Senator FIELDING**—Mr President, I ask a supplementary question. Can the minister explain why he did not believe there was a single actuarial or financial adviser in all of Australia who was competent enough to assist with the Matthews review and that he had to import his mate from the UK, Mr Harris, to be the lead principal? Can the minister inform the Senate what kind of remuneration Mr Harris received for his role?

**Senator SHERRY**—Thank you for the question. As I have already pointed out, Mr Trevor Matthews was the one who conducted the inquiry. I understand he did utilise Mr Harris in terms of some advice and assistance. Also, you may not have been present at the Senate estimates, but one of the reasons in fact that attracted me to Mr Matthews, aside from the fact that he was the former head of the Institute of Actuaries of Australia and aside from the fact that he was not in the country—so I regarded him as independent—he did not charge for his services. He did it voluntarily. I thought that that was pretty good value for taxpayers' money. When I looked at his background and his qualifications and the fact that he was from outside the country, I saw that as a positive advantage. I particularly saw as a positive advantage that he was not going to charge— (*Time expired*)

### National Security

**Senator BRANDIS** (2.49 pm)—My question is to the Minister representing the Attorney-General, Senator Wong. I refer to the report in this morning's Fairfax newspapers that said:

Kevin Rudd toughened his terrorism blueprint to highlight the threat from jihadist and home-grown terror despite resistance from officials within his department and the Attorney-General's Department who were concerned the language was inflammatory and counter-productive—

and, further, that the Prime Minister insisted that the counterterrorism white paper should contain an 'announcable'. Minister, why did the Prime Minister try to 'sex up' Australia's counterterrorism white paper? Is this not yet another example of the Rudd government's addiction to political spin before policy substance?

**Senator WONG**—The short answer to the question is no. I would just like to refer Senator Brandis, and those on the other side who might want to consider simply asking questions because of what is in the papers, to the following facts in relation to terror threats which have been locally generated. In 2005, nine men in Sydney were arrested and charged with terrorism offences—all nine were convicted. In 2006, an Australian national, Faheem Lodhi, was convicted of planning terrorist attacks in Australia during 2003. In September 2008, a Sydney man was convicted of collecting or making documents likely to facilitate terrorist acts. In 2006, 13 men in Melbourne were arrested and charged with terrorism offences—nine were convicted of being members of a terrorist organisation. In 2000, Australian national Jack Roche was tasked by senior al-Qaeda operative Khalid Sheikh Mohammed to identify Israeli and Jewish targets in Australia, and in 2001 the same gentleman applied for and was granted a visa to visit Australia which was cancelled before he could travel. Per-

haps the opposition could answer this question: given those facts, what is exaggerated about the fact that we do face home-grown and locally generated terrorism threats?

**Senator BRANDIS**—Mr President, I ask a supplementary question. Minister, why does the counterterrorism white paper have virtually nothing to say about the risk to Australian security posed by people smuggling? Why was the issue ignored by the white paper at the very time the government was proposing to amend the ASIO Act to extend it to people smuggling? Does the government not accept that border protection is a vital element of counterterrorism policy? Is it the government's position that people smuggling is a national security issue—yes or no?

**Senator WONG**—It is interesting that on the one hand Senator Brandis is accusing us of being too tough by, I think his words were 'sexing up'—

*Senator Brandis interjecting—*

**Senator WONG**—I use your words, not mine—and then on the other he is saying the opposite.

*Opposition senators interjecting—*

**The PRESIDENT**—Order! When there is silence, we will proceed. If people want to debate the issue then, as I said, the time to debate the issue is at the end of question time.

**Senator WONG**—Thank you, Mr President. I would refer Senator Brandis to the legislation that the government has introduced, the Anti-People Smuggling and Other Measures Bill, which is specifically designed to strengthen the government's anti-people-smuggling legislative framework and support our plan to combat people smuggling. It enables ASIO to use its intelligence and analytical capabilities in relation to people smuggling and other serious border security threats. ASIO will operate in close coopera-

tion with Australia's law enforcement and other national security agencies. The bill will also enable Australia's national security agencies to collect foreign intelligence about nonstate actors, including people smugglers and their networks. We look forward to the opposition supporting the legislation and supporting the government in its plans and its objectives to protect— (*Time expired*)

**Senator BRANDIS**—Mr President, I ask a further supplementary question. Minister, is it not the case that ASIO will be required to support its proposed additional responsibilities to combat people smuggling from existing funding, thereby diverting resources away from ASIO's other intelligence functions? Will not ASIO's capabilities be diminished as its resources are spread more thinly? Is this not yet another example of the Rudd government's all talk and no action style?

**Senator WONG**—As the shadow minister knows, counterterrorism will remain ASIO's top priority and neither the legislation which I have outlined nor the white paper will alter that. Obviously counterterrorism will remain ASIO's top priority. The reality is that we are dealing with a whole range of matters, both on the border security front and, more broadly, in counterterrorism strategies, that do require a sensible, whole-of-government approach. The government is sensibly and responsibly delivering the legislative changes which are required.

**Senator Brandis**—Mr President, I rise on a point of order going to relevance. I asked specifically whether the additional responsibilities of ASIO will be funded from existing resources or whether additional resources would be made available. The question is about resources, and I would like it answered.

**The PRESIDENT**—I ask the minister to return to the question that has been asked. Minister, you have 25 seconds remaining.

**Senator WONG**—Mr President, I think the Attorney-General made clear today in his public statements that obviously the counterterrorism white paper is a framework, and further decisions will need to be made in the context of the budget process. What I will say about the opposition is that their inconsistency on this position is demonstrated by the three different questions that Senator Brandis asked. On the one hand he is accusing us of talking up this issue, and on the other hand he is saying we are not doing enough. (*Time expired*)

#### Science

**Senator PRATT** (2.55 pm)—My question is to Minister for Innovation, Industry, Science and Research, Senator Carr. Can the minister please inform the Senate why science is so important to Australia and what are the implications—

*Opposition senators interjecting—*

*Government senators interjecting—*

**Senator PRATT**—if you can hear me, Senator Carr; I apologise if you cannot—of recent attacks on the integrity of science for Australia's capacity to deal with existing and emerging challenges that Australia is facing? Are the attitudes expressed in these attacks widely shared?

**Senator CARR**—Mr President, we rely on science to power new industries, to create new jobs, to cure disease, to meet our needs for sustainable energy, to feed the world, and to bring new levels of comfort and convenience to our lives. It is therefore very disturbing to see the values and the achievements of science coming under such ideological attack. Reactionaries—

*Opposition senators interjecting—*

*Government senators interjecting—*

**The PRESIDENT**—Senator Carr, resume your seat. When there is silence on both sides we will proceed!

**Senator CARR**—Reactionaries everywhere have seized the opportunity to bismirch science. Some have even been trying to advance their short-term political objectives. Others seem to genuinely want to turn the clock back to the Dark Ages.

*Opposition senators interjecting—*

*Government senators interjecting—*

**The PRESIDENT**—Senator Carr, resume your seat! I understand that the end of question time is drawing close, but that is no reason why there should be disorder. Senator Carr is entitled to be heard in silence.

**Senator CARR**—Mr President, the lunatic fringe is putting Australia's prosperity at risk. Research by Swinburne University of Technology shows that Australians fully understand the importance of science. They agree strongly that science and technology are improving our quality of life. They share my view that science has the power to solve most of the problems we face. They continue to trust our scientists, especially the scientific findings of Australia's great public research institutions: our universities and our agencies such as the CSIRO. Arranged against this common sense of ordinary Australians, we have the dogma of the fanatics and the flat-earthers across this country. Their numbers are small, but their voices are loud! (*Time expired*)

*Opposition senators interjecting—*

**The PRESIDENT**—Order! If people want to debate the issue, there will be time after question time to do that.

**Senator Bernardi**—I do! I do!

**The PRESIDENT**—Senator Bernardi, if you want to debate it you can do so after question time. I need to be able to hear Senator Pratt ask her supplementary question, and we will not proceed until there is silence. I call Senator Pratt.

**Senator PRATT**—Mr President, I ask a supplementary question. Can the minister advise the Senate what the government is doing to support science, and in particular what new initiatives the government has taken to boost Australia's scientific capacity and to support cutting-edge science?

**Senator CARR**—The Australian government expressed its overwhelming support for science in this year's budget. It included an extra \$3.1 billion for research and innovation. The total research and innovation budget for 2009-10 will be around \$8.6 billion. That is a 25 per cent increase on last year. It is the biggest commitment and the biggest increase on record. We have \$1.1 billion for the Super Science initiatives, which involve building state-of-the-art infrastructure to support scientific research in Australia's areas of strength, including astronomy and space science, marine and climate change and science that will drive the development of future industries. These new investments will fuel the new inventions and discoveries. (*Time expired*)

**Senator PRATT**—Mr President, I ask a further supplementary question.

**Opposition senators**—More! More!

**The PRESIDENT**—Order! I do not think the behaviour taking place now is helping anyone. This is question time, and people are entitled to be heard in silence.

**Senator PRATT**—I would like to know what the government is doing to support the science that will underpin future industries, and what measures the government is taking to ensure that these industries deliver maximum benefits to Australia.

**Senator CARR**—The industries of the future will be built on many different platforms, including biotechnology and nanotechnology. The government this week released its National Enabling Technologies Strategy to guide the responsible develop-

ment of these technologies. Nanotech and biotech promise to give us breakthrough medicines, faster computers, cleaner energy, stronger and lighter materials, more abundant and nutritious food, purer water and much more besides. This government, make no mistake about it, welcomes debate on scientific questions. Our scientists devote their whole lives to the contest of ideas. But the debate has to be on scientific grounds; it cannot be based—

*Opposition senators interjecting—*

**The PRESIDENT**—Order! Senator Hefernan, it is disorderly to be interjecting across the chamber, but doing so not in your seat is totally disorderly.

**Senator CARR**—Debate on science has to be based on evidence, not on the prejudice of the lunatic fringe that now dominates the Liberal Party. We have to ensure the debate is always on evidence, not on the prejudice that you have exhibited. *(Time expired)*

**Senator Chris Evans**—Mr President, I ask that further questions be placed on the *Notice Paper*.

#### QUESTIONS WITHOUT NOTICE: ADDITIONAL ANSWERS

##### Broadband

**Senator CONROY** (Victoria—Minister for Broadband, Communications and the Digital Economy) (3.04 pm)—Mr President, I want to ensure that Senator Macdonald cannot misrepresent me as he tried to during my answer. I make it absolutely clear that I was referring to Tasmanian NBN Co. board members.

**Senator Ian Macdonald**—You were asked about employees.

**Senator CONROY**—I might have been asked about something; the answer I gave was in relation to the Tas NBN Co. board.

#### HOME INSULATION PROGRAM

**Senator CORMANN** (Western Australia) (3.05 pm)—Mr Deputy President, I seek leave to table the transcript circulated in the chamber earlier. I refer Senator Arbib to page 3.

**The DEPUTY PRESIDENT**—Is leave granted? There being no objection, leave is granted.

**Senator Bob Brown**—Mr Deputy President, I rise on a point of order. I did not grant leave. I remind Senator Cormann that, if he wants papers tabled, they should be given to all parties in the chamber before leave for them to be tabled is requested. On this occasion I am not going to block leave but I again tell people in the opposition and the government that they have an obligation to inform the crossbench if they want something to be tabled or incorporated.

**The DEPUTY PRESIDENT**—Thank you, Senator Brown. I did not hear you say you did not grant leave.

**Senator ARBIB** (New South Wales—Minister for Employment Participation and Minister Assisting the Prime Minister on Government Service Delivery) (3.06 pm)—by leave—Mr Deputy President, in accordance with regular practice, the documents that Senator Brown referred to were circulated to all whips and the Leader of the Government in the chamber. The Greens whip received one.

**The DEPUTY PRESIDENT**—I hope that clarifies the matter for you, Senator Brown.

#### QUESTIONS WITHOUT NOTICE: TAKE NOTE OF ANSWERS

##### Home Insulation Program

**Senator CORMANN** (Western Australia) (3.06 pm)—I move:

That the Senate take note of the answers given by the Minister for Immigration and Citizenship

(Senator Evans) and the Minister for Employment Participation (Senator Arbib) to questions without notice asked by opposition senators.

This government continues to duck for cover and refuses to take responsibility for its serious failures with the Home Insulation Program. Earlier this week I asked the Minister for Employment Participation, Senator Arbib, when he first became aware of the safety issues for workers involved in the rushed and failed Home Insulation Program and he refused to answer. Today Senator Abetz asked the Minister for Immigration and Citizenship, Senator Evans, representing the Prime Minister, whether he would be able to ask the Prime Minister to get that information. The Prime Minister tells us that he is responsible and that the buck stops with him. Senator Evans, in relation to Senator Arbib, just glibly suggested, 'Why don't you ask him a question?' So I asked Senator Arbib a second time: 'When did you, Minister, first become aware of the serious safety issues for workers involved in the failed Home Insulation Program?' Again he was very disciplined and very focused in giving us a lot of propaganda but he did not answer the core question: when was he, as the Minister Assisting the Prime Minister on Government Service Delivery, as Mr Stimulus himself, first made aware of the serious safety issues for workers involved in the failed Home Insulation Program? To this day we do not have an answer. I can only hope that Senator Evans will take his commitment to this chamber seriously and raise the matter with the Prime Minister and that the Prime Minister will be true to his word—that he is responsible—and will get the information from Minister Arbib that we continue to be unable to get from him in this chamber.

When he was appointed as the Minister Assisting the Prime Minister on Government Service Delivery he was Mr Stimulus. He was going to be the one who was going to be

responsible for all the jobs out there. He was out there bragging about every single job that was created. He was telling us, in speech after speech, what a wonderful program it was. But now that things are going pear shaped, he is running for cover.

**Senator Bernardi**—That's right. He's ducking for cover.

**Senator CORMANN**—Yes, he is ducking for cover, as Senator Bernardi has just mentioned. This was a rushed program and it was implemented in the most incompetent manner, and all of that has been well documented in recent weeks. But why is this minister, who told us earlier this week that he attended regular meetings to supervise the rollout of this program and to discuss issues of risk and to discuss other issues in relation to the rollout of this program, not prepared to tell us when he first became aware of the serious worker safety issues in relation to this program? Perhaps he does not know.

The reality is that this minister is too busy running the affairs of the New South Wales Labor Party to be properly focused on his responsibilities as a minister. This minister is trying to stop New South Wales premiers from getting rolled and is having to manage the fallout when they do get rolled. He is doing deals offering Labor Party preselection to the Senate and then taking it away. He is having lunches and dinners in the cafes and Chinese restaurants of Sydney where he is offering preselection or taking it away. I will be very interested in the contribution of Senator Hutchins to this take-note motion, because I would like to hear from Senator Hutchins what he thinks about Senator Arbib's activities in New South Wales.

Then you hear Senator Arbib has got his proteges being appointed as secretaries-general of the New South Wales Labor Party and then getting them sacked. Of course if he gets them sacked he has to find them a job in

the Senate. I wonder who are going to be the people suffering the consequences of that. If you have a minister that is so entrenched and so desperate to stay on top of the machinations of the New South Wales Labor Party, of course he cannot focus on his true job as a minister of the Crown.

This is very serious. There have been some serious failings in the rollout of this program that have been seriously criticised by industry experts right from the word go. The minister has got some serious questions to answer and he is refusing to answer them. The Prime Minister, who to get his job was relying on Senator Arbib to roll the great Labor federal member from Western Australia, Kim Beazley, has probably been accommodating Senator Arbib's failings—too much so, we would argue. He is prepared to look past them. But this is a time when the Prime Minister should stand up to the New South Wales Labor Right's powerbroker, Senator Arbib, because he is actually losing his influence. The word on the street is that he is struggling to keep a hold on what is going on over there. I hope, for the sake of Senator Hutchins, that he will not succeed in stopping his preselection. (*Time expired*)

**Senator HUTCHINS** (New South Wales) (3.12 pm)—That is indeed a welcome endorsement, which I will take back to the internal processes within the Labor Party! Since the accession of Mr Abbott to the Liberal leadership we have seen a sharp turn of that party from what I suppose Malcolm Turnbull believed. He was in many ways one of the honourable heirs of the founder of the Liberal Party, Robert Menzies. Robert Menzies was a true liberal. In fact, in his signature speech in 1942, when he spoke about the forgotten people—whom he was to successfully appeal to in 1949—he marked out the differences between the party he wished to represent and other parties. I will quote him:

Let me first define it by exclusion. I exclude at one end of the scale the rich and powerful: those who control great funds and enterprises, and are as a rule able to protect themselves—though it must be said that in a political sense they have as a rule shown neither comprehension nor competence.

I think the modern conservative party now taken over by Tony Abbott would qualify for that—'neither comprehension nor competence'. What we are speaking about is part of the stimulus package that this government initiated when the world was struck by the greatest financial crisis we had had since the Great Depression. It was this government that decided to act, rather than let the economic forces operate without some sort of restraint—and let me tell my conservative colleagues over there on your left, Mr Deputy President, about that.

Let me tell you the OECD's statistics for unemployment last year: Australia, 5.6 per cent; Canada, 8.3 per cent; Finland, 8.3 per cent; France, 9.4 per cent; Ireland, 11.8 per cent; Hungary, 10.1 per cent; United Kingdom, 7.8 per cent; and the United States, 9.3 per cent. In two years America's unemployment rate rose from 4.6 to 9.3 per cent.

We as a government understood that we had to act. We could not just let market forces operate—and nor did your party, Mr Deputy President, when they came into power in 1949. They knew that there was a need for the state to intervene, to make sure that the economy kicked over. They were not going to let anything like the Great Depression happen again, when political crises led to turmoil and revolution. That is what the real Liberal Party did. They knew what they had to do. They had to act, and that is exactly what this government has done. It has pushed money into the economy and stimulated the economy so that this does not happen to us.

Again, I go back to our unemployment rate of 5.8 per cent. This has expanded all over our country, not just in the cities but in regional and rural Australia. We have the strongest economic growth of any of the 33 world economies. We are the only country in that group that has recorded positive growth. Let me tell you what has occurred in this period for our colleagues in the north. The US economy has contracted 3.9 per cent. The euro area has contracted 4.7 per cent. The United Kingdom has contracted 5.5 per cent. Japan, our second greatest trading power, has contracted 6.4 per cent. This has happened since the global financial crisis. It has not happened in this country, because this government has sought to intervene—whether it is in this program or other programs—to make sure the people in this country are not left destitute, homeless and unemployed.

**Senator McGAURAN** (Victoria) (3.17 pm)—I take that last speech as a defence of the maladministration and negligence of the whole scheme. We on this side of the House want to be nice to Senator Hutchins but not to his nemesis. All week, Senator Arbib has been slipping and sliding, ducking and weaving, and zigging and zagging his responsibilities, but the spotlight has stayed on the maladministration and negligence of this political hoon. Senator Arbib was appointed by the Prime Minister as the parliamentary secretary overseeing the implementation of the stimulus package.

**The DEPUTY PRESIDENT**—Senator McGauran, I think the reflection you made on the minister should be withdrawn.

**Senator McGAURAN**—That Senator Arbib is a political hoon?

**The DEPUTY PRESIDENT**—Yes, I think you should withdraw that.

**Senator McGAURAN**—I withdraw it. But he cannot duck his responsibilities. Yesterday, I heard the Prime Minister giving out

the standards of ministerial responsibility. However low the Prime Minister wants to set that bar, there is one change he cannot make, and that is to the question of misleading parliament—that is always a sackable offence. There is a lot about Senator Arbib's performance in the last week that says the misleading of parliament is an issue. Many of the answers he has given in this parliament beggar belief. The whole scheme from top to bottom beggars belief. It beggars belief they even took the scheme on.

**Senator Cash**—They were told not to.

**Senator McGAURAN**—They were told not to. It beggars belief that Senator Arbib and Minister Garrett, his senior minister, did not see the Minter Ellison report until two weeks ago. This report set out all the warnings about rushing this scheme—all the work safety issues, the possible bloated pricing and shoddy performances. It predicted it all.

It beggars belief that Senator Arbib came into this chamber just two days ago and said that all the departments, and officials from all the ministries, attended those safety meetings and, when asked the next day whether the Prime Minister's department was one of those that attended the meetings, he said no. He ducked and weaved but he said no—that they were not part of it. He is protecting the Prime Minister. It beggars belief that the Prime Minister's department was not at those meetings.

Senator Arbib said that he had been informed of the risks but he never asked any questions about what sorts of risks they were. He did not know about the 93 fires or the thousands of electrocuted ceilings—he just knew there were risks. He never asked what or why. It beggars belief. It has more to do with misleading this Senate than anything else. It beggars belief that Minter Ellison would report that he met weekly with them, and yet he knew nothing of the system's col-

lapse, the shoddiness of the system. I think the other day he even denied he had met with Minter Ellison on a weekly basis, saying he had met them on a 'regular' basis.

It all beggars belief because it is not true. There are a lot of untruths being told this week and Senator Arbib is part of that. There is a cover-up, from the Prime Minister's office through to Minister Garrett's and Senator Arbib's offices. But why should we be surprised that Senator Arbib would mislead the parliament or be part of so many untruths? This is a senator who entered parliament for all the wrong reasons. You could say public administration and public service were very low on his list of reasons for entering parliament. It was all to do with political gain, political intrigue and the favours and rewards he could milk from the system, and his mates.

It is incredible that this political hoon, this shallow, overrated New South Wales politician, would enter this parliament and try and bump people as decent as Senator Forshaw or Senator Hutchins, who are both—

**Senator O'Brien**—I rise on a point of order, Mr Deputy President. Although you have asked Senator McGauran to withdraw in relation to a term he used, he has repeatedly used that term. I ask that you ask him to withdraw it again.

**The DEPUTY PRESIDENT**—I apologise. I was distracted for a moment and I did not hear. Senator McGauran, if you used the term that I asked you to withdraw before, I ask you to withdraw it again.

**Senator McGAURAN**—Was that 'political hoon', referring to Senator Arbib?

**Senator Bernardi**—Or 'shallow'?

**Senator McGAURAN**—Or 'shallow' or 'overrated'?

**The DEPUTY PRESIDENT**—As I said, I was distracted. I was talking to the Clerk.

Senator O'Brien, perhaps you could specifically—

**Senator O'Brien**—Mr Deputy President, Senator McGauran is trying to be too smart by half, frankly. He knows that he used the term which I complained of and which he has now repeated. He withdrew it before. You were talking to the Clerk—I understand that—and while you were talking to the Clerk he returned to the phrase and used it again. Then, trying to be smart, I suspect, he used it again to question whether that is the term that is objectionable. He knows it is objectionable. He is playing a game.

**Senator Bernardi**—Mr Deputy President, on the point of order: I can confirm that Senator McGauran did run off at the mouth and say that Senator Arbib was a political hoon, and I think it is appropriate that he withdraw it.

**The DEPUTY PRESIDENT**—Let us be very careful where we go here. Senator McGauran, I asked you to withdraw that term.

**Senator McGAURAN**—I withdraw the term 'political hoon', but I am glad to see that I can still call the senator overrated and shallow. He is trying to muscle out decent senators in Senator Hutchins and Senator Forshaw, experienced and intelligent senators who have come in for all the right reasons. Sure, they have come out of the New South Wales right and they know their politics as well as anyone, but they have got public administration and public service as No. 1, not political intrigue as No. 1; it is well down the list. (*Time expired*)

**Senator FARRELL** (South Australia) (3.24 pm)—I—

**Senator Cormann**—Stand up for Senator Hutchins, please!

**Senator FARRELL**—Senator Hutchins can stand up for himself. He is very capable

of standing up for himself and I am sure he will do exactly that. But it is very disappointing to see that the only way the opposition can attack the government is to make personal attacks on a very good minister in this government.

*Senator Bernardi interjecting—*

**Senator FARRELL**—No. He is a very good minister in this government. He is a good minister in this government because he is doing what the Australian people want our government to do. Let us go back to what Senator Hutchins was talking about. What was Senator Hutchins saying? He was talking about the crisis that we faced in this community at the start of the global financial collapse. This government had to do something. This is not a Liberal government. This is a Labor government. This is a government that was determined to pull us out of the problems that the rest of the world was facing. What was the rest of the world facing? The rest of the world was facing a recession.

*Senator Bernardi interjecting—*

**Senator FARRELL**—Senator Bernardi, I know you do not like to hear this, but the rest of the world was facing a recession. We avoided that. Why did we avoid that? Because this government acted. We had to act quickly and we had to stop unemployment skyrocketing like it has in the United States.

*Opposition senators interjecting—*

**The DEPUTY PRESIDENT**—Order on my left! Senator Farrell is entitled to be heard in silence.

**Senator FARRELL**—Thank you, Mr Deputy President. I appreciate that protection, particularly from Senator Bernardi. All the opposition can do is launch personal attacks. The core issue that Senator Hutchins was referring to was unemployment. He was talking about the Australian unemployment figures of over five cent. I would like to drill

down into those figures a little. He did not refer to some of the state figures. What are the state figures in South Australia? You will be interested in this, Mr Deputy President. In South Australia the unemployment figures are 4.4 per cent. That is well and truly one per cent lower than the national average.

At a crucial time in our history, when all the other countries in the world were seeing their economies fall into recession and unemployment rising, what was happening in Australia, and particularly in South Australia? In South Australia unemployment has fallen to 4.4 per cent. I think it is worth noting that that is the lowest unemployment rate that the state has ever recorded. Why have we done that? Of course it has been due to the stimulus package of the federal government, but I have to also give some credit to the state government, because they have also played a crucial role. One of the things that the Rann Labor government did in South Australia at this crucial period was to ensure that they were very quick off the mark to implement the federal government's stimulus package. One of the reasons why unemployment amongst the states in mainland Australia is the lowest in South Australia is that, when the federal government introduced its stimulus package, South Australia was quick off the mark to take advantage of that.

When you compare what has happened right around the world, in those 33 economies that Senator Hutchins referred to, where are we? Our economy has not gone into recession. Young people in particular have been able to find jobs and the economy has stayed out of recession. That, principally, is what we needed to do at a crucial time in our history. The rest of the world was falling into recession. We have avoided it. In South Australia, with a combination of Rann Labor and Rudd Labor—the two Rs—we have kept our country out of recession, unemployment is

going down, not up, and we are going to find that those figures continue to go down because we have adopted the correct policies. (*Time expired*)

**Senator BERNARDI** (South Australia) (3.29 pm)—It is not surprising that Senator Farrell stood up and tried to defend Senator Arbib, his fellow warlord, faction master, powerbroker—or however they like to describe themselves as they promote themselves through the press. But what I find amazing is the contribution by the warlord, Senator Farrell, and the poor victim of betrayal, Senator Hutchins. Senator Hutchins was actually an employer of note of Senator Arbib's; the apprentice has eclipsed the master through a dagger assault—whether it was from the front or in the back, we are not sure. We only know that Senator Arbib has risen beyond his capacity. That is one thing we know for sure, because this is a minister who cannot be relied upon to do his job. The job he was given in this place was to oversee the administration and implementation of the batty pink batt program.

What was the result of this program? We have had fires in 95 homes—and it is estimated that there are another 135 homes at risk of fire—thanks to a dodgy insulation program. Senator Farrell and Senator Hutchins have the hide and the nerve to come in here and say that a \$3 billion pink batt program was somehow going to save the global economy from recession. What absolute nonsense. They had bats in the belfry if they thought that that was going to save Australia from recession! Poor administration has imposed an enormous cost—tens of millions of dollars worth—on the taxpayer unnecessarily.

And the safety and efficacy of this program was the responsibility of Senator Arbib. The minister whose name they dare not mention on that side of the chamber. Neither

Senator Hutchins nor Senator Farrell wanted to invoke the name of the great powerbroker, Senator Arbib. Senator Arbib has been a disaster. His answers to questions are evasive; they are disingenuous. In the Minter Ellison report it said there were weekly meetings with the relevant ministers. Then Minister Arbib said it was 'regular meetings', and then today it was 'infrequent meetings'. He clearly cannot get his time line right as he scrambles to cobble together a defence—a defence that no-one in their right mind will buy.

There was a minister responsible for safety who did not raise the issue of fire safety or other safety issues, such as electrocution. They are the sorts of safety aspects that might endanger people's lives but this minister did not bother to ask questions about that. He relied on departmental advice which, of course, they all deny seeing. They did not see the Minter Ellison report, even though there were weekly or regular meetings with Minter Ellison! All of these things beggar belief. This is a man who has failed the most basic accountability test of government. Minister Arbib—like their flawed and failed insulation program, which has gone—should go. Mr Garrett should go. They need to stand up and do the mea culpa and say: 'Yes, we made a terrible mistake. We botched this like we have botched so many other things in the Australian economy and like we have botched so many other things in government.'

Senator Arbib botched so many things in his control of the New South Wales government—the most dysfunctional government, bar the Rudd government, in Australia—and he has botched the handing out of Senate seats like some Illinois governor. He has promised two Senate seats—one to Mr Thistlethwaite, who is his factional cohort and is Labor secretary in New South Wales, and one to some other cat last year. He has two

Senate seats up for grabs; the only question is: whose?

*Senator Marshall interjecting—*

**Senator BERNARDI**—Will it be Senator Marshall's seat? Probably not; Senator Arbib's influence does not extend that far. Would Senator Hutchins possibly be under threat because Senator Hutchins was mounting such a solid defence of his former apprentice, now master? Perhaps it will be Senator Forshaw's seat. He is not in the chamber, unfortunately. Senator Forshaw is probably packing up his office as we speak.

It is outrageous that a man has so much power and so little accountability. He does not have enough of a conscience to stand up and be honest with the Australian people. He does not have enough accountability and integrity to front his colleagues and say, 'I'm sorry; you're out of here, mate.' He has to do it through the press and to make promises that he cannot keep. Well, the Australian people know that this government—not just this minister—have made too many promises they cannot keep. The promises that they have kept they have failed to implement appropriately. And Australia is worse off as a result. This minister and Minister Garrett need to go.

Question agreed to.

#### **Defence Superannuation**

**Senator FIELDING** (Victoria—Leader of the Family First Party) (3.35 pm)—I move:

That the Senate take note of the answer given by the Assistant Treasurer (Senator Sherry) to a question without notice asked by me today, relating to the Matthews review.

This is about making sure that our veterans are being looked after and not being diddled by a process that is highly questionable. I want to return to the issue of the appointment of Mr Harris as one of the principal leads in the Matthews review into pension indexation

arrangements for military superannuation and whether there was any conflict of interest.

In his answer earlier, Minister Sherry stated that his trip to England and Scotland in 2005, which was paid for by Mr Harris, was declared on his Senate register of interests. Well, in fact there is some record of the trip, but it is not as Minister Sherry made it sound to this chamber. On Minister Sherry's register of interest it says: 'Return economy airfare to London; economy airfare to Edinburgh, Bristol; train fair to London; four nights accommodation in London; financial consulting, October 6 to 16.' Nowhere in that declaration does it mention Mr Harris.

The link with Mr Harris was not declared there at all. Nowhere on that declaration does it say that it was paid for by Mr Harris. It seems that Minister Sherry conveniently forgot to share that with the Senate when he said he had declared it. In fact, it is true that there is no record declaring that Mr Harris provided that trip. The issue is that Mr Harris played a key role in that Matthews report and, as I stated before, that report, which the government is relying on, contradicted nearly every previous Senate recommendation.

I also asked a supplementary question of Minister Sherry about the remuneration that Mr Harris received for his appointment as one of the principal leads on that review. It seems Senator Sherry did not want to answer that question, because instead of addressing it he went on to tell the Senate that Mr Matthews did not receive any remuneration for the role. The question was: what remuneration did Mr Harris receive? That is a question that is left open, and I would like to know whether Mr Harris was paid for his work in that particular role. He does need to come clean on that issue.

We have already seen, with the former Minister for Defence, Joel Fitzgibbon, and the way his office was used by his brother, and with Senator Conroy organising his mate Kaiser a \$450,000-a-year job, that there are jobs for the boys. I am really concerned about making sure that we know exactly what conflicts of interest may have existed. I do not believe the funding of Mr Harris's trip overseas was disclosed properly and clearly. There is clearly a problem there, and I want to get to the bottom of it. Was anything paid? Also, it seems odd that this review contradicted nearly every other Senate recommendation we have had on military superannuation. This is a real issue for a lot of veterans in Australia. This was a review that this government undertook, and it contradicts nearly every other recommendation of previous Senate inquiries. So there seems to be an about-turn, an about-face, and I think we need to get to the bottom of what involvement and what links there are between Mr Harris and Minister Sherry and whether that has any influence on the results of that particular review.

Question agreed to.

### PETITIONS

**The Clerk**—Petitions have been lodged for presentation as follows:

#### Donor Conception

To the Honourable the President and Members of the Senate in Parliament assembled:

The Petition of the undersigned draws to the attention of the Senate the situation surrounding Donor Conception in Australia. The majority of donor conceived people born in Australia do not have the right to access essential information about their biological parents, including medical and identifying information even when this knowledge is still held by fertility clinics and medical practitioners.

This is a violation of their Human Rights as described in the International Covenant on Civil and

Political Rights to which Australia is a signatory. The Covenant states that:

*"All persons be guaranteed equal & effective protection under the law against discrimination on any ground such as race, colour, sex, language, religion, or other opinions, natural or social origin, property, birth or other status."*

The United Nations Charter on the Rights of the Child, to which Australia is also a signatory, states that:

*"In all actions concerning children, ..., the best interests of the child shall be a primary consideration."*

And that

*"State parties undertake to respect the right of the child to preserve his or her identity..."*

We proclaim that thousands of donor conceived people in Australia are discriminated against by the mere fact of when or where they were conceived. Even those states of Australia which have legislated to give rights of access to information to donor conceived people have not made it retrospective.

Many records that hold information for older donor conceived people have been destroyed by medical practitioners and clinics or may still exist but are held by private individuals or businesses. Nothing is being done to protect these older records which could provide essential medical information to donor conceived people.

This situation has existed in Australia for over 6 decades even though in adoption the rights of the child have long been seen as paramount and they have been given the right to know the identity of their biological parents wherever possible no matter when or where in Australia they were conceived and born.

Donor conceived people should be accorded the right to access all information about their donors wherever possible.

Your Petitioners request that the Senate initiate an investigation into donor conception practices in Australia with a view to:

1. Awarding equal rights to all donor conceived people.
2. Protecting and preserving records.

3. Seeking transparency in the operations of fertility clinics.

by **Senator Crossin** (from 544 citizens)

#### **Australian War Memorial**

To the Honourable the President and Members of the Senate in Parliament assembled:

The Petition of the undersigned shows that:

The Government's funding cuts to the Australian War Memorial have forced its directors to seek corporate sponsorship for a most solemn ceremony, the sounding of the Last Post. The Australian War Memorial commemorates all Australians who have fought for their country and those who gave their lives for us. Cutting funding to this national memorial dishonours Australia's veteran community.

Your Petitioners request that you call on the Government to ensure the Australian War Memorial receives sufficient funding to enable the daily sounding of the Last Post, giving visitors the opportunity to pause to remember our fallen in one of our most solemn and important traditions.

by **Senator Parry** (from 439 citizens)

Petitions received.

#### **NOTICES**

##### **Presentation**

**Senator Joyce** and **Senator Colbeck** to move on 9 March 2010:

That the following bill be introduced: A Bill for an Act to ensure equivalence to Australian production standards in the importation of bovine meat and meat products, and for related purposes. *Food Importation (Bovine Meat Standards) Bill 2010.*

**Senator Ludlam** to move on the next day of sitting:

That there be laid on the table by the Minister representing the Minister for Resources and Energy, no later than 4 pm on 11 March 2010:

- (a) all reports submitted to the Federal Government by Parsons Brinkerhoff assessing and characterising proposed sites for a Commonwealth radioactive waste dump in the Northern Territory, including the final report submitted to the department on

18 March 2009, the CH2M HILL's peer review and the Parsons Brinkerhoff's response to that peer review;

- (b) the anthropological report prepared by consultants, Mr Kim Barber, Mr Robert Graham and Dr Brendan Corrigan, for the Northern Land Council (NLC) and provided to the then Minister for Education, Science and Training (Ms Bishop) in 2007; and
- (c) the June 2007 site nomination deed signed between the Commonwealth, the NLC and the Muckaty Land Trust, agreeing to a process for the site nomination and a schedule of payments totalling \$11 million in a charitable trust plus \$1 million in education scholarships.

**Senator Coonan** to move on the next day of sitting:

That—

- (1) The following matter be referred to the Standing Committee for the Scrutiny of Bills for inquiry and report by 12 May 2010:

The future direction and role of the Scrutiny of Bills Committee, with particular reference to:

- (a) whether its powers, processes and terms of reference remain appropriate;
  - (b) whether parliamentary mechanisms for the scrutiny and control of delegated legislation are optimal; and
  - (c) what, if any, additional role the committee should undertake in relation to human rights obligations applying to the Commonwealth.
- (2) In undertaking this inquiry, the committee should have regard to the role, powers and practices of similar committees in other jurisdictions.
  - (3) The committee be authorised to hold public hearings in relation to this inquiry.

**Senator Nash** to move on the next day of sitting:

That the Rural and Regional Affairs and Transport References Committee be authorised to

hold a public meeting during the sitting of the Senate on Thursday, 25 February 2010, from 5 pm, to take evidence for the committee's inquiry into import restrictions on beef.

**Senator Fielding** to move on the next day of sitting, contingent on the Social Security and Other Legislation Amendment (Income Support for Students) Bill 2009 [No. 2] being read a second time) :

That it be an instruction to the committee of the whole:

- (a) to divide the Social Security and Other Legislation Amendment (Income Support for Students) Bill 2009 [No. 2] to incorporate the following provisions in a separate bill:
  - (i) Schedule 1, Part 2 (Income tests),
  - (ii) Schedule 2 (Scholarship payments for students), and
  - (iii) Schedule 3 (Training supplement for parenting payment); and
- (b) to add to that bill enacting words, provisions for titles and commencement, and a provision giving effect to amending schedules.

