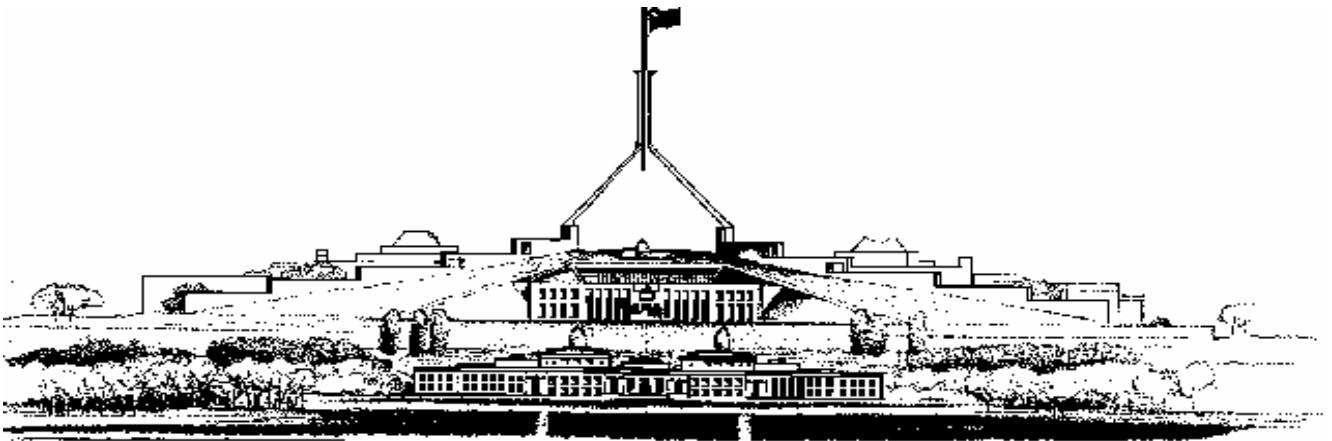




COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



Senate

Official Hansard

No. 7, 2009

Thursday, 25 June 2009

FORTY-SECOND PARLIAMENT
FIRST SESSION—FIFTH PERIOD

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SITTING DAYS—2009

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

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

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

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Thomas Mark Bishop, Carol Louise Brown, Patricia Margaret Crossin,

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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

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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 ⁽³⁾	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 ⁽²⁾	WA	30.6.2011	LP
Crossin, Patricia Margaret ⁽⁴⁾	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 ⁽¹⁾	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 ⁽⁴⁾	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 ⁽⁴⁾	ACT		ALP

Senator	State or Territory	Term expires	Party
Macdonald, Hon. Ian Douglas	QLD	30.6.2014	LP
McEwen, Anne	SA	30.6.2011	ALP
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 ⁽⁴⁾	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—H Evans

Clerk of the House of Representatives—I C Harris

Secretary, Department of Parliamentary Services—A Thompson

RUDD MINISTRY

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

[The above ministers constitute the cabinet]

RUDD MINISTRY—*continued*

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

SHADOW MINISTRY

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

[The above constitute the shadow cabinet]

SHADOW MINISTRY—*continued*

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

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Thursday, 25 June 2009

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

NOTICES

Presentation

Senator Ludwig to move on the next day of sitting:

That the Select Committee on Agricultural and Related Industries:

- (a) report on its inquiry on the incidence and severity of bushfires across Australia by 27 November 2009; and
- (b) conclude on 27 November 2009, after the presentation of reports by the committee on its inquiries into food production in Australia and on the incidence and severity of bushfires across Australia.

Senator Milne to move on the next day of sitting:

That the Energy Efficiency Opportunities Amendment Regulations 2009 (No. 1), as contained in Select Legislative Instrument 2009 No. 119 and made under the *Energy Efficiency Opportunities Act 2006*, be disallowed. [F2009L02397]

Fifteen sitting days remain, including today, to resolve the motion or the instrument will be deemed to have been disallowed. (to be resolved on 17 September 2009)

BUSINESS

Rearrangement

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

That the following government business orders of the day be considered from 12.45 pm till not later than 2 pm today:

Coordinator-General for Remote Indigenous Services Bill 2009.

No. 5 Migration Amendment (Protection of Identifying Information) Bill 2009. Private Health Insurance Legislation Amendment Bill 2009.

No. 6 Disability Discrimination and Other Human Rights Legislation Amendment Bill 2008.

Question agreed to.

NOTICES

Postponement

The following items of business were postponed:

Business of the Senate notice of motion no. 3 standing in the name of Senator Milne for today, proposing the disallowance of certain legislative instruments, postponed till 20 August 2009.

General business notice of motion no. 489 standing in the name of the Leader of the Australian Greens (Senator Bob Brown) for today, proposing an amendment to standing order 18, postponed till the next day of sitting.

BUSINESS

Withdrawal

Senator LUDWIG (Queensland—Manager of Government Business in the Senate) (9.33 am)—by leave—I move:

That government business order of the day no. 12 (Migration Amendment (Abolishing Detention Debt) Bill 2009) be discharged from the *Notice Paper*.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (9.33 am)—The Greens will not be supporting that motion. We believe that this piece of legislation should be dealt with and should be kept on the Notice Paper.

Senator LUDWIG (Queensland—Manager of Government Business in the Senate) (9.33 am)—It is coming over from the House of Representatives today, and therefore I can discharge this one. It will then come from the House of Representatives, and we will then deal with it, or at least it will then come back onto the *Notice Paper*.

Question agreed to.

BANKING AMENDMENT (KEEPING BANKS ACCOUNTABLE) BILL 2009

First Reading

Senator FIELDING (Victoria—Leader of the Family First Party) (9.34 am)—I move:

That the following bill be introduced:

A Bill for an Act to amend the Banking Act 1959 to keep banks accountable in setting mortgage interest rates, and for related purposes.

Question agreed to.

Senator FIELDING (Victoria—Leader of the Family First Party) (9.34 am)—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 FIELDING (Victoria—Leader of the Family First Party) (9.34 am)—I move:

That this bill be now read a second time.

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

Leave granted.

The speech read as follows—

Banking Amendment (Keeping Banks Accountable) Bill 2009

One of the great Australian dreams is the dream of owning your own home. Thankfully, we live in a country where for many people, dreams do come true. Over the past four decades, the rate of home ownership has remained remarkably stable, with approximately 70% of Australian households owning or in the process of purchasing their own home.

However, while home ownership levels in this country have not fallen like in many other parts of this world, housing affordability has certainly not improved. Australians are paying more for their homes, and they are going into bigger debt than ever before. In only the past ten years, the aver-

age new loan size has grown by 93%. Even more disturbing, mortgage repayments are chewing up a bigger part of family income and according to the last annual figures provided by the Real Estate Institute of Australia and Deposit Power, this now accounts for a massive 38% of the family pay-cheque compared to only 24% ten years ago.

The massive liability which loan repayments pose for families means that the standard variable home loan interest rate set by the banks is of enormous importance for most Australians. Given the huge consequences which a change in this rate can have on a family's budget, one would hope that the banks would exercise this discretion with great responsibility. One would hope that a sense of good corporate citizenship would be the overriding consideration for the banks in setting this rate. One would hope that the banks would not exploit the Australian people and fix interest rates at a level that further increases their whopping profits at the expense of ordinary household income.

However, as has been only too clearly demonstrated over the past few years, this is not the case.

When the global economic crisis struck last year, the Reserve Bank acted quickly to slash interest rates and provide some welcome relief to home owners under financial stress. Cheers from Australian home owners, however, quickly turned into dismay with the news on several occasions that some of the major banks would not be passing on the full interest rate cuts. This has become an all-too familiar pattern with the banks which are only too happy to put their hands out for help from the Government, but are quick to turn their backs on Australians in times of need.

These are the same banks that currently enjoy a Commonwealth Government Guarantee on all money deposited in their accounts. A guarantee that enables the banks to enjoy lower borrowing costs and keep their profit margins stable. A guarantee that has helped the four major banks to increase their market share in home loans from 57% to 72%, and which has led the Chairman of the ACCC, Graeme Samuel to recently concede that competition in the banking sector was not intense or vigorous enough.

It is a guarantee which is being paid for using hard-earned tax payers dollars. It is appalling that taxpayers should be asked to help prop up the banks with the government's bank

guarantee and then be slugged again with higher than necessary mortgage repayments. It is a slap in the face to every Australian family.

It is for these reasons that this Bill is necessary.

The Banking Amendment (Keeping Banks Accountable) Bill 2009 that Family First is introducing will keep the banks accountable for the movements in their standard variable home loan interest rate. Under the Bill the major banks will need to satisfy the Treasurer that their decision to withhold an interest rate cut or to put up interest rates beyond the Reserve Bank's official interest rate changes is not contrary to the public interest. If the major banks do not satisfy these criteria and they insist on moving their interest rates nonetheless, they will lose the commonwealth guarantee which they currently enjoy. Banks need to understand that government assistance comes with responsibility.

This same approach is currently employed in relation to the private health insurance companies. The Government forces these companies to seek approval for health premium increases, so it surely makes sense that we force the big banks to seek approval for interest rate changes that are not in step with the Reserve Bank.

The past actions of the major banks have demonstrated that they cannot be trusted to do the right thing by hard working Australians. They have become a law unto themselves for far too long and it is the Australian people that have paid the price through higher than necessary mortgage repayments. It was revealed recently that the banks are making \$450 a year more from each average home mortgage than they did before the global financial crisis, while at the same time, crying poor that they can't afford to pass on the full rate cuts of the Reserve Bank.

That profit represents the fear, uncertainty and toil of hard working Australians desperate to preserve the family home they have worked hard to achieve. Yet the banks have the gall to say they can't afford to help Australians at this critical time by passing on a rate cut.

Hard working Australians are sick of the big banks crying poor. In April this year the National Australia Bank posted a half yearly profit of \$2 billion, a massive profit despite the global financial crisis. The question has to be asked why these banks insist on not passing on Reserve Bank interest rate cuts, when they make massive profits on the back of a taxpayer guarantee. More and more Australians will lose their jobs putting their homes and families in jeopardy but the banks refuse to help them because they are too busy raking in their profits. It's insulting to hard working Australians trying to keep a roof over their heads.

This Bill will remedy this injustice. It will send a clear message to the major banks that they can't have their cake and eat it too. If they want the Australian people to help them, they must be willing to help the Australian people in return. Australians have had enough of the greedy profiteering while they are left struggling to pay their bills.

Family First is committed to keeping the major banks honest and accountable, and this Bill is just one step amongst a whole package of measures that must be implemented to force the banks into line.

Senator FIELDING—I seek leave to continue my remarks later.

Leave granted; debate adjourned.

INTERNATIONAL STUDENTS

Senator HANSON-YOUNG (South Australia) (9.35 am)—I seek leave to amend general business notice of motion No. 492, standing in my name and that of Senator Xenophon for today, by omitting, in paragraph (b), 'on the government' and substituting 'on governments'.

Leave granted.

Senator HANSON-YOUNG—I, and also on behalf of Senator Xenophon, move the motion as amended:

That the Senate—

- (a) condemns the recent violent attacks on Indian students in Australia; and

- (b) calls on governments to continue working with the Indian High Commission, to ensure the safety and welfare of Indian students while studying in Australia.

Question agreed to.

CLIMATE CHANGE

Senator MILNE (Tasmania) (9.36 am)—
I move:

That the Senate—

- (a) acknowledges proposals submitted by the Federated States of Micronesia and Mauritius to amend the Montreal Protocol on Substances that Deplete the Ozone Layer to regulate and phase-down hydrofluorocarbons (HFCs) with a high global warming potential, and promote the destruction of banks of ozone-depleting substances at the Montreal Protocol Open Ended Working Group meeting to be held in Geneva from 13 July to 18 July 2009;
- (b) notes that these proposals will strengthen the protocol to provide fast-action climate change mitigation several times greater than the emission reductions sought during the first commitment period of the Kyoto Protocol to the United Nations Framework Convention on Climate Change (UNFCCC);
- (c) recognises the importance of these and other fast-action mitigation strategies to reduce the threat of crossing tipping points for abrupt, irreversible and catastrophic climate changes – tipping points many leading scientists now warn may be only a few years away; and
- (d) calls on the Government to support the proposals from the Federated States of Micronesia and Mauritius, and to recognise the need to work towards an HFC phase-out coordinated between the UNFCCC and the protocol, and to seek amendments that will enable the UNFCCC and the protocol to both play important collaborative roles in the phase-out of HFCs.