**Senator Conroy** to move on the next day of sitting:

That the following bill be introduced: A Bill for an Act to ensure equivalence to Australian production standards in the importation of bovine meat and meat products, and for related purposes. *Food Importation (Bovine Meat Standards) Bill 2010.*

**Senator Bob Brown** to move on the next day of sitting:

That, with regard to the comments made by the Leader of the Opposition (Mr Abbott) on industrial manslaughter, the Senate accepts the need for strong national industrial manslaughter laws.

**Senator LUDWIG** (Queensland—Manager of Government Business in the Senate) (3.40 pm)—I give notice that, on the next day of sitting, I shall move:

That the provisions of paragraph (5) to (8) of standing order 111 not apply to the Corporations Amendment (Financial Market Supervi-

sion) Bill 2010, Corporations (Fees) Amendment Bill 2010 and the National Consumer Credit Protection Amendment Bill 2010, allowing them to be considered during this period of sittings.

I also table a statement of reasons justifying the need for this bill to be considered during these sittings and seek leave to have the statement incorporated in *Hansard*.

Leave granted.

*The statement read as follows—*

#### **Purpose of the Bills**

The Corporations Amendment (Financial Market Supervision) Bill (the bill) establishes the framework to provide for the Australian Securities and Investments Commission (ASIC) to assume responsibility for supervision of Australia's domestically licensed financial markets, in line with the Government's announcement on 24 August 2009.

The bill also provides for ASIC to set rules regarding supervision of transactions on Australia's financial markets and provides ASIC with the powers necessary to enforce such rules.

The Corporations (Fees) Amendment Bill will allow ASIC to recover the costs of supervision from market operators.

#### **Reasons for Urgency**

ASIC is to take over the responsibility for the supervision of Australia's financial markets from the third quarter 2010.

In order for this to occur, introduction and passage of the bill in the 2010 Autumn sittings is essential.

ASIC will require approximately three months lead time once the legislation is passed to customise the supervisory systems and ensure they are operational before it assumes sole supervisory responsibility.

### **COMMITTEES**

#### **Selection of Bills Committee Report**

**Senator O'BRIEN** (Tasmania) (3.41 pm)—I present the 2nd report of 2010 of the Selection of Bills Committee

Ordered that the report be adopted.

**Senator O'BRIEN**—I seek leave to have the report incorporated in *Hansard*.

Leave granted.

*The report read as follows—*

#### SELECTION OF BILLS COMMITTEE

##### REPORT NO. 2 OF 2010

1. The committee met in private session on Tuesday, 23 February 2010 at 4.30 pm.

2. The committee resolved to recommend—That—

- (a) the provisions of the Governance of Australian Government Superannuation Schemes Bill 2010, the ComSuper Bill 2010 and the Superannuation Legislation (Consequential Amendments and Transitional Provisions) Bill 2010 be referred immediately to the Finance and Public Administration Legislation Committee for inquiry and report by 15 March 2010 (see appendix 1 for a statement of reasons for referral);
- (b) the provisions of the Health Insurance Amendment (Pathology Requests) Bill 2010 be referred immediately to the Community Affairs Legislation Committee for inquiry and report by 12 May 2010 (see appendix 2 for a statement of reasons for referral);
- (c) the provisions of the Healthcare Identifiers Bill 2010 and the Healthcare Identifiers (Consequential Amendments) Bill 2010 be referred immediately to the Community Affairs Legislation Committee for inquiry and report by 15 March 2010 (see appendix 3 for a statement of reasons for referral);
- (d) the provisions of the Offshore Petroleum and Greenhouse Gas Storage Legislation Amendment (Miscellaneous Measures) Bill 2010 be referred immediately to the Economics Legislation Committee for inquiry and report by 23 April 2010 (see appendix 4 for a statement of reasons for referral); and
- (e) the provisions of the Tax Laws Amendment (2010 Measures No. 1) Bill 2010 be referred immediately to the Economics Legislation Committee for inquiry and report by 15 March 2010 (see appendix 5 for a statement of reasons for referral).

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

- Antarctic Treaty (Environment Protection) Amendment Bill 2010
- Australian Research Council Amendment Bill 2010
- Corporations (Fees) Amendment Bill 2010
- Corporations Amendment (Financial Market Supervision) Bill 2010
- Electoral and Referendum Amendment (Close of Rolls and Other Measures) Bill 2010
- Higher Education Support Amendment (FEE-HELP Loan Fee) Bill 2010
- National Consumer Credit Protection Amendment Bill 2010
- Offshore Petroleum and Greenhouse Gas Storage (Safety Levies) Amendment Bill 2010
- Social Security and Family Assistance Legislation Amendment (Weekly Payments) Bill 2010
- Tax Laws Amendment (2010 GST Administration Measures No. 1) Bill 2010.

*The committee recommends accordingly.*

4. The committee deferred consideration of the Keeping Jobs from Going Offshore (Protection of Personal Information) Bill 2009 to its next meeting.

(Kerry O'Brien)

Chair

24 February 2010

#### APPENDIX 1

##### SELECTION OF BILLS COMMITTEE

###### Proposal to refer a bill to a committee

###### Name of bill:

Governance of Australian Government Superannuation Scheme Bill 2010 ComSuper Bill 2010

Superannuation Legislation (Consequential Amendments and Transitional Provisions) Bill 2010

###### Reasons for referral/principal issues for consideration:

To determine whether it is necessary to retain a separate board to administer the military superannuation schemes and whether these schemes dif-

fer markedly from other Commonwealth Government administered schemes.

**Possible submissions or evidence from:**

Australian Reward Investment Alliance

Military Superannuation and Benefits Board

Defence Force Retirement and Deaths Benefits

Authority Defence Force Welfare Association

Returned and Services League of Australia

**Committee to which bill is to be referred:**

Senate Standing Committee on Finance and Public Administration

**Possible hearing date(s):**

Throughout Autumn break

**Possible reporting date:**

11 May 2010

(signed)

Rachael Siewert

Whip/ Selection of Bills Committee member

**APPENDIX 2**

**SELECTION OF BILLS COMMITTEE**

**Proposal to refer a bill to a committee**

**Name of bill:**

Health Insurance Amendment (Pathology Requests) Bill 2010 Reasons for referral/principal issues for consideration:

Examination of the onus being placed on patients to choose the pathology practitioner.

Examine possible problems arising between unknown referring doctors and pathology practitioners - resulting in delays.

Examine problems that may arise as a result of the inconsistent measurement series and reference ranges used by different pathologist practitioners.

Examine potential impacts on arrangements between GPs and pathology providers relating to emergency and out of hours contacts.

**Possible submissions or evidence from:**

Department of health and Ageing

Medicare Australia

Pathology Practitioners

Health Advocacy Groups

Royal College of Pathologists of Australasia

Royal Australian College of GPs

**Committee to which bill is to be referred;**

Community Affairs Legislation Committee

**Possible hearing date(s):**

Throughout Autumn break

**Possible reporting date:**

(signed)

Stephen Parry

Whip/ Selection of Bills Committee member

**APPENDIX 3**

**SELECTION OF BILLS COMMITTEE**

**Proposal to refer a bill to a committee**

**Name of bill:**

Healthcare Identifiers Bill 2010

Healthcare Identifiers Bill (Consequential Amendments) Bill 2010

**Reasons for referral/principal issues for consideration:**

Privacy safeguards in the Bill

Operation of the Healthcare Identifier Service, including access to the Identifier

Relationship to national e-health agenda and electronic health records

**Possible submissions or evidence from:**

Australian Medical Association, Royal Australasian College of General Practitioners, National e-Health Transition Authority, Australian Nursing Federation, Australian Information Industry Association

Committee to which bill is to be referred: Community Affairs

**Possible hearing date(s):**

**Possible reporting date:**

Monday 15 March 2010

(signed)

Kerry O'Brien

Whip/ Selection of Bills Committee member

**APPENDIX 4****SELECTION OF BILLS COMMITTEE****Proposal to refer a bill to a committee****Name of bill:**

Offshore Petroleum and Greenhouse Gas Storage Legislation Amendment (Miscellaneous Measures) Bill 2010

**Reasons for referral/principal issues for consideration:**

Examine the bill as necessary, particularly schedule 1, part 1.

Possible submissions or evidence from: APPEA  
Western Australian State Government

**Committee to which bill is to be referred:**

Economics Legislation Committee

**Possible hearing date(s):**

Throughout Autumn break Possible reporting date:

**23rd April 2010**

(signed)

Kerry O'Brien

Whip/ Selection of Bills Committee member

**APPENDIX 5****SELECTION OF BILLS COMMITTEE****Proposal to refer a bill to a committee****Name of bill:**

Schedule 1 only of Tax Laws Amendment (2010 Measures No 1) Bill 2010

**Reasons for referral/principal issues for consideration:**

Whether the legislation will have unintended consequences for the superannuation market;

Whether the legislation is anti-competitive in relation to privately operating Clearing Houses;

Whether Medicare is an appropriate agency to operate the Clearing House under the legislation.

**Possible submissions or evidence from:**

Medicare

Treasury

Investment and Financial Services Association (IFSA)

The Association of Superannuation Funds Australia (ASFA)

SuperChoice

Australian Chamber of Commerce and Industry

NSW Business Chamber - Australian Business Industrial

**Committee to which bill is to be referred:**

Economics Legislation Committee

**Possible hearing date(s):**

Whenever possible prior to reporting

**Possible reporting date:**

15th March 2010

(signed)

Kerry O'Brien

Whip/ Selection of Bills Committee member

**NOTICES****Postponement**

The following items of business were postponed:

Business of the Senate notice of motion no. 2 standing in the names of Senator Milne and the Leader of the Australian Greens (Senator Bob Brown) for today, proposing a reference to the Rural and Regional Affairs and Transport References Committee, postponed till 25 February 2010.

General business notice of motion no. 694 standing in the name of the Leader of the Family First Party (Senator Fielding) for today, proposing the introduction of the Protection of Personal Information Bill 2010, postponed till 25 February 2010.

**RENEWABLE ENERGY—  
ELECTRICITY (WATER HEATERS  
AND PHANTOM CERTIFICATES) BILL  
2010**

**First Reading**

**Senator MILNE** (Tasmania) (3.42 pm)—  
I move:

That the following bill be introduced: A Bill for an Act relating to water heaters and phantom renewable energy certificates, and for related purposes.

Question agreed to.

**Senator MILNE**—I present the bill and move:

That this bill may proceed without formalities and be now read a first time.

Question agreed to.

Bill read a first time.

### Second Reading

**Senator MILNE** (Tasmania) (3.43 pm)—I move:

That this bill be now read a second time.

I seek leave to table an explanatory memorandum relating to the bill.

Leave granted.

**Senator MILNE**—I table the explanatory memorandum. I seek leave to have the second reading speech incorporated in *Hansard*.

Leave granted.

*The speech read as follows—*

Lifting the Howard government's Renewable Energy Target to a more ambitious level – one which would actually stimulate growth in this critically important sector – was one of Rudd Labor's key climate change promises in the 2007 election campaign. However, after dragging its feet for 18 months, the government finally introduced legislation which was clearly not going to achieve its aims.

The renewable energy sector, energy experts and the Greens all warned at the time that including solar hot water, heat pumps and the ill-thought-out solar multiplier in the scheme threatened to undermine its ability to deliver. A large portion of the target would be met by energy efficiency measures and "phantom" certificates from the multiplier, not representing any renewable energy generation at all. This defeats the purpose of the scheme, which was to drive investment in large scale renewable energy generation, such as wind farms.

The Greens moved amendments at the time to avoid this problem. However, the government and opposition joined to reject the amendments, denying that there would be a problem.

What so many warned of last year has now come to pass and jobs and investment in industrial scale renewable energy are now at risk unless action is taken rapidly to fix the scheme. AGL has recently warned that they have built their last wind farm in Australia until the Renewable Energy Target is fixed. Roaring Forties has put its Musselroe wind farm development in Tasmania on hold until the scheme is fixed.

The Greens are now introducing the Renewable Energy – Electricity (Water Heaters and Phantom Certificates Bill) 2010 to redress the fact that the supply of Renewable Energy Certificates created by the installation of solar hot water systems, heat pump hot water systems and photovoltaic systems has exceeded demand and suppressed the value of Renewable Energy Certificates (RECs).

While ongoing Government measures to rapidly expand the efficient hot water and photovoltaic industries are essential, the low value of RECs has stalled investment in renewable energy power stations such as wind farms.

The current collapse in REC price was largely caused by:

- The inclusion of energy efficiency measures in the Renewable Energy Target (due to the absence of a national Energy Efficiency Target Scheme), with the number of RECs created by solar and heat pump hot water systems boosted by generous rebates.
- The introduction of 'small generation units', which multiplies the number of RECs provided to roof-top photovoltaic systems in particular, thereby producing "phantom RECs". This scheme is a short-term attempt to arrest a collapse in the photovoltaic industry after the ill-advised cessation of the Photovoltaic Rebate Program.
- The overly generous methodology used to calculate how many RECs to reward to commercial scale heat pumps (which despite Government tinkering last year remains problematic).

In order to urgently restore the REC price to levels required for investment in renewable energy power stations, as well as provide longer-term certainty to the manufacturers and installers of efficient hot water systems, this Bill requires:

1. The Minister to develop and announce an alternative approach to support solar hot water systems and heat pump hot water system industries by July 2011, for commencement in July 2012. An obvious option would be a national energy efficiency credit trading scheme – effectively an energy efficiency policy equivalent of the renewable energy target.

2. That the Minister ensures that the phasing-out of electric resistance water heaters agreed by the Council of Australian Governments and included in the National Strategy on Energy Efficiency (dated July 2009) is completed by 30 June 2012.

3. That the number of RECs created by solar hot water systems, heat pump hot water systems and “phantom RECs” each year, starting with the year 2009/10, must be added to the subsequent year’s renewable energy target. The adjusted target must be determined by the Regulator by 30 September in each of the relevant years.

These changes will have two substantive effects. First, making hot water RECs and phantom RECs additional to the renewable energy target increases the target and therefore places upward pressure on the REC price in the near term. Second the removal of hot water RECs from the scheme in 2012 will substantially increase the demand for RECs from renewable energy power stations from that time onward.

Given the urgency to reduce greenhouse gas emissions, the government must ensure that appropriate, long-term and secure investment signals are provided to both energy efficiency and small and large scale renewable energy industries.

This bill would go some way to fixing the problem and I commend it to the Senate.

**Senator MILNE**—I seek leave to continue my remarks later.

Leave granted; debate adjourned.

## COMMITTEES

### Community Affairs Legislation Committee

#### Meeting

**Senator O’BRIEN** (Tasmania) (3.43 pm)—At the request of the Chair of the

Community Affairs Legislation Committee, Senator Moore, I move:

That the Community Affairs Legislation Committee be authorised to hold a public meeting during the sitting of the Senate on Thursday, 25 February 2010, from 4 pm, to take evidence for the committee’s inquiry into the provisions of the Social Security and Other Legislation Amendment (Welfare Reform and Reinstatement of Racial Discrimination Act) Bill 2009 and the Families, Housing, Community Services and Indigenous Affairs and Other Legislation Amendment (2009 Measures) Bill 2009, along with the Families, Housing, Community Services and Indigenous Affairs and Other Legislation Amendment (Restoration of Racial Discrimination Act) Bill 2009.

Question agreed to.

### Economics Legislation Committee

#### Meeting

**Senator O’BRIEN** (Tasmania) (3.43 pm)—At the request of the Chair of the Economics Legislation Committee, Senator Hurley, I move:

That the Economics Legislation Committee be authorised to hold a public meeting during the sitting of the Senate on Thursday, 25 February 2010, from 7.15 pm, to take evidence for the committee’s inquiries into the Safe Climate (Energy Efficient Non-Residential Buildings Scheme) Bill 2009 and the provisions of the Tax Laws Amendment (Confidentiality of Taxpayer Information) Bill 2009.

Question agreed to.

### Community Affairs Legislation Committee

#### Extension of Time

**Senator O’BRIEN** (Tasmania) (3.43 pm)—At the request of the Chair of the Community Affairs Legislation Committee, Senator Moore, I move:

That the time for the presentation of the report of the Community Affairs Legislation Committee on the Plain Tobacco Packaging (Removing

Branding from Cigarette Packs) Bill 2009 be extended to 26 August 2010.

Question agreed to.

### Economics Legislation Committee

#### Additional Information

**Senator O'BRIEN** (Tasmania) (3.43 pm)—At the request of the Chair of the Economics Legislation Committee, Senator Hurlley, I move:

That the time for the presentation of the report of the Economics Legislation Committee on the Trade Practices Amendment (Material Lessening of Competition—Richmond Amendment) Bill 2009 be extended to 13 May 2010.

Question agreed to.

### RENEWABLE ENERGY TARGET LEGISLATION

**Senator BARNETT** (Tasmania) (3.44 pm)—by leave—I move the motion, as amended, standing in my name:

That the Senate—

(a) notes that:

- (i) major flaws in the design of the Federal Government's renewable energy target legislation have led to a dramatic drop in the price of renewable energy certificates and stalled investment in the renewable energy sector,
- (ii) the Federal Government was warned of these flaws by industry and the Opposition parties but chose to ignore these warnings, and
- (iii) the Federal Government's failure to act is now threatening the financial viability of major renewable energy projects such as the Musselroe Bay Wind Farm project in north-east Tasmania; and

(b) condemns the Government accordingly.

**Senator O'BRIEN** (Tasmania) (3.45 pm)—by leave—I will make a short statement. The government opposes this motion. We recognise that Senator Barnett, with the support of the opposition and the Greens, has

a majority in the chamber for the motion. We will not call a division.

Question agreed to.

### COMMITTEES

#### Fuel and Energy Committee

##### Resolution of Appointment

**Senator CORMANN** (Western Australia) (3.45 pm)—I move:

That the resolution of the Senate of 25 June 2008, as amended, appointing the Select Committee on Fuel and Energy, be amended to omit "30 March 2010", and substitute "30 June 2010".

Question put:

That the motion (**Senator Cormann's**) be agreed to.

The Senate divided. [3.50 pm]

(The President—Senator the Hon. JJ Hogg)

Ayes.....	35
Noes.....	<u>32</u>
Majority.....	<u>3</u>

#### AYES

Adams, J.	Back, C.J.
Barnett, G.	Bernardi, C.
Birmingham, S.	Boswell, R.L.D.
Boyce, S.	Brandis, G.H.
Bushby, D.C.	Cash, M.C.
Colbeck, R.	Cormann, M.H.P.
Eggleston, A.	Ferguson, A.B.
Fielding, S.	Fierravanti-Wells, C.
Fifield, M.P.	Fisher, M.J.
Heffernan, W.	Humphries, G.
Johnston, D.	Joyce, B.
Macdonald, I.	Mason, B.J.
McGauran, J.J.J.	Minchin, N.H.
Nash, F.	Parry, S. *
Payne, M.A.	Ryan, S.M.
Scullion, N.G.	Troeth, J.M.
Trood, R.B.	Williams, J.R.
Xenophon, N.	

#### NOES

Arbib, M.V.	Bilyk, C.L.
Bishop, T.M.	Brown, B.J.
Brown, C.L.	Cameron, D.N.

Collins, J.	Coonan, H.L.
Crossin, P.M.	Farrell, D.E.
Feeney, D.	Forshaw, M.G.
Furner, M.L.	Hanson-Young, S.C.
Hogg, J.J.	Hurley, A.
Ludlam, S.	Ludwig, J.W.
Lundy, K.A.	Marshall, G.
McEwen, A.	McLucas, J.E.
Milne, C.	Moore, C.
O'Brien, K.W.K. *	Polley, H.
Pratt, L.C.	Sherry, N.J.
Siewert, R.	Sterle, G.
Wong, P.	Wortley, D.

\* denotes teller

Question agreed to.

**MR LIU XIAOBO**

**Senator BOB BROWN** (Tasmania—Leader of the Australian Greens) (3.53 pm)—I move:

That the Senate—

- (a) expresses its disappointment at the Chinese Government's decision to uphold Liu Xiaobo's sentence of 11 years in prison on the charge of 'inciting subversion of state power';
- (b) notes that Mr Liu has peacefully worked for the establishment of political openness and accountability in China; and
- (c) joins calls by the European Parliament and the Governments of the United States of America and Canada that Liu Xiaobo should not have been sentenced in the first place and should be released immediately.

**Senator LUDWIG** (Queensland—Manager of Government Business in the Senate) (3.53 pm)—by leave—The Australian government does not support his motion. The Australian government again places on record its objection to dealing with complex international matters such as the one before us by means of formal motions. Such motions, as I have said before in this chamber, are blunt instruments. They force parties into the black-and-white choice of supporting or opposing them. Furthermore, they are too easily misinterpreted by some audiences as

statements of policy by the national government.

For the record, the government is disappointed that the Beijing High Court has rejected the appeal of Dr Liu against his verdict of incitement to subvert state power and upheld his sentence of 11 years in prison. We are concerned by the nature of the charges and the very harsh sentence meted out to Dr Liu, who was seeking to exercise his rights of freedom of expression, which are guaranteed by Chinese law and the International Covenant on Civil and Political Rights, which China has signed. The outcome of the legal process would seem to be incompatible with international norms. We urge the relevant Chinese authorities to take into account the strong reaction of members of the international community and we call for Dr Liu's immediate release.

While recognising that China has made some progress in human rights over the last 30 years, the government remains concerned about human rights in China. However, we do not believe that either the Australian government's careful management of the complex and important relationship with China or progress on human rights, including Dr Liu's case, will be materially assisted by this Senate motion.

**Senator BOB BROWN** (Tasmania—Leader of the Australian Greens) (3.55 pm)—by leave—What an extraordinary statement that was from this feckless government on the release of a much more courageous man in Liu Xiaobo, who is currently imprisoned in China, sentenced to 11 years for having the audacity to circulate a charter of democratic rights on behalf of the people of China who want democracy. In the course of that statement, the minister rose to the full confrontation of the Beijing bosses who have organised for Mr Liu Xiaobo to be locked up in this way and said that he was disappointed

and concerned. Then he dismissed the Senate right to call for this man to be released immediately. But the government calls for his immediate release.

So what we have here is a government saying that it does not believe that this parliament has rights that the government takes to itself. It does not believe that this parliament and this Senate chamber in particular should have the right of the executive to make statements on issues as important to global democracy as the release of this great figure—this Nelson Mandela of China—who is incarcerated. The government does not believe that this chamber should have the right to express the same sentiment that the minister just expressed. What an extraordinary statement that the minister just made. What an extraordinary statement of arrogance, in amongst the weakness of its approach to China, towards this Senate. The government thinks that it can make that sort of statement but that the Senate should not. The government should be ashamed of itself.

Question put:

That the motion (**Senator Bob Brown's**) be agreed to.

The Senate divided. [4.01 pm]

(The Deputy President—Senator the Hon. AB Ferguson)

Ayes.....	6
Noes.....	<u>38</u>
Majority.....	<u>32</u>

#### AYES

Brown, B.J.	Hanson-Young, S.C.
Ludlam, S.	Milne, C.
Siewert, R. *	Xenophon, N.

#### NOES

Back, C.J.	Bernardi, C.
Bilyk, C.L.	Birmingham, S.
Bishop, T.M.	Brown, C.L.
Cameron, D.N.	Colbeck, R.
Collins, J.	Cormann, M.H.P.

Crossin, P.M.	Farrell, D.E.
Feeney, D.	Ferguson, A.B.
Fielding, S.	Fisher, M.J.
Forshaw, M.G.	Furner, M.L.
Hurley, A.	Hutchins, S.P.
Ludwig, J.W.	Lundy, K.A.
Macdonald, I.	Marshall, G.
McEwen, A.	Mclucas, J.E.
Moore, C.	Nash, F.
O'Brien, K.W.K.	Parry, S. *
Polley, H.	Pratt, L.C.
Ryan, S.M.	Scullion, N.G.
Troeth, J.M.	Williams, J.R.
Wong, P.	Wortley, D.

\* denotes teller

Question negatived.

#### DALAI LAMA

**Senator HANSON-YOUNG** (South Australia) (4.04 pm)—I, and also on behalf of Senator Xenophon, move:

That the Senate—

- congratulates the Leader of the Opposition, Tony Abbott, and the President of the United States of America, Barack Obama, for meeting His Holiness, the Dalai Lama in December 2009 and February 2010 respectively; and
- calls on the Prime Minister, Kevin Rudd, to meet His Holiness, the Dalai Lama at the earliest possible opportunity.

**Senator LUDWIG** (Queensland—Manager of Government Business in the Senate) (4.04 pm)—I seek leave to make a short statement.

**The DEPUTY PRESIDENT**—Leave is granted for two minutes.

**Senator LUDWIG**—The Australian government cannot support the motion in its current form. The Australian government again places on record its objection to dealing with complex international matters such as the one before us by means of formal motions. As I have indicated in the chamber a number of times now, such motions are blunt instruments. They force parties into black-and-white choices of either support or opposition.

They do not lend themselves to the nuances which are so necessary in this area of policy. Furthermore, they are too easily misinterpreted by some audiences as statements of policy by the national government. We will not support formal motions in the Senate unless we are completely satisfied with their content.

Australia's position on the Dalai Lama is clear. He is a respected religious leader who has visited Australia privately on several occasions over the years, most recently in December 2009. During those visits he has had contact with members of the government of the day, and during his most recent visit he met Mr Garrett, the Minister for the Environment Heritage and the Arts. The decisions that other countries take about the Dalai Lama's visits are a matter for them. The Australian government does not engage in a running commentary on such decisions by means of formal motions.

**Senator BOB BROWN** (Tasmania—Leader of the Australian Greens) (4.06 pm)—I seek leave to make a short statement.

**The DEPUTY PRESIDENT**—Leave is granted for two minutes.

**Senator BOB BROWN**—This is an extraordinary abuse, again, by the government of the Senate. The government says, *inter alia*, that it cannot make up its mind on a motion as simple as this one, which at once congratulates both President Obama and the Leader of the Opposition, Tony Abbott, for having met the Dalai Lama and encourages Prime Minister Rudd to do the same at the earliest opportunity. That is pretty clear. It is pretty simple. It is not complicated. It will not confuse members of the public, even though the government might think that it will. It will be known that it came from the Senate.

I also had the pleasure of meeting the Dalai Lama. There is an enormous amount of

concern that Prime Minister Rudd ducked the opportunity to meet the Dalai Lama quite recently, but there was a terrific response to the President of the United States meeting with him, and there were congratulations from the Greens, but also from many other people, to Mr Abbott, the honourable Leader of the Opposition, on meeting His Holiness the Dalai Lama when he visited Sydney in December.

The government can make its own decision on this, and the Prime Minister did make his decision. He did not have the courage to meet the Dalai Lama, but President Obama has now done so and I think a good many of us will congratulate President Obama, when he comes to this country, for showing a good deal more courage, common sense, courtesy and respect to this great world leader than has our Prime Minister.

**The DEPUTY PRESIDENT**—Before I call Senator Parry, there is far too much audible conversation on my left.

**Senator PARRY** (Tasmania—Manager of Opposition Business in the Senate) (4.08 pm)—Mr Deputy President, I also seek leave to make a short statement.

**The DEPUTY PRESIDENT**—Leave is granted for two minutes.

**Senator PARRY**—The coalition will not be supporting the motion moved by the Greens and Senator Xenophon. This motion does not genuinely aim to promote or advance Australia's international relations. As we have repeatedly said in his chamber—and we agree with the government on this count—these matters should not be dealt with in this way, through motions in the chamber. The coalition cannot support this motion, primarily for the reason that it is politically motivated and not with the interests of Australia's foreign affairs in mind.

**Senator XENOPHON** (South Australia) (4.08 pm)—Mr Deputy President, I seek leave to make a short statement.

**The DEPUTY PRESIDENT**—Leave is granted for two minutes.

**Senator XENOPHON**—I endorse the remarks of Senator Bob Brown. I think this is not complex. It is a matter of fact that the President of the United States and the Leader of the Opposition have in the last few months met His Holiness the Dalai Lama. I think there is a golden opportunity—this is one of the few times when the Australian Greens will actually be moving a motion congratulating the Leader of the Opposition! But it is important that we put into perspective the fact that the Leader of the Opposition, the President of the United States and many other world leaders have met the Dalai Lama. I think it is very unfortunate that our Prime Minister has not taken that step, for whatever reason, whether for fear of offending the Chinese government—

**Senator Conroy**—He has met him. He's met the Dalai Lama.

**Senator XENOPHON**—As Prime Minister, Senator Conroy. Let's make it clear: I do not believe that the Prime Minister has met His Holiness the Dalai Lama in his capacity as Prime Minister. This is an opportunity to make it clear that it is important that the Prime Minister follow the lead of both the President of the United States and the Leader of the Opposition.

Question put:

That the motion (**Senator Hanson-Young and Senator Xenophon's**) be agreed to.

The Senate divided. [4.11 pm]

(The Deputy President—Senator the Hon. AB Ferguson)

Ayes.....	6
Noes.....	<u>35</u>
Majority.....	<u>29</u>

#### AYES

Brown, B.J.	Hanson-Young, S.C.
Ludlam, S.	Milne, C.
Siewert, R. *	Xenophon, N.

#### NOES

Back, C.J.	Bernardi, C.
Bilyk, C.L.	Bishop, T.M.
Brown, C.L.	Cameron, D.N.
Colbeck, R.	Collins, J.
Conroy, S.M.	Coonan, H.L.
Cormann, M.H.P.	Eggleston, A.
Farrell, D.E.	Feeney, D.
Ferguson, A.B.	Fielding, S.
Fisher, M.J.	Forshaw, M.G.
Furner, M.L.	Hurley, A.
Hutchins, S.P.	Lundy, K.A.
McEwen, A.	McLucas, J.E.
Moore, C.	Nash, F.
O'Brien, K.W.K. *	Parry, S.
Polley, H.	Pratt, L.C.
Ryan, S.M.	Scullion, N.G.
Troeth, J.M.	Williams, J.R.
Wortley, D.	

\* denotes teller

Question negatived.

### SOCIAL SECURITY AND OTHER LEGISLATION AMENDMENT (SCHOLARSHIP PAYMENTS) BILL 2010

#### First Reading

**Senator HANSON-YOUNG** (South Australia) (4.14 pm)—I move:

That the following bill be introduced: A Bill for an Act to amend the law relating to social security, veterans' affairs and higher education in relation to scholarship payments, and for related purposes.

Question agreed to.

**Senator HANSON-YOUNG** (South Australia) (4.14 pm)—I present the bill and move:

That this bill may proceed without formalities and be now read a first time.

Question agreed to.

Bill read a first time.

### Second Reading

**Senator HANSON-YOUNG** (South Australia) (4.15 pm)—I move:

That this bill be now read a second time.

I seek leave to table the explanatory memorandum relating to the bill.

Leave granted.

I seek leave to have the second reading speech incorporated in *Hansard* and to continue my remarks.

Leave granted.

*The speech read as follows—*

Australian students have been left in limbo by the failure of the Senate to pass a range of measures aimed at improving Youth Allowance. Because of this failure many students do not know if they will have access to scholarships or what rate of income support they will receive this year. For some, this is the difference between whether they attend university or not.

An important component of these reforms was the inclusion of two new scholarships aimed at providing students with the support they need when commencing university study. The Start-Up Scholarship was to be provided to all students receiving student income support, to assist in the educational costs associated with their studies, and the Relocation Scholarship as to be provided to all dependent students who live away from home and independent students who are unable to live at home, but are required to relocate to attend university.

In August last year, the Government introduced the Higher Education Support Amendment (2009 Budget Measures) Bill to abolish existing Commonwealth scholarships without immediately providing replacement legislation. The Greens were highly critical of this move, particularly as the new, better targeted scholarships were included in the controversial Youth Allowance reform package.

As we had anticipated, the failure to pass the Youth Allowance package has left students out in the cold, with many facing the prospect of receiving no additional support that would have been provided through the proposed scholarships.

The Social Security and Other Legislation Amendment (Scholarship Payments) Bill 2010 seeks to provide students with some of the support they had been expecting, by immediately legislating for the vital scholarships to assist in their educational and living costs.

If supported, the Greens Private Senator's Bill would ensure that all students currently in receipt of Youth Allowance and those with parental incomes less than \$150,000 would have access to additional financial support in this academic year.

The need for adequate student income support is particularly acute for those who have no choice but to leave home to take their place in higher education and fulfil the potential they have demonstrated by earning that university place.

Given Universities Australia's own estimates suggest that the average cost of being a student is about \$670 per fortnight, the fact that we have never seen an increase in the fortnightly YA rate of \$371.40, aside from annual indexation, is appalling.

Although we didn't see an increase in last year's budget to bring Youth Allowance at least to the current rate of Newstart at \$456 per fortnight, the pitiful amount of income support provided to students further emphasises how important these scholarships are for students studying at university.

At a time when young people are under increasing financial pressure, students need to be better supported if they are to stay on and excel in their chosen path.

And while the Greens negotiated with the Government to deliver the Youth Allowance package in its entirety, the unfortunate reality for thousands of students was that the current numbers in the Senate prevented the legislation from becoming law.

Despite the refusal of either major party to concede any ground for the sake of the thousands of university students, the Greens practical approach

to provide students with some of the support they need for university this year is an important one.

This Bill would ensure that students already eligible for Youth Allowance and those whose parental income is under \$150,000 a scholarship of \$2000 per year would be available, along with a relocation scholarship of \$4000 in the first year, followed by \$1000 in subsequent years for those students who are required to move out of home to study.

The importance of providing for the scholarships sooner rather than later, is evident in the volume of correspondence my office has received in the months since the Senate's initial rejection of the legislation.

One student who contacted my office said:

"I received a list of the textbooks I need for just the first semester next year and the cost was over \$400. Where am I to find the money for this without a scholarship?"

This is where I could have really used the New Student Start Up Scholarship. With this scholarship I could have put it towards textbooks, accommodation and other university expenses."

Another student, from rural Victoria highlighted the importance of increasing support for students who are required to relocate to study arguing that the legislation should:

"Either maintain an amount that students need to earn (to qualify for the full-rate of Youth Allowance), similar to the present legislation or grant country students scholarships so they can attend Universities away from home. Both these options present rural students with achievable means to overcome the hardships associated with continuing their tertiary education away from the support of their home and families."

Even parents of prospective university students have expressed their disdain over the failure to at least pass the scholarships, with one family highlighting the financial burden of supporting their daughters while at university stating: while they access any of the large number of tertiary institutions, our daughters have to move away from home and set up accommodation and live independently. This presents a large financial burden on our family's finances. The proposed changes to the Commonwealth Scholarship scheme to

provide initial payments to assist with moving and setting up accommodation will provide some way to assisting manage this."

Given the complexities surrounding the Government's proposed reforms, this Private Senator's Bill seeks to break the Senate deadlock and provide students with some of the additional support they had been banking on, to ensure that students are not being used as political footballs in an election year.

Students have been caught in the middle of a political slanging match, and it is time that all sides of politics put the education of our future leaders first, and provide the support that is needed.

I commend this Bill to the Senate.

## COMMITTEES

### Economics References Committee

#### Extension of Time

**Senator PARRY** (Tasmania—Manager of Opposition Business in the Senate) (4.16 pm)—On behalf of Senator Eggleston, I move:

That the time for the presentation of the report of the Economics References Committee on the Australian dairy industry be extended to 18 March 2010.

Question agreed to.

## MATTERS OF PUBLIC IMPORTANCE

### Northern Australia

**The DEPUTY PRESIDENT**—The President has received a letter from Senator Parry proposing that a definite matter of public importance be submitted to the Senate for discussion, namely:

The Rudd Labor Government's continued failure to meet the development needs of Northern Australia preventing the region from advancing.

I call upon those senators who approve of the proposed discussion to rise in their places.

*More than the number of senators required by the standing orders having risen in their places—*

**The DEPUTY PRESIDENT**—I understand that informal arrangements have been made to allocate specific times to each of the speakers in today's debate. With the concurrence of the Senate, I shall ask the clerks to set the clock accordingly.

**Senator IAN MACDONALD** (Queensland) (4.17 pm)—For those of us who live in Northern Australia, the Rudd Labor government's continued failure to meet the development and, indeed, other needs of Northern Australia is legend. With the Rudd government it seems to always be a case of out of sight, out of mind. Senators would appreciate that, whilst Northern Australia—that is, north of the Tropic of Capricorn in Australia—produces something like 40 to 45 per cent of Australia's export earnings, it only has about five per cent of Australia's population. As a consequence, as far as Mr Rudd is concerned, it is insignificant politically. If it is insignificant politically to Mr Rudd, then he has no interest in returning to the north of Australia a fair share of Australia's wealth, much of which, as I have indicated, has come from Northern Australia.

In this debate today I am delighted to be supported by two very significant Northern Australians, Senator Nigel Scullion from the Northern Territory and Senator Alan Eggleston from Western Australia, who was for many years the distinguished Mayor of Port Hedland in that state.

The Rudd government's insensitivity to development in Northern Australia can be no better exemplified than by the Northern Australia Land and Water Taskforce report that has recently been released by the Parliamentary Secretary for Western and Northern Australia. That in itself is interesting. Originally, the Rudd government announced with great gusto that there would be a minister for Northern Australia. It was not long before it changed to 'Western and Northern Australia'.

Whilst good for Western Australia, I keep asking: why isn't there a minister for Queensland or a minister for Victoria or a minister for Tasmania? It seems that Mr Gray's attention has been diverted from the north to his home state. It is also worth noting that, while Gary Gray is a nice enough sort of fellow—I think his heart is in the right place—he lives in Perth and has little direct connection with the north of Australia.

The Northern Australia Land and Water Taskforce was, as we all know, set up by the Howard government. It was chaired at the time by my colleague Senator Bill Heffernan and contained a number of northerners. It was a task force that was specifically tasked with showing the way forward for sustainable development of Northern Australia. The task force did a lot of good work with the original personnel on that group. Unfortunately, when the government changed, so did the task force personnel and the terms of reference for the task force. Rather than having, as was originally intended, a blueprint for Northern Australia, a way forward, a leadership exposition of what needs to be done and what can be done in Northern Australia, we have this pathetic report recently released by Mr Gray from the new task force.

Time is not going to allow me to go through these reports—the associated scientific compendium and the science review—which are many hundreds of pages. Suffice it to say, here was a classic opportunity for a government and a government appointed committee to show optimism, to show leadership, to show the way forward and to show how it could be done in Northern Australia. What has the task force report delivered? Not the optimism and the way forward that we had hoped for but why it cannot be done, why it need not happen and how you have to be cautious with everything that occurs. Regrettably, while some of the information in the report is sound, the emphasis given to the

negatives has meant a curtailment of the march towards further development of Northern Australia.

What I want to emphasise to all those greenies who lauded the recommendations is that recommendations such as 'by 2030 one-third of the lands in Northern Australia should be locked away in the National Reserve System' are just stupid. That recommendation was applauded by the greenies. It is interesting to note that the first public exposition of this task force report was the day before it was publicly released and widely gloating was one of the task force members, who also just happens to be a member of the WWF and who is renowned for his antagonism to sustainable development anywhere and particularly in Northern Australia.

What these people do not understand is that in the world today there are 80 million new mouths to feed every year—80 million new people come into this world. Someone has to feed them. Places like China, which used to produce a lot of its own food, had its own food bowl on the plains, are no longer able to grow the food to meet that country's need, let alone export to the world. For the future of the world, we need to look at places around the world that can have sustainable production of food into the future. Regrettably, this task force report did not do that but put forward all of the negative stuff. If the radical greenies who applauded this report could understand that we do need increased food production then they would not have been quite so supportive of this report and critical of development.

There is a mosaic of good lands in Northern Australia and there are billions of megalitres of water that flow out of Australia every year from Northern Australia. And yet, at the same time, we all know of reports that the south of Australia, the Murray-Darling Basin, which used to feed Australia, is get-

ting drier. Here we have a classic opportunity to sensibly pave the way for sustainable food production in Northern Australia. However, that great opportunity, I have to say with a great deal of regret, has been lost.

I was amused to hear Senator Carr in question time today say that his government believed in science for science's sake and did not want to influence scientists with politics. Well how come with this task force, after the report had been released and when there was criticism of them not seriously considering water storage damming proposals in Northern Australia, they let it slip that they did not even investigate dams in Northern Australia because they had been told that the Queensland, Northern Territory and Western Australian governments, and the Commonwealth government—all Labor governments I might add—had a no dams policy and so therefore they should not even bother looking at dams. What sort of a scientific report is that when one of the great big elements of any look at sustainable development has been removed from the purview of the scientists looking into it? I happen to know that there are sites on the Gilbert River in my state of Queensland and on the Flinders River at Richmond, the O'Connell diversion, which are well advanced in their plans. They are sustainable and they can harvest water. And this report, instead of working out how that could be done and looking at how we could do it in a careful way—and we all want it to be careful—simply ignored those sorts of proposals.

All in all this report is a great shame; it is a great opportunity lost. It is typical of the Rudd government's complete inaction when it comes to Northern Australia and the possible development of the north. I can assure the Senate and the people of Australia that a Tony Abbott led government in the future will take a much more sensible view of sustainable development in the north and will allow the north to develop in a sustainable

way in the manner in which those of us who live in the north know that it can.

**Senator CROSSIN** (Northern Territory) (4.27 pm)—I welcome the opportunity to talk on the Northern Australia Land and Water Taskforce report. This is the most comprehensive review of land and water science relevant to the north of Australia that has been undertaken for many a long time. If I recollect the past decade or so correctly, when we were in opposition, I do not recall Senator Macdonald's government moving to do anything about a sustainable development of Northern Australia, other than to set up a committee and to start to talk about it—but I will come back to that in a minute.

Sustainable development of Northern Australia is a priority for this government, and we have moved very quickly to start to do something about it, not languishing for 10 years, as the previous government did, before they realised that there were opportunities here. But rather than charge into Northern Australia and just assume that there is plenty of water or just assume that there is plenty of land that you can develop or that you can capture—the science shows that neither is really possible to the extent people opposite would like it—we have undertaken a task force that is a comprehensive review of the science of this part of the country.

In September 2008 the Rudd government changed both the terms of reference and the membership of the Northern Australia Land and Water Taskforce established by the previous government. We wanted terms of reference that focused on tackling the broad range of environmental, economic and social challenges—so it was much broader than just the economic challenge; it also encompassed social and environmental challenges facing Northern Australia in the future. We wanted the task force membership to include experience from a diverse range of interests—not

just a bunch of mates who happened to be current politicians, but people who actually had experience and knowledge in areas including business, Indigenous issues, conservation, agriculture, mining and science. So we broadened the expertise and the knowledge on that task force.

We also wanted the task force membership to have a better gender balance—the previous task force of course had no women on it—and where possible to draw on the experience of those who had firsthand experience living and working in Northern Australia. This was about bringing together the best minds, not your best mates, to work in partnership to identify opportunities for sustainable development in the north. We removed the six coalition politicians from the task force and invited other existing members to continue in their role. John Daly from the Northern Land Council was replaced by Wali Wunungmurra from the same organisation, and Noel Pearson was replaced by Richard Ah Mat. We also added the following people: the Chair of the Ord Irrigation Cooperative, Elaine Gardiner; the Chair of the Indigenous Land Corporation, Shirley McPherson; the Executive Director of the Queensland Resources Council, Michael Roche; the Vice-President of the Australian Conservation Foundation, Dr Rosemary Hill; the eminent Deputy Vice-Chancellor of Charles Darwin University, Professor Bob Wasson; and Northern Territory based environmentalist Dr Stuart Blanch. So there are professors and doctors who actually have expertise in this area. We know the membership has been attacked by those opposite, but we added just one person of Indigenous descent to the task force and two northern based environmentalists.

I know that my colleagues will go on to reveal exactly what this task force uncovered, but they found that there are positive opportunities in Northern Australia across a

range of industries. They also found that developing Northern Australia as an integrated, sustainable region presents a complex challenge that requires strategic focus, not gathering your mates together and thinking you can solve the problems of the world without the expertise that is needed. It requires national leadership and close collaboration between all governments involved. It also found that institutional and governance arrangements in the north are not yet strategically focussed to seamlessly manage both land and water across the region.

The task force stressed that the planning and management of land and water resources in Northern Australia must account for Indigenous rights and interests. Unlike my colleagues opposite, this is a document that has brought together the review of the science, has identified where some of the gaps are and has made some suggestions about a way to move forward, about how to particularly identify the potential for future sustainable development. It is a report that is based on knowledge and expertise and that provides us with a much more sound base on which to pursue the sustainable development of Northern Australia than would have occurred under the previous government.

In the time left I also want to draw people's attention to a book I launched on Monday, called *Dry Times: Blueprint for a Red Land*. This is another piece of research and documentation that all helps in developing knowledge about and providing assistance to Northern Australia. It is a book about desert Australia, which of course spreads across six states and territories. As we know, desert Australia is 5.5 million square kilometres—three-quarters of the country's land area. This book was written by Dr Mark Stafford Smith and Mr Julian Cribb. It outlines for people the extremities and the uncertainties. It complements quite nicely the task force report. In fact, on Monday it was suggested

that the Northern Australia Land and Water Taskforce report now has a coupling book-end, in a sense, with this desert Australia book launched earlier this week. The two go hand in hand and provide us with long-term sustainable science about how we can move this part of the country forward. Deserts are home to diverse vegetations but they are generally very poor. We do not really understand how to live in this country with its extremes and its variabilities. This book outlines the knowledge of the desert. It goes through what the desert experiences. We know that there are people and animals and vegetation, flora and fauna, that cope with the extremes of the desert day in, day out and month in, month out. This book actually suggests that if we take stock and if we have a look and learn about what is going on in the desert we can apply that nationally.

So I say to my colleagues opposite that the Northern Australia Land and Water Taskforce report is not only about the north; it is also about how we can develop this country for the benefit of everyone. *Dry Times: Blueprint for a Red Land* provides lessons for the rest of this country about how we can deal with extremes of environment and extremes of climate. Things happen differently in the north of this country, in the deserts and the Top End, right across from Townsville to Broome and from Alice Springs right through to the top. Things do happen differently. But fauna and flora survive. What we have to do is understand why they survive—what do they do that makes them sustainable? That is the science on which we need to base any future sustainable development. You cannot just move into an area of this country and suggest that all the water there can be captured, all of the land can be put to agriculture, and suddenly we can feed the rest of the world. It does not work like that, and it will not work like that. We need to learn from the environment and from there

plug the gaps and ensure that we have a comprehensive strategy to move forward. The Northern Australia Land and Water Taskforce does this, and the *Dry Times* book launched on Monday is another response on how we handle the desert.

This government has ensured that sustainable development in Northern Australia is done in a systematic, scientific and routine way based on expert knowledge, collecting the science and the data that is there. This is a blueprint on which we can now move that part of this country forward and ensure that any economic return we have is handled in a sustainable, sensible way. (*Time expired*)

**Senator SIEWERT** (Western Australia) (4.36 pm)—I must admit I was pleasantly surprised when I read the report of the Northern Australia Land and Water Taskforce. It is a balanced report. It is not one that simply goes full steam ahead. You see a lot of these task force reports saying, ‘Yep, it’s a free-for-all.’ It is a well-written, well-considered report that represents a truly refreshing approach. When you read it you realise that the participants in the task force have sat down and truly looked at the facts. They have looked at them given where each other comes from, so you have got the full range of stakeholders involved—as Senator Crossin pointed out—and you can tell that they must have seriously listened to each other and seriously listened to the advice that they were given.

**Senator Ian Macdonald**—But not to too many others, though.

**Senator SIEWERT**—They have represented all the stakeholders, as I will point out again, and they have seriously considered the issues and have put down a structured report that looks at the issues and that looks at the science. They have also put down the basis on which they have done their decision making. They have actually set down a set of

principles which guided their decision making and their recommendations. I think that is a refreshing approach. It is certainly different from the approaches in many of the other similar sorts of reports that I have seen in other areas.

What it is saying is we should not make the mistakes of the past. We should not make in the north the mistakes that we have made in the south, given the way that we have developed land and the way that we have developed unsustainably so that we are in the fix that we are in with the Murray-Darling system right now. In this debate Senator Macdonald made a comment that we have got to find a new food bowl because of how the Murray-Darling is and because other places around the world are not going to be able to produce the food needed. The Murray-Darling is in the state that it is in because we have abused that system. It has not been developed in a sustainable manner. We have overused it. We have not planned properly. We have overcommitted the landscape and we have overcommitted the water resources, and that is why it is in the mess it is in now. In the north of Australia we can do things differently.

I really liked the outline that the chair of the task force committee, Joe Ross, gave. He makes comments in the front of the report about the vision that they have put down. They are not saying this is the vision. They are saying it is a vision that the task force had. They are saying the vision could include the elements that they have outlined, which I also think is a good approach. He says:

Our vision for northern Australia is based on mutual respect. Respect for the rights and interests of the Indigenous Peoples of the north. Respect for the environment. Respect for the critical role that land holders have in caring for country. Respect for Indigenous and western knowledge. Respect for the communities of the north and the need to

empower them to create opportunities for their own future.

I think that is a very important statement and I was very pleased to see it in the report. But of course certain people are getting upset because it does not say, 'Right, let's go full steam ahead, Guys! Let's develop the north!'

**Senator McLucas**—'Guys' being the important word there.

**Senator SIEWERT**—Exactly. The point is that it is not saying it is the food bowl of the north. It is saying that the potential of Northern Australia to become a food bowl is not supported by the evidence; in other words, there is not unlimited water. There may be a lot of water but it is part of systems. It is not wasted water. It is part of important, beautiful ecosystems. It is part of functioning ecosystems.

The other point as to Northern Australia is that, while we have not had any extinctions in the north of Australia, with some species we may be on the brink. Scientists are saying there are a number of species up there that have had dramatic declines in numbers for reasons they do not know. It could be a changed fire regime. That plays an important part. There could be other issues that are impacting on these species. The fact is we do not know. Despite the fact that the north is not significantly developed, it is being used by the people who own the land and live up there. It might not be being used in the way that some people want but it is being used. But our current land management practices are unfortunately having an impact on the species up there. Australia already has the unenviable record of having the most number of mammalian species that have become extinct. Do we want to keep adding to that? Do we want to keep adding to the loss of biodiversity that we have generated in the south?

**Senator Ian Macdonald**—A minute ago you said it was okay.

**Senator SIEWERT**—Senator Macdonald, I sat here and listened to you without interrupting you, even though I passionately disagreed with you. I would appreciate it if you would do the same for me.

**Senator Ian Macdonald**—Sorry.

**Senator SIEWERT**—Thank you. The point here is that our current land management practices are also already having an impact on the environment. We already know that many species could be on the brink. We need to investigate that issue. The report points out that we could increase our water use by 100 to 200 per cent—it does say that—but when you look at how much water is being used up there you see there is very little water being used. There is a capacity to increase agriculture from 20,000 to 40,000 hectares, which I acknowledge is a relatively small amount. It points out that the water is not necessarily available where some of the best land is available and it also points out that we should be looking at a mosaic style agriculture that has a reduced impact.

There are things in this report that I have to admit I do not agree with. I am a bit nervous about the issues around changing land tenure until we have some of the other issues sorted out. I am a bit nervous about their recommendations about continuing extensive grazing, if that is not done in a sustainable manner. We already know that some grazing in the north has had an impact on the environment. It is linked to changed fire management practices. It is linked to introduced pastures that can become weeds. But I think that, given the overall direction of the report, it is worth supporting. The point that people are nervous about is the fact that, as I said, it is not going full steam ahead. It is not going to be the food bowl of Australia, or of the

world for that matter. But carefully managed it will.

A very important point as to this report is the absolutely essential role of the Aboriginal Australians who live in and own this country, so there is the need for them to be at the heart of decision making and to get the benefits of any development in the north. They absolutely need to be. The report makes that very clear, and I strongly support that element of the report. It clearly points out the constraints as to the way we should be developing the north of Australia. But I will go back to the point that this is a blueprint with a suggested vision and it is now up to the government to implement the recommendations and to support communities of the north to develop their own vision based on the set of principles that are articulated in this report, which I think are very sound. I think the recommendations are very worthwhile and worthy of support. I urge the government to take them up and to take on the challenge that this report sets out, because it is different, because it is saying we need to take a different approach and because it is saying we can avoid the mistakes of the past. But that actually requires the government to be very brave in the face of a whole lot of development pressures that say: 'Ignore the science. Why you would want to pay attention to the science?' We have ignored the science in the past and look where we have ended up with the landscape of Southern Australia, where we are having to spend billions and billions of dollars to repair that landscape.

We will never get back the ecosystems that have been damaged or the species that have become extinct. Unfortunately, there are threatened species that continue to edge towards extinction. We do not want to repeat this in the north. We can learn. This is 2010. We have moved into a new century. We should be managing that land in a different

way. But if you listen to the voices of the past we will end up with the same mistakes of the past. We will alienate our Aboriginal community. We will send species into extinction. We will have a massive land repair job on our hands. I have not even got to the point about the impact climate change is going to have on the north of Australia. It will change those ecosystems. It will bring climate variation. If you look at the projections for the impact of climate change on agriculture in the north of Australia, you will see there will be a significant impact. We need to learn from the mistakes of the past. We need to do things differently.

This report confronts those challenges head on and says that there is a different way of doing it. Please, Australia, listen to it. Please let us do things differently. Let us support these recommendations and see how we can truly learn from the past and work with Aboriginal Australians to have a different future for Northern Australia. It will develop, but it should develop sustainably. This report clearly outlines there is a future for the people living in the north. It is not the traditional view that some people like to see, where you send in the bulldozers, clear the land and put in more and more agriculture and use all the resources without consideration for the future and without consideration for the science or the ecosystems. This report says: do it differently. (*Time expired*)

**Senator STERLE** (Western Australia) (4.46 pm)—I also welcome the opportunity to contribute to this matter of public importance debate. To talk about the sustainable development of Northern Australia is an exciting opportunity for all of us in this chamber. I am looking forward to the contribution from my esteemed Western Australian colleague Senator Eggleston who, like my good self, had a long working history in the north. I delivered furniture, he delivered babies, but both very honourable vocations.

I was not here for Senator Macdonald's contribution and, if he wants to extend the same courtesy of disappearing out of the chamber while I make mine, I would welcome that. On that note, I think it is a little bit rich of the opposition to attack the Rudd government. The words used in the matter of public importance are:

The Rudd Labor Government's continued failure to meet the development needs of Northern Australia preventing the region from advancing.

It is quite mischievous. I might be wrong—and I am sure other senators can correct the record for themselves—but a lot of this has stemmed from the Northern Australia Land and Water Taskforce report. What it boils down to is that the make-up of the task force was significantly changed when the Labor government took office after November 2007. Gary Gray, the Parliamentary Secretary for Western and Northern Australia, said that the opposition did not like it because the politicians were removed from the task force. I do not have a problem with that at all. If we look at the make-up of the politicians who were on that task force, two of them are no longer members of parliament anyway. One is from the Northern Territory and one is from Queensland. But what is wrong with saying to Australia, 'We want to know what is going on'? What is wrong with asking the stakeholders, the people involved, in that part of the world? I am not saying that some of the members of this task force, the previous Liberal members, were not part of the north. There were one or two who lived in the north—there is no argument about that. I do not live in the north, but I made my living running through the north, as did Senator Eggleston. I have a passion for the north and I have a passion for the north of Western Australia.

On that note, let me give the Senate a few figures. I was in Kununurra in July last year. The Prime Minister was also there for a cou-

ple of days with Gary Gray, the Liberal Western Australian Premier, Mr Barnett, and the Minister for Regional Development, Brendon Grylls. The federal government announced a package of \$195 million for injection into the Top End, the East Kimberley, which predominantly takes in the two towns of Kununurra and Wyndham. That package was warmly and gratefully received by the people of Kununurra, and so it should be. On saying that, the state government committed a heck of a lot of money to that part of the world—I think some \$220 million—because everyone recognises that to achieve outcomes for Australia we have to work together. It is very easy to sit on the other side of the chamber and throw darts and arrows at every decision that is made, but I do not think for one minute that that lot over the other side have the right to bag the Rudd government for the efforts it has made in the East Kimberley hand in hand with the state government.

In that part of the world, \$50 million is being flagged for health. We all hear about, talk about and read about the health conditions of our Indigenous Australians and about the gap. No-one would argue that \$50 million is no small amount of money. It is a start. There is a long way to go, but at least the Rudd government is starting. That \$50 million is broken up into a couple of projects. One of significant importance is \$20 million for the Kununurra hospital expansion. I welcome that. I have had to visit the Kununurra Hospital. I know it upsets a few on that side, but I came through all right. They do a fantastic job, but they need more money up there because it is a gateway to the great state of Western Australia, especially if you are coming from Darwin in the Northern Territory. There are some 17 or 18 health initiatives going on up there. Another major contribution from the Commonwealth government to that part of the world is around \$50 million

in housing. We know the problems with housing and we have a long way to go. Senator Evans said in this chamber last year in a debate on Aboriginal housing, 'Quite frankly, none of us have got it right. No-one can stand up and brag about how well we have done. It is time to work together and start fixing that.' That is what we are doing.

Of the \$50 million, \$30 million is going into social housing in Kununurra and Wyndham and the other \$20 million is going into transition housing in Kununurra and other locations. There is \$15 million going into transport, \$10 million of which is going into the Wyndham port facility upgrade. That is fantastic. I have an affiliation with Wyndham. Unfortunately it is not a happy one, because a mate of mine was taken by a crocodile up there. But it is great to see that Wyndham is also on the receiving end of this money. Wyndham has always been the poor cousin of the two towns up there. Into the community is going \$16 million for a wonderful array of initiatives.

What we are seeing is that we have a long way to go. It is very mischievous of the opposition to use the report of the Northern Australia Land and Water Taskforce to attack the Rudd government, which has done far more in such a short time for that part of the world than the previous government did. There is no argument about that. I was in Kununurra last Monday, and I had the fortune to sit with the shire president, Mr Mills. He made it very clear to me, on behalf of the community of Kununurra, that they were very relaxed and very happy with the Northern Australia Land and Water Taskforce report. There were no spears at dawn. One would think, from listening to the opposition, that the whole of Northern Australia has been badly let down. The Rudd Labor government has done much, much more than was done in 12 years of the Howard government.

The opposition should just come clean. If you want to use this as a political football, at least have the guts to stand up in front of us and tell us it is a political football. But you bag everyone. You bagged the make-up of the task force and you sooked because the politicians were removed—very childish. I have heard some scurrilous comments about the make-up of the task force. If I were one of the task force, I would not even waste my oxygen talking to some of the members of the opposition. To make comments degrading the credibility of the task force is absolutely nothing short of disgraceful. But we will not be deflected by petty arguments from the opposition. We have got a job to do. We have been elected to do that job. We will do that job. Not only that; we are coming through one of the worst financial crises in our history— (*Time expired*)

**Senator SCULLION** (Northern Territory) (4.54 pm)—I rise to speak on a matter of great public importance: the continued failure of the Rudd government in setting the pace for the development of Northern Australia. I am sad that Senator Crossin has left the chamber. I know that she is involved with other things, but she did ask us what we have done. I would have thought that, as a Territorian, she might have noticed that, whenever she turns left on her way out of Darwin, she hits this funny thing called a railway line, built by Shane Stone and John Howard. And, anytime she is sneaking around the waterfront, she might have noticed the port, which is now a fundamental piece of infrastructure that is the backbone of the pastoral industry of Northern Australia and has allowed us access to markets to make it viable. I thought she might have actually noticed some of those things and perhaps given credit to the previous government for its wonderful work.

I have read the grand vision in the report of the Northern Australia Land And Water Taskforce. Senator Sterle said that it was

only the vision of the people in the task force. Well, it probably set the pace and the tone for the remainder of the report. I always commend my very good friend Senator Siewert for her comments, but, when the Greens start to support this sort of process—a coalition of lethargy and inaction—we have all got to be really concerned. I live in Northern Australia. To those people who want to lock it up and leave it because it all seems too hard or who say that we have to proceed with caution, I say that that is not in anybody's interest, particularly the interest of those who live in the north. The vision in the report is probably correct in a couple of ways. It is probably quite likely that 50 per cent of the people who live in Northern Australia will be Aboriginal or Torres Strait Islanders, and that will be a fantastic thing.

I had this little mind bubble, when Senator Conroy was here, about the rollout of the NBN. If you are in a community of less than a thousand people, you are not going to be able to have any telecommunications. This is central infrastructure for Northern Australia, but, if you want to count all the towns with under a thousand people, you will find a lot of them in Northern Australia. That is where they belong. So the words of those opposite seem to be completely different from their actions.

I have read very carefully through many aspects of this report, particularly the vision, and it does seem to be condemning our First Australians—Aboriginal and Torres Strait Islander Australians—to a very bleak future. Anybody who reads this report, having lived in Northern Australia, would say it is very negative. As my two fine colleagues Senator Macdonald and Senator Eggleston—and I thank Senator Macdonald for his fine contribution—would know, it is tough in Northern Australia. It is hot, it is further away from anything, the roads are bloody rubbish, it is harder to find people and the towns are

smaller. It has always been harder. We do not expect it to be too much different, but it has got to be tied together with the aspirations of the rest of Australia. Because of that tough environment, Territorians and people from Western Australia and Queensland are tough. We are pioneers. This report is a complete slap in the face to anybody who lives in Northern Australia because it condemns them to a future of: 'Just hang on a minute. Let's not rush it. We'll just leave it all on its own.' It will be like some sort of zoo, where you have a little look around while moving across the countryside.

Somehow we—particularly the First Australians—are going to make money out of carbon trading. That seems to be one of the fundamentals of this report. The carbon trading process is very vague in here, but apparently it is going to be a lot to do with controlling and dealing with the savanna landscapes. I am quite sure that that will be a part of the future in terms of management of biodiversity. But this report effectively condemns Northern Australians to just being some sort of accelerated park managers who very vaguely deal with some sort of biodiversity management that is funded overseas by some carbon credits. I am not really sure—the report did not go into it in any great detail. It is a complete shock.

I will read an extract that characterises the approach of the report. This is with regard to the international significance of cultural landscapes:

Communities, landholders and governments now work together to conserve Indigenous protected areas, national parks, private wildlife sanctuaries, areas under conservation covenants, World Heritage sites and wetlands listed under the Ramsar Convention. Enhanced efforts in natural resource and biodiversity management have reversed the decline of small mammals—

have stopped them going out the door. The report continues:

An ecosystem services economy based on payments for ongoing management of biodiversity is now a mainstream part of the regional economy.

And the last line says that a third of the north of Australia is now going to be within a national reserve system. Well, that is a place where I know many of my Aboriginal and Torres Strait Islander friends do not want to live. If that is the only opportunity that we are condemning them to then the report has got it completely and utterly wrong. What is wrong with Indigenous Australians having the same opportunities? Why is it that they could not possibly run a pastoral property sustainably?

**Senator McLucas**—They can.

**Senator SCULLION**—I will take the interjection from Senator McLucas. No doubt she enjoys the next paragraph that will ensure that we enable the ‘destocking of marginal pastoral land’. You wouldn’t want to get too far west of the divide to see a lot of sad people in that regard. Again, there is a condemning of our First Australians to absolutely no opportunity—and this I think is absolutely and utterly reprehensible. It is a little bit like saying that this vision is like a national park. Unfortunately, we have now had the report recommending that the First Australians join them. They will be cuddling trees and doing something weird—I’m not sure what—with carbon credits but the vision is not of them actually enjoying the remainder of the opportunities the Australian economy can provide.

Why have we got a different approach? Are we asking the rest of Australia down south, ‘Just cuddle a few trees; just be a bit green. Manage the ecosystem,’ and everything will be right? I can tell you that any economy that is completely dependent on some rubbish idea that you can be sustainable into the future on some sort of carbon credit system and that you can somehow

manage the environment while somebody—I don’t know where—is going to pay everybody to do that, is relying on absolute and utter nonsense. I condemn this report and I warn people to look very carefully at it, because if this nation is going down a line which says, ‘Aboriginal people can own land but they can’t use it,’ I think it is a step in completely the wrong direction.

Senator McLucas is from Queensland. The Queensland government has already decided to go and take away the rights of people to use their land correctly under the Wild Rivers Act, and we will be very active to ensure that their rights to use their own land are returned to them.

*Senator McLucas interjecting—*

**Senator SCULLION**—I am happy to take your interjections, Senator McLucas, all day. We should look very carefully at this report and treat it with a deal of caution because it does not treat our First Australians with the same rights afforded to the remainder of the landholders in Australia. That is why it cannot be supported. (*Time expired*)

**Senator McLUCAS** (Queensland) (5.02 pm)—I am also pleased to join this debate, for two reasons. Firstly to commend the report—a balanced, sensible report that has been handed down to the people of Northern Australia by a balanced and sensible group of people who have looked at the science and the aspirations of northern Australians and come up with a set of 15 sensible recommendations that will take us forward.

But in commending the report I also rise to defend the membership of the committee that has been put together by our government. Let’s remember, Senators, that this committee was the committee that was established under Senator Heffernan and which included only the Liberal and National Party politicians of Northern Australia. There were no Labor people and no people from the

Greens. They came up with this wonderful suggestion that the only group of people who would have any knowledge of the aspirations of northern Australians had to be Liberal and National Party members of parliament. It was the biggest political stack I have seen in my life. Thank goodness we had the opportunity to pull those senators and members off the committee and give it some balance so that it had a way forward.

I noticed that Senator Macdonald, in his contribution today, took the opportunity again to denigrate the membership of the committee. He has made wild assertions in this place and also in the media in North Queensland, about the expertise and the motivations of the membership. I notice that he was a little less vitriolic here in the chamber than he was in the North Queensland press recently, and that suggests to me that he was playing to his audience.

It also suggests to me that there are a number of members of the committee who had to go into print to defend themselves against his vitriol, his bias and his—

*Senator Ian Macdonald interjecting—*

**Senator McLUCAS**—I will get to that. He has offended many people who gave of their time to make sensible, realistic recommendations about Northern Australia to the committee. In the press in North Queensland, Senator Macdonald said that the government was ‘pandering to a green agenda’, that the report was a ‘series of motherhood statements and bureaucratic recommendations’, and that the task force was ‘clearly captured by the radical green element’. He said:

The report is lightweight with a political focus towards green and indigenous issues.

So there is a bit of a contradiction between Senator Scullion’s point and what Senator Macdonald has said in the North Queensland media. That warranted a letter to the editor in the *Townsville Bulletin* and an opinion piece

in the *Cairns Post* which was entitled ‘Debate report instead of name calling’. The letter of the week was by Michael Roche, Queensland Resources Council—hardly a person that you could say was captured by the radical green element. Michael Roche is well respected for his knowledge of the mining sector, as are a range of people who we put in the task force, including Elaine Gardiner, Shirley McPherson, Dr Rosemary Hill, Stuart Blanch and Professor Bob Wasson. Let’s remember that the committee also includes Terry Underwood, who is a grazier; David Crombie; David Baffsky; Lachlan Murdoch, Richie Ah Mat, Walybuma Wunungmurra—I apologise for the mispronunciation of your name—Mr Joe Ross and Andrew Johnson from CSIRO. This is not what you would call a painted green task force.

Let us go to what Mr Roche had to put into print to defend himself against Senator Macdonald’s name calling.

**Senator Ian Macdonald**—I did not see this. You will have to send it to me.

**Senator McLUCAS**—Happily; I will table it. I will seek leave to table this document at the end of my speech. He said—and this is only in part:

There appears to be a premeditated effort underway to destroy the credibility of the report by attacking the task force’s bona fides and credentials.

He goes on to say:

The task force includes three members with impeccable Northern Australian agricultural credentials, including the President of the National Farmers Federation, a tourism industry leader, the head of CSIRO’s Land and Water Research Group, the Deputy Vice-Chancellor of Charles Darwin University as well as eminent conservationists and Indigenous leaders from Northern Australia.

These are the people whom Senator Macdonald and Senator Scullion are attacking.

These are the people who have given their time to provide us in Northern Australia with a blueprint for the way forward. Mr Roche goes on:

The task force did not contain bureaucrats and neither did they write the report, which was a collective effort by task force members.

He then says:

Instead of massively misrepresenting the credentials of the task force, let's have a discussion about our findings and recommendations and around our reliance on the best available scientific evidence rather than name calling and slogans.

That is what Mr Roche had to put into press in the Townsville paper, which Senator Macdonald reckons he did not see—and I am surprised at that—and also in the *Cairns Post*. Instead of playing the man, let us talk about what is in the report. Let us talk about what other people said about the report. David Crombie, from the National Farmers Federation, said:

I don't think anybody expected we were going to be transferring the Murray Darling food production system to northern Australia.

I disagree with him slightly there; I think that Senator Heffernan did. He goes on to say:

There are opportunities for greater intensification of agriculture, there's opportunities for more integrated development in the livestock sector, there are opportunities for pastoralists and lease holders, and there are opportunities for indigenous communities.

This brings me to the point that Senator Scullion was making. I do not think Senator Scullion has read this report—I am sure he has not—because if he had he would have come to a very similar conclusion, I imagine, as David Crombie from the National Farmers Federation. As Mr Crombie says, there are opportunities identified in the report for an increase in agricultural production, for an increase in a whole range of economic activities that all of us in Northern Australia have

the opportunity to partake in, particularly—and this is a very strong focus of the report—Indigenous people. I also want to go to Rachel Mackenzie from Growcom. I think her words are very informative:

It was time southern Australia gave up fanciful notions that horticulture could be simply moved holus bolus from areas such as the Murray Darling Irrigation Basin to northern Australia. Growcom supports the development and expansion of horticultural crops suitable for the climatic conditions and soils in northern Australia and wherever else in Australia that suitable climatic conditions have been shown to exist.

It rains a lot in Queensland and Northern Australia, but it is a very short season. It rains a lot, but it is pretty close to the coast where you cannot dam, and it is also a long way from market. Let us be a bit honest with the people of Northern Australia. (*Time expired*)

**Senator EGGLESTON** (Western Australia) (5.10 pm)—The Rudd government has shown no understanding that the north of Australia has enormous potential or, it seems, no commitment to realising that potential. The recent Northern Australia Land and Water Taskforce report was disappointing, because it seems to me its recommendations were focused on preserving the past instead of focused on the future and the opportunities that were offered. The potential of the north is enormous. Throughout the 1980s and 1990s I attended north Australia development conferences that highlighted the fantastic potential for development in Northern Australia not only in agriculture but also in many other fields, including tourism, mining and aquaculture, which would create jobs and realise the potential of the north.

To be fair, the task force was severely constrained by the terms of reference given to it by the Rudd government, which were mostly about land and water. But even in agriculture this report is far from visionary.

Notwithstanding the great success of the Ord River project, which was funded by the federal coalition under Prime Minister Menzies and which is now being extended at a cost of over \$200 million, thanks to the Barnett government in Western Australia, the task force report claims that the potential for irrigated agriculture is limited because there are only four potential new dam sites across Northern Australia. But, as Senator Siewert pointed out, a lot of arable land was identified away from these rivers and dam sites. And, of course, agriculture does not have to be limited to the area's surrounding dams, because water can be piped across long distances to facilitate development. For example, Libya has a network of pipes large enough to drive trucks through to transport water 1,000 kilometres from aquifers inland to provide water for irrigated agriculture on the Mediterranean coast. I can see no reason why this could not be done in Northern Australia to provide water for irrigated agriculture in many locations across the north. All that is needed is the vision, and the vision, it seems, is not there.

As I said, from my experience I am aware that there is enormous potential for economic development in areas not mentioned by the Northern Land and Water Taskforce report and apparently not in consideration by the Rudd government. For example, great opportunities exist in areas as diverse as fishing and aquaculture, from prawn and fish farms to cultured pearls, as well as in tourism and in the resources sector. In tourism, people look to go to areas that are unique and different. For example, Germans and other Europeans flock in their thousands to Africa to see what is different about Africa. The things that are unique and different about Australia are mostly to be found in the north. But has the Rudd government charged Tourism Australia to shift its focus to Northern Australia? The answer is no, in spite of falling inbound

tourism figures to Australia from countries like Japan.

Clearly, the mining industry offers enormous potential in the north, but there is a need to upgrade infrastructure, such as roads and ports, to facilitate such development. However, this kind of infrastructure was not included in the Rudd government's stimulus program. When I attended the Riding the Boom conference in the Pilbara a couple of years ago the parliamentary secretary, Gary Gray, when confronted by local residents who called for improvements in community infrastructure to match the vast wealth coming out of the Pilbara coast, told them they were all 'whingers'. That is rather disappointing and shows no feeling for or understanding of the needs of the people in that area.

I am disappointed that the Rudd government has made no real commitment to expanding Indigenous employment opportunities, given the well-known plight of Aborigines in the north. We have all heard sad stories of drug and alcohol addiction, and physical and sexual abuse, in Indigenous communities. It is generally agreed that the root cause of most of the problems for Indigenous people is that they have no hope in their lives—their tribal culture has been distorted and they have not found a way into the world of mainstream, modern Australia. What is needed is to find jobs for Indigenous people so that the poisonous cycle of welfare dependence and hopelessness is ended and replaced with Indigenous people having a sense of dignity and purpose in their lives, coming from having a job and a regular income.

Some years ago the mining industry committed itself to increasing Indigenous employment and training. Companies such as Rio Tinto have achieved outstanding success, with 25 per cent of the workforce at the

Argyle diamond mine being Indigenous. But there are still 4,000 unemployed young Aborigines in the East Kimberley alone, and one must ask why the Rudd government has not sought solutions to this situation. The proposed Price Point LNG plant, on 25 kilometres of land just north of Broome, is another project that offers the potential for Indigenous employment, but the press is carrying stories that the Rudd government may not give the project the go-ahead. One must wonder who the Rudd government is listening to. Is it the traditional owners, who have supported the Price Point project because of the benefits it will bring to local Indigenous people? Or is it those living on the east coast who do not want to have any progress or development in the north—people such as Murray Wilcox QC, whose recent photographic book on the Kimberley completely misrepresented the impact of the Price Point—(*Time expired*)

**Senator McLUCAS** (Queensland) (5.18 pm)—I seek leave to table the document that I referred to in my earlier contribution.

Leave granted.

**The ACTING DEPUTY PRESIDENT (Senator Hurley)**—Order! The time for this discussion has now expired.

### COMMITTEES

#### Scrutiny of Bills Committee

##### Report

**Senator PARRY** (Tasmania) (5.18 pm)—On behalf of the Chair of the Scrutiny of Bills Committee, Senator Coonan, I present a report and *Alert Digest* of the Standing Committee for the Scrutiny of Bills.

Ordered that the report be printed.

**Senator PARRY**—I seek leave to move a motion in relation to the report and to incorporate a tabling statement in *Hansard*.

Leave granted.

**Senator PARRY**—I move:

That the Senate take note of the report.