Question agreed to.

Senator O'BRIEN (Tasmania) (9.37 am)—by leave—The government oppose this motion. We recognise that, with the opposition supporting the motion, the numbers will lie with Senator Milne's motion. We will not call a division but we wanted that recorded.

Senator FIELDING (Victoria—Leader of the Family First Party) (9.37 am)—by leave—Family First opposes this motion.

SENATORS' INTERESTS

Senator XENOPHON (South Australia) (9.38 am)—I move:

That—

- (1) The Senate considers that, in addition to the existing resolutions in relation to the declaration by senators of interests and gifts, an accountability regime with the following elements should govern the declaration by senators of gifts and interests in the nature of sponsored travel, accommodation and hospitality:
 - (a) that a written report of the sponsored travel undertaken by the senator be tabled within 60 days of the conclusion of the travel, detailing:
 - (i) the cost or value of the sponsored travel, and
 - (ii) the purpose of the sponsored travel and information gained;
 - (b) that the written report be published on the Senate website within 14 days of the tabling of the report; and
 - (c) that in the event of the sponsored travel not being disclosed and/or a written report not being provided within 60 days of the conclusion of the travel:
 - (i) the senator be required to refund the actual cost of the sponsored travel (or if that cannot be ascertained the reasonable equivalent value thereof) within 30 days into general revenue, and
 - (ii) that the matter be referred to the Privileges Committee to determine

whether any contempt was committed in that regard.

- (2) The following matter be referred to the Committee of Senators' Interests, for inquiry and report:

The development of resolutions to give effect to an accountability regime for the declaration by senators of gifts and interests in the nature of sponsored travel, accommodation and hospitality, as outlined in paragraph (1).

- (3) For the purposes of the matter referred in paragraph (2):
- (a) standing order 22A(2), relating to membership of the committee, be modified to provide that the committee consist of 9 senators, including 2 nominated by any minority groups or independent senators; and
- (b) Senator Xenophon be appointed a member of the committee.

Senator LUDWIG (Queensland—Manager of Government Business in the Senate) (9.38 am)—I seek leave to amend the motion.

Leave granted.

Senator LUDWIG—I wish to amend the motion in the following terms:

Omit all words after "That", substitute:

- (1) The following matter be referred to the Standing Committee of Senators' Interests for inquiry and report:

The best mechanism to give effect to an accountability regime for the declaration by senators of gifts and interests in the nature of sponsored travel, accommodation and hospitality, including the development of resolutions, if appropriate, and consideration of how breaches will be dealt with.

- (2) For the purposes of the inquiry:
- (a) standing order 22A(2) relating to membership of the committee be modified to provide that the committee have 9 senators, 3 nominated by the Leader of the Government in the Senate, 4 nominated by the Leader of the Opposition in the

Senate and 1 nominated by any minority groups or independent senators; and

- (b) Senator Xenophon be appointed to the committee.

The PRESIDENT—Is there any objection to the motion as amended?

Senator Fielding—Has the amendment to the motion been circulated?

The PRESIDENT—I am not aware of that.

Senator Fielding—Could the vote be deferred until we can actually have a look at it and consider it—just for a couple of minutes?

Senator Ludwig interjecting—

The PRESIDENT—I understand that that has been agreed to in the chamber, so we will defer the consideration of business of the Senate notice of motion No. 1 until that has been circulated.

ILLEGAL TIMBER IMPORTS

Order

Senator MILNE (Tasmania) (9.40 am)—I move:

That there be laid on the table by 4 pm on 11 August 2009:

- (a) any documents or advice prepared by or for the Department of Foreign Affairs and Trade (DFAT) or the Department of Agriculture, Fisheries and Forestry (DAFF) since the Government came to power, relating to legal and policy issues surrounding illegal timber imports and options for addressing such imports;
- (b) all material provided to the Centre for International Economics relating to the development of the Regulatory Impact Statement for illegal timber legislation options; and
- (c) any correspondence from or to DAFF or DFAT, relating to illegal timber imports since the Government came to power, including but not limited to correspondence from other departments.

Question agreed to.

Senator O'BRIEN (Tasmania) (9.40 am)—by leave—The government oppose this motion but we will not call a division as we recognise that, with the opposition and Greens voting for it, the motion has a majority.

PARKES OBSERVATORY

Senator RYAN (Victoria) (9.41 am)—I move:

That the Senate notes:

- (a) that 21 July 2009 is the 40th anniversary of the first successful moonwalk, as part of the Apollo 11 mission;
- (b) the critical role played by Australian scientists and the Parkes Observatory in supporting this mission; and
- (c) in particular, the fact that the majority of the broadcast of the first moonwalk was beamed around the globe to more than 600 million people courtesy of the pictures provided by the Parkes Observatory and its staff.

Question agreed to.

ENVIRONMENT PROTECTION AND BIODIVERSITY CONSERVATION LEGISLATION

Senator MILNE (Tasmania) (9.41 am)—I move:

That the Senate calls on the Government to implement its policy to insert a greenhouse trigger into the Environment Protection and Biodiversity Conservation Act 1999.

Senator LUDWIG (Queensland—Special Minister of State and Cabinet Secretary) (9.42 am)—by leave—This government is committed to developing a comprehensive approach to the threat posed by climate change after over a decade of irresponsible inaction by the previous government. This government is committed to considering the need for a greenhouse trigger under the EPBC Act as part of the government's overall climate change response. Any proposed

greenhouse trigger under the EPBC Act would need to be considered in the context of the government's broader climate change strategy—in particular, the CPRS—so as to ensure that Australia's climate change response is coherent as well as economically and environmentally sound.

Dr Allan Hawke, supported by an expert panel, is currently undertaking an independent review of the operation of the EPBC Act. Submissions to the review have raised issues concerning introducing a greenhouse trigger. It is expected that Dr Hawke's review will be examining this issue. In determining the way forward in this area, the government will, amongst other matters, carefully consider any recommendations from Dr Hawke in relation to this matter and, for those reasons, will not support the recommendation.

Question put:

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

The Senate divided. [9.48 am]

(The President—Senator the Hon. JJ Hogg)

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

Abetz, E.	Adams, J.
Arbib, M.V.	Back, C.J.
Bernardi, C.	Bishop, T.M.
Cash, M.C.	Colbeck, R.
Collins, J.	Cormann, M.H.P.
Farrell, D.E.	Feeney, D.
Ferguson, A.B.	Fielding, S.
Fisher, M.J.	Forshaw, M.G.
Hogg, J.J.	Humphries, G.
Hurley, A.	Hutchins, S.P.
Ludwig, J.W.	Macdonald, I.

Marshall, G.	Mason, B.J.
McLucas, J.E.	Minchin, N.H.
Moore, C.	Nash, F.
O'Brien, K.W.K.	Parry, S. *
Payne, M.A.	Pratt, L.C.
Ronaldson, M.	Ryan, S.M.
Sterle, G.	Trood, R.B.
Wong, P.	Wortley, D.

* denotes teller

Question negatived.

EMISSIONS TRADING SCHEME

Senator CORMANN (Western Australia) (9.50 am)—I move:

That the Senate:

(a) notes:

- (i) with concern, that the Government has refused, without good reason, as indicated by the Senate's resolution of 17 June 2009, to provide to the Select Committee on Fuel and Energy information essential to the proper consideration of the Carbon Pollution Reduction Scheme (CPRS) legislation, and
- (ii) that the Government has refused to provide information in response to successive orders of the Senate concerning modelling done for the Government's CPRS, without raising a valid claim of public interest immunity, thus preventing the Senate from making a properly informed judgement about the impact of the proposed CPRS on the economy, jobs and regional Australia; and

(b) concludes that the Treasurer (Mr Swan) has been contemptuous of the Senate and of proper parliamentary processes.

Question agreed to.

Senator O'BRIEN (Tasmania) (9.51 am)—by leave—The government will not be calling a division on the last motion, recognising that the opposition and the Greens voted in favour of it and that therefore have the majority.

SENATORS' INTERESTS

The PRESIDENT—Before calling anyone else I would like to go back to the motion that Senator Fielding needed to sight the amendment to. So we are on business of the Senate notices of motion No. 1. There was an amendment moved by Senator Ludwig to the motion of Senator Xenophon.

Senator FIELDING (Victoria—Leader of the Family First Party) (9.51 am)—I seek leave to move an amendment to Senator Ludwig's amendment.

Leave granted.

Senator FIELDING—I move that Senator Ludwig's amendment be amended to read as follows:

Omit all words after "That", substitute:

- (1) The following matter be referred to the Standing Committee of Senators' Interests for inquiry and report:

The best mechanism to give effect to an accountability regime for the declaration by senators of gifts and interests in the nature of sponsored travel, accommodation and hospitality, including the development of resolutions, if appropriate, and consideration of how breaches will be dealt with.

Just to make it clear to the chamber, my amendment proposes to delete item (2) of Senator Ludwig's amendment and to just keep item (1).

The PRESIDENT—The question is therefore that the amendment moved by Senator Fielding be agreed to. The question is agreed to?

Senator Xenophon—Mr President, I think the noes had it in relation to that amendment.

Senator LUDWIG (Queensland—Manager of Government Business in the Senate) (9.53 am)—by leave—Can we just defer this for a short while. It seems to me that we do need to clarify what the position

is so we can move forward in respect of this matter. That may be helpful.

The PRESIDENT—Leave is granted to defer this matter for a short while. I will therefore defer the consideration of business of the Senate notice of motion No. 1.

BUILDING THE EDUCATION REVOLUTION PROGRAM

Senator MASON (Queensland) (9.54 am)—I, and also on behalf of Senator Williams, move:

- (1) That the Senate requests the Auditor-General to undertake an urgent investigation of waste and mismanagement of the Building the Education Revolution (BER) program, with regard to:
 - (a) whether value for money is being achieved in both the program's job creation and education aspirations, particularly as demonstrated by examples of:
 - (i) schools being prevented from using local builders, in favour of government-preferred contractors who are charging significantly more for comparable projects,
 - (ii) tenderers being offered the opportunity to bid for projects outside of their local area, but prevented from bidding for projects in their local area,
 - (iii) construction costs incurred under the tender program being substantially higher than current construction industry rates,
 - (iv) significant consultancy fees being levied by project managers over and above the 1.5 per cent limit that state and territory departments may take for administration costs,
 - (v) schools receiving funds for maintenance and infrastructure in 2009 when the school will cease to exist in 2010,
 - (vi) schools being forced by state education departments to accept pre-fabricated demountable halls that do not meet the needs of the local school community, and
 - (b) whether the Commonwealth Government is exercising sufficient supervision over state and territory governments and block grant authorities in the administration and implementation of the BER in order to prevent mismanagement and minimise waste;
 - (c) whether the Commonwealth's guidelines for the program are appropriate where:
 - (i) certain categories of school (for example, distance education schools and secondary campuses of multi-campus schools) are ineligible for funding irrespective of their comparative level of need or ability to deliver projects,
 - (ii) schools wishing to spend School Pride maintenance funds on energy-efficient air-conditioning or heating are explicitly prevented from doing so, and
 - (iii) principals and governing council members feel they are prevented from raising concerns about BER projects for fear of losing funding for their school; and
 - (d) any other examples of waste and mismanagement by either Commonwealth, state or territory governments in relation to this program that the Auditor-General deems relevant.
- (2) That the Auditor-General is requested to respond in a timely manner in order for the public to be fully informed of the program in advance of further parliamentary scrutiny of the issue.

Senator LUDWIG (Queensland—Special Minister of State and Cabinet Secretary) (9.54 am)—by leave—The BER program is a massive program. It will see over 23,000 projects in around 9,500 schools. It is being

implemented under a national partnership with each state and territory government, signed by COAG in February 2009. The national partnership and the bilateral agreements with each state, territory and BGA provide comprehensive guidance for the implementation of the program. Tender arrangements are the responsibility of individual state and territory governments. States and territories and the BGA have been encouraged to provide local job opportunities, including through responses to tenders. Each state or territory or block grant has determined their own process best suited to their particular needs. Project management fees have been capped at a maximum of four per cent. However, where an arm of government is project managing the program this is to be covered within the 1.5 per cent administration funding the Commonwealth is providing. No school set to close has been provided with funding; in all cases the schools are either amalgamating with another school or relocating to a greenfield site. This is allowable under the BER guidelines. For those reasons we do not support the motion.