*The statement read as follows—*

#### SENATE STANDING COMMITTEE FOR THE SCRUTINY OF BILLS

##### TABLING STATEMENT

24 February 2010

In tabling the Committee's Alert Digest No. 2 of 2010 and Second Report of 2010, I draw the Senate's attention to some provisions of the Corporations Amendment (Financial Market Supervision) Bill 2010 and of the Healthcare Identifiers Bill 2010.

The Corporations Amendment (Financial Market Supervision) Bill 2010 will implement a significant change in the supervision of financial markets by providing that the Australian Securities and Investment Commission will undertake this role.

Proposed section 798G will allow ASIC to make market integrity rules. These rules can deal with a wide range of circumstances relating to the activities or conduct of licensed markets and associated people and financial products. A market integrity rule can only be made by legislative instrument with the written consent of the Minister. A market integrity rule may include a penalty up to \$1 million.

The explanatory memorandum states that the regime is designed to allow ASIC to make rules to cover new and emerging issues as markets change and that the potential to impose a penalty ranging up to \$1 million is appropriate as this reflects the broad range of matters which the market integrity rules are expected to cover.

The Committee acknowledges the reasons outlined in the explanatory memorandum for this approach, but usually prefers that matters of this significance would be identified in more detail in the primary legislation.

The Committee leaves to the Senate as a whole the question of whether it is appropriate for ASIC to be given such a broad ability to make market integrity rules.

However, the Committee considers that the power to make market integrity rules could be supple-

mented by including in the primary legislation some general minimum requirements or a framework for the content of these rules. For example, without unduly constraining ASIC's ability to make market integrity rules the bill could include requirements for any such rule to specify its purpose, to whom it applies, to detail the conduct the subject of the rule, to explain if fault is required and to ensure that any penalty is adequate and appropriate.

The Committee has sought the Minister's advice on whether this type of approach might be considered.

The Healthcare Identifiers Bill 2010 also seeks to introduce a significant change by implementing a national system to assign healthcare identifiers for consumers and providers.

Proposed subsection 9(1) will authorise a service provider to assign a number to a healthcare provider or recipient and proposed subsection 9(4) provides that the service operator is 'not required to consider' whether the provider or recipient agrees.

The bill also includes provisions authorising parties to disclose healthcare identifiers between parties in some circumstances.

The Committee recognises that the bill is implementing a clear policy decision and leaves to the Senate as a whole the question of whether these provisions unduly trespass on personal rights and liberties.

The Committee also has questions about whether the bill should provide the ability to review a decision under subclause 9(1) to assign an identifier and about the rationale for delegating, without providing a justification in the explanatory memorandum, the ability for regulations to impose a penalty of up to 50 penalty units for contravention of a regulation.

The Committee has sought the Minister's advice about these provisions.

I commend the Committee's Alert Digest No. 2 of 2010 and Second Report of 2010 to the Senate.

Question agreed to.

### **Australian Commission for Law Enforcement Integrity Committee Report**

**Senator JOHNSTON** (Western Australia) (5.19 pm)—I present an interim report of the Parliamentary Joint Committee on the Australian Commission for Law Enforcement Integrity on the operation of the Law Enforcement Integrity Commissioner Act 2006.

Ordered that the report be printed.

### **Corporations and Financial Services Committee Reports**

**Senator PARRY** (Tasmania) (5.19 pm)—On behalf of the Deputy Chair of the Parliamentary Joint Committee on Corporations and Financial Services, Senator Mason, I present the following two reports of the committee together with the *Hansard* record of proceedings.

- Report on the 2008-09 annual reports of bodies established under the ASIC Act (tabled in the House of Representatives on 22 February 2010)
- Statutory oversight of the Australian Securities and Investments Commission (tabled in the House of Representatives on 22 February 2010)

Ordered that the reports be printed.

### **Legal and Constitutional Affairs Legislation Committee Reports**

**Senator FARRELL** (South Australia) (5.20 pm)—On behalf of that Chair of the Legal and Constitutional Affairs Legislation Committee, Senator Crossin, I present reports from the committee on certain bills together with the *Hansard* record of proceedings and documents presented to the committee.

Ordered that the reports be printed.

**DELEGATION REPORTS****Parliamentary Delegation to Argentina and Colombia**

**The ACTING DEPUTY PRESIDENT (Senator Hurley)** (5.20 pm)—I present the report of the official visit to Argentina and Colombia, which took place from 21 to 25 September 2009.

**AUDITOR-GENERAL'S REPORTS****Report No. 23 of 2009-10**

**The ACTING DEPUTY PRESIDENT (Senator Hurley)**—In accordance with the provisions of the Auditor-General Act 1997, I present the following report of the Auditor-General: Report No. 23 of 2009-10: *Illegal foreign fishing in Australia's northern waters: Australian Customs and Border Protection Service*

**EDUCATION SERVICES FOR OVERSEAS STUDENTS ASSURANCE FUND****Return to Order**

**Senator WONG** (South Australia—Minister for Climate Change and Water) (5.21 pm)—I table a statement relating to the order for the production of documents concerning the Education Services for Overseas Students Assurance Fund and seek leave to incorporate the statement in *Hansard*.

Leave granted.

*The document read as follows—*

**Order No.44 on page 45 of today's Notice Paper.**

**Statement to the Senate**

The *Senate* has ordered that various documents relating to the ESOS Assurance Fund be tabled in the Senate by 12pm today.

The Order specifies several categories of documents and it may take some time to identify and assess those documents that fall within the terms of the Order.

It is also likely that a large volume of documents will be identified.

It is the Government intention to table documents as soon as they can be identified, collated and assessed.

The Government will expedite the production of relevant information that it holds to the *Senate*.

**DELEGATION REPORTS****55th Annual Session of the NATO Parliamentary Assembly, Edinburgh**

**Senator JOHNSTON** (Western Australia) (5.21 pm)—by leave—I present the report of the Australian parliamentary delegation to the 55th annual session of the NATO parliamentary assembly, Edinburgh, which took place from 14 to 17 November 2009.

I seek leave to move a motion to take note of the document.

Leave granted.

**Senator JOHNSTON**—I move:

That the Senate take note of the document.

I will speak briefly to the report. I was very pleased and delighted to participate in this delegation to NATO. This assembly comprised the NATO member countries and a number of invited and other participating delegates from associate countries. This delegation and this conference was a very important one, given our participation in ISAF in Afghanistan. The fact that we have between 1,300 and 1,500 combat troops in Tarin Kowt conducting and participating in the war on terror is a very significant thing for a country the size of Australia.

The NATO countries, numbering some 28, gather through their parliamentary representatives to consider and discuss various aspects of NATO's functions. We as a delegation attended NATO headquarters in Belgium. Then we went across the channel to Edinburgh. There were many people who helped the delegation. His Excellency Dr Alan Thomas, the Australian Ambassador to the European Community, Belgium and Luxembourg, was very forthcoming with a

great deal of advice and assistance. The mission generally provided a lot of help to what I believe is a very important part of parliamentary life in Australia, particularly while we have troops fighting in Afghanistan.

I pause to say that Colonel Michael Toohey, who is the Defence Attache to the European Community, Belgium and Luxembourg, assisted the delegation very greatly. He is a very fine Australian military officer. Upon getting off the aircraft in Belgium, to see an Australian uniform with a beautiful bright plume on a slouch hat was an absolute delight and a credit to the Royal Australian Army and to Colonel Toohey. He assisted us on our visits to a number of very important war graves, Tyne Cot and many others. He gave us thorough briefings on and the backgrounds to what had happened. We were in the very famous town of Ypres in Belgium on 11 November, which is Remembrance Day, and we participated in the services there commemorating what was a very significant historical event in Australia's military history in Belgium in World War I.

I thank my parliamentary colleagues the Hon. Arch Bevis, the member for Brisbane; the Hon. Fran Bailey, the member for McEwen; Senator Mark Bishop, from my home state of Western Australia; and Mr Richard Selth. It was a very convivial group of people. We enjoyed ourselves enormously. The experience is very well documented in the report and sets out that the conference—particularly considering that we did meet the Dutch parliamentarians, and we are partnered with the Dutch in Oruzgan province in Afghanistan—was a most useful and beneficial one to attend. I believe that Australia should participate, particularly considering that not only are we involved in Afghanistan but also from time to time participate in taskforce 151, which is an antipiracy taskforce in the Gulf and adjacent to Somalia. We should give great consideration to attending this

conference, if only with observer status, into the future, given our participation in these two engagements. The Senate should take note of what I think is quite a significant report from an important delegation.

Question agreed to.

**CRIMES LEGISLATION AMENDMENT  
(SERIOUS AND ORGANISED CRIME)  
BILL 2010**

**CRIMES LEGISLATION AMENDMENT  
(SERIOUS AND ORGANISED CRIME)  
BILL (No. 2) 2010**

**SAFETY, REHABILITATION AND  
COMPENSATION AMENDMENT BILL  
2010**

**HIGHER EDUCATION SUPPORT  
AMENDMENT BILL 2010**

**HEALTH INSURANCE AMENDMENT  
(NEW ZEALAND OVERSEAS  
TRAINED DOCTORS) BILL 2010**

Assent

Messages from the Governor-General reported informing the Senate of assent to the bills.

**COMMITTEES**

**Foreign Affairs, Defence and Trade  
Committee: Joint  
Membership**

**The ACTING DEPUTY PRESIDENT  
(Senator Hurley) (5.27 pm)**—A message has been received from the House of Representatives informing the Senate of the appointment of Mr Coulton to the Joint Standing Committee on Foreign Affairs, Defence and Trade in place of Mr Truss.

**APPROPRIATION BILL (No. 3) 2009-  
2010**

**APPROPRIATION BILL (No. 4) 2009-  
2010**

**CRIMES LEGISLATION AMENDMENT  
(TORTURE PROHIBITION AND**

**DEATH PENALTY ABOLITION) BILL  
2009**

**FAMILIES, HOUSING, COMMUNITY  
SERVICES AND INDIGENOUS  
AFFAIRS AND OTHER LEGISLATION  
AMENDMENT (2009 MEASURES) BILL  
2009**

**HEALTH INSURANCE AMENDMENT  
(DIAGNOSTIC IMAGING  
ACCREDITATION) BILL 2009**

**TAX LAWS AMENDMENT (2009 GST  
ADMINISTRATION MEASURES) BILL  
2009**

**TEXTILE, CLOTHING AND  
FOOTWEAR STRATEGIC  
INVESTMENT PROGRAM  
AMENDMENT (BUILDING  
INNOVATIVE CAPABILITY) BILL 2009**

**First Reading**

**Senator WONG** (South Australia—Minister for Climate Change and Water) (5.28 pm)—These bills are being introduced together. After debate on the motion for the second reading has been adjourned, I shall move a motion in relation to the listing of the bills on the *Notice Paper*. I present the bills and move:

That these bills may proceed without formalities, be taken together and be now read a first time.

Question agreed to.

Bills read a first time.

**Second Reading**

**Senator WONG** (South Australia—Minister for Climate Change and Water) (5.29 pm)—I move:

That these bills be now read a second time.

I seek leave to have the second reading speeches incorporated in *Hansard*.

Leave granted

*The speeches read as follows—*

Appropriation Bill (No. 3) 2009-2010

I rise to introduce Appropriation Bill (No. 3) 2009-2010.

There are two Additional Estimates Bills this year: Appropriation Bill (No. 3) and Appropriation Bill (No. 4). I shall introduce the latter Bill shortly.

The Additional Estimates Bills seek appropriation authority from Parliament for the additional expenditure of money from the Consolidated Revenue Fund, in order to meet requirements that have arisen since the last Budget. The total additional appropriation being sought through Additional Estimates Bills 3 and 4 this year is a little over \$2 billion.

Turning to Appropriation Bill (No. 3), the total appropriation being sought this year is \$1.69 billion. This proposed appropriation arises from changes in the estimates of program expenditure, due to variations in the timing of payments and forecast increases in program take-up, reclassifications and from policy decisions taken by the Government since the last Budget.

I now outline the major appropriations proposed in the Bill.

The Government will provide an additional \$510.8 million to the Department of the Environment, Water, Heritage and the Arts to meet commitments under the Solar Homes and Communities Plan. This program was terminated on 9 June 2009, and replaced by the Solar Credits Scheme. The new program provides assistance to households, small businesses and community groups with the upfront costs of eligible small-scale renewable energy systems installed after 9 June 2009 through the expanded Renewable Energy Target.

In addition, the Government will adjust funding for the National Rainwater and Greywater Initiative, to meet lower-than-expected demand, resulting in a saving \$13 million in the current financial year. It will also reduce funding for project contingencies under the Water Smart Australia program, saving a further \$10 million in 2009-10.

The Government will also provide the Department of the Environment, Water, Heritage and the Arts with \$16.1 million for the Tasmanian Forest Package. In addition, an unspent amount of \$20.1

million, resulting from project delays, will be carried forward from last financial year for the Living Murray Initiative.

The Government proposes to bring forward \$290 million from 2011-12 for the Department of the Environment, Water, Heritage and the Arts to meet an increase in demand for the Home Insulation Program. This amount is in addition to the \$695.8 million proposed in the Appropriation (Water Entitlements and Home Insulation) Bill 2009-2010 introduced into Parliament on 18 November 2009, the funding for which is required by December 2009. The \$290 million proposed in this Bill is required less urgently and will meet demand for the program in the months following passage of the Additional Estimates appropriation Bills.

The Department of the Environment, Water, Heritage and the Arts will also be provided with \$24.8 million for the Climate Change Action Fund, which is matched by a corresponding reduction in the funding for the Department of Climate Change.

The Government is proposing to provide the Department of Health and Ageing with \$45.2 million in response to the H1N1 influenza virus pandemic. The funding seeks to manage this pandemic and to enhance preparedness for any future pandemics by supporting activities such as:

- the storage, compounding and distribution of antivirals and personal protective equipment;
- the production, processing and distribution of immunisation consent forms; and
- the conduct of an immunisation awareness campaign.

In addition, the Department of Health and Ageing will be provided with \$12.4 million which was unspent last financial year because of project delays for the Zero Real Interest Loans program. The program provides capital funding to build and expand residential aged care and respite facilities in areas of high need.

The Government will streamline arrangements and introduce efficiencies at Centrelink to deliver substantial savings over the next four years. From 1 July 2010, paper forms received by Centrelink will be scanned to reduce the cost of transferring forms between Centrelink sites and to reduce

storage of paper documents. This initiative is expected to deliver net savings of \$131.3 million over four years. An amount of \$12.4 million is proposed in Bill 3 to prepare for the introduction of the streamlined arrangements.

In addition, the Government will streamline the arrangements for job seekers from 1 July 2010 with the fortnightly income reporting requirements being met through electronic lodgement over the Internet, or by telephone utilising interactive voice recognition software. This measure is expected to deliver net savings of \$95.2 million over four years. Appropriation Bill 3 includes \$14.5 million for Centrelink to implement the initiative.

The Department of Education, Employment and Workplace Relations will be provided with the following additional amounts:

- \$40 million to meet an increase in demand for assistance from the General Employee Entitlements and Redundancy Scheme due to a rise in bankruptcies and insolvencies. This is a basic payment scheme designed to assist employees who have lost their employment as a result of the insolvency of their employer and are owed certain employee entitlements.
- \$20.3 million will be provided to establish environmental and heritage training and work experience placements, lasting 26 weeks, for young people aged 17 to 24.
- The Government will provide the Defence Materiel Organisation with \$43.4 million for personnel and other operating costs associated with delivering additional activities required to be performed on behalf of the Department of Defence. This increase is matched by a reduction in the Department of Defence's departmental operating expenses.
- An additional appropriation is proposed for the Department of Immigration and Citizenship as follows:
  - \$63 million will be provided to meet the cost of increased irregular maritime arrivals; and
  - A further \$11.2 million is proposed to expand Christmas Island's accommodation capacity in response to increased irregular maritime arrivals.

These increases are partially offset by a reduction of \$19.3 million resulting from lower than expected activity levels in the Department's Visa and Migration Services.

The Government proposes an additional \$19.95 million for the Department of Families, Housing, Community Services and Indigenous Affairs, for payments under the National Rental Affordability Scheme due to a greater than expected number of charities looking to participate in the Scheme. This change is accompanied by a reduction in the estimated administered Refundable Tax Offsets payments and results in an overall budget neutral rebalancing of estimates between the Department and the Australian Tax Office in 2009-10.

The Australian Tax Office will be provided with \$11.3 million, which has been carried forward from last financial year, to fund a public awareness campaign concerning the Small Business and General Business Tax Break, the passage of legislation for which was delayed until May 2009.

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

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

I now outline the material reclassifications proposed in Bill 3:

The Department of Defence will be provided with \$639.2 million in Departmental Outputs appropriation to align its appropriations with its work program. This additional amount will be more than fully offset by reductions in its non-operating appropriations, resulting in a net saving to the Budget overall.

The Department of the Environment, Water, Heritage and the Arts will be provided with \$118.7 million as an administered expense appropriation for the Sustainable Rural Water Use and Infrastructure program. This amount represents a re-

classification of appropriation from the Administered Assets and Liabilities appropriation provided in the last Budget.

The Department of Education, Employment and Workplace Relations will receive \$42.6 million for the Support for Child Care Program. This amount, which was originally appropriated in Appropriation Act (No. 2) as a States, ACT, NT and local government item has been identified as a Commonwealth Own Purpose Expense and so has been reclassified.

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

I would like to turn now to a new clause that is included in Bill 3. The new clause gives effect to the Government's decision to reduce the amounts of unspent or uncommitted depreciation and make-good funding that agencies have accumulated since the introduction of accrual appropriations in 1999-2000. This clause will operate separately and in addition to the current appropriation reduction provisions. The clause will apply to both the Departmental Outputs and Administered Expenses appropriations. A similar clause is provided in Appropriation Bill (No. 4). It is intended that the new clauses will only appear in these Additional Estimates Bills and will not be required in future Bills. The proposed new clause is discussed in the Explanatory Memorandum.

#### Appropriation Bill (No. 4) 2009-2010

Appropriation Bill (No. 4) 2009-2010 provides additional funding to agencies for:

- expenses in relation to grants to the States under section 96 of the Constitution, and for payments to the Australian Capital Territory, the Northern Territory and local government authorities; and
- non-operating purposes such as equity injections and the acquisition of administered assets.

The total additional appropriation being sought in Appropriation Bill (No. 4) 2009-2010 is \$310.9 million, the more significant amounts of which I now outline.

The Government proposes an additional appropriation of \$167 million for the Department of Infrastructure, Transport, Regional Development and Local Government. This includes funding for:

- the establishment of a Local Government Reform Fund to help councils manage their infrastructure and to plan for their future needs; and
- funding under the Regional and Local Community Infrastructure Program to support investment in community infrastructure, such as libraries, community centres, sports grounds and environmental infrastructure.

The total of \$167 million includes amounts which have been previously provided as follows:

- \$14.9 million has been reclassified from administered expenses in Appropriation Act (No. 1) to make payments direct to local government for the East Kimberley Development Package;
- \$18.3 million has been reclassified from payments which were to be made under the *Federal Financial Relations Act 2009* to payments direct to local government for various Nation Building Roads to Recovery projects; and
- \$10 million, which was unspent last financial year due to delays in the negotiation of funding arrangements, is proposed for the Regional and Local Community Infrastructure Program.

These additional appropriations are fully offset by savings against the original appropriations and estimates and thus will not lead to additional expenditure.

A reallocation of appropriation is proposed for the Department of the Environment, Water, Heritage and the Arts for the National Solar Schools program. The Department will receive funding of \$19.8 million as a State, ACT, NT and local government item, matched by reductions in Appropriation Act (No. 1) administered expense funding, to facilitate that component of the program which is delivered through the States for non-government schools. In addition, funding of \$15.8 million has been brought forward from 2012-13 for the National Solar Schools Program

to meet demand in the current financial year for non-government schools.

The Government will provide the Department of Health and Ageing with \$26 million capital funding in response to the H1N1 influenza virus pandemic to purchase H1N1 influenza vaccine and fund the associated clinical trials.

An amount of \$34.1 million is proposed for the Department of Immigration and Citizenship to expand the accommodation capacity at Christmas Island in response to increased irregular maritime arrivals.

The remaining amounts that appear in Bill 4 relate to estimates variations, minor reclassifications and other minor measures.

I would like to turn now to the general drawing right limits for the Nation-building Funds, which specify the maximum limit on payments from the Funds in a financial year. The *Education Investment Fund* and *Health and Hospitals Fund* general drawing rights limits proposed in this Bill will replace the limits declared in Appropriation Act (No. 2) 2009-2010, reflecting recently announced funding for the Giant Magellan Telescope and minor adjustments in the timing of payments from the Funds.

Bill 4 also includes a new clause that provides that where a GST qualifying amount arises for payments made in reliance on a general drawing right limit, the limit will increase by the amount of the GST qualifying amount. This makes clear that the general drawing rights limits are the sum of the amounts stated plus any GST qualifying amounts. This clause also covers payments made in 2008-09.

Appropriation Bill 4 also includes a new clause to give effect to the Government's decision to reduce the amounts of unspent or uncommitted depreciation and make-good funding that the Parliamentary Departments have accumulated since the introduction of accrual appropriations in 1999-2000. This clause will operate separately and in addition to the current appropriation reduction provisions that are contained within the Parliamentary Departments appropriation Acts.

It has been necessary to include this clause in Bill 4 because there is no Additional Estimates appropriation Bill proposed for the Parliamentary De-

partments this financial year. The clause will apply to the Departmental Outputs and Administered Expenses appropriations for the three Parliamentary Departments. It is intended that the new clause will only appear in Bill 4 and will not be required in future Bills. The proposed new clause is discussed in the Explanatory Memorandum.

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**Crimes Legislation Amendment (Torture Prohibition and Death Penalty Abolition) Bill 2009**

I am pleased to introduce the Crimes Legislation Amendment (Torture Prohibition and Death Penalty Abolition) Bill 2009.

**The Bill contains two key measures.**

First, it enacts a specific Commonwealth torture offence in the Commonwealth Criminal Code, to operate concurrently with existing offences in State and Territory criminal laws.

Second, it amends the Commonwealth Death Penalty Abolition Act 1973 to extend the application of the current prohibition on the death penalty to State laws, to ensure the death penalty cannot be introduced anywhere in Australia.

The overarching purpose behind these amendments is, in the spirit of engagement with international human rights mechanisms, to ensure that Australia complies fully with its international obligations to combat torture and to demonstrate our commitment to the worldwide abolitionist movement.

**Prohibition of torture**

Since 1989, Australia has been a party to the United Nations Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment. Among other obligations, the Convention requires Australia to ensure that all acts of torture are offences under domestic criminal law. Torture is defined in the Convention as any act by which severe pain or suffering is intentionally inflicted upon a person by a public official for certain specified purposes—such as obtaining information or a confession from a person.

In previous periodic reports to the UN Committee Against Torture, Australia has stated that it meets its obligations on the basis that acts falling within

the Convention's definition of torture are offences under State and Territory criminal laws. These acts include the infliction of bodily harm, murder, manslaughter, assault and other offences against the person.

The Crimes (Torture) Act 1988 (Cth) currently criminalises acts of torture committed outside Australia, only when committed by Australian citizens or other persons who are subsequently present in Australia. Acts of torture that are committed anywhere in the world during the course of an armed conflict or as a crime against humanity are currently criminalised under the Criminal Code Act 1995 (Cth).

In recent years, the UN Committee Against Torture has been critical of nations that have not enacted torture as a specific criminal offence, and has called on nations to do so. In its Concluding Observations on Australia, issued in May 2008, the Committee recommended that Australia enact a specific offence of torture at the federal level.

Mindful of the Committee's recommendation, and determined to demonstrate the Government's condemnation of torture in all circumstances, the Government is enacting a new offence of torture in the Criminal Code, which will criminalise acts of torture committed both within and outside Australia.

As the new offence will result in the redundancy of the Crimes (Torture) Act, that Act will be repealed. Giving the offence extraterritorial application is intended to reflect a key aim of the Convention, which is to end impunity for torture globally. The new offence is intended to fulfil more clearly Australia's obligations under the Convention Against Torture.

The offence is intended to operate concurrently with existing State and Territory offences. The Bill makes it clear that the enactment of the new offence is not intended to exclude or limit the concurrent operation of any other law of the Commonwealth or any law of a State or Territory.

**Abolition of the Death Penalty**

Australia has a long-standing policy of opposition to the death penalty. Australia is a party to both the International Covenant on Civil and Political Rights and the Second Optional Protocol to the

Covenant Aiming at the Abolition of the Death Penalty.

The ICCPR only permits the death penalty for the 'most serious crimes'. The Second Optional Protocol goes further and requires Australia to take all necessary measures to abolish the death penalty within its jurisdiction and to ensure that no one within its jurisdiction is subject to the death penalty.

The death penalty has been formally abolished in all jurisdictions in Australia.

It was first abolished for Commonwealth and Territory offences in 1973, by the Commonwealth Death Penalty Abolition Act. Each State has independently and separately abolished the death penalty, and there are no proposals by any State Government to reinstate the death penalty.

The purpose of the legislation is to extend the application of the current prohibition on the death penalty to State laws. This will ensure that the death penalty cannot be reintroduced anywhere in Australia into the future.

The amendments emphasise Australia's commitment to our obligations under the Second Optional Protocol to the International Covenant on Civil and Political Rights, and ensure that Australia continues to comply with those obligations.

Such a comprehensive rejection of capital punishment will also demonstrate Australia's commitment to the worldwide abolitionist movement, and complement Australia's international lobbying efforts against the death penalty.

In summary, this Bill contains important measures which again demonstrate this Government's ongoing commitment to better recognise Australia's international human rights obligations.

I therefore commend the Bill.

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#### Families, Housing, Community Services and Indigenous Affairs and Other Legislation Amendment (2009 Measures) Bill 2009

This Bill will amend various Acts in the Families, Housing, Community Services and Indigenous Affairs portfolio to provide for several non-Budget measures.

The first group of amendments is to schedule three further parcels of land in the Northern Terri-

tory so they can be granted as Aboriginal Land. These three parcels of land are Alice Valley Extension (East), Loves Creek and Patta (near Tennant Creek).

The Loves Creek parcel of land is subject to a partially-heard land claim. Scheduling this land under the *Aboriginal Land Rights (Northern Territory) Act 1976* follows agreement between the Central Land Council and the Northern Territory Government. The scheduling will resolve the claim and allow the land to be granted to the appropriate Aboriginal Land Trust.

Patta (near Tennant Creek) is also the subject of an agreement between the Central Land Council and the Northern Territory Government. Granting this land will form part of an agreement for settling broader native title claims.

The Alice Valley Extension (East) parcel of land will be leased by the Land Trust to the Northern Territory as an extension of the West MacDonnell National Park.

The bill makes some amendments to the income management provisions in the social security law to improve their operation in minor respects.

Firstly, the bill will allow people in the Cape York welfare reform areas who are receiving age pension or carer payment to have their payments income managed. As with other payments that are income managed for people in Cape York, the new provisions will rely on the local Family Responsibilities Commission issuing a notice and relevant conditions being met. This change has been requested by the Families Responsibilities Commission.

Secondly, amendments are made relating to the use of residual funds in an income management account when a person returns to income management. The amendments will ensure that any residual amounts being dispersed are retained in the person's income management account at the time when they return to income management.

Thirdly, changes are being made to how residual amounts left in an income management account are dealt with when a customer dies.

Depending on how much is left in the account, these residual amounts may currently be paid to the deceased customer's legal personal representative, or to a person carrying out certain activi-

ties in relation to the estate or affairs of the deceased person. However, if the customer has no legal personal representative, or if there is more than one person carrying out the relevant activities, it can be hard to determine who to pay the residual amounts to. These amendments will provide further options to disburse the residual amounts in these cases.

The bill makes amendments to improve the operation of the Social Security Appeals Tribunal across its social security, family assistance and child support jurisdictions.

For example, the bill makes changes to titles for Tribunal members, such as renaming the Executive Director to Principal Member. The bill removes the requirement for the Principal Member to chair panels on which he or she sits by enabling the Principal Member to determine who will be the presiding member. The bill allows the SSAT to convene a pre-hearing conference for social security and family assistance law appeals. If parties reach agreement at the pre-hearing conference, the SSAT is empowered to make a decision in accordance with the agreement.

In the first of two measures about the income support means test, an amendment will clarify that a gift that has been returned does not have to be assessed as a deprived asset under the social security disposal of assets provisions. This removes a potentially harsh outcome under the current provisions for a person who disposes of an asset in certain circumstances, has it counted as an asset on that basis, and then has it counted again as a returned asset.

Further amendments clarify that, where a customer is the beneficiary of a discretionary trust, and the trustee has a duty to maintain the customer, then the trust should be assessed as being a controlled private trust in respect of that beneficiary. The amendments also make it clear that, when the controllers of a trust are being determined, it should not be relevant that there are other future beneficiaries of the trust, when those parties are not currently receiving any benefits from the trust. These amendments secure long-standing policy in light of a recent Full Federal Court case.

The remaining amendments in the bill provide a requirement for a claimant to notify if a child who

attracted baby bonus leaves the claimant's care within 26 weeks of birth or coming into their care, and make further minor and technical amendments.

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#### Health Insurance Amendment (Diagnostic Imaging Accreditation) Bill 2009

The Health Insurance Amendment (Diagnostic Imaging Accreditation) Bill 2009 will broaden the scope of the Diagnostic Imaging Accreditation Scheme (the Scheme).

When the Stage 1 Scheme was introduced in 2008, the accreditation arrangements only covered practices providing radiology services. The Scheme did not cover non-radiology services such as cardiac ultrasound and angiography, obstetric and gynaecological ultrasound, or nuclear medicine imaging services, which account for around 16% of the total number of Medicare funded diagnostic imaging services performed annually.

From 1 July 2010, with the commencement of the Stage 2 Scheme, the scope of the Scheme will be broadened to cover all diagnostic imaging services (radiology and non-radiology services) in the Health Insurance (Diagnostic Imaging Services Table) Regulations 2009. Any practices that are intending to render diagnostic imaging services for the purpose of Medicare benefits will need to be accredited under the Stage 2 Scheme.

Accreditation is a well recognised tool for promoting, reviewing and improving systems of healthcare and for fostering continuous quality improvement. Patients who attend an accredited diagnostic imaging practice can be confident that defined standards of care guide the delivery of those services.

The impetus for broadening the scope of the Stage 2 Scheme and providing arrangements to transition non-radiology practices into the Stage 2 Scheme is not a reflection on the quality of services as they are currently being provided, but a focus on providing a consistent standard of diagnostic imaging services regardless of where or how they are provided.

Diagnostic imaging services are provided, and are being increasingly provided, by a diverse range of practitioner groups including specialist radiolo-

gists, vascular surgeons, cardiologists, general practitioners, obstetricians and gynaecologists, nuclear medicine physicians and sports physicians. These services are provided in a range of practice settings, such as hospitals, single practitioner practices and multi-site corporate practices. They take place in a variety of clinical contexts such as in conjunction with surgical procedures or as part of routine or emergency investigations to exclude or confirm injury or disease. Given this diversity, it is important to ensure that all the elements involved in the delivery of a diagnostic imaging service are working together effectively.

Through the implementation of the Stage 2 Scheme, the Government and the community can be assured that the 19.5 million or so diagnostic imaging services that are supported by Medicare annually are being provided by organisations that are able to meet specified standards, and that the over \$2.2 billion taxpayer funded investment in those services is being used effectively. Broadening the scope of the accreditation scheme to cover all diagnostic imaging services will ensure consistency and uniformity across the whole diagnostic imaging sector.

The purpose of this Bill is to amend the Health Insurance Amendment (Diagnostic Imaging Accreditation) Act 2007 to provide transitional arrangements so that practices delivering non-radiology services, or a combination of non-radiology and radiology services that are not accredited under the Scheme, will be able to enter into the next stage of the Scheme by registering for 'deemed accreditation' from 1 April 2010 until 30 June 2010 with an approved accreditor.

Practices in operation before 1 July 2010 providing both non-radiology services and radiology services and who have been accredited for radiology services under the Stage 1 Scheme, will not be required to register for 'deemed accreditation' as they will be automatically accredited until 30 June 2012.

Registering for 'deemed accreditation' will require approximately 1,400 practices that are currently providing non-radiology services, or a combination of non-radiology and radiology services not accredited under the Scheme, to lodge a form with an approved accreditor. This will be a relatively simple process. The proprietor or re-

sponsible person will need to complete a form nominating the site to which 'deemed accreditation' will apply by specifying the Location Specific Practice Number and the name and contact details of the proprietor.

Once the approved accreditor receives the registration form with an application fee (if any) by 30 June 2010, the practice will be deemed to be accredited for the purpose of the Stage 2 Scheme and will have 12 months to obtain accreditation before 1 July 2011.

Diagnostic imaging services are a vital tool in the detection, measurement, treatment and management of clinical conditions. Patients should be confident that the standard of diagnostic imaging services is regularly reviewed. It is not unreasonable for them to expect a standard level of service regardless of how and where a Medicare eligible diagnostic imaging service is provided.

The Department of Health and Ageing has consulted comprehensively with members of the diagnostic imaging profession and industry. Feedback from these organisations suggests that the proposal to include non radiology practices in the Stage 2 Scheme from 1 July 2010 is supported.

The Department has also written to, and met with, members of the professional bodies representing the providers of non-radiology services. These groups include the Royal Australian and New Zealand College of Obstetricians and Gynaecologists; Cardiac Society of Australia and New Zealand; and the Australian and New Zealand Association of Physicians in Nuclear Medicine.

The Department released an information paper to around 30 professional and industry organisations, representing providers of both radiology and non radiology services, in February 2009. This paper outlined the proposals for transitioning providers of non-radiology services into the Stage 2 Scheme by 1 July 2010.

The arrangements for practices providing non-radiology services are intended to enable their incremental participation and keep the burden of compliance to a minimum.

The new entrants to the Stage 2 Scheme will be introduced to accreditation in much the same way as practices providing radiology services were introduced to accreditation when the Stage 1

Scheme commenced on 1 July 2008. The Stage 1 Scheme arrangements for practices providing radiology services have been well received with around 2,700 practices currently participating. The transitional arrangements in this Bill for providers of non radiology services will replicate those successful arrangements for the Stage 1 Scheme and build on the already established accreditation framework.

Introducing the accreditation requirements incrementally will ensure that practices providing non-radiology services will have ample time to prepare for and comply with the accreditation requirements, and that access to Medicare benefits will be less likely to be interrupted from 1 July 2010 when the Stage 2 Scheme commences.

Accreditation provides a mechanism by which the Government can be assured that services funded under Medicare are being provided only by organisations that are performing against an endorsed set of standards. Furthermore, patients expect and should be confident that their health-care is provided within a framework for continuous improvement, where safety and quality is paramount.

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#### Tax Laws Amendment (2009 GST Administration Measures) Bill 2009

The amendments in this Bill implement a number of recommendations made by the Board of Taxation in its recent review of GST administration. The focus of the measures is to reduce GST administration costs and to streamline and remove anomalies in the GST administration framework.

Schedule 1 amends the *A New Tax System (Goods and Services Tax) Act 1999*, the *Fuel Tax Act 2006* and the *Taxation Administration Act 1953*, to provide that input tax credits and fuel tax credits must be claimed within a four year period.

In contrast to other indirect tax liabilities and entitlements no effective limitation period currently applies to these credits. The current position is also not consistent with the basic policy underlying the tax law, that taxpayers should generally have certainty about their tax position within a fixed period.

The amendments will result in entitlements to input tax credits ceasing after four years. How-

ever, they provide exceptions to the four year restriction so that where GST may be borne after four years, taxpayers can potentially also claim associated input tax credits.

The amendments apply to claims for input tax credits made after 7.30 pm Australian Eastern Standard Time on 12 May 2009. This reflects that the amendments implement an integrity measure designed to provide symmetry between the period that taxpayers have a liability for GST on transactions and the period that credits can be claimed. The amendments relating to fuel tax credits will apply from 1 July 2010. This reflects that the *Fuel Tax Act 2006* came into operation on 1 July 2006 and therefore the four year restriction can have no application to fuel tax credits until 1 July 2010.

Schedule 2 amends the *A New Tax System (Goods and Services Tax) Act 1999* and the *A New Tax System (Wine Equalisation Tax) Act 1999* to extend the tourist refund scheme to allow residents of Australian External Territories (such as Norfolk, Cocos (Keeling) and Christmas Islands) to claim refunds of GST, or GST and wine equalisation tax for goods separately exported to the External Territories. The current rules for goods taken as accompanied baggage will continue to apply.

The amendments made by this Schedule apply in relation to goods acquired, and wine purchased, on or after 1 July 2010.

Schedule 3 amends the *A New Tax System (Goods and Services Tax) Act 1999* so that intermediaries that facilitate transactions but are not common law agents will be able to use the simplified accounting provisions in the GST Act. These procedures include the ability to issue tax invoices and adjustment notes in their own names.

The amendments will extend these arrangements to other intermediaries, such as billing agents and paying agents. This will lower the compliance costs of intermediaries, principals and third parties. The amendments apply from 1 July 2010.

Schedule 4 amends the *A New Tax System (Goods and Services Tax) Act 1999* to clarify how the GST law applies to gambling operators making GST-free supplies, including where the operators accept wagers from entities outside Australia.

The amendments confirm that if a wager is GST-free, then the prize money liable to be paid out on that wager will not result in a reduction in the GST payable. The Commissioner of Taxation administers the GST law in this way and the amendment will remove any uncertainty in the current operation of the law. The amendments apply from the first quarterly tax period on or after Royal Assent.

Schedule 5 amends the *A New Tax System (Goods and Services Tax) Act 1999*, the *A New Tax System (Luxury Car Tax) Act 1999* and the *Fuel Tax Act 2006* to specify that overpaid refunds are due and payable from the date of overpayment.

These amendments take effect from the start of the first quarterly tax period after Royal Assent. Currently, there is inconsistent treatment between those taxpayers who incorrectly determine their liability to pay GST or other indirect taxes, and taxpayers who incorrectly determine their entitlement to a refund.

Schedule 6 amends the *A New Tax System (Goods and Services Tax) Act 1999* to address anomalous outcomes that may arise as a result of the interaction between various GST provisions in relation to supplies between associates for no consideration. In particular, the current provisions may apply to treat an otherwise input taxed or GST free supply to an associate, if it had been made for consideration, as a taxable supply where it is made for no consideration. These amendments take effect from the date of Royal Assent.

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

#### Textile, Clothing and Footwear Strategic Investment Program Amendment (Building Innovative Capability) Bill 2009

The Bill amends the *Textile, Clothing and Footwear Strategic Investment Program Scheme Act 1999* to provide legislative authority for the new Clothing and Household Textile (Building Innovative Capability) Scheme.

The scheme is part of the textile, clothing and footwear innovation package announced by the Government as part of the 2009-10 Budget. This package demonstrates our determination to secure

the long-term viability of the TCF industries in Australia.

The Clothing and Household Textile (Building Innovative Capability) Scheme will replace the TCF Post-2005 (SIP) Scheme for the 2010–2011 to 2014–2015 income years.

The legislative framework established by the Bill is modelled on the one underpinning the TCF Post-2005 (SIP) Scheme. This will ensure that the transition between the old scheme and the new one is as seamless as possible, and so minimise participants' administrative and compliance costs.

The new scheme will provide grants to clothing and household textile designers and manufacturers in Australia who invest in innovation.

The Australian industry is making the transition from a tariff of 17.5 per cent on clothing and certain household textile products to the general manufacturing tariff of 5 per cent, which will apply from 2015.

In order to adjust successfully, it will have to become more competitive. It will have to focus on high-technology, high-value products.

This will only happen if manufacturers and designers increase their capacity to develop and apply new ideas. That is why the Government is focusing specific support on innovation.

The Bill provides a total of \$112.5 million for innovation grants over the five-year period, which is \$5 million a year more than would have been available under the TCF Post-2005 (SIP) Scheme.

As is the case under the existing scheme, grants under the Clothing and Household Textile (Building Innovative Capability) Scheme will be paid annually and in arrears, and will be subject to robust compliance monitoring.

The Bill follows an extensive consultation process that started last year when the Government commissioned Professor Roy Green to review Australia's textile, clothing and footwear industries.

I commend this Bill to the Senate.

Ordered that Appropriation Bill (No. 3) 2009-2010 and Appropriation Bill (No. 4) 2009-2010 be listed on the *Notice Paper* as

one order of the day, and the remaining bills be listed as separate orders of the day.

Debate (on motion by **Senator Wong**) adjourned.

**CORPORATIONS AMENDMENT  
(FINANCIAL MARKET SUPERVISION)  
BILL 2010**

**CORPORATIONS (FEES)  
AMENDMENT BILL 2010**

**HIGHER EDUCATION SUPPORT  
AMENDMENT (UNIVERSITY  
COLLEGE LONDON) BILL 2010**

**NATIONAL CONSUMER CREDIT  
PROTECTION AMENDMENT BILL  
2010**

**First Reading**

Bills received from the House of Representatives.

**Senator WONG** (South Australia—Minister for Climate Change and Water) (5.31 pm)—I indicate to the Senate that these bills are being introduced together. After debate on the motion for the second reading has been adjourned, I shall move a motion to have two of the bills listed separately on the *Notice Paper*. I move:

That these bills may proceed without formalities, may be taken together and be now read a first time.

Question agreed to.

Bills read a first time.

**Second Reading**

**Senator WONG** (South Australia—Minister for Climate Change and Water) (5.31 pm)—I move:

That these bills be now read a second time.

I seek leave to have the second reading speeches incorporated in *Hansard*.

Leave granted

*The speeches read as follows—*

**Corporations Amendment (Financial Market Supervision) Bill 2010**

Today I introduce a bill which will amend the Corporations Act 2001 to reform the way financial markets in Australia are supervised. In doing so, the Bill will enhance the integrity of Australia's financial markets and contribute to the goal of making Australia a financial hub.

The Bill removes the inherent conflict of interest present in the current law, whereby financial markets supervise themselves, and transfers the supervisory responsibility to the Australian Securities and Investments Commission (ASIC).

The Bill contains three primary measures.

Firstly, it amends the obligations on licensed financial markets operating in Australia. At present market licensees, and prospective market licensees, are required to have arrangements and resources devoted to supervising trading on their market.

The Bill amends this obligation. Markets will no longer be required to supervise trading on their own market, but must still have arrangements and resources to operate their market. This includes arrangements for enforcing compliance with a market's operating rules. Individual markets will retain responsibility for supervising listed entities.

Secondly, the Bill confers on ASIC the explicit function of supervision of domestically licensed financial markets.

It is important that the supervision of Australia's financial markets be transparent and independent. It is important that any actual or perceived conflicts of interest be avoided.

Consequently, it is more appropriate for an agency of the Government to perform this important function. The decision to transfer responsibility for supervision of Australia's financial markets to ASIC is a significant one which will stand the operation of Australian financial markets in good stead.

By removing the inherent conflict of interest in having markets supervise themselves, this Bill is in line with Australia's G20 commitment to protect the integrity of financial markets by avoiding conflicts of interest.

This reform is in line with the move towards centralised or independent regulation in other leading jurisdictions.

Thirdly, the Bill establishes a new rule making regime, whereby ASIC will have the ability to set 'market integrity rules'.

Markets currently play a significant role in determining acceptable conduct by participants in Australia's financial markets, as markets are responsible for setting and enforcing their own operating rules.

The Bill amends the role of operating rules, and establishes ASIC-set 'market integrity rules'. These rules will be made by ASIC for the protection of the integrity of the market. These market integrity rules will be the primary determiners of behaviour on Australia's financial markets. Markets will still be able to make operating rules. However if an operating rule conflicts with a market integrity rule, the market integrity rule prevails.

This is a further step in the Government's drive to improve regulation of the financial industry.

Commensurate with ASIC's new responsibilities, the Bill provides ASIC with additional enforcement powers and remedies.

The Bill provides that a breach of an ASIC-set market integrity rule is a breach of a civil penalty provision, which can be taken to Court and enforced. The maximum penalty that can be imposed is \$1 million. This was reduced from the amount in the exposure draft of the Bill to reflect concerns that the higher amount might be inappropriate.

However, the Bill also establishes a framework for alternatives to civil penalty proceedings. The Bill sets the groundwork to allow the Regulations to establish alternatives to civil proceedings, such as an infringement notice and enforceable undertaking regime.

This will allow persons who are alleged to have contravened a market integrity rule to avoid Court by opting for an alternative penalty. The monetary amount which can be included in an alternative penalty is limited to three-fifths of what a Court could order.

Such remedies are vital to the ongoing success of the market integrity rule framework as they provide ASIC with a fast and effective remedy, akin to the remedies available to markets under the current operating rule framework.

The Bill also makes consequential amendments to other parts of the Act, specifically to the qualified privilege and court order provisions to reflect the new functions of ASIC and the change in obligations on market operators.

The transfer of supervisory responsibility is an important step in enhancing the regulation of Australia's financial services industry.

These reforms will stand Australia in good stead, going into the future, by ensuring that Australia's markets remain fair, orderly and transparent into the future.

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#### Corporations (Fees) Amendment Bill 2010

The Corporations (Fees) Amendment Bill 2010 supports the Corporations Amendment (Financial Market Supervision) Bill 2010.

The Bill amends the Corporations (Fees) Act 2001 to allow a fee to be charged to market operators in respect of market supervision functions which the main Bill vests in the corporate regulator ASIC.

This is in line with the findings of the Wallis Inquiry which, when it reported in 1997, made a recommendation that regulatory agencies should collect enough revenue from the financial entities which they regulate to fund themselves. The principle is that for reasons of equity and efficiency, the costs of financial regulation should be borne by those who benefit from it.

The fee collected by ASIC will be levied on a cost recovery basis. It is intended that the imposition of fees by ASIC on market operators will not have a significant impact on investors.

The Regulations will specify how the fee will be calculated and when it will be imposed.

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

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#### Higher Education Support Amendment (University College London) Bill 2010

The Higher Education Support Amendment (University College London) Bill 2010 makes a minor amendment to the Higher Education Support Act 2003 to add University College London as a Table C provider.

The Higher Education Support Act 2003 includes provision for a foreign University, operating in Australia to be listed as a Table C provider. This listing means that eligible domestic students studying with the University can access FEE-HELP.

FEE-HELP assists eligible domestic students studying for all higher education courses ranging from Diploma to PhD by providing a loan for all or part of their tuition costs.

University College London is a non-profit organisation established under United Kingdom law, and has been approved to operate as a higher education provider in Australia by the South Australian government under the National Protocols for Higher Education Approval Processes.

It commenced offering courses in Masters of Science in Energy and Resources in Semester 1, 2010 and is anticipating an enrolment of 10 students this year.

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#### National Consumer Credit Protection Amendment Bill 2010

Today, I introduce a bill that will amend the Commonwealth's consumer credit legislation to ensure an effective referral of power from the States to the Commonwealth in relation to consumer credit.

As you would be aware, last year the Government enacted legislation to implement Phase 1 of the National Consumer Credit Reform Package, delivering on the Government's commitment to modernise Australia's consumer credit laws.

This Credit Reform Package will, for the first time in Australia, provide a single, standard, national regime for the regulation of consumer credit replacing the state-based regime, which operates inconsistently across the eight jurisdictions.

This landmark reform has only been possible through the strong commitment by the Commonwealth, State and Territory Governments working

in a spirit of cooperation to realise the COAG reform vision for a single, uniform national credit law.

This is evidenced by the signing of the intergovernmental agreement on the National Credit Law by the Commonwealth, State and Territory Governments in December last year; and a commitment by all governments to commence the National Credit Law at the same time later this year.

As the Commonwealth's legislative powers are not sufficient to enact a nationally comprehensive regulatory framework for consumer credit, it is therefore necessary for the States to refer their powers to the Commonwealth under section 51 of the Constitution, by passing the relevant referral legislation in their respective Parliaments.

Tasmania has passed the States' Credit (Commonwealth Powers) Bill 2009 (the Referral Bill).

Following the enactment of the Referral Bills, the States will be able to repeal their state laws in time for the commencement of the National Credit legislation on 1 July 2010.

In December last year, the Commonwealth and State Governments agreed to modify the Referral Bills by inserting 'carve out' provisions, which provide that certain subject matters (such as State taxation) are excluded from the Referral Bill.

This Bill amends the National Consumer Credit Protection Act 2009 (the Credit Act) to recognise certain exclusions to the scope of the amendment power in the Referral Bill and to enable an effective reference of State power to be made either with or without any exclusions to that power.

This ensures that the State reference legislation with no limitations and State reference legislation with the added protection of the exclusions to the reference of their powers, are equally effective.

The amendments in this Bill will also allow the States to refer their regulatory powers in relation to consumer credit by 'adopting' the Commonwealth's legislation. This will ensure the constitutional soundness of the referral of consumer credit powers.

Following the Commonwealth's enactment of this Bill, the States wishing to refer powers using the adoption approach will be able to do so with their Referral Bills.

Importantly, the scope and effectiveness of the national credit protection regime will not be affected by any such variation to the referral or whether States refer power or adopt the National Credit legislation.

Full details of the measures in the bills are contained in the explanatory memorandums.

Ordered that further consideration of the second reading of these bills be adjourned to the first sitting day of the next period of sittings, in accordance with standing order 111.

Ordered that the Higher Education Support Amendment (University College London) Bill 2010 and the National Consumer Credit Protection Amendment Bill 2010 be listed on the *Notice Paper* as separate orders of the day.

## COMMITTEES

### Economics Legislation Committee

#### Reference

**Senator ABETZ** (Tasmania) (5.32 pm)—  
On behalf of the coalition, I move:

That—

- (1) The Carbon Pollution Reduction Scheme Bill 2010 and 10 related bills be referred to the Economics Legislation Committee for inquiry and report by 11 May 2010.
- (2) In undertaking the inquiry, the committee should consider.
  - (a) the package of amendments announced by the Government on 24 November 2009 and incorporated in current proposed legislation, including the impact of the bills on the Australian resources sector, Australian exports, the competitiveness of Australian industry, employment levels and electricity prices;
  - (b) the modelling underpinning the Carbon Pollution Reduction Scheme (CPRS) including the lower projected carbon price and the cost of the CPRS package over the current budget period to 2014-15;
  - (c) the outcome of the United Nations Framework Convention on Climate

Change held in Copenhagen in December 2009;

- (d) the current state of progress of other countries in implementing emissions and abatement measures to meet non-binding emissions reduction targets; and
  - (e) the status of, and likely prospects for, the United States of America's emissions trading legislation.
- (3) The committee should seek evidence from, but not limited to, the Productivity Commission, Frontier Economics, the Minerals Council of Australia, the Australian Coal Association and the Energy Supply Association of Australia.

In moving this motion, the coalition strongly believes that there is a need for these measures to be fully examined. That is the historical role of the Senate, and it has done so, if I might say, exceptionally well. Even when the blood rushed on the very rare occasion to the Howard government head and we did not want Senate inquiries into legislation, it was amazing when the Senate did so vote how certain things were exposed to us which made us say quietly behind our hand, 'Thank goodness for that Senate inquiry because it did expose a few things that had not been taken to account.' Those of us who have been here a few years know the importance of Senate committee inquiries and the great benefit that they provide. I trust that there is no honourable senator in this place who thinks that the probing, the testing and the inquiring by Senate committees of proposals is something that should be rejected out of hand. I hope we all support that. Indeed, we have a Prime Minister who allegedly supports evidence based policy.

The bill that we are seeking to submit to the Senate Economics Legislation Committee, very interestingly—if people listened closely they would have heard this in the title—is the Carbon Pollution Reduction

Scheme Bill 2010 and the related bills. This is new legislation. This is different legislation to that which we have debated in the past. What it seeks to do, and I think quite appropriately, is incorporate a lot of the amendments that the Senate wanted passed last time around.

What do those changes involve? They involve a significant change to the CPRS, the big new tax on everything, of \$114 billion. This is a huge scheme, the most significant scheme ever sought to be legislated by a Commonwealth government. This is a massive issue, whether you like a CPRS or you do not like it. In a bid to try to get Senate support, Labor moved a host of amendments. Those amendments have never really been fully tested, fully exposed, fully considered by a Senate inquiry. The differences in the packages and how the money is spread around are at the thousand-plus million dollar mark. This is a lot of money. The compensation being paid to families changed in this legislation.

Can I just stop on that one. We remember the debacle of the Leader of the Government in the Senate, when we asked him about the compensation scheme under this legislation, so cockily telling us: 92 per cent of Australian families would be compensated—and how dare we as an opposition ask questions like this because it was all debated previously and we should know and we should be ashamed of ourselves. Two days later the Leader of the Government in the Senate was in this place and, like Labor always do—they can never apologise and say they got something wrong—he said he ‘misspoke’. The 92 per cent figure, if I recall, evaporated down to about 51 per cent of families getting full compensation. Even the Leader of the Government in the Senate does not fully understand the legislation and the compensation package.

Also, there are huge changes in relation to the power-generating sector, which is very important. Mr Rudd told the Australian people that there would be an increase in power prices, but when we asked for the modelling and all of the detail we were not given it. When Mr Rudd is asked how this new scheme, this different scheme, would impact on the cost of a loaf of bread or a litre of milk, he cannot tell us. I think the people of Australia want answers, and we are entitled to explore those issues courtesy of a Senate inquiry. We as a coalition are proposing that the inquiry take 2½ months and report on 11 May 2010. A scheme of this magnitude and one which has had wholesale changes now made to it I think is worthy of an inquiry of that length. It is not very long, given the significant nature of the package we are dealing with.

At the time of the last election this issue was described as the ‘greatest moral challenge of our time’. That was said 22 times during the last election campaign, yet in the Australia Day speeches by the Prime Minister it was not mentioned at all. The government itself has shunted this legislation down its list of priorities. It is no longer the greatest moral challenge of our time. Indeed, according to the government’s own agenda in this place, the greatest moral challenge that it faces is breaking an election promise on private health insurance. But I am distracting myself from the main argument.

This legislation will come into force on 1 January 2011. If all the evidence comes back that everything is hunky-dory and good then the Senate can consider and explore these issues further in debate and the legislation can still be put in place, one would assume, by 2011, so there is no rush for this legislation. Indeed, the Labor Party itself changed the commencement date from 2010 to 2011. It did that of its own volition. The nauseatingly moralising Prime Minister, who just

talks and talks, and who said that this was the greatest moral challenge of our time, all of a sudden has said that it is that great a moral challenge that we can just defer consideration and implementation for 12 months. We are not changing the commencement date; all we are doing is saying let us have a look at the detail of this legislation.

This legislation has had a lot of precursors. There was the exposure draft by Senator Wong, then Mr Combet was called in to bring in a completely different bill, then there were the substantial amendments at the end of last year and now we have a newly drafted bill. Underpinning all of those manifestations of the legislation were certain propositions, certain givens, that we were told the modelling was based on and, of course, the greatest of those was that there would be world action at Copenhagen, that the world would come together. That was one of the underlying principles of the modelling and the considerations. We now know why the Prime Minister felt so at home at Copenhagen—it was a talkfest with no action. It was all talk and no action—that is why the Prime Minister revelled in it, loved it and identified with it. Now that we know that there is no world action, one of the supporting pillars of this legislation has been taken out, because of the consequences for Australian jobs, Australian industry and the security of Australian power supplies.

Another underpinning was that carbon capture and storage would be commercially viable by the year 2020. I genuinely hope it is, but a lot of the advice I am getting is that, as we move closer to the year 2020 and since those pronouncements were made about two years ago, people are now questioning whether it will become commercially viable. I think it is appropriate that we explore that.

Another underpinning of the so-called modelling—the bits and pieces we did get and we were told about—was what the Australian population was going to be by the year 2050. Within 12 months, from the first introduction of the legislation until the end of last year, that figure changed considerably—by millions of people. If I recall, it was by either two or three million people. When you are dealing with a population of only about 21 million, that is 10 per cent. That is a huge discrepancy.

Why can't we be told what the outcome would be if the new figures were imported into the modelling? What would be the pressures on our power generators to provide the electricity to these people? What would be the pressures on our community in providing all the community services that those extra two or three million people would anticipate to be their birthrights? There would be a huge impact on our carbon emissions. There is no doubt about that. We as a Senate are entitled to know the answers to those sorts of questions. I could go on at some length about the modelling and what is underpinning it, which the government has sought to sell to the Australian people, but these are just some examples of what we on this side of the chamber believe needs to be explored.

I know that there are also some who would say that the science may well have shifted in recent times. In this religiously defined debate, I have declared myself—also in religious terms—an agnostic and I will not enter into the science of the debate, other than to say I have noted that some of the IPCC considerations are now being modulated or remodelled. But I will not go there, because our motion does not seek to re-explore the science, despite the huge embarrassment I think the University of East Anglia is in, as well as a few other institutions and people. As far as we are concerned, that is to the side. We believe that there are mat-

ters of graver importance to be considered. Let us make no mistake: this would be a massive, big new tax on everything. It would impact every man, woman and child in Australia today and every man, woman and child in Australia for generations to come.

One of the reasons we need to explore the documentation that the government has given us is that new information has come to light—substantially new information. For example, the New South Wales Independent Pricing and Regulatory Tribunal, IPART, have said that electricity prices will rise by up to 62 per cent over the next three years, a third of which will be as a result of Mr Rudd's big new tax on everything. Now, why would the New South Wales state government allow that information to get into the public domain? Because they dispute Mr Rudd's modelling in relation to electricity prices. Let us make no mistake about that. IPART are an independent body; I am sure they did not leak it. They provided their report to the New South Wales Labor government and, magically, it appeared in the media. I wonder how that occurred! New South Wales state Labor do not trust Mr Rudd's modelling. There is similar information for Victoria. There is the Morgan Stanley report on the impact of the so-called CPRS, this big new tax on everything, about how it would impact and devastate the power-generating capacity in Victoria. That report—or the snippets we have got from it, because federal Labor refuse to release it although it is within their power to release it; deliberately they refuse to release it—indicates that Victorians would suffer a similar increase in electricity prices as people in New South Wales, once again debunking the modelling by the federal Labor government.

What is clear is that, as the debate on the Carbon Pollution Reduction Scheme—this big new tax on everything—has progressed, more and more holes have been found in the

Labor government's arguments, underpinnings and modelling, as a result of which their CPRS Bill is significantly different to their draft exposure and then bill of 2009, because of course now we have the 2010 version. So this has been through three manifestations, and this third manifestation is worthy of a very considered and detailed inquiry. In addition, although this would in rough terms be a 2½-month enquiry, the only time that the parliament would be denied consideration of the bill would be the next sitting fortnight of the Senate—only two weeks—because the report would be ready for the Senate on 11 May, which I understand is budget week. So the actual delay in considering the legislation is only two weeks from the point of view of parliament. When you are considering a document that would submit Australia to a \$114 billion big new tax on everything, I think it is worthy of inquiry.

I also say in relation to the failure of Copenhagen—and what a dismal failure it was; a big talkfest, with 114 people from Australia over there, those that the Prime Minister loves, but no world action—that if we go ahead with this suggestion we will in fact contribute to a worse world environmental outcome. Allow me to explain: through carbon leakage, the world would be worse off. In my home state of Tasmania we have a Nyrstar zinc works, as does Senator Farrell in Port Pirie—and Senator Wong. They produce one tonne of zinc for roughly two tonnes of CO<sub>2</sub>, which is pretty clean in comparison to the rest of the world. China does it for six tonnes of CO<sub>2</sub> per tonne of zinc produced. If we price ourselves out of the world market, people will not be buying clean, Australian zinc; they will be buying polluting, Chinese zinc, and as a result the world's carbon emissions will be even greater. That is the perverse outcome of Mr Rudd's ill thought out scheme. It is the reason that we

in the coalition believe that there is a very real need for a lot of these issues to be tested, especially the huge movement as a result of the failure of Copenhagen. President Obama himself seems to be walking away from an emissions trading scheme. Canada said, 'If the US are in, we're in and we'll adopt their system.' That is no longer so. The US is walking away; therefore, Canada is walking away. And so it is unravelling around the world.

Just for the record, we as a coalition believe in a no regrets policy in this space, and that is why Mr Abbott has provided a very exciting direct action plan to deal with these issues without the need for a \$114 billion big new tax on everything which would devastate jobs, devastate our economy and devastate electricity supplies around our nation. So I say to all honourable senators, irrespective of your views—whether your predisposition is to support or oppose this legislation, whether or not you believe in the science, whether or not you believe the modelling is up to scratch—these are all issues worthy of consideration, and I commend the motion to the Senate.

**Senator JOYCE** (Queensland—Leader of the Nationals in the Senate) (5.52 pm)—Senator Abetz is very, very kind about how the Australian people view the ETS. It has been one of the greatest political debacles of all time, the major plank of Labor Party policy and the moral issue of our time, apparently. We see now the sort of logic, acumen and diligence that goes into these Labor Party plans, and it is no better personified than by the ceiling insulation program. If these people cannot get fluffy stuff into the ceiling without creating a national crisis, how on earth can we trust them to completely rejig the Australian economy? The question comes before us as to why we would have an inquiry. I have a few ideas; Copenhagen is one of them. Copenhagen is a

slight change of events and something that should be examined.

The Labor Party under their own admission, through such people as Lindsay Tanner, the Minister for Finance and Administration, said of the last program that they had to rush it out and they did not have the time to dot the i's and cross the t's. That was his quote on Sky News. Why wouldn't that make us want to make sure that if they are not prepared to dot the i's and cross the t's then maybe we should do it for them? Because they have brought back this piece of legislation, we must have a full and transparent inquiry to once more engage the Australian people on how ultimately farcical this whole plan is.

Everybody in the Labor Party is deserting it like rats deserting the sinking ship. They will not be running in here today to stand at the back and holler and scream. No, there will be dead silence over there today. Even their leader, Kevin Rudd, has gone quiet on this. He has tried the idea of walking both sides of the fence but it has turned into something that is quite anatomically difficult for him. We go back once more to Mr Keating and the clear idea that, if you do not understand this massive new tax, do not vote for it. If you do understand it you would never vote for it. Most importantly, there is his retort that it is your choice that you want to make this your battleground, so we are going to do you and we are going to do you slowly.

This ETS is nothing more than a program that was never, ever going to change the climate. It was never, ever going to make the globe cooler. What it was going to do was rip tens of billions of dollars, in excess of \$100 billion, out of the consumer by way of credits that would be passed on, but for whose benefit? The climate was not going to change. Who was the benefactor of this? Stockbrokers and bankers made their com-

missions on the way through. They became very environmentally conscious once they started seeing the billions of dollars that were going to land on their boardroom tables.

To be honest, I think the Treasurer, Wayne Swan, became very environmentally conscious when he looked at the debt racing through the roof and was trying to apply a mechanism to see how he could get the government's hands on some of that money to prop up the parlous state of finances that the Labor Party had placed this nation's budget in. These are the people who all of a sudden became environmentally conscious, so these are the people who also have to be questioned. What was this all about? We see in the *Wall Street Journal* that Yvo de Boer has resigned and that the IPCC is floundering and falling to pieces. These are not my statements; these are statements in articles today by Gordon Crovitz. We have to start bringing these issues forward and discussing them.

It is only proper that the Australian people took the Labor Party on trust and thought, 'You are doing something that is right, so, although we don't understand it, we will give you the benefit of the doubt.' But the more they came to understand it, the more they did not like it. The more they came to understand it, the more they came to the position that they were basically being misled. They were being misled and they were being ripped off. The Australian people have a right to a further inquiry. They have a right to a further ventilation of the facts. They have a right to see exactly where Australia sits now that Copenhagen has fallen flat on its face. They have a right to understand what this will do to our economy if we fly solo, as is the intention of the Labor Party and what they wish to do to our nation. They have a right to ask how absolutely, patently absurd it would be if Australia had not dodged the bullet, if Australia had actually, in some sort of pall of

insanity, voted for the ETS and it was now in place. Imagine the place we would be living in now! Imagine the peculiarity of where we would be now! Australia would be on its lonesome out there with its own tax on a colourless, odourless gas, apparently on the premise that we are going to cool the planet from a room in Canberra.

It was the Australian people who rose up and basically made the phones melt down in this joint. It was those same people who rang up and lobbied and said, 'You cannot do this to us.' They have the right to a further inquiry. They have a further right to have their day in court. They have the right to clearly pin this tail to the Labor Party donkey. This is the ETS tail on the Labor Party donkey and we have to make sure all of Australia sees it. This is what the Labor Party intend to do—wondrous visions, huge costs and bizarre economics, and a complete reconfiguration of our nation's economy based on a tax on a colourless, odourless gas, as administered from the same government that gave us the ceiling insulation program. If that is not scary enough, have a look at how they are going in the other place.

We have to clearly start to state to people that the whole point of the ETS was to put the price of a product up so that you could not afford it. That is the premise of it. It was going to be a pricing mechanism. It was to make things more expensive so that you could not afford them, so that you would change what you purchased. It was a mechanism to make you poorer, and in making you poorer you could not afford the things that you really should be entitled to.

The premise that you could actually change your buying patterns on such things as electricity is an interesting concept. If we look at what has been happening to electricity prices and the increase in electricity prices—up 25 per cent in some states—have

we seen a corresponding reduction in the use of electricity? No, we have not. We have just seen that the people who use electricity are poorer because they do not have as much money. What was the ETS going to do? It was going to put up the price of electricity so that every time you turned on the television you would realise that that was being taxed and you were becoming poorer, because in a room in Canberra they believed they could single-handedly cool the temperature of the globe. Every time you opened the fridge and a little light went on you would be reminded that Mr Rudd was taxing you. Every time you ironed clothes you would be taxed. Every time you cooked the toast, you would be taxed. We have to take it back to this simple analogy.

The Labor Party had this wondrous scheme of approaching nirvana, global peace—and a massive new tax for the Labor Party. And on the way through a lot of very rich and very successful bankers would become even richer and more successful—and good luck to them because when you see a mug you have just got to take them for a ride. And they could see a mug coming. They could see the mug punter, the Australian parliament, about to deliver them an absolute entree into a massive new sector of wealth. Everything that was involved in our nation, whether we liked it or not, would have some interconnection with this tax. It was not an option. You did not have an option whether you paid the tax or not. You just paid it. It is not a case of if you are poor you do not pay it—you just pay it. No matter where you are, you pay it. Then there is the administration of the so-called compensation scheme. That was going to be done with the same diligence, of course, that we saw with the ceiling insulation program. It was a cack-arsed mess.

But the Labor Party want to bring it back. The fact is that the Labor Party said, and the

Deputy Prime Minister Gillard came out and said, that the first thing the parliament will do—and this is why we still had the hype going on last year—will be to bring this piece of legislation back. But times have changed and the Australian people have brought a sense of balance and foreboding into the Labor Party. So as the first thing that they want to bring back, they want ever so quietly to sneak it in here and just have a quiet little vote—maybe do it on the voices. The moral issue of our time would be stuck between tabling the report and, while not into the noncontroversial, be put into the section of the red that says: ‘Please deal with this very quickly when we are not on broadcast.’ That is where they would like to have it: ‘Please put us out of our misery where no-one can see it. Please quietly strangle this behind the door. Please take this to a public toilet near you and flush it away. Please get rid of this.’ The Labor Party have to go through the motions but they do not want to fess up to exactly what they were going to do to the Australian economy.

These are the people who have the hide, the gall, to say that they are responsible. These people have the gall to talk about who is a risk to the economy.

**Senator Wong**—You are the risk! No-one would let you anywhere near—

**Senator JOYCE**—I will tell you what is a risk: the risk is the ETS. The risk is the government that would do that. The risk is the people who bring in such things as the ceiling insulation program. You are the risk and your risk is epitomised by this ETS. That is the risk that the Labor Party is to the Australian people. In this Disneyland like trip, which was the ETS, that is Labor Party management par excellence. That is where the risk is, and the Australian people will see what a risk you people are—what an abso-

lutely hypocritical and disastrous outcome the Labor Party would be.

It is your policy, isn't it? It is your policy to bring in this ETS. It is your policy to rejig the Australian economy. It is your policy to make people poorer. It is your policy that you believe you can cool the temperature of the globe from a room down the corridor from this chamber. Now that is not only unbelievable; it exemplifies risk. It goes to show you that nothing else the Labor Party tells you you can take seriously, because that is who they are. In this fanciful world they live in, the fanciful world of an ETS, the fanciful world of \$245 billion in gross debt, the fanciful world of ceiling insulation, the fanciful world of Labor Party economics, that is the risk they are to the Australian people. That is why the Australian people are marking you down on your economic credentials. That is why you are polling down. They are a wake-up to you.

We are going to make sure that they see more and more and more of you on this issue. We are going to watch with some interest as Prime Minister Rudd and Mr Swan and Mr Tanner come into the House and laud the benefits of this massive new tax. We are going to watch with interest. I challenge Mr Tanner to come into the other place tomorrow and talk to us about the benefits of the ETS and how this is a good outcome for the economics of our nation and how it is going to help us pay back our debt. I challenge Mr Swan, once he gets off his puerile little statements, to have the courage and conviction to talk about the ETS and what a great outcome it is. But, no, Minister Wong, they are going to leave you high and dry, because that is what they do to you, and they are doing it right now.

I do believe that Minister Wong believes in this policy. I disagree with it, but I do believe she believes in it. But the others are

such philosophical mercenaries, such absolute drifters, such economic illiterates, that they would devise this massive new tax for a complete rejigging of the Australian economy, they would lay it on Minister Wong's lap and when it blows up they would all run away. And that is exactly what they have done.

They did it, and we are going to pursue them for it. This tax has gone absolutely pear-shaped. I will watch with interest to see whether Mr Rudd, Mr Swan and Mr Tanner field questions in the other place about the benefits of the ETS. Let us try them out. They want to talk about conviction; they want to talk about who is a risk. Let us see if they do that. Let us put the weight back on them. Let us see whether they actually go in and support you, Minister Wong, or whether they leave you high and dry.

I look forward to going around the seats of Dawson, the Hunter Valley and Flynn, and in marginal electorates, and explaining to them what the Labor Party has in mind for them. It is a moral issue of the Labor Party's times. It is not the moral issue of our time; it is the moral issue of the Labor Party's times. And it will personify the Labor Party's times, as brief as those times will be. When the Labor Party's times are over, so too will be the ETS. That is what is so important. When the Labor Party, the government of this nation, is finished, then that is the only time we can safely say that the ETS is finished. So we must finish the Labor Party's role in government to finish the ETS. It is as simple as that.

But what you will see are the so-called halcyon days of the global crusade led by the Prime Minister as it all falls flat on its face after Copenhagen. We will see where this goes next. We will judge the mettle of Mr Swan, we will judge the mettle of Mr Tanner and we will judge the mettle of Mr Rudd to

see if he truly is a man who knows where both of them are and whether he wants to go forward by coming into the chamber and prosecuting his case for the delivery of the ETS. This personifies his economic credentials. I am interested to see. But they will not. They will dwell on the puerile, they will dwell on the minimal. But they will not dwell on their major economic policy, the global issue, the moral issue of our times.

So I say to all people: judge them by what they do and judge them by how they act. Do not judge them by the vaudeville spectacle that is currently provided for us in the other place every day at question time. Judge the Labor Party by the ceiling insulation debacle. That is what we should judge them by. Ask yourself this question: if they could not successfully get fluffy stuff into ceilings without creating a national crisis that is going to cost tens of millions of dollars to fix, that ended up costing people's lives and that has burned down in excess of 100 houses without this sort of calamity—watching the Labor Party is like the further escapades of Calamity Jane—how do you reckon we would be going under a Labor Party ETS? How do you think the world would now look under an ETS?

What an absolute farce. Even now they do not have the capacity, the intestinal fortitude, to walk into the chamber. If Mr Rudd is over the ETS he should walk in and say, 'It is over; I am finishing it. I am not going forward with it.' If he was a man of ticker, that is what he would do. But he will not do that. He plays this funny little game where he is sort of for it but he wants it to quietly die. It is really remarkable. This is what the people see. They are starting to encapsulate their view of Mr Rudd, Mr Swan and Mr Tanner through their view of the ETS. They are saying: 'That is who they are; they are the ETS—the extra tax system, the enormous tax system.' The CPRS was initially the 'cun-

ning plan' to get a double dissolution and 'RS' is what the economy would be if they got there. That is what it was all about. The polls were with them at that stage but now they have become something else. They have morphed—gecko-like. They have morphed into another form of creature.

**Senator Fierravanti-Wells**—Chameleon-like!

**Senator JOYCE**—Chameleon. Well, it is not gecko; I was thinking of Mr Garrett's shoulder. Yes, chameleon-like. A new species of chameleon is now developing. We will have this inquiry so that we can clearly spell out to the Australian people exactly who you are. We have to reveal all the chameleon-like tendencies, all the falsities and all the ridiculous propositions that have been put forward in this moral issue of our times. It is the biggest economic document—bigger than the GST—that has been foisted on the Australian people. We will show the Australian people the bullet that they have avoided. We know it is not going to go through. It is an absolute dog of a scheme. Everyone knows that now. We will show you what economic responsibility really is. If you want to see what irresponsibility is, it is Labor's ETS.

**Senator FIELDING** (Victoria—Leader of the Family First Party) (6.12 pm)—Support for the Carbon Pollution Reduction Scheme is dropping by the day. Every day there is another group coming out saying there is no need to rush this through recklessly. Look at what happens when this government rushes things through. Look at the batty batts program—rushing it through. It is embarrassing. Lives are at risk and up to \$1 billion has been wasted, and all because you rushed it through. It is wise and prudent to take the time, especially when community support for a carbon pollution reduction scheme is dropping by the day. They are also getting nervous about this government being

able to implement things. It is wise and prudent to use this time to look at the Carbon Pollution Reduction Scheme Bill 2010 and related bills through a Senate inquiry.

We have to also realise that this Senate has already agreed that the Carbon Pollution Reduction Scheme bills will be considered in May. That is the earliest they are going to be considered. So why would you stand idly by and not support this Senate inquiry? Anyone who does not support this inquiry is not fair dinkum about making sure we are doing the right thing by the Australian public. These bills are scheduled to come back to the Senate in May. The Senate has agreed to that, so we should use this time wisely and prudently to look at these new bills. Rushing ahead is risky, especially with this government, as proven by the batty batts program. Look what happened with the NBN: 17 million bucks in a tender went belly up—and you are asking us to trust you on implementation. We are all getting nervous, so why not have the Senate look at these new bills to make sure that we are taking the time to consider the matter fully? At the end of my speech, I will move the amendment which has already been circulated in the chamber. It says in part that the committee of this inquiry:

... must invite the Productivity Commission to make:

- (a) a detailed submission to the committee setting out viable alternative schemes to the CPRS and the cost and benefits under those schemes of achieving the targets that are contained in the bills ...

Let us look at other schemes. Let us have the Productivity Commission look at this rather than have the government saying, ‘Other schemes aren’t worthy.’ Subparagraph (b) of my amendment—I will not read the whole lot out as I will move the amendment at the end of my speech to add paragraph (4)—proposes that we look at ‘the potential costs to the Australian economy by committing to

the targets contained in these bills before all other major world economies’, such as China, the United States of America, India and Russia, commit to targets that are lower than those that have been set out by the Rudd government. How will that impact on our economy? These are questions that need to be answered, and I think we must invite the Productivity Commission to provide a detailed submission on the matter.