Question agreed to.

Senator O'BRIEN (Tasmania) (9.56 am)—by leave—I am tempted to say 'ditto'—but instead I will say that we recognise that the opposition and the Greens have supported this motion. This gives the motion a majority and we will therefore recognise that and not call a division.

SNOWY HYDRO LTD

Senator SIEWERT (Western Australia) (9.56 am)—I move:

That the Senate—

(a) notes:

- (i) that Sunday, 28 June 2009, is the 7th anniversary of the corporatisation of Snowy Hydro Limited, of which the Commonwealth, New South Wales and

Victorian governments are shareholders, and

- (ii) the recent report of the Snowy Scientific Committee which warned that critical deep pools in the upper reaches of the Snowy River are 'under threat of permanent or near permanent change';
- (b) expresses concern:
- (i) at the failure of the three governments to meet legislated targets for returning environmental flows to the Snowy River, which should have seen the return of 15 per cent annual natural flow to the river by 2009, rather than the 46.7GL or just over 4 per cent planned to be delivered in 2009-10, and
 - (ii) at the recommissioning of the Mowamba Aqueduct, diverting the waters of the Mowamba River to Lake Jindabyne, and calls for the suspension of repayment of the Mowamba Borrowings Account from the Snowy River environmental allocation and the permanent decommissioning of the aqueduct; and
- (c) calls on:
- (i) the New South Wales Government to release the long overdue draft report of the first five-year review on the Snowy Water Licence, which was due in 2007, and
 - (ii) the Commonwealth to commit additional resources for the immediate purchase of high security water entitlements to meet the commitment to return 21 per cent of annual natural flows to the Snowy River by 2012 and 28 per cent of natural flows beyond 2012.

Senator LUDWIG (Queensland—Special Minister of State and Cabinet Secretary) (9.57 am)—by leave—The Rudd government does not support this motion. The government is committed to improving the health of the Snowy River and supports the target levels of improved flows contained within the Snowy Waters Inquiry Outcomes Implementation Deed. That is why the government has committed an additional \$50

million to the Water for Rivers initiative to purchase water and to invest in water efficiency savings in order to further boost environmental flows in the Snowy River.

I am advised that the process of acquiring water entitlements for the Snowy River under the Water for Rivers joint venture has been progressing well. However, in acquiring water entitlements for the Snowy River, senators should be aware that allocations under these entitlements are dependent on rainfall and inflows to rivers and water storages. At this point in time inflows and water storage levels are at exceptionally low levels right across south-eastern Australia. The government is aware of community concerns about the recommissioning of the Mowamba aqueduct. Earlier this year the relevant minister wrote to the New South Wales government Minister for Water requesting that the draft outcomes of its review of the Snowy water licence be released as soon as possible. As such the minister is expecting that the New South Wales government will release the draft review report shortly.

Question put:

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

The Senate divided. [10.02 am]

(The President—Senator the Hon. JJ Hogg)

Ayes.....	6
Noes.....	<u>36</u>
Majority.....	<u>30</u>

AYES

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

NOES

Abetz, E.	Adams, J.
Arbib, M.V.	Back, C.J.
Bernardi, C.	Birmingham, S.
Bushby, D.C.	Cameron, D.N.

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.	Hogg, J.J.
Humphries, G.	Hurley, A.
Joyce, B.	Ludwig, J.W.
Marshall, G.	McEwen, A.
McLucas, J.E.	Minchin, N.H.
Moore, C.	Nash, F.
O'Brien, K.W.K.	Parry, S. *
Pratt, L.C.	Ronaldson, M.
Ryan, S.M.	Troeth, J.M.
Williams, J.R.	Wong, P.

* denotes teller

Question negatived.

CAPE FUR SEALS

Senator SIEWERT (Western Australia) (10.05 am)—I move:

That the Senate notes that:

- the cruel slaughter of Namibian cape fur seals is due to commence on 1 July 2009, with a quota of 91 000 seals set to be killed;
- the market for Namibian cape fur seal skins has collapsed over recent years due to lack of demand and import bans in the European Union, the United States, Mexico and South Africa because of the cruelty involved in the sealing methods; and
- the continued involvement of Australian-based fur and skins company, Hatem Yavuz, as the last remaining buyer of the skins.

Senator LUDWIG (Queensland—Special Minister of State and Cabinet Secretary) (10.05 am)—by leave—In the short time frame provided, the government have been unable to ascertain the situation as stated in this motion or to consider the policy or responsibility implications of this situation. In particular, we have been unable to take proper account of the trade implications of taking action in relation to an Australian based company operating in this field. The government did seek further time to consider

these matters, but the proposing senator, as I understand it, did not agree to that request. However, given that the motion refers to the hunt commencing on 1 July, that this is the last sitting day to consider motions during the current session and that the motion requests 'that the Senate notes' these matters, the government will not oppose the motion.

Question agreed to.

GREAT BARRIER REEF MARINE PARK ACT 1975

Senator IAN MACDONALD (Queensland) (10.06 am)—I, and also on behalf of Senator Boswell and Senator Fielding, move:

That the Senate calls on the Government to fix by Proclamation, a day, not later than 31 July 2009, on which the provisions inserted into the Great Barrier Reef Marine Park Act 1975 which treat as spent, certain convictions relating to offences against former section 38C of that Act which were passed through the Senate on 11 November 2008 and adopted unanimously by the House of Representatives on 12 November 2008, commence.

Senator LUDWIG (Queensland—Special Minister of State and Cabinet Secretary) (10.07 am)—by leave—The government does not support this motion. It was the opposition's decision to insert their amendment into a section of the act that does not commence until November 2009. This timing was clearly outlined in the explanatory memorandum that accompanied the bill at the time that it was being debated, so the opposition was aware of the likely time frame. The government is on track to complete the necessary work required to commence operation of this section of the act in November. Commencing this section of the act prior to the necessary work being completed would result in a legally ineffective environmental impact assessment, enforcement and offences regime and could create confusion and imposts for marine park users. It is not legally possible to commence the

specific amendments separately to schedules 4 and 6. For those reasons, we do not support the motion.

Senator IAN MACDONALD (Queensland) (10.08 am)—by leave—There is absolutely no legal reason why the government cannot proclaim that particular section of the act without proclaiming the other parts of the act that Senator Ludwig referred to. It was the intention of the Senate, when the motion was originally passed, that those spent conviction provisions take effect immediately. By a curiosity in the act, what Senator Ludwig says is correct, but it does not in any way stop the government from today proclaiming that particular provision and so bringing into effect the will of the Senate and the interests of those who have been wronged by this particular provision. I am not here to debate this, of course, and I cannot urge people to vote for the motion, but I simply say that the government's reason for opposing the motion is not precise.

Question agreed to.

Senator O'BRIEN (Tasmania) (10.10 am)—by leave—The government did not call a division on this matter. We recognise that, whilst the Greens would support the government, both Senator Xenophon and Senator Fielding are supporting the opposition. That would give the motion a bare majority. We recognise that and therefore did not call a division.

EMISSIONS TRADING SCHEME

Order

Senator XENOPHON (South Australia) (10.10 am)—I move:

- (1) That the Senate calls on the Government to make a reference to the Productivity Commission requiring modelling of alternative emissions trading schemes including:
 - (a) a conventional baseline-and-credit scheme;

- (b) an intensity model;
- (c) a carbon tax;
- (d) a consumption-based carbon tax; and
- (e) the McKibbin model;

with a view to determining which scheme design (including the Government's Carbon Pollution Reduction Scheme (CPRS) and schemes with higher targets) provides the best environmental and economic outcomes.

- (2) That the Productivity Commission's report on modelling under paragraph (1) be laid on the table by 6 August 2009 to inform the debate on the CPRS bills.
- (3) That there be laid on the table by 6 August 2009 all documents held by the Productivity Commission relating to the design and economic impacts of the Government's CPRS.

Senator LUDWIG (Queensland—Special Minister of State and Cabinet Secretary) (10.10 am)—by leave—The government does not support this motion, because what it represents is outsourcing to the Productivity Commission the development of a range of completely different policies. The government was elected to implement a cap-and-trade emissions trading scheme. I would note that the members of the opposition were also elected to implement a cap-and-trade emissions scheme. It has taken us over a decade of debate and analysis to get to this point. We have already done the work to know that this is the best way for Australia to tackle climate change. To do what Senator Xenophon is proposing would be to go right back to the drawing board and junk all the work that has already been done and the commitments we were elected to implement. On those bases, the government cannot support the motion.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (10.11 am)—by leave—In the interests of gaining information, we are not going to stand in the way of this motion. However, I note that, if

given effect, it would call on the government to make a reference to the Productivity Commission requiring modelling of alternative emissions on a big range of things. We do not have before us information which would indicate that the Productivity Commission can do that modelling, let alone whether it should do it. We had that reservation about the matter. It would have been helpful to have the Senate informed as to the wherewithal of the Productivity Commission (a) to do this modelling and whether it is the best place to do it and (b) whether it could do it within the time that is being allocated.

Senator O'Brien—Could we have an indication of which way senators are voting? I am reluctant to call an unnecessary division.

Senator Fielding—Family First opposes that motion, so that puts it up to the coalition as to what they want to do with it.

Question agreed to.

Senator O'BRIEN (Tasmania) (10.13 am)—by leave—The government did not call a division. We recognise that the majority is with the motion. It was clear that the opposition, the Greens and Senator Xenophon would vote for this motion and Senator Fielding and the government would vote against it. Therefore, the numbers were for the motion.

NOTICES

Withdrawal

Senator XENOPHON (South Australia) (10.14 am)—Mr President, I withdraw business of the Senate notice of motion No. 1 standing in my name in relation to senators' interests.

Senator LUDWIG (Queensland—Manager of Government Business in the Senate) (10.14 am)—by leave—This is a matter that seems to crop up now and then in relation to membership of committees. This is a matter that should be referred to the Pro-

cedures Committee so that we can deal with it in a practical way across a range of committees which are outside the legislative and reference committees. I urge all parties to do that.

Senator FERGUSON (South Australia) (10.15 am)—by leave—This morning we have seen that senators have tried to make on the run a number of decisions in relation to the composition of Senate committees. The composition of Senate committees is carefully considered; it is in the standing orders. One of the motions that was withdrawn this morning would have changed the whole nature of the balance on that committee from one where the government had a majority to one where a minor party had the controlling vote. At any stage, when there is a move to change the numbers, not the composition, of committees, it should always go to the Procedures Committee before it is brought into the chamber for discussion.

BUSINESS

Rearrangement

Senator XENOPHON (South Australia) (10.16 am)—I move:

That, on Thursday, 13 August 2009:

- (a) the hours of meeting shall be 9.30 am to 6.30 pm and 7 pm to adjournment;
- (b) the routine of business from 12.45 pm till not later than 2 pm, and from 3.45 pm shall be government business only;
- (c) consideration of general business and consideration of committee reports, government responses and Auditor-General's reports under standing order 62(1) and (2) shall not be proceeded with;
- (d) divisions may take place after 4.30 pm; and
- (e) the question for the adjournment of the Senate shall be proposed after the Senate has finally considered the Carbon Pollution Reduction Scheme Bill 2009 and related bills.

Senator LUDWIG (Queensland—Special Minister of State and Cabinet Secretary) (10.16 am)—I seek leave to amend the motion in the terms that were circulated in the chamber.

The PRESIDENT—Is leave granted?

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (10.16 am)—I seek clarification. Is there no amendment?

The PRESIDENT—There is no amendment to this. As I understand it, it is motion No. 487 on the *Notice Paper* standing in the name of Senator Xenophon.

Senator BOB BROWN—I ask for an explanation. Was the amendment withdrawn or has some other procedure prevented it from being considered?

The PRESIDENT—The amendment was not withdrawn. As I understand it, leave was not granted for the amendment to be moved.

Senator XENOPHON (South Australia) (10.17 am)—I move:

That the matter be deferred to a later time.

Question agreed to.