I will be supporting this motion, albeit with the amendment that I have put forward, because it is wise and prudent to do so. It is not stalling the legislation, because the Senate has already agreed that the legislation is not coming up to be debated until May. So why do we not use this time prudently to have a Senate inquiry looking into the Carbon Pollution Reduction Scheme and invite the Productivity Commission to look at two other details that I think this Senate needs to have answers to before we start debating the bills in May? I move:

At the end of the motion, add:

- “(4) In undertaking the inquiry, the committee must invite the Productivity Commission to make:
  - (a) a detailed submission to the committee setting out viable alternative schemes to the CPRS and the cost and benefits under those schemes of achieving the targets that are contained in the bills; and
  - (b) a detailed submission to the committee setting out the potential costs to the Australian economy by committing to the targets contained in these bills before all other major world economies (including China, the United States of America, India and Russia) commit to at least the emission reduction targets, and before we know what those targets are, this detailed submission should also include the potential costs to the Australian economy if other major

world economies do commit to lower emissions reduction targets and any impacts resulting from the reliance of other major economies on nuclear power sources”.

**Senator WONG** (South Australia—Minister for Climate Change and Water) (6.17 pm)—What an extraordinary proposition from the opposition.

**Senator Boswell**—Is Senator Wong closing the debate?

**Senator WONG**—No, Senator Boswell. It is not my motion; it is your motion. That means that I cannot close the debate. I would like to close the debate to send the Carbon Pollution Reduction Scheme bills off to an inquiry, because we have had this debate and all we had from Senator Joyce was a reiteration of the same set of conspiracy theories and, frankly, madness that we heard over a long period of time in what I think was the third longest debate in the Senate’s history—the debate on the Carbon Pollution Reduction Scheme Bill 2009.

There has been some talk about this being rushed. I say that we are in no danger whatsoever of being accused of rushing. We had 12 years of inaction under John Howard until he finally decided to adopt an emissions trading scheme as policy and this legislation has been before the Senate no fewer than four times. You might recall that the first time the opposition played procedural games so as not to have to debate it. What are they doing now? Exactly the same thing—more procedural games because they do not want the bills brought on. It is somewhat bizarre, because we have had a lot of hairy-chested noise and a lot of chest-thumping from the Leader of the Opposition. He keeps saying, ‘Bring it on!’ Yet here in the Senate chamber we saw the opposition seeking to delay yesterday and then successfully delaying debate today on this legislation until the next sitting.

While the Leader of the Opposition is saying, ‘Bring it on!’ and beating his chest, we have the opposition in the Senate wimping out because they do not want the debate. If they want the debate so much—if they want to do what Senator Joyce said and run the scare campaign they say they want to run—they should bring the debate on. But they are not doing that. They are playing procedural games deferring it until the May sittings, and now they want another inquiry.

For the information of the Senate, if this inquiry gets up it will be no less than the 15th inquiry into climate change since the Rudd government took office. There have been 15 inquiries. This is process gone mad. These are people who will do and say anything to avoid taking action on climate change. I would have more respect for the opposition if they could just reiterate what they believe, which is, as Mr Abbott said, ‘Climate change is absolute crap.’ Why don’t you just tell people that instead of playing these games in the Senate to avoid having the discussion?

While I am on the subject of some of the more remarkable things put forward in this debate, I comment as a side issue on the irony of Senator Joyce lecturing the Senate about economic risk. Senator Joyce is seen as such a liability by the coalition as the shadow minister for finance—and we know they are all lining up to take his job—that he cannot even get a question during question time on any issue to do with economics, presumably because he might mix up his millions, billions and trillions.

This matter has been before the Senate previously on four occasions. This would be the 15th inquiry into climate change since we took office. Senator Abetz says, somewhat grandiosely, ‘There are a lot of amendments.’ But he is talking about the amendments that we negotiated with the then Leader of the

Opposition and Mr Macfarlane and that were endorsed in Senator Abetz's party room. He is asking the Senate to go and do an inquiry into amendments that his party room supported before they tore down their leader. This is extraordinary. Didn't you talk about it in your party room? You were certainly in there for many hours before you endorsed it, yet now you are going to send it off for another Senate inquiry just to make sure that we waste more taxpayers' funds on more inquiries on an issue that you have already decided you are going to oppose. That is really the issue here: you are not referring this matter for inquiry because you actually want to find out anything. You are not referring it because you might change your minds or because you want to inquire. You have made your position absolutely clear to the extent that you have executed a leader so you do not have to vote for action on climate change. That is what you have done.

It is really quite an extraordinary abuse of process to be suggesting that there is any merit to this inquiry. We have had years of inquiry into the best way to reduce emissions in this country. Your own Prime Minister, John Howard, commissioned Peter Shergold to do a report through the Task Group on Emissions Trading. It reported whilst you were still in government and it said very clearly that the lowest cost way to reduce emissions, which is the key to dealing with climate change, is to introduce an emissions trading scheme. You went to the last election with that policy. You now have elected a man who says climate change is absolute crap. I disagree, but what you are doing is delaying debate in this place rather than simply saying, 'Bring it on,' having the debate and voting against the bills. I do not quite understand why it is that you would take this path.

There were a whole range of other matters, and I do not want to go into this in detail because we had a very long debate on the

last occasions where many of these same issues were argued by the opposition over and over again. I remind senators on that side, when they accuse people on this side of being part of some bizarre conspiracy around the science of climate change, that even John Howard recognised the science. Margaret Thatcher recognised the science. The US Department of Defence has also indicated its view on climate change, which is that it does represent a significant threat. We know that emissions trading has been adopted in over 30 countries.

**Senator Boswell**—It has not!

**Senator WONG**—It has been adopted in over 30 countries. I will take that interjection, Senator Boswell, because it would be useful if we could actually have some facts in this debate. Unfortunately, those on the other side are not interested in facts. You are not interested in the implications climate change has for our economy and our way of life. You are not interested in the risks that climate change poses to our agricultural sector.

*Senator Bernardi interjecting—*

**Senator WONG**—Senator Bernardi is well known as a man who denies the existence of climate change; he should think about what has happened in his home state of South Australia in recent years in terms of inflows into the Murray-Darling and the availability of water.

The reality is that those on the other side do not believe climate change is real. They run the Liberal Party these days. They have put forward a policy which is nothing more than a climate con job to get them through to the election, which is what you would expect from a party that is run by people who do not believe climate change is real. But what is really bizarre is that you have Mr Abbott beating his chest about 'bringing it on' at the same time as his senators are playing proce-

dural games so as not to have the debate here, and now want the 15th inquiry, as I said, into climate change since the Rudd government came to power.

The government does not support this referral. It is just another delaying tactic from the opposition—people who, no matter what evidence is presented to them, currently wish not to act.

**Senator Fielding**—Mr Acting Deputy Speaker, I rise on a point of order. I think the minister would have to reflect on how this can be a delaying tactic when—

**Senator Bob Brown**—That's no point of order.

**Senator Fielding**—Sorry, the Senate has already agreed that this legislation would not come back before May.

**The ACTING DEPUTY PRESIDENT (Senator Mark Bishop)**—There is no point of order.

**Senator WONG**—Senator Fielding, whose views on climate change are well known—

**Senator Johnston**—Oh, nail him up!

**Senator WONG**—No. I will take that injection. Senator Johnston just said, 'Nail him up.' I have never used language like that. It is only those on that side who have used language like that.

**Senator Johnston**—That's what you use.

**Senator WONG**—You have never heard me using language like that. This is not an unknown tactic. When you wish to speak—

*Opposition senators interjecting—*

**The ACTING DEPUTY PRESIDENT**—Order!

**Senator WONG**—Thank you. It is not an unknown tactic, is it: when people want to use the language of prejudice, they then accuse others of using it. The reality is that those are not words that I use, Senator; they

are words you have used. It is true that Senator Fielding's views on climate change are well known. I disagree with them—he is entitled to them, but I disagree with them. I think it is irresponsible to take this view, given the risk to Australia now and in the future.

**Senator Johnston**—Oh, there's a personal comment; there's an attack.

**The ACTING DEPUTY PRESIDENT**—Order!

**Senator WONG**—There are some people in this chamber who do not really treat this chamber with much respect. What I was, I think, trying to point out before the interjection by the frontbencher representing the opposition is this: we wanted these bills brought on. Senator Fielding refers to the delay. I remind him that he delivered the delay with the opposition. He voted with the opposition to ensure these bills were delayed again, so it is a little disingenuous for him to come in here and talk about this issue of delay when he in fact ensured that the coalition's delaying tactics worked. He should be upfront about that.

The government does not support this motion. This is a motion, again, to defer consideration. This is a motion to provide the 15th inquiry since we have come to government on a policy that was negotiated with and supported by your party room.

*Senator Bernardi interjecting—*

**Senator WONG**—I acknowledge you have changed position. You now have elected a man who thinks climate change is absolute crap. That has made Senator Bernardi very happy. But the reality is that no amount of inquiry, no amount of discussion and no amount of debate is going to change your minds. So you have to wonder what is the real agenda behind yet another delaying attack from an opposition that has done nothing but oppose and delay action on climate

change, both in government and, now, in opposition since last year.

**Senator BOSWELL** (Queensland) (6.29 pm)—The resolution that we are debating now is to refer the ETS, or the CPRS, to a committee. Senator Wong says we have done all that and we have had 15 inquiries. I suppose in some way she is right. But the reason we do need an inquiry is that the whole bill has changed. It fell to the ground in a heap of custard at Copenhagen. When Senator Wong went to Copenhagen with her 109 colleagues, or whoever she took over there—I suppose someone has to carry the hair-dryer—

**Senator Milne**—Mr Acting Deputy President Bishop, I rise on a point of order. I find those sexist remarks unparliamentary and I would ask that the senator withdraw them. I have been in this Senate for quite some years and in the Tasmanian parliament for 10 years and I am over the fact that people can make disparaging remarks of that kind. I would seek that they be withdrawn.

**Senator BOSWELL**—I withdraw. Because Senator Milne has asked me to withdraw, I will withdraw. I do have some regard for her. What I was saying to Senator Wong is that the whole bill has changed. The bill was based on the fact that Australia, Canada, the EU, the former Soviet Union, Japan and annex B countries would be in a scheme from 2010, with China and higher income developing countries being in the scheme from 2015. India and the middle-income countries would be in the scheme from 2020. And there would be full coverage—that is, everyone in an ETS, right around the world—from 2025. That is what the modelling was based on. I do not know how you were ever going to achieve it. I could never see it working. I sat back and thought, ‘This is going to be a disaster beyond all disasters,’

but I never thought it would be the disaster that it turned out to be.

What this parliament now has in front of it is a bill that has been modelled on the assumption that all the countries in the world would be involved in an ETS scheme by 2025. That clearly did not happen in Copenhagen. What happened in Copenhagen, as everyone knows, is that very little was achieved. What was achieved was that there was no agreement on mandatory targets, no process of verification of targets, no treaty and no timetable, and there was some vague commitment that the world would try, by all doing their own thing, to hold the temperatures at around two per cent. That was the outcome of Copenhagen and that is the agreement that the Labor Party signed off on. I put it to the Senate that the whole package of bills that is being offered to the parliament has changed. It changed at Copenhagen, because the modelling that was predicted was that all would be in it by 2025. The prediction that small business would be okay and would be reimbursed was on the presumption that overseas competitors would not have any advantage, because we would all be in a scheme. The prediction for pensioners was predicted on us all being in a scheme. We know that is not going to happen.

If you are going to present this legislation again to the parliament, you have to go back and remodel the predictions and the assumptions. The bill that you are putting before the parliament now and which we are referring to a committee has to be changed. You are putting up something now that is a fraud, a con, because you know it cannot work the way in which your modelling predicted. That is the reason that we should be sending it to a committee. I do not know which way the numbers will fall, but what I do know is that the legislation on the table is wrong. It is being presented to this parliament wrongly, because the assumptions are wrong.

Also, what Senator Wong signed up to was that we had to get the non-developed countries as part of a climate regime scheme. The world had to put \$30 billion on the table between 2010 and 2012, and from 2012 until 2020 the world had to stump up with \$100 billion. Senator Milne and I have continually asked Senator Wong: what is our share? We have not been told what our share is, unless Senator Milne has received some information that I have not received. Both of us have tried to find out what our share will be. That amount of money has to be referred to a Senate committee. What is our share of \$30 billion for the lemon of a program that the government pushes forward? What is our proportion of \$100 billion in 2020? How are we going to raise that money? Is it by tax or is it by some sort of levy? One of the proposals that the government supported was a tax or a levy on aviation and shipping fuel. This will further penalise our exports. These are the things that have to be presented to a committee so that we can get the information. I am sure that Senator Milne would agree with me. These are the things that the parliament must know before we proceed with debating legislation.

What we are debating is an entirely different bill to the one that was before Copenhagen, that assumed we would all be in one big happy party by 2025. We would all be in it—China, Russia, India, Brazil; we would all be one big happy family all joined up in an ETS. Well, it was never going to work; I could never see how it was going to work. I could never see how the world was all going to join together; I could never see how America was going to sign an ETS with a 10 per cent unemployment rate. It was just a Labor Party pipedream that could never happen. And it was exposed in Copenhagen.

Now you have the greatest lemon of a policy that has ever been presented—at least in my 30 years in this place. It started off that

everyone was full of vigour and the people wanted it. They wanted it until they could see that they were going to be the only ones who were going to pay their insurance policy. I refer to some Galaxy polling that was done before Copenhagen. The polling said about 54 per cent did not want to do it until after Copenhagen; about 34 per cent wanted to do it straightaway. As the debate heated up people could see that they were going to be the only ones paying the insurance policy, and Australia would be the only one that would be involved in an ETS and the rest of the world were not going to be involved. And how close we came to that. How very, very close this nation came to the greatest disaster of all time; if we had put that legislation through. Senator Wong keeps using the 30 countries. Let me tell Senator Wong: yes, if she uses the EU as 30 countries—there are probably 27 or 28 countries in it—but because it is one collective economy, we would have been the only independent economy that would have been stupid enough, silly enough to actually vote. And how close we came! One vote and there was a change of leadership; one vote the other way and Australia was down the drain by \$120 billion—and that is close. I hope the people who are listening to this realise just how close they came to Australia being saddled with a \$120 billion tax, which was turned around by Tony Abbott and his colleagues. It was turned around, but it was such a close call.

You have to wonder. If you cannot sell \$2 billion worth of batts and you are not marketing them, then you are just giving them away for virtually nothing. If you cannot do that, how are you going to run the most complicated, convoluted scheme that has ever been presented to the world—a world government scheme and everyone has to play their part? You can imagine how complicated that would be. And if you do not have the capacity to give \$2 billion worth of

batts away, you have absolutely no chance of ever coming to terms with an ETS.

The game is up. Senator Conroy understands that the game is up. Most of the hard-heads in the Labor Party know that the game is up, but they cannot find the escape route. That is their problem. They cannot find an escape route. If they go with the Greens, they will get castigated. If they pull out, they will lose what we call the doctors' wives votes, the soft leafy suburbs. So they are stuck. They would love to get out of it. If someone could give them a way out, if someone could release them from this \$120 billion lemon that they have tied around their neck—

**Senator Bernardi**—A stinking cat!

**Senator BOSWELL**—It is like a stinking cat tied around their neck and they cannot find a way to get rid of it.

It is a gold mine for us. We will go around every working-class seat and say: 'Your jobs are on the line. You've got a choice. If you want to vote for Kevin Rudd, you'll be voting for an ETS. You will be voting for a stinking cat that is going to cost you \$120 billion, it's going to put the industries that you work in—the mining industries, the aluminium industry, the steel industry, the glass industry, the cement industry—at risk and it's going to put your jobs at risk. The government will make your industries anti-competitive. It was so before Copenhagen, but it is doubly so now.' But the government are hell-bent on putting this legislation through. They come here and want to get it through. They want to get it through today. I would not vote for something that is not even a true reflection of what is in the bill. The bill is finished. They have to go back and remodel it, present their remodelling to the parliament and then ask the parliament to vote on something that is real. But they are presenting a fraud, a con to the parliament of Australia and they know it.

The modelling is wrong. Canada, United States, China, Russia—the big emitters—have said, 'We're not going to have a bar of this.' And you could have said that before we even went to Copenhagen. How could America, with 10 per cent unemployment—it would probably be worse if it did not have such a huge defence force—vote for it? How could it get through congress? It just could not. It was never going to work. But those opposite believe they can get it through in some sneaky way in a form that is not really reflecting what is in the bill.

If the Labor Party want to go ahead with this—I cannot see how they can get out of it—then with Senator Joyce and Senator Bernardi and Senator 'Whacker' Williams, I will be out in the field. This is politics. We will be telling all of those blue-collar workers that Labor has ratted on them. The Labor people have ratted on the blue-collar worker because they want to keep the green section of their party happy!

**Senator Conroy**—Like you ratted when you sold Telstra!

**Senator BOSWELL**—If you want to talk about Telstra, we can do that on another date. We are talking about ratting on the blue-collar workers that you are supposed to represent. You are going to cost them their jobs; you are going to desert them. You just want to bring in a bit of subterfuge about Telstra—

**Senator Conroy**—Subterfuge!

**Senator BOSWELL**—Yes, it is subterfuge. We are debating the greatest cause of job losses in Australia, and it is hard to believe that it is the ALP that is doing it. They are doing it to their own blue-collar workers because they have probably made some pact with the soft, leafy suburb sections of their party. It is just a free kick in front of goal for the conservative forces in every working class suburb. I have seen the polls just falling away overnight. I indicated that in a Galaxy

poll the figure had gone up to 60 per cent not wanting to do anything before Copenhagen. Those wanting to go ahead had fallen from 34 per cent in a poll a week before to 27 per cent. If you take the Greens out of that 27 per cent, and that is 12 per cent and going up and the government vote is going down, you end up with about 12 per cent support.

If we are going to go through this facade of presenting legislation to the parliament, then the Australian people want to know that what we are debating is a true and accurate reflection of what is in the bill. It is not, and it never was since Copenhagen. They also want to know where our share of the \$30 billion is coming from, and the \$100 billion we have to pay the non-developed countries. Until the government tells us these things, they are just not telling the truth. They are not telling the Australian people what it is all about. I have tried and tried with Senator Milne—we often do not agree on things; sometimes we do, as we do on this issue—to find out what our share of the \$30 billion is, what our share of the \$100 billion is and how we are going to fund it. It is not small bikkies; it is big bikkies. The government has to tell us these things. They have to tell the electorate. You can fool some of the people some of the time, but you cannot fool all of the people all of the time. That is what you are trying to do by presenting this ETS bill. Your assumptions on small business, pensioners, overseas trade and everything else are wrong. This matter has to go to a committee.

**Senator BERNARDI** (South Australia) (6.48 pm)—There are any number of questions that one could raise and should raise about the government's ill-named, in fact deceitfully named, Carbon Pollution Reduction Scheme. This is a government that has clearly failed to level with the Australian people, because they bought the assumption that the Liberal Party and the coalition would

walk willingly with them through this forest of economic disaster and deceit. They tried to deceive the Australian people by saying they were going to create green jobs and it was not going to have any adverse impact on the world; it was going to be picked up by all countries around the world, and Copenhagen was going to be a spectacular success.

I have to say that not all Labor members did that. They were very disciplined. But a number of people felt deeply uncomfortable with this. Although Minister Garrett's judgement is absolutely flawed in regard to the installation of insulation, he also feels deeply uncomfortable because in his heart he is a deep green movement person. He knows this is not an environmental policy; it is an economic policy that is designed to grab \$10 billion—that will pick the pockets of the Australian people to the tune of \$10 billion—every year by targeting big business and then pretending that big business, or business, will not pass those costs on. But of course they have also ignored the impact on small business—the heart and soul, the very driving force, of our economy—who have had their pockets picked by Mr Rudd and his team of extremists.

Debate interrupted.

## DOCUMENTS

### Consideration

**The ACTING DEPUTY PRESIDENT (Senator Mark Bishop)**—Order! It being 6.50 pm, the Senate will proceed to the consideration of government documents.

Government documents Nos 1 and 2 tabled today were called on but no motion was moved.

**Senate adjourned at 6.50 pm**

**DOCUMENTS****Tabling**

The following documents were tabled by the Clerk:

*[Legislative instruments are identified by a Federal Register of Legislative Instruments (FRLI) number]*

*Appropriation Act (No. 1) 2009-2010—Determination to Reduce Appropriations Upon Request (No. 5 of 2009-2010) [F2010L00493]\*.*

Australian Prudential Regulation Authority Act—Australian Prudential Regulation Authority (Confidentiality) Determination No. 3 of 2010—Information provided by locally-incorporated banks and foreign ADIs under Reporting Standard ARS 320.0 [F2010L00512]\*.

Commissioner of Taxation—Public Rulings—

Product Ruling PR 2010/2.

Taxation Ruling—Addendum—TR 93/9.

Taxation Rulings (old series)—Notices of Withdrawal—IT 147, IT 342 and IT 2458.

Commonwealth Authorities and Companies Act—Notice under section 45—Cultural Initiatives Australia Pty Ltd.

Corporations Act—ASIC Class Order [CO 10/111] [F2010L00484]\*.

Customs Act—Tariff Concession Orders—

0831327 [F2010L00458]\*.

0900721 [F2010L00455]\*.

0912182 [F2010L00465]\*.

0914306 [F2010L00459]\*.

0916497 [F2010L00462]\*.

0919374 [F2010L00467]\*.

0920466 [F2010L00460]\*.

0922179 [F2010L00313]\*.

0922187 [F2010L00322]\*.

0922189 [F2010L00324]\*.

0922202 [F2010L00320]\*.

0922295 [F2010L00314]\*.

0922437 [F2010L00325]\*.

0922441 [F2010L00316]\*.

0922442 [F2010L00315]\*.

0922449 [F2010L00317]\*.

0922726 [F2010L00319]\*.

0923927 [F2010L00326]\*.

Environment Protection and Biodiversity Conservation Act—Amendments of lists of exempt native specimens—

EPBC303DC/SFS/2010/02 [F2010L00502]\*.

EPBC303DC/SFS/2010/03 [F2010L00519]\*.

EPBC303DC/SFS/2010/04 [F2010L00517]\*.

Food Standards Australia New Zealand Act—Australia New Zealand Food Standards Code – Amendment No. 114 – 2010 [F2010L00357]\*.

Migration Act—Statements for period 1 July to 31 December 2009 under sections—

48B [22].

91Q.

195A [25].

197AD [10].

351 [79].

Ozone Protection and Synthetic Greenhouse Gas Management Act—Exemptions Nos—

OZO0100099—Jetstar Airways Pty Limited, dated 13 January 2010.

OZO0100101—Jet Systems Pty Ltd, dated 13 January 2010.

OZO0100112—Skywest Airlines Pty Ltd, dated 3 December 2009.

OZO0100123—Qantas Airways Limited, dated 13 January 2010.

OZO0100134—Virgin Blue Airlines Pty Limited, dated 3 December 2009.

OZO0100213—Regional Express Holdings Limited, dated 18 December 2009.

OZO0109199—John Holland Aviation Services Pty Ltd, dated 18 December 2009.

OZO0112205—Virgin Blue International Airlines Pty Limited, dated 3 December 2009.

Private Health Insurance (National Joint Replacement Register Levy) Act—Private Health Insurance (National Joint Replacement Register Levy) Rules 2010 [F2010L00531]\*.

Veterans' Entitlements Act—Veterans' Entitlements Income (Exempt Lump Sum – Pastoral Care and Assistance Scheme Payment) Determination No. R11 of 2010 [F2010L00496]\*.

- \* Explanatory statement tabled with legislative instrument.

### Tabling

The following government documents were tabled:

Innovation Australia—Report for 2008-09.

Treaties—*Bilateral*—

Explanatory statement 1 of 2010—Amendment to the Agreement between the Government of Australia and the Government of the Kingdom of the Netherlands concerning the Provision of Medical Treatment of 5 April 1991 [1992] ATS 3.

Text, together with national interest analysis—

Agreement concerning the provision of Health Care between the Government of Australia and the Government of the Republic of Slovenia, done at Canberra, 11 March 2009.

Agreement on Cooperative Enforcement of Fisheries Laws between the Government of Australia and the Government of the French Republic in the Maritime Areas Adjacent to the French Southern and Antarctic Territories, Heard Island and the McDonald Islands, done at Paris 8 January 2007.

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**QUESTIONS ON NOTICE**

The following answers to questions were circulated:

**Education, Employment and Workplace Relations, Social Inclusion, Early Childhood Education, Childcare and Youth and Employment Participation**  
**(Question Nos 2166 to 2168, 2198 and 2201)**

**Senator Ronaldson** asked the Minister for Employment Participation and Minister representing the Minister for Education, Minister for Employment and Workplace Relations and Minister for Social Inclusion, and the Minister for Early Childhood Education, Childcare and Youth, upon notice, on 14 September 2009:

- (1) For the 2008-09 financial year:
  - (a) can a list be provided of each brand and model of colour printer that was provided for the office of the Minister and/or Parliamentary Secretary; and
  - (b) what was the total cost of:
    - (i) printer cartridges and/or toner, and
    - (ii) servicing these printers.
- (2) For the 2008-09 financial year, what was the total value of photocopy paper received in the office of the Minister and/or Parliamentary Secretary.
- (3) For the 2008-09 financial year, what was the value of other office consumables received in the office of the Minister and/or Parliamentary Secretary
- (4) For the 2008-09 financial year, can a list be provided of all departmental publications, excluding ordinary or mail-merged letters, which contained the name and/or photograph of the Minister and/or Parliamentary Secretary, including:
  - (a) the cost of producing each of these publications; and
  - (b) how many copies were distributed and to what category of persons they were distributed to.
- (5) Does the Minister and/or Parliamentary Secretary have a departmentally-funded and maintained website/webpage; if so:
  - (a) what was the cost of developing the website of the Minister and/or Parliamentary Secretary;
  - (b) was the site refreshed during the 2008-09 financial year and if so, what was the cost for refreshing the site; and
  - (c) what resources does the department provide to maintain, update and upload the content for the site.
- (6) Does the department distribute the media releases for the Minister and/or Parliamentary Secretary; if so:
  - (a) how and to whom; and
  - (b) for the 2008-09 financial year, what was the cost for this distribution.

**Senator Arbib**—The answer to the honourable senator's question is as follows:

- (1) The following table shows information regarding colour printers in the offices of each Minister and Parliamentary Secretary.

Minister/Parliamentary Secretary	Office	Printer	Consumables	Servicing
The Hon Julia Gillard MP	Parliament House, Canberra	Ricoh Aficio CL 1000N	\$2,626.30	Included in contract
		Ricoh Aficio MP C4500	\$55.00	Included in contract
	Treasury Place, Melbourne	Ricoh Aficio 3245C	\$9,190.50	Included in contract
Senator the Hon Mark Arbib	Parliament House, Canberra	Ricoh Aficio MP C4500	\$3,135.00	Included in contract
	Phillip Street, Sydney	Ricoh Aficio MP C5000	nil	Included in contract
The Hon Kate Ellis MP	Parliament House, Canberra	Not applicable	Not applicable	Not applicable
Senator the Hon Ursula Stephens	Parliament House, Canberra	Ricoh Aficio MP C4500	\$638.00	Included in contract
The Hon Jason Clare MP	Parliament House, Canberra	Ricoh Aficio MP C5000	nil	Included in contract

NB: Details of consumables purchased for each machine are based on information supplied by DEEWR's contracted provider.

- (2) The following table details the total expenditure on photocopy paper for each Minister and Parliamentary Secretary in the 2008-09 financial year:

Minister/Parliamentary Secretary	Cost of photocopy paper
The Hon Julia Gillard MP	\$5,765.00
Senator the Hon Mark Arbib	nil
The Hon Kate Ellis MP	\$1,704.00
Senator the Hon Ursula Stephens	\$1,005.00
The Hon Jason Clare MP	nil

- (3) The following table shows the total expenditure on office consumables (excluding photocopy paper expenses listed above) for each Minister and Parliamentary Secretary in the 2008-09 financial year.

Minister/Parliamentary Secretary	Cost of office consumables
The Hon Julia Gillard MP	\$33,054.46
Senator the Hon Mark Arbib	nil
The Hon Kate Ellis MP	\$4,508.25
Senator the Hon Ursula Stephens	\$3,585.48
The Hon Jason Clare MP	nil

- (4) The precise detail requested in relation to this question is not readily available and would require a substantial diversion of resources to ascertain.
- (5) As stated in Parliamentary Questions 2217-2219, 2,249, and 2,252, the department maintains a single media centre website containing media releases issued by the portfolio ministers and parliamentary secretaries, and speeches and transcripts.

The department's current media centre website was launched in December 2008, and updated in June 2009, following the ministerial changes. There are no direct costs associated with the media centre website, as its development and maintenance is undertaken within the department, as part of the department's ongoing business.

- (6) Media releases are distributed by the relevant ministerial office.

**Families, Housing, Community Services and Indigenous Affairs**

**(Question No. 2175)**

**Senator Ronaldson** asked the Minister representing the Minister for Families, Housing, Community Services and Indigenous Affairs, upon notice, on 14 September 2009:

With reference to resources provided to the Minister and/or Parliamentary Secretary by their home department that are above and beyond their entitlements as senators and members:

- (1) For the 2008-09 financial year: (a) can a list be provided of each brand and model of colour printer that was provided for the office of the Minister and/or Parliamentary Secretary; and (b) what was the total cost of: (i) printer cartridges and/or toner, and (ii) servicing these printers.
- (2) For the 2008-09 financial year, what was the total value of photocopy paper received in the office of the Minister and/or Parliamentary Secretary.
- (3) For the 2008-09 financial year, what was the value of other office consumables received in the office of the Minister and/or Parliamentary Secretary.
- (4) For the 2008-09 financial year, can a list be provided of all departmental publications, excluding ordinary or mail-merged letters, which contained the name and/or photograph of the Minister and/or Parliamentary Secretary, including: (a) the cost of producing each of these publications; and (b) how many copies were distributed and to what category of persons they were distributed to.
- (5) Does the Minister and/or Parliamentary Secretary have a departmentally-funded and maintained website/webpage; if so: (a) what was the cost of developing the website of the Minister and/or Parliamentary Secretary; (b) was the site refreshed during the 2008-09 financial year and if so, what was the cost for refreshing the site; and (c) what resources does the department provided to maintain, update and upload the content for the site.
- (6) Does the department distribute the media releases for the Minister and/or Parliamentary Secretary; if so: (a) how and to whom; and (b) for the 2008-09 financial year, what was the cost for this distribution.

**Senator Chris Evans**—The Minister for Families, Housing, Community Services and Indigenous Affairs has provided the following answer to the honourable senator's question:

- (1) (a) All 5 colour printers in use in Minister Macklin's and Parliamentary Secretary Shorten's offices were supplied during 2007-2008 with the change of Government. No additional printers were supplied during 2008-2009. All are Ricoh printers and the models are: 2 x MPC3000, 1 x AF3260C, 1 x CL400DN and 1 x SPC411DN. (b) Printer cartridge and/or toner costs are included in a "cost per copy" charge which also includes servicing costs. For the 2008-09 financial year, these costs totalled \$14,483.09.
- (2) The total value of photocopy paper for the 2008-09 financial year for Minister Macklin was \$999.76 and for Parliamentary Secretary Shorten was \$264.10.
- (3) The total value of office consumables for the 2008-09 financial year for Minister Macklin was \$8,180.20 and for Parliamentary Secretary Shorten was \$9,379.67.
- (4) The following table provides a list of all departmental publications, which contained the name and/or photograph of the Minister and/or Parliamentary Secretary. The table includes the cost of producing these publications, the number of copies distributed and the category of persons they were distributed to.

Name	Cost (including design, print, distribution and production of all accessible formats)	Number of copies distributed	Category (MP/Senators, service providers, general public)
The Year in Disability fact sheet	\$561	Approx 50	Media, General public
Australian Disability Enterprises Business Directory	\$39,952.37	2,000	All MPs/Senators; Parliamentary Secretary Shorten's CEO group; Secretaries, CFOs and Procurement Managers of all Australian Government department's and agencies; Disability Employment Assistance Organisations. Top 100 ASX CEOs.
Disability Action Plan: Framework for Business book	\$8,006.34	510	Top 100 ASX CEOs.
National Compact Consultation Paper	\$13,419	755	General public.
Developing a National Disability Strategy for Australia Discussion Paper	\$54,627.27	1,560	State and territory governments, councils, disability and carer organisations and peak bodies, community organisations and interested parties.
Shut Out: National Disability Strategy Consultation Report	\$130,724.59	2,515	Consultation participants, disability and carer organisations, community organisations and peak bodies, state and territory governments and interested parties.
Harmonisation of disability parking permit scheme in Australia	\$43,033.14	Approx 2,300	Consultation participants, disability and carer organisations, community organisations and peak bodies, state and territory governments and interested parties.
Centenary of the Age Pension booklet	\$863.50	Approx 50	General public, media.
Print Disability Services Program Discussion Paper	\$279.25	Approx 105	Service providers.

Name	Cost (including design, print, distribution and production of all accessible formats)	Number of copies distributed	Category (MP/Senators, service providers, general public)
Ronald McCallum AO – Candidate for UN Committee on the Rights of Persons with Disability	\$888.80	500	AFDO (Australian Federation of Disability Organisations), Disability Peak Organisations, UN candidates and delegates, AusAID and AGD.
Portfolio Supplementary Estimates Statements Appropriation (Economic Security Strategy) Bill (No. 1) 2008-09	\$2,852.00	1,300	Senate Tabling Office, House of Representatives Documents Office, Dept Finance and Deregulation, Ministers - Macklin, Plibersek, Roxon. Senators - Evans, Wong, Ludwig, Stephens, Parliamentary Secretary Shorten, Community Affairs Committee, FaHCSIA Executive and staff, Acquisitions and Libraries.
Portfolio Additional Estimates Statements 2008-09	\$5,302.00	1,300	Senate Tabling Office, House of Representatives Documents Office, Dept Finance and Deregulation, Ministers - Macklin, Plibersek, Roxon. Senators - Evans, Wong, Ludwig, Stephens, Parliamentary Secretary Shorten, Community Affairs Committee, FaHCSIA Executive and staff, Acquisitions and Libraries.
Portfolio Supplementary Additional Estimates Statements 2008-09 - Appropriation (Nation Building and Jobs) Bill (No. 2) 2008-2009.	\$1,815.00	1,300	Senate Tabling Office, House of Representatives Documents Office, Dept Finance and Deregulation, Ministers - Macklin, Plibersek, Roxon. Senators - Evans, Wong, Ludwig, Stephens, Parliamentary Secretary Shorten, Community Affairs Committee, FaHCSIA Executive and staff, Acquisitions and Libraries.

Name	Cost (including design, print, distribution and production of all accessible formats)	Number of copies distributed	Category (MP/Senators, service providers, general public)
Portfolio Supplementary Additional Estimates Statements No. 2 2008-09 - Appropriation Bill (No. 5) - 2008-09	\$1,991.00	1,300	Senate Tabling Office, House of Representatives Documents Office, Dept Finance and Deregulation, Ministers - Macklin, Plibersek, Roxon. Senators - Evans, Wong, Ludwig, Stephens, Parliamentary Secretary Shorten, Community Affairs Committee, FaHCSIA Executive and staff, Acquisitions and Libraries
Ministerial Christmas Cards – Minister Macklin	\$2,583.00	1,300	Portfolio stakeholder groups and organisations.
Christmas Cards - Parliamentary Secretary Shorten	\$2,771.00	1,000	Portfolio stakeholder groups and organisations.
Portfolio Budget Statements 2009-10 Budget Related Paper No. 1.7.	\$18,282.00	2,020	Budget lock-ups, House of Representatives and Senate Tabling Offices, Ministers Macklin, Plibersek and Roxon, Senators Evans, Stephens, Ludwig and Wong as well as Parliamentary Secretary Shorten, Community Affairs Committee, FaHCSIA Executive, staff and portfolio agencies, other Australian Government departments, Library and research organisations including the Library Deposit Scheme, Information Research Centre and Parliamentary Library, Pension Review Reference Group.
Portfolio Budget Kits	\$14,624.00	2,100	Budget lock-ups, Ministers Macklin, Plibersek and Roxon, Senators Evans, Stephens, Ludwig and Wong, Parliamentary Secretary Shorten, Community Affairs Committee, FaHCSIA Executive, staff and portfolio agencies, other Australian Government departments, Library and research organisations including the Library Deposit Scheme, Information Research Centre and Parliamentary Library, Pension Review Reference Group.

Name	Cost (including design, print, distribution and production of all accessible formats)	Number of copies distributed	Category (MP/Senators, service providers, general public)
Single Indigenous Budget Kits (SIBS)	\$10,989.00	2,700	Budget lock-ups, Minister Macklin, FaHCSIA Executive, staff and portfolio agencies, Secretaries Group on Indigenous Affairs, Indigenous affairs community groups, councils and stakeholders such as the Aboriginal and Torres Strait Islander Social Justice Commissioner.
Indigenous Ministerial Statement	\$5,346.00	4,639	2,700 included in the SIBS kits (see above) 1,800 copies were provided to the Treasury and 139 copies for the Parliamentary Paper series.
Paid Parental Leave booklet (PPL)	\$8,096.00	10,000	Was included in the Portfolio Budget Kits: Stakeholder groups and organisations such as the Australian Chamber of Commerce and Industry and the Office of the Anti-Discrimination Commissioner, Australian Government departments, stakeholders such as the Community and Public Sector Union, Australian Retailers Association and the National Tourism Alliance, attendees at the Women's Budget kit launch.
Pension Review Booklet (PRT)	\$7,425.00	3,300	Was included in the Portfolio Budget Kits, Carer stakeholder groups including Carers Australia, National Disability Services and State carers groups, peak disability groups including the National Council on Intellectual Disability Inc and Blind Citizens Australia Ltd, people who made submissions to the Pension Review.
2007-08 FaHCSIA Annual Report	\$33,960.34	1,300	Senate and House of Representatives Tabling offices, Ministers Macklin and Plibersek, Parliamentary Secretary Shorten, FaHCSIA Executive and staff, Parliamentary Paper Series and Library Deposit scheme.
Research News 32	\$3,971	600	Subscribers to FaHCSIA Research publications.