NATIONAL SECURITY LEGISLATION MONITOR BILL 2009

AUSTRALIAN CITIZENSHIP AMENDMENT (CITIZENSHIP TEST REVIEW AND OTHER MEASURES) BILL 2009

MIGRATION AMENDMENT (IMMIGRATION DETENTION REFORM) BILL 2009

First Reading

Senator WONG (South Australia—Minister for Climate Change and Water) (10.18 am)—At the request of Senator Faulkner and Senator Evans, I move:

That the following bills be introduced:

A Bill for an Act to provide for the appointment of a National Security Legislation Monitor, and for related purposes.

A Bill for an Act to amend the Australian Citizenship Act 2007, and for related purposes.

A Bill for an Act to amend the Migration Act 1958, and for related purposes.

Question agreed to.

Senator WONG (South Australia—Minister for Climate Change and Water) (10.19 am)—I present the bills and 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) (10.19 am)—I table the explanatory memoranda relating to the bills and 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—

National Security Legislation Monitor Bill 2009

This Bill implements the decision, announced by the Government on 23 December 2008, to establish the position of the National Security Legislation Monitor.

The National Security Legislation Monitor will review the operation, effectiveness and implications of counter-terrorism and national security legislation on an ongoing basis.

The Government's aims in establishing the National Security Legislation Monitor are firstly, to ensure that the laws which Australia has enacted or enhanced since 11 September 2001 to specifically address the threat of terrorism or security related concerns operate in an effective and accountable manner and secondly, that these laws are consistent with Australia's international obli-

gations, including our human rights obligations. We all remain hopeful that one day there will be a time when the threat of terrorism will diminish and make the need for these laws no longer necessary, and on that basis, the Monitor will also consider if our counter-terrorism and national security laws remain necessary.

This Bill puts into place a mechanism for the regular review of Australia's counter-terrorism and national security legislation which will increase and maintain public confidence in those laws. One way it does this is through the Monitor considering if the laws contain appropriate safeguards for protecting individuals' rights.

The proposals in this Bill reflect the Government's commitment to ensure that Australia has strong counter-terrorism laws that protect the security of Australians, while preserving the values and freedoms that are part of the Australian way of life.

The establishment of an independent reviewer of terrorism laws is consistent with the recommendations made by the Security Legislation Review Committee in June 2006 and the Parliamentary Joint Committee on Intelligence and Security in December 2006 and September 2007. Most recently, the inquiry by the Hon. John Clarke QC into the Case of Dr Mohamed Haneef also supported the establishment of an independent review mechanism.

The United Kingdom has an Independent Reviewer of Terrorism Laws, currently held by Lord Cathie, who conducts regular reviews into different aspects of the United Kingdom's counter-terrorism legislation including the Terrorism Act 2000 and the Prevention of Terrorism Act 2005.

Like the UK model, the role of the Monitor will be undertaken by one person who will be expected to be independent from the current administration of the counter-terrorism legislation. Although the Bill does not formally require the

Monitor to be a lawyer, the Monitor must have sufficient experience in the criminal law and be of high standing in the community. In recognition of the importance of this appointment, the Bill requires that before a recommendation on appointment is made to the Governor-General, the Prime

Minister must consult with the Leader of the Opposition.

In order to bring clarity to the Monitor's role and function, the counter-terrorism and national security legislation within the scope of the Monitor's consideration is outlined in the Bill, as recommended by the Senate Standing Committee on Legal and Constitutional Affairs' enquiry into similar legislation to establish an independent reviewer of terrorism laws.

The Bill provides the framework within which the Monitor can review the relevant legislation. The Monitor may initiate his or her own investigations, or the Prime Minister may refer a matter to the Monitor to review within a specified time-frame.

Turning to the functions of the Monitor, the Monitor will be required to review the operation, effectiveness and implications of Australia's counter-terrorism and national security legislation which primarily includes the legislation which has been specifically enacted to counter terrorism and related security threats. However, the Monitor is also given the ability to review other legislation, such as general Commonwealth criminal legislation, which is used from time to time in connection with the national security and counter-terrorism legislation. The Monitor's functions also require the Monitor to consider whether Australia's counter-terrorism and national security legislation contains appropriate safeguards for protecting the rights of individuals. The Monitor must also consider if these laws remain necessary to protect Australians from the threat of terrorism and terrorism-related activity.

When reviewing Australia's counter-terrorism legislation, the Monitor must give particular emphasis to that legislation which has been used or considered in the previous financial year to ensure that the Monitor reviews the laws when they have been used in a practical scenario.

In reviewing the legislation, the Monitor must have regard to Australia's international obligations, such as the International Convention on Civil and Political Rights and United Nations counter-terrorism instruments as well as the agreed national counter-terrorism arrangements between the Commonwealth, States and Territories.

The Monitor must report his or her comments to the Prime Minister on an annual basis. Edited as necessary on grounds of operationally sensitive, national security classified, or Cabinet information, the report will be laid before each House of Parliament and will therefore be available for parliamentary and public scrutiny.

The Government envisages that the Parliamentary Joint Committee on Intelligence and Security and other parliamentary committees will have an interest in the work of the Monitor. The Government is investigating options to ensure that the necessary mechanisms will be available for these committees to review the Monitor's reports, including an amendment to s29 of the Intelligence Services Act to include in the functions of the MIS a capacity to review the Monitor's work that relates to the remit of that Committee.

To ensure the Monitor can conduct a thorough review of the legislation, a provision has been made for the Monitor to have access to national security classified documents and operationally sensitive information if the information is required for the performance of his or her functions.

The Bill provides the Monitor with the power to compel the giving of sworn testimony. Further, the Monitor has the power to hold both public and private hearings if a person is giving evidence that discloses operationally sensitive information. In addition, the Monitor has the power to summon a person and to compel the production of documents and things. These powers are supported by criminal offences for conduct in the nature of contempt.

It is envisaged that the Monitor would also liaise with other key bodies, such as the Inspector-General of Intelligence and Security and the Commonwealth Ombudsman. The role of the Monitor will complement the role of the IGIS and other oversight bodies, but it will not duplicate their roles.

The Bill also contains a number of standard miscellaneous and administrative provisions. The Bill provides for the Monitor's terms and conditions of appointment, remuneration and allowances, leave, outside employment, disclosure of interests, resignation, termination of appointment and acting arrangements. It goes without saying that heavy emphasis is also placed on the need for the

Monitor to safeguard appropriately and maintain the operationally sensitive information or national security classified documents entrusted to him or her.

A new independent review mechanism will ensure that the laws underpinning Australia's counter-terrorism and national security regime are effective as the threat to Australia's national interests evolve. More importantly, the impartiality of the Monitor, as envisaged in this Bill, will strike a necessary balance between the need to prevent terrorist activities from threatening Australia's way of life with the need to protect our individual rights and liberties.

The debate about establishing in Australia an 'Independent Reviewer' of counter-terrorism laws is not new. This Bill represents implementation of bipartisan recommendations of the Parliamentary Joint Committee on Intelligence and Security, Mr Clarke's Inquiry into the Case of Dr Mohamed Haneef and the Sheller Committee of 2006. The calls to establish this role have now been answered and I commend this Bill to the Senate.

Australian Citizenship Amendment (Citizenship Test Review and Other Measures) Bill 2009

In April 2008 I appointed an independent committee to review the operation and effectiveness of the citizenship test.

After the first 6 months operation it was timely to assess the effectiveness of the citizenship test. There were also a number of concerns raised with me, predominantly fears that the test had created an unintended barrier to citizenship for the more vulnerable migrants in our community—refugees and humanitarian entrants.

The Citizenship Test Review Committee was commissioned to examine the operation of the citizenship test since its introduction on 1 October 2007 and identify whether there were ways to improve the administration of the test and its effectiveness as the pathway for residents to become Australian citizens. The Review committee undertook extensive community consultations before compiling their report and recommendations.

In its report, *Moving Forward ... Improving Pathways to Citizenship*, the Review Committee

made 34 recommendations to the Government. Twenty seven of those recommendations were agreed to by Government. The recommendations of the Review Committee focused on improvements to the content and administration of the test, the citizenship application process, and ensuring that vulnerable and disadvantaged people were not excluded from becoming citizens because of the test.

The Government wants a citizenship test that is part of a meaningful pathway to citizenship for all those aspiring to become Australians. It should fill our new citizens with confidence about their role in this society, and how they can contribute to making this nation vibrant and strong.

The Government reforms to the citizenship test aim to encourage prospective citizens to learn and understand the rights and responsibilities we all share as Australians.

On November 22 the Government announced its response to the Committee's Report. The Government accepted 27 of the Citizenship Test Review Committee recommendations. The Government's response and proposed amendments to the citizenship test received widespread community support.

The central finding of the review, which the Government has endorsed, is that the Pledge of Commitment should be the centrepiece of citizenship testing.

By focusing on the pledge the Government has placed democratic beliefs, responsibilities and privileges of Australian citizenship, and the requirement to uphold and obey the laws of Australia at the heart of the citizenship test.

The Committee recommended that the citizenship resources book and test question be revised to reflect the new focus on the Pledge.

The Government is currently engaging educational and civic experts to revise the resource book and test questions. The resource book will be developed in two separate sections of testable and non-testable information. The testable information will be based on Australia's democratic beliefs and values, the responsibilities and privileges of Australian citizenship and Australia's system of government—the values outlined in the Pledge. The non-testable information will contain

interesting and useful information. Learning such information should be encouraged and it is the Government's intention for such information to continue to be made available in a new resource book.

In revising the resource book the Government accepted the Committee's finding that the level of English used in the resource book was closer to 'native speaker' rather than the legislative requirement of 'basic English'. Throughout the review the Committee received a number of submissions that the level of English required to understand the Citizenship Test resource book is well above that of basic English. When the current Citizenship Test resource book was assessed by linguistic experts it was found to be complex and difficult on a range of measures of reading difficulty. The revised resource book will be completed by August 2009.

The Review Committee expressed concern that there are no effective alternative pathways to sitting a computer-based test which was in effect marginalising some people from becoming citizens.

The Government is committed to ensuring people who have a commitment to Australia, and who have a strong desire to become Australian Citizens, have the opportunity to do so. To address this issue the Government will develop a citizenship course which will provide an alternative pathway to citizenship for a small group of disadvantaged people whose literacy skills will never be sufficient to sit and pass a formal computer test even though they understand English.

The Government is committed to ensuring that new migrants have the best possible chance of understanding their responsibilities, rights and privileges as an Australian citizen. The citizenship course will be based on the material in the resource book. Participants will still be assessed on the legislative requirements of possessing an adequate knowledge of Australia and of the responsibilities and privileges of Australian citizenship as well as possessing a basic knowledge of the English language.

The citizenship course will ensure that the citizenship test caters for the needs of a broad range of people, particularly those who are disadvantaged and vulnerable.

The citizenship course is currently being developed by educational experts with the material being based on the content of the resource book.

In conjunction with these improvements, the Australian Citizenship Amendment (Citizenship Test Review and Other Measures) Bill 2009 seeks to implement the committee recommendations agreed to by the Government that require legislative change.

First, the Bill proposes to amend the Australian Citizenship Act 2007 to allow for a small group of people who have suffered torture or trauma to be eligible for citizenship without having to first sit a citizenship test. These people will not have to sit a test if, at the time they make an application, they have a physical or mental incapacity which makes them unable to understand the nature of the application; they are unable to understand or speak basic English; or they are unable to demonstrate an adequate knowledge of Australia and the responsibilities and privileges of Australian citizenship.

This proposed amendment will ensure that the most vulnerable and disadvantaged of citizenship applicants will have a legitimate pathway to citizenship. The Review Committee made particular note of refugee and humanitarian entrants who were survivors of torture and trauma who can suffer from several disorders that have a 'severe impact on their ability to retain and recall information'.

While the number affected by this amendment will be small without it the Government would be excluding a section of the Australian community from Australian Citizenship.

In the past, these clients have often failed the citizenship test multiple times but had no other means of meeting the legal requirements for conferral of citizenship. Concerns have also been expressed that some of these vulnerable people are fearful of doing the test and therefore are choosing not to become Australian citizens as a result.

Secondly, the Bill proposes to amend the Act to streamline the citizenship application process. This is in response to the Review Committee's observation that the current process of multiple steps was inefficient for clients and the Depart-

ment. The proposed changes will streamline the application and test process so that most applicants will only need to come to the Department once. This will make the process more responsive and provide more timely outcomes for clients as well as provide for better use of departmental resources.

Currently a person must sit and pass the citizenship test before making an application. As a result many clients sit the test months before they will meet the residence requirements for citizenship, which results in multiple contacts with my Department.

The proposed amendments will allow most clients to make an appointment to lodge an application and, on the same day, sit the test and have their application approved if all the legal requirements are met.

The proposed amendments will allow a time to be specified in a determination signed by the Minister within which a person may commence a test and successfully complete a test after making an application. This is to make sure that an application can be refused if a person does not successfully complete a citizenship test within a reasonable period of time.

The other proposed amendment to the Australian Citizenship Act 2007 contained in this Bill concerns applicants for citizenship by conferral who are under the age of 18. Current legislation allows any person under the age of 18 to be eligible for Australian citizenship by conferral. This is a provision that was carried over from the 1948 Citizenship Act, however, the provision is being exploited and is undermining both the citizenship and migration programs.

Proposed amendments in this Bill will require that applicants under the age of 18 must be permanent residents to be eligible for citizenship by conferral. This is consistent with current policy. This amendment will prevent children who are in Australia unlawfully, or, who along with their families, have exhausted all migration options, from applying for citizenship in an attempt to prevent their removal from Australia.

The amendments will ensure the integrity and consistency of the citizenship and migration programs.

In conclusion, these amendments bring about key changes that complement reforms to the citizenship test that are already underway. The Bill will lead to a more streamlined citizenship process and one that will deliver fair and reasonable outcomes to clients of my Department.

The Bill deserves the support of all members of this Parliament.

I commend the Bill to the chamber.

Migration Amendment (Immigration Detention Reform) Bill 2009

The Migration Amendment (Immigration Detention Reform) Bill 2009 amends the Migration Act 1958 (the 'Act') to give legislative effect to the Government's New Directions in Detention policy.

Australia under the Rudd Government has one of the toughest and most sophisticated border security regimes in the world, with a system of extensive air and sea patrols, excision, offshore processing, mandatory detention of unauthorised boat arrivals and unlawful non-citizens who pose a risk to the Australian community.

The Rudd Government has reinvigorated Australia's engagement with regional neighbours to detect and prevent the insidious trade of people smuggling and committed \$654 million to substantially increase aerial and maritime surveillance and detection operations in the region.

The reforms outlined in this Bill will complement Australia's strong border security measures to ensure we have an immigration detention system that protects the Australian community and treats people humanely.

NEW DIRECTIONS IN DETENTION: VALUES

The Rudd Labor Government was elected on a platform that included a commitment to implementing more humane detention policies. On 29 July 2008, the Government announced seven Key Immigration Detention Values to give effect to that commitment and to guide and drive new detention policy and practice into the future.

The seven detention values are:

1. Mandatory detention is an essential component of strong border control.

2. To support the integrity of Australia's immigration program, three groups will be subject to mandatory detention:

- a. all unauthorised arrivals, for management of health, identity and security risks to the community;
- b. unlawful non-citizens who present unacceptable risks to the community; and
- c. unlawful non-citizens who have repeatedly refused to comply with their visa conditions.

3. Children, including juvenile foreign fishers and, where possible, their families, will not be detained in an immigration detention centre (IDC).

4. Detention that is indefinite or otherwise arbitrary is not acceptable and the length and conditions of detention, including the appropriateness of both the accommodation and the services provided, would be subject to regular review.

5. Detention in immigration detention centres is only to be used as a last resort and for the shortest practicable time.

6. People in detention will be treated fairly and reasonably within the law.

7. Conditions of detention will ensure the inherent dignity of the human person.

The Government's Key Immigration Detention Values provide the framework for our approach to immigration detention, maintaining a commitment to effective border management while treating unlawful non-citizens compassionately.

The Government introduced these values to address serious concerns about Australia's immigration detention system.

Under the previous Government detention was the default position.

Children were locked behind barbed wire and desperate and vulnerable people who had fled war and persecution were left to languish in detention centres for years on end with no resolution in sight. Research has shown that detention, particularly long term detention, may have severe impacts on both the physical and mental health of detainees.

This Government's approach to managing the immigration population is one based on a risk

management matrix. The level of restriction on a person's liberty and the degree of monitoring relates directly to a client's assessed risk to the Australian community, including any risk of non-compliance with Australia's immigration laws.

While detention is a key component of immigration compliance, it is only one tool in a suite of management options. In this legislation, the Department of Immigration and Citizenship (the 'Department') will assess risk in managing compliance with Australia's migration system. The detention values embrace a risk-based approach to immigration detention which focuses on the prompt resolution of status, rather than on automatic, inflexible and often counter-productive detention. The Government's policy will reduce the duration of detention, with greater transparency, oversight and accountability around both the decision to detain and the decision to continue detention.

This approach seeks to flexibly manage risk and reduce the cost and impact of detention. Not just the very expensive cost to taxpayers in managing a detention program, but also its detrimental impacts: the impact on the wellbeing of individuals placed in the Department's care, most particularly in relation to their mental health, the effect on the Department and its staff and the damage done to Australia's international reputation as a result of the previous detention regime.

In many respects the new detention values, and the amendments proposed in this Bill, represent a continuation of the reforms introduced by the former Government in 2005. After years of a harsh detention regime that included the locking up of children, and in the wake of the Cornelia Rau and Vivian Alvarez Solon scandals, the former Government came to the realisation that the continuation of their existing policies was untenable.

The 2005 changes represented important steps in liberalising what had become a harsh and inefficient system of immigration detention. This legislation builds on those reforms in moving towards a modern risk management model for immigration detention.

Within this framework, detention in an immigration detention centre involves a high level of restriction and monitoring, appropriate to managing

high-risk individuals. Detention in the community under a Residence Determination, by contrast, involves management not through a restriction of liberty, but through the imposition of conditions such as requirements about where a person is to live, reporting mechanisms and a restriction on activities. Those posing low risk to the Australian community will be placed in the community. The most vulnerable of these community clients will be supported to an immigration outcome. The Australian Red Cross provides community care for these people and their health needs are supported by the International Health and Medical Service.

Within this system, clients are assessed for risk and placed appropriately within the compliance framework. Three groups will be subject to mandatory detention: first, all unauthorised arrivals will be detained for the management of health, identity and security risks to the community; secondly, unlawful non-citizens who present unacceptable risks to the community; and thirdly, unlawful non-citizens who have repeatedly refused to comply with their visa conditions.

This approach will see high-risk clients detained in secure detention facilities. Unauthorised arrivals and others assessed as posing an unacceptable risk to the community, including those who have demonstrated repeated non-compliance with immigration laws, will also be located within the detention network. This may involve placement in an immigration detention centre for those at the higher end of risk, and in lower security facilities such as immigration residential housing or immigration transit accommodation, or in community detention, for those presenting a lower level of risk.

Other clients—generally those seeking an immigration outcome after applying for a Protection visa, visa overstayers, and those who have had their visas cancelled for non-compliance of a minor nature—will generally be managed in the community.

This approach to immigration compliance mitigates the adverse impacts of detention and also places protection of the community at the forefront of our considerations. Most importantly, this risk-based approach relegates the use of detention to being one management tool in a suite of

measures available to the Department to manage compliance.

PROGRESS TO DATE

Following the announcement of the Government's New Directions in Detention policy last July the Department began implementing the reforms administratively, while developing the required legislative and regulatory changes.

Under the Rudd Government, children are not, under any circumstances, to be held in immigration detention centres.

In 2005 the former Government brought in legislative changes that embedded in the Act the principle that minors would only be detained as a measure of last resort. The Rudd Government's detention values extend on this principle, requiring that minors shall only be detained as a measure of last resort and will never be detained in an immigration detention centre.

This policy was immediately implemented administratively in July 2008 in Departmental policy and operations. While there still may be occasions when minors will be accommodated in low to medium security facilities within the immigration detention framework, such as immigration residential housing and immigration transit accommodation, the priority is that minors and, where possible, their families will be promptly accommodated in community detention while necessary checks are undertaken. This arrangement allows minors and their families to move about in the community under the care of the Commonwealth and to receive support from non-government organisations and State and Territory welfare agencies, as necessary.

The policy priority continues to be the resolution of a minor's status at the earliest possible time. The Government considers that this measured approach strikes the correct balance between operating a migration program with integrity whilst also ensuring that the welfare of children is a primary consideration.

The primary objective is resolution of status, thereby reducing the duration of detention.

Recognising the severe impacts of long-term detention, the Coalition in 2005 introduced two year Ombudsman's reviews of detention. Unfortunately, despite introducing this mechanism, the

former Government never responded seriously to the Ombudsman's recommendations. Too often, people remained in long term detention because there was no political will to resolve their difficult cases.

As the Rudd Government's detention values state, indefinite detention is not acceptable.

Under this Government the Department has taken a proactive approach to the prompt resolution of detention cases, whether that be through progressing a client on a visa pathway or—when a client has no right to remain in Australia—expeditiously removing them. There is also a greater focus on, and response to, the Commonwealth Ombudsman's two year reports and recommendations. This approach has significantly reduced the incidence of long-term detention. As at 22 June 2009 only 26 clients had been in detention for longer than two years. This is in marked contrast to the 74 clients who had been in detention for two years or more when the Rudd Government came to office.

Both the length and conditions of detention are subject to regular review.

While the Department regularly evaluates each person in detention to ensure that they are being detained in the most appropriate environment, commensurate with the risk they present, new review mechanisms announced in July 2008 have increased transparency and accountability of these processes.

The three-monthly Senior Officer reviews, undertaken by experienced Senior Executive Service Officers in the Department, will focus on the lawfulness and appropriateness of continued detention. The Senior Officer reviews consider the progress towards case resolution and, if ongoing detention is still justified, the appropriateness of placement and support arrangements within detention.

The new half-yearly Commonwealth Ombudsman review operates in addition to the existing two year review process. Amongst other things, the half-yearly reviews examine the specific issue of why the person is in detention, consider the steps being taken to resolve the person's detention and assess the suitability of the person's current detention arrangements.

These reviews provide a fresh perspective on each case, increasing the impetus for resolving any barriers to case resolution.

The presumption has shifted to a person remaining in the community while their immigration status is resolved.

Significant progress has been made to ensure that detention is used only where it is warranted. Decision-makers focus on assessing clients for an unacceptable risk to the community, including any repeated non-compliance with visa conditions. The Department has significantly reduced the use of detention by using flexibilities currently available in migration legislation, and in particular in Bridging E visa provisions.

CONTINUED HIGH COMPLIANCE WITH DEPARTURE PLANS

Since the introduction of the new detention values, it is particularly significant that these changes have not adversely affected compliance levels. The Department has been able to resolve more cases in the community without those people breaking contact with the Department and absconding.

Since July 2008, 50 per cent of unlawful non-citizens located by compliance officers or through police referral have been detained, compared to 65 per cent in the previous financial year. Those not detained have been managed in the community on a Bridging E visa. Despite more people being managed in the community, rather than held in a detention centre, the rate of compliance, including departure from Australia, has remained steady at around 90%.

There has been no increase in the number of unlawful non-citizens and the overstayer, or non-return rate, has remained steady at less than half of one percent, despite arrival numbers having increased.

ASSOCIATED REFORMS

The administrative and policy changes reflected in this legislation are supported by other Government funding and policy initiatives.

The 2009-10 Budget included important measures to support people having their immigration status resolved while in the community. Firstly, some \$77.4 million has been allocated for the imple-

mentation of integrated initiatives to actively, efficiently and effectively manage clients in the community to an immigration outcome through early intervention. These measures build on and continue the work of the successful Community Care Pilot and the Community Status Resolution Trial, both of which were introduced by the former Government, in May 2006 and July 2007 respectively. Notably, the cost of providing these services was offset through savings on existing immigration detention outlays.

The Government also announced in the 2009-10 budget \$186.3 million over five years for the extensive redevelopment of the Villawood Immigration Detention Centre, fulfilling this Government's commitment to update immigration detention accommodation.

MEASURES IN THIS BILL

Purpose of immigration detention

To further the Government's strong commitment to the active and speedy resolution of immigration status for unlawful non-citizens – including a commitment to the removal of people who have no right to remain in Australia—Item 1 of Schedule 1 to the Bill provides for a statement of principle, through the insertion of section 4AAA in Part 1 of the Act, clarifying the purpose of immigration detention. That purpose is to manage unacceptable risk to the community of a non-citizen entering or remaining in Australia, and to resolve the non-citizen's immigration status, either through the grant of a visa or their prompt removal or deportation from Australia.