Name	Cost (including design, print, distribution and production of all accessible formats)	Number of copies distributed	Category (MP/Senators, service providers, general public)
Research news 34	\$1,883.20	600	Subscribers to FaHCSIA Research publications.
Northern Territory Emergency Response – One Year On	\$4,195.41	1,654	To Parliamentarians and to communities and organisations in the NT.
Future Directions for NTER – Discussion paper	\$18,148.98	4,000	Communities in the NT.
Newslines Magazine 1st edition	\$47,748.84	10,854	General public.
Northern Territory Emergency Response – One Year On	\$4,195.41	1,654	To Parliamentarians and to communities and organisations in the NT.

- (5) The Department funds and maintains websites for the Hon Jenny Macklin MP, Minister for Families, Housing, Community Services and Indigenous Affairs; the Hon Bill Shorten MP, Parliamentary Secretary for Disabilities and Children's Services and Parliamentary Secretary for Victorian Bushfire Reconstruction; and Senator the Hon Ursula Stephens, Parliamentary Secretary for Social Inclusion and the Voluntary Sector. (a) Development of the Minister's website was undertaken in-house. Cost is estimated at one quarter of one APS6 for one day, or approximately \$76.00. (b) No Ministers' and/or Parliamentary Secretaries' websites were refreshed during the 2008-09 financial year. (c) Maintaining, updating and uploading content for the Minister's website is undertaken in-house by the Department and is a minor aspect of business as usual website management.
- (6) The Department does not distribute media releases for the Ministers and/or Parliamentary Secretaries.

### **Infrastructure, Transport, Regional Development and Local Government**

#### **(Question No. 2177)**

**Senator Ronaldson** asked the Minister representing the Minister for Infrastructure, Transport, Regional Development and Local Government, upon notice, on 14 September 2009:

With reference to resources provided to the Minister and/or Parliamentary Secretary by their home department that are above and beyond their entitlements as senators and members:

- (1) For the 2008-09 financial year: (a) can a list be provided of each brand and model of colour printer that was provided for the office of the Minister and/or Parliamentary Secretary; and (b) what was the total cost of: (i) printer cartridges and/or toner, and (ii) servicing these printers.
- (2) For the 2008-09 financial year, what was the total value of photocopy paper received in the office of the Minister and/or Parliamentary Secretary.
- (3) For the 2008-09 financial year, what was the value of other office consumables received in the office of the Minister and/or Parliamentary Secretary.

- (4) For the 2008-09 financial year, can a list be provided of all departmental publications, excluding ordinary or mail-merged letters, which contained the name and/or photograph of the Minister and/or Parliamentary Secretary, including: (a) the cost of producing each of these publications; and (b) how many copies were distributed and to what category of persons they were distributed to.
- (5) Does the Minister and/or Parliamentary Secretary have a departmentally-funded and maintained website/webpage; if so: (a) what was the cost of developing the website of the Minister and/or Parliamentary Secretary; (b) was the site refreshed during the 2008-09 financial year and if so, what was the cost for refreshing the site; and (c) what resources does the department provide to maintain, update and upload the content for the site.
- (6) Does the department distribute the media releases for the Minister and/or Parliamentary Secretary; if so: (a) how and to whom; and (b) for the 2008-09 financial year, what was the cost for this distribution.

**Senator Conroy**—The Minister for Infrastructure, Transport, Regional Development and Local Government has provided the following answer to the honourable senator's question:

- (1) (a) Office of the Hon Anthony Albanese MP – 1 Lexmark C935, 1 Lexmark C780 colour printer and 1 Fuji Xerox Docucentre-II C3300 Multi-Function Device.  
Office of the Hon Maxine McKew MP - 1 Lexmark C772, 1 Lexmark C780 colour printer and 1 Fuji Xerox Docucentre-II C4400 Multi-Function Device.  
Office of the Hon Gary Gray AO MP – 1 Lexmark C524 and 1 Fuji Xerox Docucentre-II C4300 Multi-Function Device.
- (b) (i) (ii) The Department does not record expenditure to this level of detail in its Financial Management Information System.
- (2) The Department does not record expenditure to this level of detail in its Financial Management Information System.
- (3) The total value of consumables for each office for the 2008-09 Financial Year is shown below:

Office	Value* (GST exclusive)
Office of the Hon Anthony Albanese MP	\$14,402
Office of the Hon Maxine McKew MP	\$116
Office of the Hon Gary Gray AO MP	\$2,072

\*Figures include photocopy paper and printer cartridges and/or toner.

- (4) —

Publication	Number distributed	Cost of production	Distribution
Aviation Policy Green Paper	600	\$35,803	General public aviation industry/ media
Strengthening Maritime Security	500	\$7,700	General public maritime industry
Past Present Future – Australian Transport Safety Bureau	5,000	\$18,000	General public transport industry media
June 2009 Australian Council of Local Government Meeting (ACLG) Information	1,000	Included in Professional Conference organiser Fees.	ACLG Delegates
2008 ACLG Issues and Outcomes (June 2009)	1,000	\$52,657	ACLG Delegates

Publication	Number distributed	Cost of production	Distribution
National Awards for Local Government 2008 Winners (produced November 2008)	2,500	\$13,442	Local Government councils All Sponsors Judges ACLG Delegates Media Ad Hoc
National Awards for Local Government 2009 Winners (produced June 2009)	2,000	\$12,518	Local government councils All Sponsors Judges ACLG Delegates Media
Local Government Report 06-07 (produced May 2009)	1,500	\$31,723	Local government councils Local Government agencies, organisations
2007-08 Department of Infrastructure, Transport, Regional Development and Local Government Annual Report	1,000	\$64,516	Parliament, Departmental officers, interested organisations and members of the public.

(5) (a) This activity is not costed separately. (b) No. (c) Refer to 5(a).

(6) (a) In 2008-09, the Department distributed media releases for the Minister and Parliamentary Secretary. However, this practice has since been discontinued. (b) In 2008-09, distribution costs were \$39,716, consistent with the practice under the previous government.

### **Housing, and Status of Women**

#### **(Question Nos 2190 and 2191)**

**Senator Ronaldson** asked the Minister representing the Minister for Housing and Minister for the Status of Women, upon notice, on 14 September 2009:

With reference to resources provided to the Minister and/or Parliamentary Secretary by their home department that are above and beyond their entitlements as senators and members:

- (1) For the 2008-09 financial year: (a) can a list be provided of each brand and model of colour printer that was provided for the office of the Minister and/or Parliamentary Secretary; and (b) what was the total cost of: (i) printer cartridges and/or toner, and (ii) servicing these printers.
- (2) For the 2008-09 financial year, what was the total value of photocopy paper received in the office of the Minister and/or Parliamentary Secretary.
- (3) For the 2008-09 financial year, what was the value of other office consumables received in the office of the Minister and/or Parliamentary Secretary.
- (4) For the 2008-09 financial year, can a list be provided of all departmental publications, excluding ordinary or mail-merged letters, which contained the name and/or photograph of the Minister and/or Parliamentary Secretary, including: (a) the cost of producing each of these publications; and (b) how many copies were distributed and to what category of persons they were distributed to.
- (5) Does the Minister and/or Parliamentary Secretary have a departmentally-funded and maintained website/webpage; if so: (a) what was the cost of developing the website of the Minister and/or Parliamentary Secretary; (b) was the site refreshed during the 2008-09 financial year and if so, what was the cost for refreshing the site; and (c) what resources does the department provided to maintain, update and upload the content for the site.

- (6) Does the department distribute the media releases for the Minister and/or Parliamentary Secretary; if so: (a) how and to whom; and (b) for the 2008-09 financial year, what was the cost for this distribution.

**Senator Wong**—The Minister for Housing and Minister for the Status of Women has provided the following answer to the honourable senator's question:

- (1) (a) All colour printers in use in the Minister's office were supplied during 2007-2008 with the change of Government. No additional printers were supplied during 2008-2009. All are Ricoh printers and the models are: 1 x MPC3000, 1 x AF3228C and 1 x SPC410DN. (b) Printer cartridge and/or toner costs are included in a "cost per copy" charge which also includes servicing costs. For the 2008-09 financial year, these costs totalled \$5,445.78.
- (2) The total value of photocopy paper for Minister Plibersek, for the 2008-09 financial year was \$385.67.
- (3) The total value of other office consumables received in the offices of Minister Plibersek, for the 2008-09 financial year was \$8,329.59.
- (4) The following table provides a list of all departmental publications, which contained the name and/or photograph of the Minister. The table includes the cost of producing these publications, the number of copies distributed and the category of persons they were distributed to.

Name	Cost (inc design, print, distribution and production of all accessible formats)	No. of copies distributed	Category (i.e. MP/Senators, service providers, general public)
Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW) report	\$40,796.48	199 x 1 copy of CEDAW report and CEDAW education pack with covering letter	Community legal centres
CEDAW Education Pack (Presentation folder and fact sheets)	\$28,350.18	3,371 x 1 copy and covering letter from Julia Burns, Executive Director, Office for Women 199 x 1 copy of CEDAW report and CEDAW education pack with covering letter 256 x CEDAW education pack and covering letter	High schools and special schools Community Legal Centres National Child Protection Framework stakeholders
Office for Women ministerial fact sheets	\$7,478.90	0	Online and print on demand only
National Plan to reduce violence against women and their children	\$15,170.57	12,730	Placed in warehouse for ordering via publications hotline
National Rural Women's Summit report	\$2,095.50	0	Online and event distribution only
Women in Australia report 2009	\$963.60	0	Online only. No hard copies produced

Name	Cost (inc design, print, distribution and production of all accessible formats)	No. of copies distributed	Category (i.e. MP/Senators, service providers, general public)
Office for Women Generic Brochure	\$5,616.60	500	Distributed to attendees at International Women's Day event
National Housing Supply Council State of Supply Report	\$37,803.94	365	Distributed via mailing house and placed in warehouse for ordering via publications hotline
White Paper on Homelessness – report and executive summary	\$50,395.50	1,200	Members of Parliament and Senators, portfolio stakeholder groups and organisations, Tabling Officers and Library Deposit Scheme
Housing Assistance Act 1996 Annual Report 2006-07	\$15,261.40	217	Members of Parliament and Senators, Tabling Officers, Library Deposit Scheme
National Rental Affordability Scheme Prospectus	\$10,492.90	600	Community housing organisations and aged care providers
Housing Affordability Fund Guidelines	\$10,236.93	609	Local Mayors and Councils
Ministerial Christmas Cards	\$1,657.50	850	Portfolio stakeholder groups and organisations
Women's Budget Kits	\$3,630.00	600	Senators and Members of Parliament, other Government departments, women's group stakeholders such as the Office of Women's Policy and the ACT Office for Women, attendees at the Women's Budget kit launch

Name	Cost (inc design, print, distribution and production of all accessible formats)	No. of copies distributed	Category (i.e. MP/Senators, service providers, general public)
Portfolio Budget Kits	\$14,624.00	2,100	Budget lock-ups, Ministers Macklin, Plibersek, Roxon, Evans, Ludwig and Wong, Parliamentary Secretaries Shorten and Stephens, Community Affairs Committee, FaHCSIA Executive, staff and portfolio agencies, other Australian Government departments, library and research organisations including the Library Deposit Scheme, Information Research Centre and Parliamentary Library, Pension Review Reference Group
2007-08 FaHCSIA Annual Report	\$33,960.34	1,300	Senate and House of Representatives Tabling offices, Ministers Macklin and Plibersek, and Parliamentary Secretary Shorten, FaHCSIA Executive and staff, Parliamentary Paper Series, Library Deposit scheme

- (5) The Department funds and maintains a website for the Hon Tanya Plibersek MP, Minister for Housing and the Minister for the Status of Women. (a) Development of the Minister's website was undertaken in-house. Cost is estimated at one quarter of one APS6 for one day, or approximately \$76.00. (b) The Minister's website was not refreshed during the 2008-09 financial year. (c) Maintaining, updating and uploading content for the Minister's website is undertaken in-house by the Department and is a minor aspect of business as usual website management.
- (6) The Department does not distribute media releases for the Minister.

#### **Human Services: Websites**

#### **(Question No. 2238)**

**Senator Abetz** asked the Minister representing the Minister for Human Services, in writing, on 16 September 2009:

- (1) Does the Minister and/or Parliamentary Secretary have a departmentally maintained website or websites; if so, can a list of these websites be provided.
- (2) Can a list be provided of all redevelopments (including re-skins) of these websites since 24 November 2007, including: (a) the total cost for each redevelopment; (b) who undertook each

redevelopment; and (c) whether the website, or draft versions thereof, were market-tested before going live; if so, by whom and what was the total cost of the market testing.

- (3) Does the department: (a) post all of the Minister's and/or Parliamentary Secretary's press releases, speeches and transcripts on these websites; and (b) have any guidelines for the posting of political material on these websites.
- (4) Has the department ever refused to post material on these websites due to their political nature; if so, on how many occasions.

**Senator Ludwig**—The Minister for Human Services has provided the following answer to the honourable senator's question:

- (1) Yes. One website [www.mhs.gov.au](http://www.mhs.gov.au).
- (2) A refresh occurred with each change in Minister (three times):

- Ellison.
- Ludwig.
- Bowen.

- (a) Ellison:

APS6 4 weeks	(\$5,910)
EL1 1 week	(\$1,648)
Total =	\$7558

The same templates and process was used for the following two Ministers, which reduced the cost:

Ludwig:

APS6 2 weeks	(\$2,955)
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Bowen:

APS6 2 weeks	(\$2,955)
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- (b) The Media and Communication Branch of the Department of Human Services.
- (c) No external market-testing occurred before 'going live'.
- (3) (a) on [www.mhs.gov.au](http://www.mhs.gov.au).
- (b) Yes – As per website maintenance arrangements, and AGIMO guidelines the Department of Human Services publishes Ministerial press releases, speeches and transcripts on [www.mhs.gov.au](http://www.mhs.gov.au).
- (4) No.

### War Criminals

#### (Question No. 2368)

**Senator Ludlam** asked the Minister representing the Minister for Home Affairs, upon notice, on 30 September 2009:

- (1) With reference to the Memorandum of Understanding (MoU) between Australia, the United Kingdom, Canada and the United States of America, regarding the sharing of information on suspected war criminals, how many requests has Australia made to these countries on particular individuals since the MoU was signed.
- (2) What proactive measures has the Australian Federal Police (AFP) taken in the past 12 months to search for, and identify, individuals in Australia that are suspected of committing war crimes, as provided for under the Geneva Convention.
- (3) What are the AFP's guidelines on investigating war crimes committed prior to 2002.

- (4) Does the AFP investigate potential war crimes, crimes against humanity and genocide that were committed prior to 2002 in internal conflicts, or only international conflicts.
- (5) Does the AFP investigate Australian citizens and residents only or does it also investigate those who are visiting Australia.
- (6) Does the AFP provide specialised training for staff that investigate war crimes, crimes against humanity and genocide; if so: (a) what training is offered; (b) is the training offered to all members of the Economic and Special Operations portfolio; and (c) how many staff have undergone this training in the past 10 years.
- (7) (a) What other issues does the Economic and Special Operations portfolio investigate in addition to war crimes, crimes against humanity and genocide; (b) how many staff are dedicated to war crimes, crimes against humanity and genocide at any one time; (c) what proportion of its resources are dedicated to investigating war crimes suspects; and (d) what is the average length of time an AFP officer remains in the Economic and Special Operations portfolio.
- (8) (a) In the past 10 years, how many individuals have been investigated by the AFP for war crimes, crimes against humanity or genocide; (b) how did these individuals come to the attention of the AFP; and (c) how many of these investigations were referred to the Commonwealth Director of Public Prosecutions (DPP).
- (9) Has the AFP pursued any other remedies besides referral to the DPP; if so, what were they and on how many occasions.
- (10) Has the AFP ever investigated allegations that Mr Daniel Snedden was involved in war crimes; if so, when did these investigations commence.
- (11) Is the AFP currently investigating Mr Snedden following the recent decision of the Full Court of the Federal Court of Australia to allow his appeal against extradition.
- (12) If sufficient evidence for potential war crime charges is found in the investigation into the deaths of the 'Balibo Five' in East Timor in 1975, on what legislative basis will the AFP proceed.
- (13) Since coming to power, what steps has the Government taken to close any loopholes that allow war criminals to enter or reside in Australia without fear of prosecution.
- (14) (a) Is the Attorney-General considering amending current laws so that war crimes committed in internal conflicts prior to 2002 may be punishable in Australia; if not, why not; and (b) is the Government prepared to extend the date that these offences became crimes in Australia to 1948 and 1949, when the country ratified the Geneva Convention in order to ensure that there is no immunity for war criminals in Australia; if not, why not.

**Senator Wong**—The Minister for Home Affairs has provided the following answer to the honourable senator's question:

- (1) The Memorandum of Understanding (MoU) is between the Department of Immigration and Citizenship (DIAC) and counterpart agencies in Canada, the United Kingdom and the United States of America.
- (2) The Australian Federal Police (AFP) is responsible for the investigation of alleged war criminals in Australia where a legal jurisdiction exists. The AFP treats all allegations of war crimes, genocide and crimes against humanity seriously. If such a matter is referred to the AFP, it is rated as Essential-High under the AFP Case Categorisation and Prioritisation Model (CCPM).

DIAC has a special unit dedicated to screening war criminals which relies on a wide range of sources including its Movement Alert List, international tribunals and Interpol. DIAC refers any allegations about persons in Australia being involved in human rights violations to the AFP and other relevant authorities for further investigation. The AFP does not disclose requests for operational material.

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- (3) There are no specific AFP guidelines relating to the investigation of war crimes alleged to have been committed prior to 2002. However, the Geneva Conventions Act 1957 (Cth) gives Australian authorities the ability to prosecute 'grave breaches' of the 1949 Geneva Conventions and Additional Protocol 1 of 1977 when those acts are committed in the course of an international armed conflict. Standard internal guidelines and operating procedures are applied in all investigations undertaken by the AFP, including war crimes investigations.
- (4) The AFP investigates potential war crimes, crimes against humanity and genocide where there is jurisdiction to prosecute the alleged offence under Australian law. The Geneva Conventions Act 1957 (Cth), which until 2002 criminalised grave breaches of the 1949 Geneva Conventions and Additional Protocol I, regardless of where they were committed or by whom, does not apply to non-international armed conflicts. However, there is Australian jurisdiction to prosecute offences committed in non-international armed conflicts before 2002, including under the Crimes (Torture) Act 1988 (Cth), which criminalises acts of torture committed outside Australia by a public official or a person acting in an official capacity or at the instigation of such a person after 14 February 1989 and the Crimes (Hostages) Act 1989 (Cth), which criminalises hostage taking in Australia or overseas after 20 June 1990.
- (5) Under Australia's legislative framework, the AFP has the ability to investigate Australian citizens, residents and persons present in Australia, including visitors to Australia.
- (6) (a) AFP members attend a war crimes investigators course held by the Institute for International Criminal Investigations based in the Netherlands. Members are selected for this training on the basis of organisational needs. (b) No.
- (c) Two AFP members have attended recent training courses in the Netherlands and one AFP member is currently undergoing this training. Five AFP members have also had experience working within the International Criminal Tribunal for the Former Yugoslavia located in The Hague, the Netherlands, for periods of twelve months to five years. Those investigators who undertook those roles have in turn provided instruction to a number of internal AFP training courses.
- (7) (a) The Economic and Special Operations function is divided into two major streams: Economic Operations and Special Operations.
- The Economic Operations stream delivers a Commonwealth law enforcement response to instances of serious and complex financial criminality, money laundering and intellectual property crime, as well as providing investigative support for Commonwealth agencies involved in fraud prevention.
- The Special Operations stream delivers a law enforcement response to a range of Commonwealth offences, including war crimes, currency crime, corruption and bribery of foreign officials, special references from the Australian Government, identity crime, environmental crime, family law and emerging crime. The Special Operations stream also provides a National Missing Persons Coordination Centre.
- (b) The AFP has a flexible teams approach to operations. A number of teams may be investigating war crimes-type offences at any time and in a number of geographical locations, depending on the number of matters referred to the AFP.
- (c) The AFP deploys staff flexibly based on operational priorities and therefore staffing levels and tenure fluctuates.
- (d) As indicated in (c), tenure fluctuates. However, the average length of time an AFP officer remains in the Economic and Special Operations portfolio is two years.
- (8) (a) In the past ten years, 176 individuals and one corporation were the subject of twenty-nine investigations undertaken by the AFP in relation to the referenced offences. Some investigations undertaken by the AFP had multiple individuals listed as suspects.
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- (b) One matter was referred by a private citizen, one by a law firm, one by the Australian Defence Force, one by the Department of Foreign Affairs and Trade, four by the Attorney-General's Department (AGD) and twenty one by DIAC.
- (c) The AFP referred preliminary material to the Commonwealth Director of Public Prosecutions (CDPP) on one of the twenty-nine matters. However, this material did not amount to a formal brief of evidence.
- (9) Details of a suspect have been passed to an International Criminal Tribunal as the person was identified as a potential witness for matters that may have been of interest to the Tribunal.
- (10) No.
- (11) No.
- (12) The legislative basis for a possible prosecution under Australian law in relation to the deaths of the five men is by virtue of Section 7 of the Geneva Conventions Act 1957. It would not be appropriate to comment further on this matter, as this would involve disclosing the content of legal advice
- (13) Australia has an established framework for protecting the Australian community from the perpetrators of war crimes, crimes against humanity and genocide and for ensuring that they are brought to justice. This framework is based on three pillars: border security, domestic investigation and prosecution and international crime cooperation. The framework is primarily directed at ensuring perpetrators are properly investigated and prosecuted and also aims to protect the Australian community from the most serious of criminals.
- (14) There are a number of significant issues that would need to be addressed before such amendments could be considered. Even if retrospective legislation were to be introduced to the extent permitted under the International Covenant on Civil and Political Rights (ICCPR), it may not be possible under international law to legislate comprehensively to enable prosecution of all suspected war criminals. While retrospective war crimes offences can be enacted, it is generally not appropriate to punish people for conduct which was not a crime at the time it was committed. In addition, retrospective offences do not cure the practical obstacles faced during the investigation and prosecution of war crimes offences.

**Foreign Affairs and Trade: Program Funding**  
(Question Nos 2434 and 2435)

**Senator Ronaldson** asked the Minister representing the Minister for Foreign Affairs and the Minister for Trade, upon notice, on 23 November 2009:

For the 2008-09 financial year, what is the department's top 5 program: (a) overspends and their costs; and (b) underspends and their costs.

**Senator Faulkner**—The Minister for Foreign Affairs and the Minister for Trade have provided the following answer to the honourable senator's question:

The Department of Foreign Affairs and Trade has nine programs. Of these, one program met budget, four programs came in under budget and the remaining four programs' spend were above budget.

(a) Underspends

Department of Foreign Affairs and Trade	2008- 09 Budget \$ '000	2008-09 Actual Expense \$ '000	Underspend \$ '000
Departmental : Other Departmental – DFAT <sup>1</sup>	676,436	651,384	25,052
Departmental : Passport Services	190,271	185,155	5,116
Administered : Payments to International Organisations	292,600	290,130	2,470

Department of Foreign Affairs and Trade	2008- 09 Budget \$ '000	2008-09 Actual Expense \$ '000	Underspend \$ '000
Administered : Public Information Services and Public Diplomacy	73,838	66,386	7,452

<sup>1</sup> These figures include an intra-entity amount of \$100.6 million representing rent paid by DFAT to the DFAT Overseas Property Office which is eliminated upon consolidation in DFAT's financial statements.

(b) Overspends

Department of Foreign Affairs and Trade	2008- 09 Budget \$ '000	2008-09 Actual Expense \$ '000	Overspend \$ '000
Departmental : Consular Services	74,620	75,600	980
Departmental : Overseas Property	65,704 <sup>2</sup>	66,944	1,240
Administered : Other Administered <sup>3</sup>	12,689	25,205	12,516
Administered : Passport Services	500	571	71

<sup>2</sup> The 2008-09 budgeted amount for Departmental – Overseas Property represents the budgeted expenses for this program.

<sup>3</sup> The expenses recognised against the item DFAT Other Administered program include expense items such as unrealised foreign exchange losses and non-cash actuarial expense arising from revaluation of foreign pension scheme liabilities which are not included in the Budget forecasts.

**Minister for Defence and Parliamentary Secretary: Overseas Travel**

**(Question No. 2552)**

**Senator Johnston** asked the Minister for Defence, upon notice, on 11 January 2010:

For the period 1 July to 30 September 2009, did the Minister/Parliamentary Secretary travel overseas on official business; if so: (a) to what destination, (b) for what duration, and (c) for what purpose; and (d) what was the total cost of: (i) travel, (ii) accommodation, and (iii) any other expenses.

**Senator Faulkner**—The answer to the honourable senator's question is as follows:

(1) (a) to (c) Yes, the Minister for Defence, Minister for Defence Personnel, Materiel and Science, and the Parliament Secretary for Defence Support travelled overseas on official business. All travel dates provided include the date of departure from Australia and the date of return to Australia. Please refer to the attached table for more details.

(d) (i) to (iii) All costs of official overseas travel by Ministers, Parliamentary Secretaries, accompanying spouses (where relevant) and accompanying staff employed under the Members of Parliament (Staff) Act 1984 are paid for by the Department of Finance and Deregulation (Finance). Finance has provided costs for visits that have been reconciled. Dates, destinations, the purpose and costs of all official overseas travel are tabled in the Parliament every six months in a report titled Parliamentarians' Travel Paid By The Department of Finance and Deregulation. These reports are now also published to the Finance web site. Some Ministerial expenses are a direct portfolio cost to Defence and where reconciled those costs are reflected under item 1(b)(iii).

Where Ministers undertook travel via special purpose aircraft (SPA) the Schedule of Special Purpose flights for 1 July to 31 December 2009 will be scheduled in June 2010. This schedule is tabled every six months.

Minister / Parliamentary Secretary	(1) (a) (b) (c)	(d)
Minister for Defence	Solomon Islands on 16 Jul 2009 via special purpose aircraft. The Minister visited Solomon Islands to meet	(i) Nil (ii) Nil

Minister / Parliamentary Secretary	(1) (a) (b) (c)	(d)
	with Government officials, Australian troops deployed with Operation ANODE, RAMSI principals and Pacific Patrol Boat Program staff. No costs were incurred for this visit.	(iii) Nil
Minister / Parliamentary Secretary	(1) (a) (b) (c)	(d)
Minister for Defence	Singapore from 26 to 28 July 2009. The Minister attended the 6th Singapore-Australia Joint Ministerial Meeting and met with Government officials. Also in attendance were Ministers Smith and Crean.	(i) \$6085.94 (ii) Nil (hosted) (iii) \$342.07
Minister / Parliamentary Secretary	(1) (a) (b) (c)	(d)
Minister for Defence Personnel, Materiel and Science	United States from 27 September to 8 October to meet foreign government and defence industry officials, and major Australian defence procurement projects overseas.	(i) \$12087.40 (ii) \$2063.37 (iii) \$5639.23
Minister / Parliamentary Secretary	(1) (a) (b) (c)	(d)
Parliamentary Secretary for Defence Support	Vietnam from 28 to 31 August for the repatriation ceremony for Flying Officer Herbert and Pilot Officer Carver. Dr Kelly also met with the Chairman of the Veterans' Association of Vietnam in Hanoi. Travel was via special purpose aircraft.	(i) Nil (ii) \$286.00 (iii) Nil

**Minister for Defence and Parliamentary Secretary: Overseas Travel  
(Question No. 2553)**

**Senator Johnston** asked the Minister for Defence, upon notice, on 11 January 2010:

For the period 1 October to 31 December 2009:

- (1) (a) Did the Minister/Parliamentary Secretary travel overseas on official business; if so: (i) to what destination, (ii) for what duration, and (iii) for what purpose; and (b) what was the total cost of: (i) travel, (ii) accommodation, and (iii) any other expenses.
- (2) (a) Which departmental officers accompanied the Minister/Parliamentary Secretary on each trip; and (b) for these officers, what was the total cost of: (i) travel, (ii) accommodation, and (iii) any other expenses.
- (3) (a) Apart from departmental officers, who else accompanied the Minister/Parliamentary Secretary on each trip; and (b) for each of these people, what was the total cost of: (i) travel, (ii) accommodation, and (iii) any other expenses.

**Senator Faulkner**—The answer to the honourable senator's question is as follows:

- (1) (a) Yes, the Minister for Defence travelled overseas on official business. The Minister for Defence Personnel, Materiel and Science and the Parliamentary Secretary for Defence Support did not travel during this period.
- (b) (i) to (ii) All costs of official overseas travel by Ministers, Parliamentary Secretaries, accompanying spouses (where relevant) and accompanying staff employed under the Members of Parliament (Staff) Act 1984 are paid for by the Department of Finance and Deregulation (Finance). Finance has advised that expenditure for visits to Slovakia, United States and Afghanistan/India have not yet been reconciled. Dates, destinations, the purpose and costs of all official overseas travel are tabled in the Parliament every six months in a report titled Parliamentarians' Travel Paid by the Department of Finance and Deregulation. These reports are now also published to the Finance web site.
- Where Ministers undertook travel via special purpose aircraft (SPA) the Schedule of Special Purpose flights for 1 July to 31 December 2009 will be tabled in June 2010. This schedule is tabled every six months.
- (iii) Some Ministerial expenses are a direct portfolio cost to Defence and where reconciled those costs are reflected under item 1(b)(iii).
- (2) to (3) Please refer to the attached table. (i) to (iii) Costs for additional persons accompanying the Ministers & Parliamentary Secretaries are stated where known. Spouses did not accompany the Ministers & Parliamentary Secretaries on overseas travel during the period of 1 October to 31 December 2009.

Minister / Parliamentary Secretary	(1) (a) (i) (ii) (iii)	(b)(i) (ii)(iii)	2(a)	(b)	(3)(a)	(b)
Minister for Defence	East Timor from 2 to 3 October 2009. The Minister met with government officials and Australian troops, and opened Sparrow Force House. The Minister was accompanied by two ministerial advisers and six defence personnel. Travel from Darwin/East Timor/Canberra was via Special Purpose Aircraft. Defence staff travelled commercially from Canberra to meet the aircraft.	(i) Nil (ii) Nil (iii) Nil	1. Dr Ian Watt, Secretary 2. LTGEN Ken Gillespie, Chief of Army 3. LTCOL Mick Ryan, Military Adviser 4. WO Stephen Ward, Warrant Officer of the Army 5. FLTLT Patricia Bell, Aide de Camp to MINDEF 6. BRIG Andrew Nikolic, First Assistant Secretary Regional Engagement.	(i) \$3,578.19 (ii) \$399.00 (iii) \$754.17	Advisers: 1. Mr George Thompson, Deputy Chief of Staff 2. Mr Colin Campbell, Media Adviser	(i) Nil (ii) Nil (iii) \$593.00

Minister / Parliamentary Secretary	(1) (a) (i) (ii) (iii)	(b) (i)(ii)(iii)	2(a)	(b)	(3)(a)	(b)
Minister for Defence	Slovakia and Indonesia from 21 to 27 October 2009. The Minister visited Slovakia to attend the Non-NATO ISAF Countries Ministerial Meeting in Bratislava, host the Regional Command (South) Meeting and hold bilateral meetings with Ministers in attendance. The Minister was accompanied by one ministerial adviser and six defence personnel to Slovakia. The Minister visited Indonesia to meet with his Indonesian counterpart to discuss a range of bilateral issues. The Minister was accompanied by one ministerial adviser and eight defence personnel. Mr Duncan Lewis, National Security Adviser also accompanied the Minister on this visit.	(i) awaiting reconciliation by DOFD (ii) awaiting reconciliation by DOFD (iii) \$548.18	Slovakia and Indonesia: 1. Dr Ian Watt, Secretary 2. ACM Angus Houston, Chief of Defence Force. 3. FLTLT Naomi Gill, CDF Aide de Camp. 4. FLTLT Patricia Bell, Aide de Camp. 5. CPL Joshua Munro, Signaller 6. Mr Simeon Gilding, First Assistant Secretary International Policy Division. Indonesia only: 6. VADM Russ Crane, Chief of Navy 7. LEUT Bernard Dobson, Flag Lieutenant 8. BRIG Andrew Nikolic, First Assistant Secretary Regional Engagement.	(i) \$145,757.01 (ii) \$9,851.01 (iii) \$3277.14	Advisers: Slovakia and Indonesia 1. Mr George Thompson, Deputy Chief of Staff Indonesia 1. In addition to departmental staff and an adviser, the Minister was accompanied to Indonesia by Mr Duncan Lewis, National Security Adviser. Mr Lewis' costs are not known to the Dept of Defence.	(i) awaiting reconciliation by DOFD (ii) awaiting reconciliation by DOFD (iii) awaiting reconciliation by DOFD
Minister / Parliamentary Secretary	(1) (a) (i) (ii) (iii)	(b) (i)(ii)(iii)	2(a)	(b)	(3)(a)	(b)
Minister for Defence	United States from 2 to 7 November 2009. The Minister visited Washington	(i) Not reconciled by DOFD	1. Dr Ian Watt, Secretary 2. ACM Angus Houston, Chief of	(i) \$49,286.32	Advisers: 1. Dr Kate Harrison, Chief of	(i) awaiting reconciliation by DOFD

	and met with government and defence officials. The Minister was accompanied by two ministerial advisers and four defence personnel..	(ii) Not reconciled by DOFD (iii) \$7,352.32	Defence Force. 3. FLTLT Naomi Gill, CDF Aide de Camp. 4. FLTLT Patricia Bell, Aide de Camp.	(ii) \$6,741.62  (iii) \$5,822.59	Staff 2. Mr Colin Campbell, Media Adviser	(ii) awaiting reconciliation by DOFD  (iii) awaiting reconciliation by DOFD
Minister / Parliamentary Secretary	(1) (a) (i) (ii) (iii)	(b) (i)(ii)(iii)	2(a)	(b)	(3)(a)	(b)
Minister for Defence	Afghanistan and India from 10 to 12 November accompanying the Prime Minister. The Minister accompanied the Prime Minister to Afghanistan and was accompanied by one ministerial adviser and four defence personnel; and The return visit was via a short transit in Mumbai, India, where a bilateral dinner was scheduled. However, the short separate defence program could not be completed due to inclement weather in Mumbai (cyclone) and the VIP aircraft was diverted to New Delhi. The Ministerial delegation returned to Australia via commercial aircraft from New Delhi.	(i) Not reconciled by DOFD (ii) Not reconciled by DOFD (iii) Not reconciled by DOFD	1. Dr Ian Watt, Secretary 2. ACM Angus Houston, Chief of Defence Force. 3. FLTLT Naomi Gill, CDF Aide de Camp. 4. FLTLT Patricia Bell, MINDEF Aide de Camp.	(i) \$24,870.59  (ii) \$153.64  (iii) \$1,218.48	1. Dr Kate Harrison, Chief of Staff 2. The Minister accompanied the Prime Minister and party. Full delegation details and travel costings for the Prime Minister's delegation are not known to the Dept of Defence.	(i) awaiting reconciliation by DOFD  (ii) awaiting reconciliation by DOFD  (iii) awaiting reconciliation by DOFD

**Defence: Freedom of Information  
(Question No. 2554)**

**Senator Johnston** asked the Minister for Defence, upon notice, on 11 January 2010:

For the period 1 July to 30 September 2009 and for the department and each agency within the responsibility of the Minister/Parliamentary Secretary:

- (1) How many Freedom of Information (FOI) requests were received.
- (2) How many FOI requests were granted or denied.
- (3) How many conclusive certificates were issued in relation to FOI requests.

**Senator Faulkner**—The answer to the honourable senator's question is as follows:

**Defence**

- (1) 46.
- (2) 73. The following table provides a breakdown of these requests:

Granted in full	Partial disclosure	Denied <sup>1</sup>	Refused <sup>2</sup>	Withdrawn	Transferred	Total
12	29	3	8	20	1	73

- (3) None.

**Defence Housing Australia**

- (1) 1.
- (2) 1. This request was refused under section 24A of the FOI Act.
- (3) None.

<sup>1</sup> Where an exempt document is identified, access to the document can be denied, with reference to the relevant exemption provisions of the FOI Act.

<sup>2</sup> Section 24A of the FOI Act also provides for requests for access to documents to be refused if the documents cannot be found or do not exist. Access may also be refused if the work involved in processing the request would substantially and unreasonably divert resources of an agency.

**Defence: Joint Strike Fighter  
(Question No. 2556)**

**Senator Johnston** asked the Minister for Defence, upon notice, on 11 January 2010:

- (1) With reference to the acquisition of the first 14 F-35 Joint Strike Fighter (JSF): (a) what is the expected expenditure on the acquisition; (b) what is supplied as equipment, supporting systems, weapons, services or infrastructure to the Australian Defence Force (ADF); (c) when will these aircraft be delivered; (d) when will they become fully operational; and (e) what is the estimated through-life support and operating costs for these aircraft over an expected 30 year period of operation.
- (2) When will the remaining 86 F-35 JSF be purchased [Defence White Paper 2009, p. 78, paragraph 9.60, 'The Government has decided that it will acquire around 100 F-35 JSF, along with supporting systems and weapons. The first stage of this acquisition will acquire three operational squadrons comprising not fewer than 72 aircraft'].
- (3) Has the commitment of, acquiring three operational squadrons comprising not fewer than 72 F-35 JSF aircraft, given in the Defence White Paper 2009, been broken not more than 6 months later; if so, why.