Retention of mandatory detention

The Labor Party went to the last election with a commitment to maintain a system of mandatory detention and that commitment was honoured in the Government's Key Immigration Detention Values. The Government remains committed to the retention of mandatory detention as sound and responsible public policy to manage health, identity and security risks to the community.

Item 9 of Schedule 1 to the Bill will clarify those groups subject to mandatory detention requirements. These include:

a person in the migration zone (other than at an excised offshore place) who an officer knows or

reasonably suspects is an unlawful non-citizen; and either:

presents an unacceptable risk to the Australian community;

has bypassed immigration clearance;

has been refused immigration clearance;

the person's visa had been cancelled under section 109 as the person produced a document that was false or had been obtained falsely when in immigration clearance; or

the person's visa had been cancelled under section 109 as the person gave information that was false when in immigration clearance.

Item 9 of Schedule 1 to the Bill also clarifies in what circumstances a person presents an unacceptable risk to the Australian community. These include:

if the person has been refused a visa, or their visa has been cancelled, under section 501, 501A or 501B or on grounds relating to national security;

if the person held an enforcement visa and remains in Australia when the visa ceases to be in effect; or

if circumstances prescribed by the Migration Regulations 1994 apply in relation to the person.

If a person is mandatorily detained other than for presenting an unacceptable risk to the community, an officer must make reasonable efforts to:

ascertain the person's identity; and

identify whether the person is of character concern; and

ascertain the health and security risks to the Australian community of the person entering or remaining in Australia; and

resolve the person's immigration status—either through the grant of a visa or the person being removed or deported.

For any other person known or reasonably suspected of being an unlawful non-citizen, detention is discretionary.

To achieve this, subsection 189(1) in Division 7 of Part 2 of the Act will be repealed and substituted with a new subsection 189(1), together with the insertion of new subsections 189(1A), (1B) and (1C).

Existing subsections 189(2)-189(5)—including detention arrangements for offshore entry persons—remain unchanged. Unlawful non-citizens, including offshore entry persons, in excised offshore places will continue to be subject to the existing detention and visa arrangements of the excision policy. Offshore entry persons are unable to apply for any visa in Australia while they remain an unlawful non-citizen unless the Minister acts personally to allow them to make a valid visa application.

These amendments will support the first two of the Government's Key Immigration Detention Values that reiterate the essential role of mandatory detention in maintaining strong border control and the management of high risk groups.

Embedding Detention Values in the Act

This Bill contains four key measures to broaden the application of the new Immigration Detention Values under the Act.

First, in accordance with the Government's Key Immigration Detention Values, and reflecting Australia's international human rights obligations, detention that is indefinite or otherwise arbitrary is not acceptable. Item 1 of Schedule 1 to the Bill will embed this value in the Act, by introducing a statement of principle in Part 1 of the Act that, first, a non-citizen must only be detained in an immigration detention centre as a measure of last resort and secondly, that if a non-citizen is detained in an immigration detention centre, then detention will be for the shortest practicable time.

The introduction of this principle builds upon existing operational processes including the new three monthly Senior Officer reviews and new six-monthly Commonwealth Ombudsman reviews of clients in detention. Together, these measures will help to facilitate the timely resolution of a client's immigration status and ensure detention is used for the shortest practicable time.

Secondly, Item 3 of Schedule 1 to the Bill incorporates two measures relating to the management of minors in the immigration detention environment.

While the Act was amended in 2005 to affirm the principle that children should only be detained as a last resort, the principle does not limit the location and nature of any such detention. The Gov-

ernment's detention values build on the 2005 principle by explicitly banning the detention of children or those reasonably suspected of being a child in immigration detention centres.

This Bill embeds that strengthened position in the Act. Firstly, section 4AA in Part 1 of the Act is extended to provide that if a minor is to be detained as a measure of last resort, the minor must not be detained in a detention centre established under this Act.

Secondly, while prompt placement of children and, where possible, their families in community detention remains the Department's priority, there will be occasions when children will be housed in low to medium security accommodation within the immigration detention framework, such as immigration residential housing and immigration transit accommodation. This policy reflects the Government's commitment to keeping families together and is necessary as children and / or family members undergo health, identity and security checks. An explanatory note inserted in the Act will clarify that immigration transit accommodation and immigration residential housing are among places approved by the Minister as alternative places of detention, and as such, are distinct from detention centres created under the Act. Section 4AA is extended to specify that the best interests of the minor are a primary consideration in any decision of an officer about where to detain a minor under section 189 of the Act.

The Department has, over recent months, been undertaking a review of all policy and procedural matters relating to the treatment of minors as they enter, transit, and leave immigration detention. This review is to ensure that the 'best interests of the child' principle is at the forefront if a minor is taken into immigration detention. As this review progresses I intend to issue a Ministerial Direction under section 499 of the Act in respect of children in detention to guide officers as to the principles that apply if a minor is detained.

The broad objective behind the Ministerial Direction will be to ensure that if a minor is detained for a short period while their status is being resolved, their treatment, and the conditions of the detention environment, are humane and have as little adverse impact on the child as possible. The principles will be consistent with Australia's obli-

gations under the Convention on the Rights of the Child 1989.

Thirdly, this Bill introduces further reforms to increase flexibility in what constitutes 'immigration detention'. Currently, clients can leave detention facilities for excursions or to attend medical appointments only when accompanied and restrained by an officer, including a guard, or a Directed Person. This requires the detainee to be in the direct line of sight or physical presence of the relevant person.

Item 12 of Schedule 1 to the Bill introduces the new Temporary Community Access Permission (TCAP). A TCAP will maintain the legal status of immigration detention for a client while enabling the removal of the physical presence requirements in specific circumstances. The grant of a TCAP by an authorised officer will depend on a robust risk assessment taking into account the individual circumstances of the case. The TCAP will allow a person in any detention facility (but not those in Residence Determination) to move freely in the community for:

specific periods specified in the permission; and
for the purpose or purposes specified in the permission.

This Bill makes provision for suitably risk-assessed persons in immigration detention to be given some effective control and personal responsibility for their own circumstances. For example, it is envisaged that TCAPs could be utilised for persons in immigration detention to attend an educational facility to undertake a course, to visit a doctor unescorted, or attend a wedding or funeral of a close friend or relative. For many, these opportunities provide a greater personal benefit than might be immediately apparent and provide the basis on which their social and physical well-being can be maintained.

While immigration detention is administrative in nature, the TCAP concept is similar to the options already available in criminal justice systems to manage day release permissions and the like, where risk assessments are favourable.

I stress that clients will be robustly assessed for risk prior to the grant of a TCAP: new subsection 194A(2) provides that an authorised officer may only grant a TCAP if it is considered it would

involve minimal risk to the Australian community. Should a person infringe the conditions attached to their TCAP, then the permission will be subject to revocation.

The TCAP will be managed by the Department and an authorised officer will make all decisions in relation to the granting, variation or revocation of the TCAP. These arrangements will provide greater flexibility to the Department by increasing the options available to it in responding to the needs of persons in detention.

The introduction of the TCAP concept builds on the Residence Determination system introduced by the former Government. It will support this Government's Key Immigration Detention Value that 'Conditions of detention will ensure the inherent dignity of the human person'.

Finally, Items 13 and 14 of Schedule 1 to the Bill extend the Residence Determination powers available to the Minister in Division 7 of Part 2 of the Act, making those same powers available to be exercised in the public interest by a senior departmental officer delegated by the Minister.

Under the legislation introduced in 2005 the Minister has a non-compellable and non-delegable power under section 197AB (Residence Determination) to allow a person who is an unlawful non-citizen to remain in the community, if that is in the public interest. The Minister may allow individuals and/or families to reside in the community at a specified place in accordance with conditions that address their individual circumstances.

The power delegated to the departmental officer will be non-compellable in the same way as the Minister's powers are non-compellable. It is expected that the amendments extending these provisions will greatly reduce the number of Residence Determinations referred to the Minister and provide the Department with greater flexibility to manage clients in detention. The conditions that will attach to the determinations will remain unchanged, such as to require the person to be present at a specified residence during specified hours, and to report to immigration officials at specified times.

The current requirement to table a statement in Parliament when the Residence Determination

power is used will apply also to Residence Determinations made by departmental officers.

Regulatory Reforms To Come

In addition to the legislative amendments, the Department is currently developing significant accompanying regulatory reform to give effect to the New Directions in Detention policy. It is planned that the changes to the Act and the Migration Regulations 1994 will commence on the same day.

Concluding comments

The Rudd Government is committed to establishing a fairer, more humane and effective system of immigration detention, which restores dignity and fairness to clients and rebuilds integrity and public confidence in Australia's immigration system.

Like the 2005 reforms introduced by the previous Government, these changes build additional flexibility into the options available to the Department to manage people in immigration detention.

In pursuing these amendments the Government has considered the findings and recommendations of a number of reports, as well as the views expressed by key stakeholders at a series of consultations held across Australia in late 2008.

The Joint Standing Committee on Migration report *Immigration detention in Australia: A new beginning - Criteria for release from immigration detention*, released in December 2008, has been influential in framing the Government's policy. The Committee unanimously recommended as a priority, that the Australian Government introduce amendments to the Act to enshrine in legislation the reforms to immigration detention policy, and that the Migration Regulations 1994 and guidelines be amended to reflect these reforms. This Bill is consistent with that recommendation.

The Rudd Government's approach to immigration compliance places protection of the community at the forefront of the Department's considerations and mitigates the detrimental impacts of detention. This risk-based approach recognises the use of detention as one of a number of measures available to the Department to manage compliance.

Importantly, this Bill will ensure that children are never again locked up in a detention centre. It will ensure that people are not held in detention indefinitely. It will ensure that people are treated humanely, fairly and reasonably.

The Bill will ensure that people in immigration detention are treated as human beings with the dignity they deserve. It implements a risk-based approach to detention so that people are held for the shortest practicable time with the necessary oversight and accountability around decisions to detain.

This Bill represents an important legislative step in the Government's reform of immigration detention. It deserves the support of all members of this Parliament.

I intend, after debate on the Second Reading Speech of this Bill has been adjourned, to seek leave of the Senate to move a motion that this Bill be referred to the Legal and Constitution Committee for their consideration, with a reporting date of 11 August 2009.

I commend the Bill to the chamber.

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 bills be listed on the *Notice Paper* as separate orders of the day.

TELECOMMUNICATIONS LEGISLATION AMENDMENT (NATIONAL BROADBAND NETWORK MEASURES No. 1) BILL 2009

First Reading

Senator WONG (South Australia—Minister for Climate Change and Water) (10.20 am)—I move:

That the following bill be introduced. A bill for an act to amend legislation relating to telecommunications, and for related purposes.

Question agreed to.

Senator WONG (South Australia—Minister for Climate Change and Water) (10.20 am)—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 WONG (South Australia—Minister for Climate Change and Water) (10.21 am)—I move:

That this bill be now read a second time.

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

Leave granted.

The speech read as follows—

Access to high-speed broadband services is critical to Australia's future economic prosperity and social well-being.

This is why, on 7 April 2009, the Government announced it would establish a company to invest up to \$43 billion in partnership with private investors to build a new superfast, fibre optic based National Broadband Network—the NBN.

The Government is committed to roll-out the National Broadband Network as quickly as possible, within an overall eight year timeframe, and has indicated it will consider necessary regulation to facilitate the roll-out.

The Government announced an Implementation Study will examine options for the operating arrangements, detailed network design, and ways to attract private sector investment for roll-out, reporting back to the Government in early 2010.

To support the work of the Implementation Study and then, if appropriate, the roll-out of the network by the NBN company as quickly as possible, accessing information about existing or proposed things that might be used in the network, such as ducts, pits and poles, is important.

For this reason, the Government is introducing the Telecommunications Legislation Amendment (National Broadband Network Measures No. 1) Bill 2009. The Bill will amend the existing information access regime in Part 27A of the Telecommunications Act 1997.