- (4) With reference to the acquisition of the remaining 86 F-35 JSF: (a) what is the expected expenditure on the acquisition; (b) what will be supplied as equipment, supporting systems, weapons, services or infrastructure to the ADF; (c) when will the aircraft be delivered; (d) when will they become fully operational; and (e) what is the estimated through-life support and operating costs for the remaining 86 F-35 JSF over an expected 30 year period of operation

**Senator Faulkner**—The answer to the honourable senator's question is as follows:

- (1) (a) The first 14 JSF, with infrastructure and support required for initial training and testing, will be acquired at an estimated cost of \$3.2 billion. However, it should be noted that this figure is in 'Then Year' dollars, i.e. it takes inflation into account, is based on a conservative AUS/US exchange rate, includes a considerable amount of contingency, and the proportion of the funds for aircraft is considerably less for this phase than for the overall project because of the higher proportion of broader project support elements for this first stage of the project.
- (b) The first stage of acquisition comprises:
- 14 Conventional Take-Off and Landing aircraft, including significant provision for known and unknown cost risks;
  - auxiliary mission equipment such as weapons adaptors;
  - initial support equipment;
  - weapons for operational testing;
  - funding for initial training in the US;
  - initial contribution to global spares pool and initial deployment kit;
  - initial flight and maintainer simulator capability to support operational testing;
  - facilities and environmental planning activities;
  - information technology integration;
  - contribution to electronic warfare reprogramming facility;
  - ferry of aircraft to Australia;
  - ongoing contribution to the JSF Program shared costs;
  - operational test activities in Australia;
  - ongoing industry support initiatives;
  - ongoing Defence Science & Technology Organisation support activities; and
  - administrative costs.
- (c) On current plans:
- Australia's first two aircraft will be delivered in 2014 to commence training in the United States.
  - The next eight aircraft will also be based in the United States for a number of years.
  - The next four will be delivered in Australia in 2017 to conduct Australian operational testing.
- (d) 2017. However, Australian specific operational test and evaluation will not have been conducted at that time.
- Australian-specific operational test and evaluation - primarily to ensure effective integration with Australian ground and air systems - will take place during 2017 and 2018, leading to Initial Operational Capability in 2018 (i.e first squadron ready for deployed operations).
  - Subsequent aircraft deliveries will lead to Full Operational Capability of the first three operational squadrons being achieved by 2021.

- (e) In broad terms the operational cost of each aircraft as a component of a mature fleet of three squadrons would be in the order of \$200-250 million per aircraft (using a reasonably conservative exchange rate) over a 30 year life at the currently expected rate of effort or about \$2.8-3.5 billion for the 14 aircraft currently approved.
- (2) A decision on acquiring the next batch of aircraft and all necessary support and enabling capabilities - leading to a total of no fewer than 72 to form the first three operational squadrons and a training squadron - is planned for 2012.
- A decision on the fourth operational squadron—bringing the total number of JSF aircraft to around 100—will be taken on a later date in conjunction with a decision on the withdrawal date of the 24 Super Hornets.
- (3) No. The commitment remains the same, the decision process is now occurring in two stages.
- (4) (a) Full provisions for acquisition of the remaining approximate 86 aircraft are included in the Defence Capability Plan.
- The actual costs of the remaining aircraft and associated support and enabling systems for the first three operational squadrons and a training squadron will be finalised when Government considers this stage of acquisition in 2012.
- The actual cost of a fourth squadron will be determined later, in conjunction with a decision on the replacement of the Super Hornet fleet.
- (b) The acquisition breakdown is broadly similar to the first stage but comprises the full support capability:
- remaining (approx 86) Conventional Take-Off and Landing aircraft, including significant provision for known and unknown cost risks;
  - additional auxiliary mission equipment such as weapons adaptors;
  - additional support equipment;
  - weapons for training;
  - additional contribution to global spares pool and initial deployment kit;
  - additional flight and maintainer simulator capability to support operational testing;
  - facilities construction;
  - information technology hardware;
  - remainder of contribution to electronic warfare reprogramming facility;
  - ferry of aircraft to Australia;
  - ongoing contribution to the JSF Program shared costs;
  - ongoing operational test activities in Australia;
  - ongoing industry support initiatives;
  - ongoing Defence Science & Technology Organisation support activities; and
  - administrative costs.
- (c) The bulk of the aircraft to form the first three operational squadrons and training squadron will be delivered over the period 2018 to 2021. These aircraft are planned to be acquired as part of the JSF Program's first multi-year buy—comprising over 1000 JSF across the JSF partnership with deliveries commencing in 2017.
- (d) Please see response to part 1(d) of the question.
- Delivery of the fourth operational squadron—bringing the total number to around 100—will be dependent on the withdrawal date of the Super Hornets.

- (e) Operational costs for a total fleet of about 100 aircraft would be in the order of \$20 billion over a 30 year life based on the currently expected rate of effort and assuming the economies of scale of an eventual all JSF fleet. Proportionally the final 86 aircraft would cost in the order of \$17 billion.

### **Defence: Helicopters**

#### **(Question No. 2558)**

**Senator Johnston** asked the Minister for Defence, upon notice, on 11 January 2010:

- (1) When will the final decision be made to 'introduce 46 new MRH-90 helicopters as a pooled fleet shared between the Royal Australian Navy and the Australian Army to replace the Navy's Sea Kings and Army's general troop lift Blackhawk fleets' (Defence White Paper 2009, p. 72, paragraph 9.17).
- (2) When will the first of these helicopters be delivered and fully operational.
- (3) What type or variant of the MRH-90 has been recommended for purchase.
- (4) What will be the expected purchase price of the 46 new MRH-90 helicopters?
- (5) What will be the total cost of through-life support and operating costs of the MRH-90 over a 30 year operating life.

**Senator Faulkner**—The answer to the honourable senator's question is as follows:

- (1) On 1 September 2004, Government approved Defence Project AIR 9000 Phase 2 to acquire 12 MRH-90 helicopters to deliver the additional troop lift capability sought in the Defence White Paper 2000. On 26 April 2006, Government approved Defence Project AIR 9000 Phase 4 to acquire 28 MRH-90 helicopters to replace the Army's Black Hawk fleet and Phase 6 to acquire six MRH-90 helicopters to replace the Navy's Sea King helicopters.
- (2) The first two MRH-90 helicopters were delivered to the Commonwealth on 18 December 2007. At the end of 2009 a total of nine MRH-90 helicopters had been delivered.
- (3) The MRH-90 is the designation for the Australian variant of the NATO Helicopter Industries NH90 Tactical Transport Helicopter and is based on the German Tactical Transport Helicopter variant.
- (4) The total acquisition cost, including a number of support capabilities, facilities, logistics support and training systems, is approximately \$4 billion as at December 2009.
- (5) Approximately \$5.5 billion. The through-life support and operating costs will continue to be refined as the ADF's knowledge and experience with this capability matures.

### **Defence: Program Funding**

#### **(Question No. 2559)**

**Senator Johnston** asked the Minister for Defence, upon notice, on 11 January 2010:

- (1) With reference to the Government commissioned report, 2008 Audit of the Defence Budget which identified that 'a real growth rate of 3.5% in capital expenditure on SME [Specialised Military Equipment] [is required] just to replace today's equipment. To deliver the capabilities proposed in the recommended Force Structure Option requires a growth rate of 4.2%': How does the Government intend to fund its proposed capabilities when over the next 3 years there is negative real growth in the Defence budget of -0.43 per cent in 2010-11, -1.85 per cent in 2011-12 and -4.06 per cent in 2012-13.
- (2) With reference to the report, Cost of Defence: ASPI Defence Budget Brief 2009-10 which states, 'that over the next decade that defence spending growth has been pared back to 2.2% real per annum. On past trends, this will be insufficient to even maintain the force in a ready state – the average trend has been 2.7% annual growth since WW11': How will the Government fund its Defence

White Paper commitments when funding drops to 2.2 per cent real growth per annum, below that that needed to sustain the Australian Defence Force.

**Senator Faulkner**—The answer to the honourable senator's question is as follows:

- (1) and (2) The Government's long term funding model delivered under the 2009 White Paper provides 3 per cent average real growth to 2017-18, 2.2 per cent average real growth from 2018-19 to 2029-30, and 2.5 per cent fixed price indexation for the period 2009-10 to 2029-30 applied from 2013-14. In conjunction with Strategic Reform Program savings this model delivers sufficient funding on a year-by-year basis to deliver the capabilities outlined in Force 2030.

**Defence: Strategic Reform Program**

**(Question No. 2560)**

**Senator Johnston** asked the Minister for Defence, upon notice, on 11 January 2010:

With reference to the Strategic Reform Program and for the period 1 July to 30 September 2009:

- (1) What productivity improvement savings of the forecasted \$354 to \$615 million per year have been made.
- (2) Has the one-off saving of between \$218 to \$398 million been made; if not, what one-off saving has been made in this period.

**Senator Faulkner**—The answer to the honourable senator's question is as follows:

(1) and (2) The Defence Budget Audit proposed productivity improvements which would save between \$354m and \$615m annually and a one-off saving of between \$218m and \$398m from the military support functions. The Defence Budget Audit was a key input to the Strategic Reform Program. There are no indications that the forecast savings for the period 1 July 2009 to 30 June 2010 will not be achieved.

**Defence: Strategic Reform Program**

**(Question No. 2561)**

**Senator Johnston** asked the Minister for Defence, upon notice, on 11 January 2010:

With reference to the Strategic Reform Program and for the period 1 July to 30 September 2009:

- (a) what productivity improvement savings of the forecasted \$363 to \$406 million per year have been made; and
- (b) have any one-off savings been made.

**Senator Faulkner**—The answer to the honourable senator's question is as follows:

(a) and (b) The Defence Budget Audit proposed productivity improvements which would save between \$363m and \$406m annually from the enterprise support functions. The Defence Budget Audit was a key input to the Strategic Reform Program. There are no indications that the forecast savings for the period 1 July 2009 to 30 June 2010 will not be achieved.

**Defence: Strategic Reform Program**

**(Question No. 2562)**

**Senator Johnston** asked the Minister for Defence, upon notice, on 11 January 2010:

With reference to the Strategic Reform Program and for the period 1 July to 30 September 2009:

- (a) what productivity improvement savings of the forecasted \$215 million per year have been made; and
- (b) have any one-off savings been made.

**Senator Faulkner**—The answer to the honourable senator's question is as follows:

(a) and (b) The Defence Budget Audit proposed productivity improvements which would save an estimated \$215m annually from capturing efficiencies relating to Information and Communications Technology (ICT). The Defence Budget Audit was a key input to the Strategic Reform Program. There are no indications that the forecast savings for the period 1 July 2009 to 30 June 2010 will not be achieved.

**Defence: Strategic Reform Program  
(Question No. 2563)**

**Senator Johnston** asked the Minister for Defence, upon notice, on 11 January 2010:

With reference to the Strategic Reform Program and for the period 1 July to 30 September 2009: (a) what productivity improvement savings of the forecasted \$326 to \$518 million per year have been made; and (b) have any one-off savings been made.

**Senator Faulkner**—The answer to the honourable senator's question is as follows:

(a) and (b) The Defence Budget Audit proposed productivity improvements which would save between \$326m to \$518m annually in non-equipment expenditure. The Defence Budget Audit was a key input to the Strategic Reform Program. There are no indications that the forecast savings for the period 1 July 2009 to 30 June 2010 will not be achieved.

**Defence: Strategic Reform Program  
(Question No. 2564)**

**Senator Johnston** asked the Minister for Defence, upon notice, on 11 January 2010:

With reference to the Strategic Reform Program and for the period 1 July to 30 September 2009: (a) what easing of cost savings pressures of the forecasted \$345 to \$660 million per year have been made; and (b) have any one-off savings been made.

**Senator Faulkner**—The answer to the honourable senator's question is as follows:

(a) and (b) The Defence Budget Audit proposed productivity improvements which would ease cost pressures by between \$345m and \$660m annually through changes to major equipment procurement. The Defence Budget Audit was a key input to the Strategic Reform Program. The Strategic Reform Program did not include a specific savings line for easing of cost pressures through changes to major equipment procurement.

**Defence: Strategic Reform Program  
(Question No. 2565)**

**Senator Johnston** asked the Minister for Defence, upon notice, on 11 January 2010:

For the period 1 July to 30 September 2009: (a) what savings have been made in reducing the cost of combat capability through the use of Reserves and deployable contractors; and (b) have any one-off savings been made.

**Senator Faulkner**—The answer to the honourable senator's question is as follows:

(a) and (b) The Defence Budget Audit proposed productivity improvements which would save approximately \$50m annually from increased use of reserves and deployable contractors. The Defence Budget Audit was a key input to the Strategic Reform Program. There are no forecast savings for the period 1 July 2009 to 30 June 2010.

**Defence: Strategic Reform Program  
(Question No. 2566)**

**Senator Johnston** asked the Minister for Defence, upon notice, on 11 January 2010:

With reference to the Strategic Reform Program and for the period 1 July to 30 September 2009: (a) what total productivity improvement savings of the forecasted \$1.3 billion to \$1.8 billion per year have been made; and (b) what one-off savings have been made.

**Senator Faulkner**—The answer to the honourable senator's question is as follows:

(a) and (b) The Defence Budget Audit proposed productivity improvements which would save between \$1.3m and \$1.8m annually and a one-off saving of between \$218m and \$398m from overall productivity measures. The Defence Budget Audit was a key input to the Strategic Reform Program. There are no indications that the forecast savings for the period 1 July 2009 to 30 June 2010 will not be achieved.

**Defence: Strategic Reform Program  
(Question No. 2567)**

**Senator Johnston** asked the Minister for Defence, upon notice, on 11 January 2010:

With reference to the Strategic Reform Program and for the period 1 July to 30 September 2009: (a) what productivity improvement savings of the forecasted \$700 million to \$1.050 billion have been made; and (b) have any one-off savings been made.

**Senator Faulkner**—The answer to the honourable senator's question is as follows:

(a) and (b) The Defence Budget Audit proposed productivity improvements which would save between \$700m and \$1,050m by 2035 relating to the future of the Defence estate, including consolidating the Defence estate into a 'super base' model. The Government does not accept these recommendations. While acknowledging that any move to a 'super base' model would have strategic, economic and social impacts, the Defence Budget Audit was focussed on financial benefits and therefore did not fully take into account these broader issues.

**Defence: Program Funding  
(Question No. 2568)**

**Senator Johnston** asked the Minister for Defence, upon notice, on 11 January 2010:

- (1) Why has the Defence budget been reduced by 3.7 per cent (\$997.7 million) since the release of the 2009-10 Budget in May 2009.
- (2) What impact has this reduction had on the Government's projection of 3.5 per cent real growth.
- (3) Where will this \$997.7 million of Defence money now be spent.
- (4) Why is \$3,565.9 billion of Defence funding to be returned to the general government account over 2009-10 and the forward estimates.
- (5) What will this \$3,565.9 billion of Defence money now be spent on.
- (6) What initiatives have been undertaken to cut Australian Defence Force operating costs since the release of the 2009-10 Budget in May 2009.
- (7) What savings will be made through these 'initiatives'.

**Senator Faulkner**—The answer to the honourable senator's question is as follows:

- (1) Please refer to page 16 of the Portfolio Additional Estimates Statements 2009-10.
- (2) The overall reduction in Defence funding at the 2009-10 Additional Estimates is mainly as a result of foreign exchange movements. This in year funding hand-back will not have an appreciable impact on the Government's commitment to an average 3 per cent real growth in the Defence budget until 2017-18.
- (3) and (5) Defence has returned this funding to Government.
- (4) Under the no-win/no-loss arrangements Defence is required to return any surplus foreign exchange supplementation to Government for an appreciation of the Australian dollar relative to other currencies. Further details are also outlined on page 22 of the Portfolio Additional Estimates Statements 2009-10.

- (6) and (7) Defence has implemented the Strategic Reform Program to make the organisation more efficient and effective, and create significant savings for reinvestment. In addition to the stream savings, there is a component of savings from other categories. This includes reductions to the Australian Defence Force operating budget mainly in activities such as; revising management of some inventory lives, reducing the participation in current exercises, increasing the use of simulators and extending the life of commercial vehicle purchases for administration and transport purposes.

### **Defence: Program Funding**

#### **(Question No. 2569)**

**Senator Johnston** asked the Minister for Defence, upon notice, on 11 January 2010:

What 'First Pass' Project approvals have been made in each of the following periods: (a) 1 January to 31 March 2009; (b) 1 April to 30 June 2009; (c) 1 July to 30 September 2009; and (d) 1 October to 31 December 2009.

**Senator Faulkner**—The answer to the honourable senator's question is as follows:

- (a) JP 2048 Phase 3 (Amphibious Watercraft).
- (b) Nil.
- (c) AIR 5428 Phase 1 (Pilot Training System) and a classified project.
- (d) Nil.

### **New Directions Mothers and Babies Services**

#### **(Question No. 2571)**

**Senator Cash** asked the Minister representing the Minister for Health and Ageing, upon notice, on 11 January 2010:

With reference to the Government's New Directions Mothers and Babies Services initiative:

- (1) What is the level of funding allocated to the initiative in each of the following financial years: (a) 2008-09; and (b) 2009-10.
- (2) What criteria is used to allocate funding to a locality under this initiative.
- (3) Can a list be provided of the initial six locations funded prior to December 2008.
- (4) Can a breakdown be provided of the level of funding allocated to each of the six locations.
- (5) Was there a need to seek additional funding for any additional costs incurred in implementing the initiative in each of the six locations; if so, what was the amount of additional funding sought in each location.
- (6) (a) How many health professionals have been employed at each of the locations since the commencement of the initiative; and (b) do any locations require the employment of additional health professionals.
- (7) How many health checks have been provided to Indigenous children in each of the six locations in each of the following years: (a) 2008; and (b) 2009.
- (8) Can a breakdown be provided of the level of funding allocated to each of the additional 32 locations as outlined in the media release from the Minister on 9 December 2008.
- (9) Was there a need to seek additional funding for any additional costs incurred in implementing the initiative in each of the 32 locations; if so, what amount of additional funding was sought in each location.

**Senator Ludwig**—The Minister for Health and Ageing has provided the following answer to the honourable senator's question:

- (1) In 2008-09, funding of, \$8,959,000 was allocated to New Directions Mothers and Babies Services and in 2009-10, funding of, \$19,309,000 was allocated.
- (2) There are two selection processes: Firstly, priority regions are identified, and then organisations within these regions are invited to apply for funding. Criteria for selecting both priority regions and organisations to be funded are as follows:

(i) selection of priority regions

The Department consults with Aboriginal Health Partnership Forums to look at priority regions and considers:

- regional Indigenous population levels and demographics (including those of Indigenous children);
- regional indicators for Indigenous (child/maternal) health and wellbeing and the prevalence of factors influencing these issues;
- existing levels of Commonwealth and State and Territory investment in child and maternal health services;
- unmet needs and gaps in service provision; and
- the relative priority to be afforded to that region, including the capacity of local service providers to meet that unmet need.

Additional qualitative and quantitative local data relating to existing primary health care and other services supporting Aboriginal and Torres Strait Islander children and their mothers may also be considered.

(ii) selection of organisations to be funded

Five priority areas of activity must be met for an organisation to be successful in gaining New Directions: Mothers and Babies Services funding. Organisations must provide the following services to women pregnant with Aboriginal and/or Torres Strait Islander infants, or to their children:

- access to antenatal care;
- standard information about baby care;
- practical advice and assistance with breastfeeding, nutrition and parenting skills;
- monitoring of children's weight gain, immunisation status, infections and early developmental milestones by a dedicated primary health care service; and
- testing, early detection and timely treatment of children's hearing, sight, speech and other development issues before starting school.

- (3) and (4) A list of the initial six locations funded prior to December 2008, together with the total funding amount for the period 2007-08 to 2011-12 follows:

Aboriginal Medical Service Western Sydney Cooperative (NSW)	\$1,604,349
Yerin Aboriginal Health Service (NSW)	\$1,800,097
Danila Dilba Health Services (NT)	\$1,974,774
Darling Downs Shared Care (QLD) (trading as Carbal Medical Centre)	\$1,715,463
Apunipima Cape York Health Council Aboriginal Corporation (QLD)	\$2,399,190
Marwarnkarra Health Service Aboriginal Corporation (WA)	\$1,568,247

- (5) No.

- (6) (a) Reporting from these services has indicated that obstetricians, general practitioners, child and maternal health nurses, midwives, speech therapists, dental educators, dieticians/nutritionists, lactation consultants, psychologists, sexual health workers and Aboriginal health workers have been employed. However, the funding agreements negotiated with these services did not require formal quantitative reporting, thus data on the number of staff recruited is unavailable.
- (b) No funding requests for recruitment of additional staff have been received by the Department.
- (7) The funding agreements negotiated with these services did not require formal quantitative reporting on the number of health checks done in 2008 and 2009.
- (8) A breakdown of the level of funding allocated to each of the additional 32 locations, as outlined in the media release from the Minister for Health and Ageing on 9 December 2008, follows:

**2008****New South Wales**

Biripi Aboriginal Corporation Medical Centre	\$1,691,464
Hunter New England Area Health Service (Lake Macquarie)	\$1,469,574
Orange Aboriginal Health Service Incorporated	\$1,565,654
SE Sydney Illawarra Area Health Service – Southern Hospitals Network	\$1,380,296
Sydney South West Area Health Service	\$1,398,657
Tharwal Aboriginal Corporation	\$1,314,012

**Victoria**

Mercy Public Hospitals Inc	\$1,358,546
Bendigo and District Aboriginal Cooperative	\$1,353,581
Murray Valley Aboriginal Cooperative	\$484,377

**Queensland**

Brisbane Aboriginal and Torres Strait Islander Community Health Service	\$1,530,198
North and West Queensland Primary Health Care Assoc Inc	\$2,813,985
Mulungu Aboriginal Corporation Medical Centre	\$1,647,445
Aboriginal and Torres Strait Islander Community Health Service Mackay Ltd	\$1,784,519
Gurriny Yealamucka Health Services Aboriginal Corporation	\$1,465,271
Apunipima Cape York Health Council Aboriginal Corporation	\$1,502,930

**Western Australia**

Yura Yungi Medical Service	\$1,512,116
Western Australian Country Health Service (Midwest) - Carnarvon Hospital	\$1,012,131
Ord Valley Aboriginal Health Service	\$1,667,117
Bega Garnbirringu Health Service	\$1,187,733
Western Australian Country Health Service (Midwest) - Geraldton	\$1,012,131

**Tasmania**

Department of Health and Human Services - Huon Valley including Kingborough	\$251,906
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**South Australia**

Port Lincoln Aboriginal Health Service Inc	\$1,358,546
Country Health SA (Whyalla, Flinders, Far North)	\$1,548,546

**Northern Territory**

Miwatj Health Aboriginal Corporation – Nhulunbuy Clinic	\$1,724,149
Central Australian Aboriginal Congress	\$1,634,754
Katherine West Health Board Aboriginal Corporation	\$1,539,218
Wurli Wurlinjang Health Service	\$1,536,257

**2009****New South Wales**

Royal Hospital for Women (Randwick)	\$1,239,477
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**Queensland**

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Inala Indigenous Health Service	\$1,421,182
Mamu Health Service Ltd	\$1,432,380
Cunnamulla Aboriginal Corporation for Health	\$981,824
<b>Northern Territory</b>	
Miwatj Health Aboriginal Corporation – Ngalkanbuy Clinic	\$1,353,275

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(9) No.

### **Anglesea Barracks**

#### **(Question No. 2572)**

**Senator Abetz** asked the Minister for Defence, upon notice, on 11 January 2010:

With reference to Anglesea Barracks, Hobart, Tasmania:

- (1) Can the Minister confirm that the senior officer at Anglesea Barracks is to be removed from the Commander's Quarters where that senior officer and predecessors have been housed for approximately 150 years; if so, why has this decision been made.
- (2) Who will now occupy that space.
- (3) Why was this change made.
- (4) Was any consideration given to the potential impact on recruitment.
- (5) Will the senior officer still have a separate discreet office, or will the senior officer's first station be in a shared office situation; if not either, what are to be the arrangements.

**Senator Faulkner**—The answer to the honourable senator's question is as follows:

- (1) In June 2009, as part of Defence reform, the position of Regional Manager Defence Support was disestablished. The role is now incorporated into the Regional Director Victoria and Tasmania position which operates out of Melbourne. As a result, the Commander's office in Anglesea Barracks is no longer occupied and consequently there is no ongoing requirement for a Commander's office at Anglesea Barracks.
- Also located at Anglesea Barracks is a service residence (quarters) which has historically been occupied by the senior military officer (Commander). The Commander's residence is currently occupied by the senior Army officer of Anglesea Barracks.
- (2) The former Regional Manager's office (Commander's office) is to be used as a meeting room. The ongoing use of the room will enable it to be maintained appropriately.
  - (3) The changes flow from the structure and staffing decisions made as a result of the Defence reform process.
  - (4) No adverse impacts on recruitment or retention are anticipated.
  - (5) All single service Area Representatives and the senior military officer occupy individual discreet offices appropriate for their roles.

### **Australian Broadcasting Corporation**

#### **(Question No. 2573)**

**Senator Abetz** asked the Minister for Broadband, Communications and the Digital Economy, upon notice, on 11 January 2010:

With reference to the Australian Broadcasting Corporation's program Q&A hosted by Mr Tony Jones:

- (1) (a) How much time has been spent on Q&A discussing the Middle East; (b) can details be provided of which programs and the percentage of time taken during that program on each subject; (c) what subjects have been covered in discussions about the Middle East; and (d) can a list be provided of subjects covered and by which panelists, as well as the panelists' qualifications.

- (2) How much time has been spent discussing international humanitarian crises such as Burma, Darfur and North Korea; and (b) can details of which programs and the percentage of time taken during that program on each subject.
- (3) How does Q&A ensure that a variety of views are aired on each subject discussed.
- (4) How does Q&A ensure that Jewish representation on matters regarding the Middle East is representative of a variety of opinion.
- (5) Can a list be provided of Jewish representatives: (a) that have appeared on the Q&A program, along with their background and qualifications; and (b) who have been approached to appear on the program and have declined.

**Senator Conroy**—The answer to the honourable senator's question is as follows:

- (1) The ABC does not have the facility to isolate exactly how much time the program has spent discussing various issues the Senator has inquired about. The Corporation is able to say that out of a total of 32 programs during 2009:
  - (a) Middle East issues were discussed in four programs
  - (b) Afghanistan and Iran were discussed in six programs
  - (c) Burma, Darfur and North Korea were discussed in two programs
  - (d) See Question (3) below.
- (2) None.
- (3) Q&A panels include a wide range of guests from different backgrounds representing a diversity of views, interests and opinions. Panellists are selected for their ability to discuss and debate their views and the views of others on the widest possible range of issues.
- (4) Q&A does not invite panellists onto the show as representatives of any particular faith or group. Panellists are invited because of their ability to discuss and debate their views and the views of others on the widest possible range of issues.

The only exception to this was a special politician free program which featured Christopher Hitchens, Frank Brennan, Sally Warhaft, Anne Henderson and Waleed Aly. For that program, Q&A invited individuals from a variety of religious backgrounds expecting that faith would be central to the discussion.
- (5) As stated above, Q&A does not invite panellists onto the program on the basis of their faith. However, Q&A has recently been approached by the Executive Council of Australian Jewry who have suggested some potential Q&A panellists. We hope to include some of those panellists on Q&A in the near future.

### **Alpine Region Snow Cover**

#### **(Question No. 2574)**

**Senator Abetz** asked the Minister for Innovation, Industry, Science and Research, upon notice, on 11 January 2010:

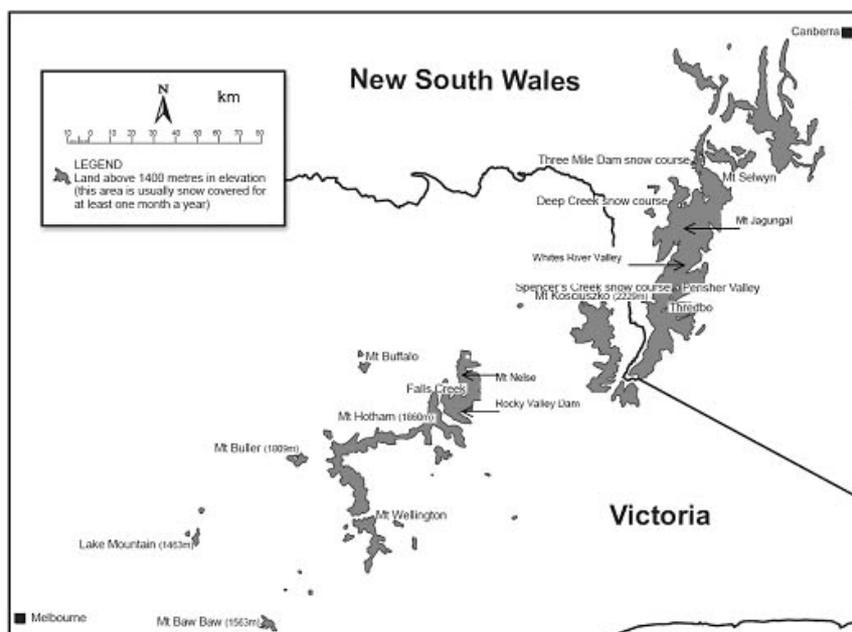
With reference to the answer to question on notice no. 2387 regarding the 2003 report by the Commonwealth Scientific and Industrial Research Organisation that Mount Hotham and Mount Buller would lose 25 per cent of their snow cover by 2020 and whether the evidence thus far is matching the prediction:

- (1) (a) What alpine regions of snow cover, that is, area covered by snow, are covered by the report; and (b) can detailed maps of those regions be provided
- (2) (a) What alpine regions of snow depth are covered by the report; and (b) can detailed maps of those regions be provided.

- (3) (a) How are these figures assessed; and (b) by what criteria.
- (4) (a) Why has no assessment of these predictions been made; (b) is this usual practice; and (c) what criteria would be required to make an assessment of these predictions.

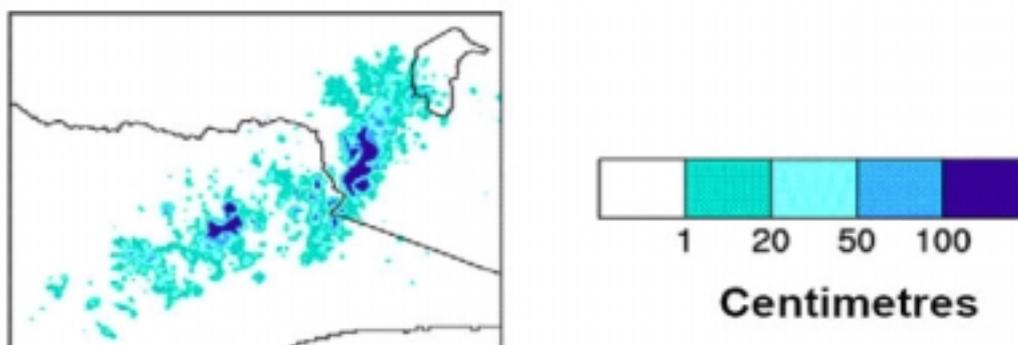
**Senator Carr**—The answer to the honourable senator’s question is as follows:

- (1) (a) Site-specific results have been calculated for the alpine resorts of Mt Baw Baw (Victoria); Lake Mountain (Victoria); Mt Buller (Victoria); Mt Buffalo (Victoria); Falls Creek (Victoria); Mt Hotham (Victoria); Mt Thredbo (New South Wales); Mt Perisher (New South Wales) and Mt Selwyn (New South Wales). To augment and broaden the datasets and to better reflect the environment of the Australian alps, five additional non-resort areas were selected to provide site specific data. These additional five sites were: Wellington high plains (Victoria); Mt Nelse (Victoria); Whites River valley (New South Wales); Mt Jagungal (New South Wales) and Mt Kosciuszko (New South Wales). (b) A map indicating the study areas is included in Figure 1 of the report, a copy of which is below:



**Figure 1: Study region and alpine sites referred to in this report. From Ruddell et al. (1990).**

- (2) (a) The Study covers areas of snow depth from 0 to 100cm maximum snow depth under current climate within the study area.
- (b) Snow depth is indicated on the map reproduced below from Figure 9 of the report.



- (3) (a) Historical trends in alpine temperature, precipitation and snow depth were analysed over regions or sites for which data were available. Simulations of future snow conditions in the Australian alpine regions were prepared for the years 2020 and 2050, based on climate change projections published by CSIRO in 2001. A new climate-driven snow model was developed and applied to this study.
- (b) Two scenarios were used in the model, both of which were equally likely, but associated with different levels of uncertainties. The low impact scenario used the lowest projected warming combined with the highest estimate of increased precipitation. The high impact scenario used the highest projected warming combined with the highest estimate of decreased precipitation. Statistically, there is very high (at least 95%) confidence that the low impact limits will be exceeded and that the high impact limits will not be exceeded.
- (4) (a) No assessment of the predictions has been made as the period between the historical data, which was based on the twenty year period centred on 1990, and the present is too short to ensure that any detected change in climate variables was statistically significant (see also answer to 4b).
- (b) Most regional climate variables have large year to year variability, and hence a poor signal to noise ratio. To dampen this noise climate scientists routinely collect data for regional projection comparisons over periods in excess of the twenty years in question here. Such long time runs ensure that trends in climate variables can be detected through the noise of the large year to year variability. Some global climate variables like global mean temperature and sea level have a good signal to noise ratio, allowing routine comparisons with projections over shorter time periods.
- (c) Comparison of regional projections of snow cover and depth between 1990 and 2020 with observations since 1990 would be dependent on access to high quality snow depth, duration and cover. The availability of such data is unclear.

#### **Treasury: Commonwealth Funding Benchmarks**

**(Question No. 2575)**

**Senator Abetz** asked the Minister representing the Treasurer, upon notice, on 11 January 2010:

- (1) Why is the report from Heads of Treasuries on the benchmarks for sectors to receive additional Commonwealth funding not publicly available?

- (2) What circumstances need to be met for the report to be released and are there any exceptions?
- (3) Who implemented the guidelines for circumstances under which the report could be released?
- (4) What are the reasons for these circumstances as implemented?
- (5) How are these circumstances met?

**Senator Sherry**—The Treasurer has provided the following answer to the honourable senator's question:

- (1) The National Partnership Agreement on the Nation Building and Jobs Plan (the Agreement), provides for the circumstances when the report can be released. These circumstances have not been met.
- (2) Under the Agreement, the Ministerial Council's assessment in respect of a particular State or Territory could be made public if the Commonwealth imposed a sanction on that State or Territory. There are no exceptions to this.
- (3) The reporting, assessment and sanctions were agreed by the Commonwealth and the States and Territories through the Agreement.
- (4) The Agreement sets out the reasons for these circumstances.
- (5) States and Territories report every three months to Heads of Treasuries on activity undertaken in the previous three months against the benchmarks, with such reports to be provided within six weeks of the end of the period to which the reports relate. The Ministerial Council makes its assessment against the benchmarks, having regard to any explanations for failure to achieve benchmarks. One of the sanctions for a State not meeting the benchmark is for the Commonwealth to make the assessment public.

#### **Commonwealth Scientific and Industrial Research Organisation**

##### **(Question No. 2587)**

**Senator Abetz** asked the Minister for Innovation, Industry, Science and Research, upon notice, on 20 January 2010:

With reference to the answer to question on notice no. 2387 which states that the 'report shows observed changes in maximum snow depth at four sites from the 1950s to the early 2000s ... A small decline is evidence at three of the four sites':

- (1) (a) Can the three sites be identified by name; and (b) what was the extent of the decline that is evident at each.
- (2) (a) Was the change to the fourth site a decline, maintenance or an increase in snow depth; and (b) if it was an increase, to what extent was the increase.

**Senator Carr**—The answer to the honourable senator's question is as follows:

- (1) (a) The sites were 3 Mile Dam, Rocky Valley Dam and Spencers Creek.  
(b) The decline in snow depth was:
  - 1.3 % per decade at 3 Mile Dam
  - 2.8 % per decade at Rocky Valley Dam
  - 2.2 % per decade at Spencers Creek
- (2) (a) There was a slight increase in maximum snow depth at Deep Creek.  
(b) This increase was +0.7% per decade

**Innovation, Industry, Science and Research**  
**(Question No. 2588)**

**Senator Abetz** asked the Minister for Innovation, Industry, Science and Research, upon notice, on 20 January 2010:

With reference to the 2009-10 supplementary Budget estimates hearings of the Economics Legislation Committee:

- (1) In regard to the answer to question no. SI-22 taken on notice: (a) is the disclaimer that is used by Mr Kevin Hennessy et al, in the stated article, the Commonwealth Scientific and Industrial Research Organisation disclaimer template for all climate change papers; and (b) does the answer suggest that the disclaimer is used for all reports and it is the standard disclaimer in relation to climate change modelling.
- (2) In regard to the answer to question no. SI-23 taken on notice: When will the results from this work be ready for publication.

**Senator Carr**—The answer to the honourable senator's question is as follows:

- (1) (a) No. (b) No
- (2) Given the preliminary and limited nature of the research, there is insufficient data to support publication of any results.