Part 27A of the Act currently provides for specified information to be provided by telecommuni-

cations carriers to the Commonwealth, so that this information can be disclosed to companies that made a submission in response to the request for proposal that was issued by the Commonwealth in 2008 for the creation or development of a National Broadband Network. Part 27A is currently limited in its operation. Since it was prepared for the purposes of the Government's request for proposals for the National Broadband Network, it does not require carriers to provide information to the Commonwealth after 26 May 2009. It also does not deal with the collection of information from entities that own or operate infrastructure that could be relevant to the roll-out of the National Broadband Network but that are not carriers. Furthermore, the provisions of Part 27A that permit the disclosure and use of information are currently limited to purposes associated with the National Broadband Network Request for Proposals process, which has been terminated.

As a result of the Government's new approach to the National Broadband Network, it is necessary to make changes to Part 27A to permit information that is obtained to be disclosed and used for purposes associated with the Implementation Study for the National Broadband Network. Part 27A also needs to be amended to deal with disclosure of information to, and use of information by, the NBN company and any associated companies, for purposes related to a broadband telecommunications network.

The Bill is intended to address these issues by amending Part 27A of the Act to take account of the Government's announcements with respect to the National Broadband Network, notably the creation of a National Broadband Network company, and the conduct of an Implementation Study for the National Broadband Network. The Bill:

- amends the provisions in Part 27A that impose the requirement to provide information so that the requirement may apply to utilities as well as to telecommunications carriers;
- amends the provisions of Part 27A that set out the purposes for which information is permitted to be disclosed and used, so that:
- information may be disclosed to and used by Commonwealth officials and advisers for the

purposes of the Implementation Study for the National Broadband Network, or for a purpose specified in the regulations that is related to a broadband telecommunications network; and

- information can be disclosed to and used by the NBN company and any other company that is specified by the Minister for purposes related to a broadband telecommunications network; and
- amends the sunset periods applying to certain provisions in Part 27A (as amended) so that information can be obtained, disclosed and used during the period of the roll-out of the National Broadband Network.

There are limitations on the types of information that may be specified by the Minister and that must be provided by carriers and utilities. It must be information about things that could be used for or in connection with the creation or development of a broadband telecommunications network, or the supply of carriage services over this type of network, or a matter ancillary or incidental to those topics. This requirement imposes appropriate restrictions on the type of information that carriers and utilities can be required to provide to the Commonwealth, and reflects the fact that Part 27A deals with information relating to a broadband telecommunications network.

The Bill imposes safeguards and limitations on the permitted purposes for which information may be disclosed and used. These safeguards will apply to all network information provided to the Commonwealth, whether it is provided by carriers and utilities voluntarily, or in response to an instrument made by the Minister to require the information to be provided.

Provisions in Part 27A of the Telecommunications Act permit the Minister to make rules in subordinate legislation about the storage, handling and destruction of information, which are intended to protect the confidentiality and security of network information. These arrangements will continue to apply to information that is provided under the Act as amended, both information that is provided voluntarily or under law.

The Bill will provide for the making of a draft instrument requiring the provision of information

to be circulated to relevant carriers and utilities. They will have five business days to make submissions and those submissions will be considered before the final instrument is made. Copies of instruments will be published on the Internet.

Where an instrument applies to a utility, it is intended that a copy of the instrument will be provided to the appropriate Commonwealth portfolio Minister. For example, if an instrument is made that would apply to one or more electricity suppliers, a copy of the instrument would be provided to the Minister for Resources and Energy.

The Bill also includes sunset clauses that will mean the obligation on carriers and utilities to provide information to the Government will cease 10 years following commencement of the Bill. This will ensure sufficient time is provided for the roll-out to be completed and to demonstrate to carriers and utilities there is a time limit on the likely calls for information. The Bill also inserts a time limit on the ability to disclose and use information for purposes relating to the Implementation Study. This reflects the fact that the Implementation Study is due to report early in 2010.

The Bill empowers the Minister for Broadband, Communications and the Digital Economy to impose further conditions on the access to and use of information collected through this process. Those conditions can restrict the use of the information by the NBN company, any other designated company that receives the information, and officers of the Commonwealth.

Carriers and utilities will retain ownership of information provided in accordance with the requirements of Part 27A.

The legislation retains existing penalty provisions for misuse of information. Breach of the non-disclosure prohibition by an entrusted public official remains a criminal offence under section 70 of the Crimes Act 1914 and breach of the provisions by an entrusted company official would be a contravention of a civil penalty provision.

This measure will help with the effective and rapid roll-out of the National Broadband Network for the benefit of the entire Australian community.

The Bill is an important step in the process for building the new high-speed national broadband network that is so important to Australia's future.

While the Government expects carriers and utilities will provide information on a cooperative or commercial basis, the legislation provides a useful safety-net if needed. As such, it will help ensure the roll-out of super-fast broadband to all Australians is not unnecessarily delayed.

The PRESIDENT—Pursuant to the order of the Senate of 13 May 2009, further consideration of this bill is now adjourned to the next day of sitting after the presentation of documents relating to the National Broadband Network tender process.

BUSINESS

Consideration of Legislation

Senator WONG (South Australia—Minister for Climate Change and Water) (10.22 am)—At the request of Senator Ludwig, I move:

That the provisions of paragraphs (5) to (8) of standing order 111 not apply to the following bills, allowing them to be considered during this period of sittings:

Coordinator-General for Remote Indigenous Services Bill 2009

Migration Amendment (Abolishing Detention Debt) Bill 2009

National Greenhouse and Energy Reporting Amendment Bill 2009

Private Health Insurance Legislation Amendment Bill 2009.

Question agreed to.

COMMITTEES

Privileges Committee

Reference

Senator ARBIB (New South Wales—Minister for Employment Participation and Minister Assisting the Prime Minister for Government Service Delivery) (10.22 am)—At the request of Senator Ludwig, I move:

That the following matters be referred to the Committee of Privileges:

- (a) whether any false or misleading evidence was given to the Economics Legislation

Committee at its hearing on 19 June 2009; and

- (b) whether there was any improper interference with the proceedings of the committee, or any misleading of the committee, by the use of a false document as a basis for questioning of a witness;

and whether any contempt was committed in that regard.

Senator XENOPHON (South Australia) (10.23 am)—by leave—On this motion I have concerns about subparagraph (b) given that it makes specific reference to the use of a false document as a basis for questioning a witness. Given that this matter is currently the subject of an inquiry by the Auditor-General and an investigation by the Federal Police, I have some real concerns about this particular matter being referred to the Privileges Committee at this time. I seek your guidance, Mr President, as to whether I may seek leave to move an amendment to delete subparagraph (b) of this particular motion.

Leave not granted.

Senator LUDWIG (Queensland—Manager of Government Business in the Senate) (10.24 am)—by leave—I was going to speak on the substantive motion. However, unfortunately, with chamber management the way it is this morning I missed that opportunity. If I can confine my remarks—I may seek an extension—very briefly, it is a short matter and I do not want to put a lot on record about it other than that we are seeking to refer this matter to the Privileges Committee. In answer to Senator Xenophon, we understand that this matter has already been referred by Senator Heffernan in another way to the Privileges Committee for it to be dealt with.

There is a strong precedent for this matter to normally be referred to the Privileges Committee. It is usual for that to be granted to the senator moving the matter to go to

privilege. It is a rare occurrence—in fact, I can only think of one occurrence where it has been denied—for the matter not to be referred to the Privileges Committee. The reason is that parliamentary privilege is an ancient and important protection that allows the parliament the ability to operate freely and inquire into what it must. It also exists to ensure the integrity of the parliamentary process by ensuring that parliamentarians and witnesses to parliamentary committees are free to speak and are free from concern. However, parliamentary privilege is just that. It is a privilege that allows us to do our job but it ought not be abused. The Privileges Committee of each house exist both to guard against the breach of parliamentary privilege and to protect against its abuse.

Over the past week, unfortunately, we have seen the most extraordinary series of events that go right to the heart of parliamentary privilege. We have seen allegations of a false Commonwealth document—a forgery it appears, in fact—used to dupe a Senate committee. We have seen testimony given, perhaps based on the same document, that is highly questionable. (*Time expired*)

Senator MINCHIN (South Australia—Leader of the Opposition in the Senate) (10.26 am)—by leave—There is only one thing that Senator Ludwig just said with which we agree, and that is that it is rare to deny or oppose a reference to the Senate Standing Committee of Privileges. But in this case the opposition very strongly opposes this reference. We believe the government has completely misunderstood the motivation of Senator Heffernan. I speak honestly here and I hope that we will be dealt with in good faith.

Senator Heffernan, acting as a backbench senator, was concerned about the treatment that a witness to the Economics Legislation Committee received last week after he gave

his evidence. If you read Senator Heffernan's motion it says:

Whether any adverse action was taken against Mr Godwin Grech in consequence of his evidence before the Economics Legislation Committee ...

This is not directed at government senators in any way whatsoever. Senator Heffernan, of his own volition, was concerned about the treatment of a witness after he gave his evidence. The government seems to have interpreted Senator Heffernan's motion as directed at government senators, and here we have a tit-for-tat motion designed to attack Senator Abetz because of his quite genuine and proper endeavours to establish the veracity of evidence given to that committee and information to hand.

It would be quite extraordinary for a committee of privileges to be examining the basis upon which a senator was seeking to establish the veracity of evidence before them, and the government's motion completely misunderstands and misrepresents the motivation that Senator Heffernan had in his reference, which was quite properly about the treatment of a witness after he gave his evidence. Therefore, we are very strongly opposed to this reference and we hope the Senate will join us in opposing it.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (10.28 am)—by leave—Senator Minchin is quite right that matters that go to privilege are quite extraordinary. They are not ordinary matters and that is why the Privileges Committee is there. The events of the last couple of weeks, and events unknown which led up to them, are in that category of quite extraordinary. Senator Heffernan brought in a motion to have the matter in part referred to the Privileges Committee, and the Greens supported that.

We have great faith in the Privileges Committee and its record. I have been re-

peatedly surprised by and admiring of the work of the Privileges Committee. It is a committee which time and again brings down a considered, sensible and largely unarguable finding, though we do have robust debates in here as a result of it.

This motion put forward by Senator Ludwig ought to go as it is to the Privileges Committee for consideration and there ought not be political positions taken on it. I do not think any of us should be concerned that the Privileges Committee be confined to any particular persons or exclude any particular persons, including senators. Therefore, the Privileges Committee should not be denied the opportunity to look at the matter in the terms that Senator Ludwig has put forward.

Senator WONG (South Australia—Minister for Climate Change and Water) (10.30 am)—Mr President, I seek leave to make a short statement.

Leave not granted.

Senator FIELDING (Victoria—Leader of the Family First Party) (10.31 am)—by leave—This is an important issue, but I think this chamber should be involved with policy and not playing politics. I have a feeling I smell a rat with this one. Seriously, there is politics being played.

Senator Wong—A forged document in a Senate committee and you don't think it's serious.

Senator FIELDING—No, I am sorry; I believe there is politics being played. Basically, you should not turn Senate committee hearings into forums for playing politics. I think that this motion is founded on the basis of presuming guilt before there is actually any basis for it. So I make it clear that I will not be supporting this particular reference.

Senator XENOPHON (South Australia) (10.32 am)—by leave—I thought it was quite extraordinary that Senator Wong was

not given an opportunity to speak. I take particular issue with that and I wish to register my protest.

Question put:

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

The Senate divided. [10.36 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.
Collins, J.	Conroy, S.M.
Crossin, P.M.	Farrell, D.E.
Faulkner, J.P.	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.
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.	Xenophon, N.

NOES

Adams, J.	Back, C.J.
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.	Kroger, H.
Macdonald, I.	Mason, B.J.
Minchin, N.H.	Nash, F.
Parry, S.	Payne, M.A.
Ronaldson, M.	Ryan, S.M.
Scullion, N.G.	Troeth, J.M.

Trood, R.B.

Williams, J.R.

PAIRS

Lundy, K.A.

McGauran, J.J.J.

Stephens, U.

Barnett, G.

Carr, K.J.

Brandis, G.H.

Evans, C.V.

Abetz, E.

* denotes teller

Question negatived.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (10.40 am)—by leave—I will not reflect on that vote, but I want to have it noted that I treat the matter of the exclusion of the purview of the Privileges Committee to senators—that is, to any of us, if that is what we have seen—as a very serious matter. We are not, in access to the Privileges Committee, above other citizens. We are not a law unto ourselves—

Senator Parry—Mr President, I rise on a point of order. I know Senator Brown started by saying he is not reflecting on the vote that has just been had but I ask you to really consider whether that is reflecting on the vote.

The PRESIDENT—You are in order, Senator Brown. Continue, but I advise you not to reflect on the vote.

Senator BOB BROWN—Nor would I. That is why I said at the outset that I would not. However, we must not be gagged from debating the seriousness of any ability of the Senate to protect senators from the reach of the Privileges Committee. The Privileges Committee is there to defend the Senate itself. We know that from time to time citizens complain about the behaviour or the statements of senators in here. Very often the Privileges Committee looks at that and rules in their favour without asking the senator before the Privileges Committee.

There are very serious matters being debated in the public arena at the moment. I am concerned that the Senate not be put in the position of appearing to be shepherding, de-

fending or protecting any of our number as against the rights of other citizens. I believe that it must be put on the record that senators should not use their numbers to protect themselves from a matter being referred to the Privileges Committee.

Senator XENOPHON (South Australia) (10.42 am)—by leave—I am not reflecting on the vote, but I indicate in relation to the comments I made about Senator Wong not being able to have an opportunity to speak that Senator Minchin did explain to me his understanding of how the order of business was going to be conducted; so I accept that it was not an act of capriciousness on the part of the opposition.

Senator Siewert—Oh, no.

Senator XENOPHON—No, I accept what Senator Minchin said on his word. Certainly, I did not think it was a good look for Senator Wong not to have an opportunity to make a short statement.

BUSINESS

Rearrangement

Senator LUDWIG (Queensland—Manager of Government Business in the Senate) (10.43 am)—by leave—As I understand it, where we are now is with the last remaining motions about the chamber management for the remainder of the day. The government's preference in relation to this is to continue to pursue the Carbon Pollution Reduction Scheme. We want to amend Senator Xenophon's motion to try to achieve that and we do want to press that with a division. However, having had extensive consultation around this chamber, we do understand that the numbers are, in fact, against us in relation to this matter. We do understand that we will not be able to achieve that. We do then have to consider what our next position will be in foreshadowing that next position. It is a way of at least trying to manage the remaining time that we have available. The time,

everyone rightly has pointed out, is slipping away from us.

The next position we would seek is support for a motion which would deal with the Carbon Pollution Reduction Scheme in August. That would be the sensible course of action because we want to be able to conclude the debate on the Carbon Pollution Reduction Scheme. It is a matter that the Rudd government took to the election. We do want a cap-and-trade system in place. We do want the Carbon Pollution Reduction Scheme finalised. That motion would give us the opportunity to do just that in August. It is not our best or preferred position; however, I foreshadow that that will be our course of action. The government will then seek to move a motion to deal with the hours for the remainder of the day, so that we can finalise those bills that are required to be dealt with before the winter recess. (*Time expired*)

Senator PARRY (Tasmania) (10.45 am)—I seek leave to make a short statement.

The PRESIDENT—Is leave granted?

Senator Abetz—Two minutes only!

The PRESIDENT—Leave is granted for two minutes only.

Senator PARRY—I thank my colleague for that. It has always been the coalition's position to continue the debate on the CPRS if we have considered the bills deemed urgent and requested to be dealt with as urgent by the government. We are facilitating this today. We are very happy to return to the CPRS at any stage when these bills have been finished. We have negotiated with the government, once again, to give up our general business for today to facilitate the urgent bills that the government have requested be dealt with. We believe progress was made yesterday on those bills. If there is time permitting today and if the government want to go back to the CPRS, we are comfortable

with doing that within hours that the Senate sits.

Senator FIELDING (Victoria—Leader of the Family First Party) (10.46 am)—I seek leave to make a short statement.

The PRESIDENT—Is leave granted?

Senator Parry—Two minutes only.

The PRESIDENT—Leave is granted for two minutes only.

Senator FIELDING—This is the third time we have had this debate and it is wasting time.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (10.46 am)—I seek leave to make a short statement.

The PRESIDENT—Is leave granted?

Senator Parry—Two minutes.

The PRESIDENT—Leave is granted for two minutes only.

Senator BOB BROWN—The Greens will be moving to add to the schedule of business the Migration Amendment (Abolishing Detention Debt) Bill 2009 and the Tax Laws Amendment (Political Contributions and Gifts) Bill 2008. That being said, we see the priority the government has on the climate change legislation in this chamber and it ought to be determined in the sitting. We are not in favour of the idea that there can be no limit put on that debate or no resolution gained now but that, magically, in August we can.

What is more, we can see forward to August, in some way or other, and decide there will be a guillotine in place at the end of the first week in August. Yet apparently the House cannot decide to do that this week. We will be moving to support the government—if it holds its resolve, and it appears to be crumbling—to have the climate change legislation dealt with and brought to resolution. We will not be supporting a failure to do that

now and the long-range view that that ought to be imposed in August. We will wait and see the circumstances in August. We want to see a resolution on this matter, but we are not going to commit to something in August that the other parties in this place seem not able to commit to right now.

Senator WONG (South Australia—Minister for Climate Change and Water) (10.48 am)—I seek leave to make a short statement.

The PRESIDENT—Is leave granted?

Senator Parry—Two minutes.

The PRESIDENT—Leave is granted for two minutes only.

Senator WONG—I want to make a couple of comments about Senator Parry's contribution, which was, whether intentional or otherwise, really quite inaccurate. He claimed that the opposition was happy to debate the CPRS. Anybody who has watched or was in this chamber at the beginning of the week will know that those opposite have thrown all their resources, every procedural and political game, every aspect of their strategy, at not having a vote. That is their position on climate change this week. 'We are going to fight really hard to not have a vote.' That has been their position. I want to pay some tribute to Senator Joyce because at least he was honest about this. At least he went out and said—

Opposition senators interjecting—

Senator Sterle—Show some guts.

The PRESIDENT—Order, on both sides! Senator Sterle, it is disorderly to call out across the chamber, but, also, you are not in your seat.

Senator WONG—As I was saying, I pay tribute to Senator Joyce, who at least was honest. He went out to the Australian people and said, 'We are going to filibuster and delay.' But for Senator Parry, after doing what

he has done as whip this week and what others have done—delayed this vote by every tactic and strategy they have—to come in here and say, 'Actually, it is Thursday morning we are prepared to debate it,' has to count as one of the most hypocritical contributions this chamber has seen.

I just would say this. I saw a newspaper article where Senator Bernardi was saying that the Liberal Party should stand up for its principles. Well, what are those principles? Because this week those principles have been the high and lofty principles of avoiding and ducking a vote on climate change.

Senator XENOPHON (South Australia) (10.50 am)—I move:

That, on Thursday, 13 August 2009:

- (a) the hours of meeting shall be 9.30 am to 6.30 pm and 7 pm to adjournment;
- (b) the routine of business from 12.45 pm till not later than 2 pm, and from 3.45 pm shall be government business only;
- (c) consideration of general business and consideration of committee reports, government responses and Auditor-General's reports under standing order 62(1) and (2) shall not be proceeded with;
- (d) divisions may take place after 4.30 pm; and
- (e) the question for the adjournment of the Senate shall be proposed after the Senate has finally considered the Carbon Pollution Reduction Scheme Bill 2009 and related bills.

Senator LUDWIG (Queensland—Manager of Government Business in the Senate) (10.51 am)—by leave—I move the amendment standing in my name that has been circulated in the chamber:

Omit all words after "That", substitute "on Thursday, 25 June 2009:

- (a) the hours of meeting shall be 9.30 am to adjournment;
- (b) the routine of business from 12.45 pm till not later than 2 pm, and from not later than 3.45 pm shall be government business only;

- (c) consideration of general business and consideration of committee reports, government responses and Auditor-General's reports under standing order 62(1) and (2) shall not be proceeded with;
- (d) divisions may take place after 4.30 pm; and
- (e) the question for the adjournment of the Senate shall be proposed after the consideration of the following government business orders:
 Carbon Pollution Reduction Scheme Bill 2009 and related bills Car Dealership Financing Guarantee Appropriation Bill 2009 National Greenhouse and Energy Reporting Amendment Bill 2009
 Social Security and Other Legislation Amendment (Pension Reform and Other 2009 Budget Measures) Bill 2009
 Coordinator-General for Remote Indigenous Services Bill 2009 Migration Amendment (Protection of Identifying Information) Bill 2009
 Private Health Insurance Legislation Amendment Bill 2009 Disability Discrimination and Other Human Rights Legislation Amendment Bill 2008
 Appropriation (Parliamentary Departments) Bill (No. 1) 2009-2010 and two related bills
 Excise Tariff Amendment (2009 Measures No. 1) Bill 2009 [No. 2] and a related bill.
- Senator BOB BROWN** (Tasmania—Leader of the Australian Greens) (10.51 am)—I move the amendment to that amendment, as circulated in the chamber:
 Omit all words after "That", substitute "on Thursday, 25 June 2009:
- (a) the hours of meeting shall be 9.30 am to 7.40 pm;
- (b) the routine of business from 12.45 pm till not later than 2 pm, and from not later than 3.45 pm shall be government business only;
- (c) consideration of general business and consideration of committee reports, government responses and Auditor-General's reports under standing order 62(1) and (2) shall not be proceeded with;
- (d) divisions may take place after 4.30 pm;
- (e) the question for the adjournment of the Senate shall be proposed at 7 pm; and
- (f) the following government business orders of the day shall be considered:
 Car Dealership Financing Guarantee Appropriation Bill 2009 National Greenhouse and Energy Reporting Amendment Bill 2009 Social Security and Other Legislation Amendment (Pension Reform and Other 2009 Budget Measures) Bill 2009
 Migration Amendment (Abolishing Detention Debt) Bill 2009 Tax Laws Amendment (Political Contributions and Gifts) Bill 2008 – Consideration in committee of the whole of message No.361 from the House of Representatives
 Coordinator-General for Remote Indigenous Services Bill 2009 Migration Amendment (Protection of Identifying Information) Bill 2009
 Private Health Insurance Legislation Amendment Bill 2009 Disability Discrimination and Other Human Rights Legislation Amendment Bill 2008
 Appropriation (Parliamentary Departments) Bill (No. 1) 2009-2010 and two related bills
 Excise Tariff Amendment (2009 Measures No. 1) Bill 2009 [No. 2] and a related bill.

Senator LUDWIG (Queensland—Manager of Government Business in the Senate) (10.54 am)—I seek leave to make a short statement.

The PRESIDENT—Leave is granted for two minutes.

Senator LUDWIG—As I understand it, Senator Brown's amendment includes Migration Amendment (Abolishing Detention Debt) Bill 2009, which I withdrew earlier. In addition, the part in the centre would be what I foreshadowed we may be left with. If Senator Brown were amenable to removing the paragraph beginning with 'Migration Amendment' and ending with 'Representatives' then we would have an amendment that would reflect what we can continue on

to do. If not, the government would oppose that on the basis that we have not had a discussion about this particular matter.

Senator Bob Brown—I should also point out to the chamber section (e) in my amendment, which says:

(e) the question for the adjournment of the Senate shall be proposed at 7pm ...

The PRESIDENT—Currently I have an amendment put by Senator Bob Brown, an amendment put by Senator Ludwig and the substantive motion of Senator Xenophon. The question is that the amendment moved by Senator Bob Brown to the amendment moved by Senator Ludwig be agreed to.

Question negatived.

The PRESIDENT—The question now is that the amendment moved by Senator Ludwig be agreed to.

The Senate divided. [10.59 am]

(The President—Senator the Hon. JJ Hogg)

Ayes.....	33
Noes.....	<u>35</u>
Majority.....	<u>2</u>

AYES

Arbib, M.V.	Bilyk, C.L.
Bishop, T.M.	Brown, B.J.
Brown, C.L.	Cameron, D.N.
Collins, J.	Conroy, S.M.
Crossin, P.M.	Evans, C.V.
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.
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.	

NOES

Abetz, E.	Adams, J.
Back, C.J.	Bernardi, C.
Birmingham, S.	Boswell, R.L.D.
Boyce, S.	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.	Kroger, H.
Macdonald, I.	Mason, B.J.
Minchin, N.H.	Nash, F.
Parry, S. *	Payne, M.A.
Ronaldson, M.	Ryan, S.M.
Scullion, N.G.	Troeth, J.M.
Trood, R.B.	Williams, J.R.
Xenophon, N.	

PAIRS

Lundy, K.A.	McGauran, J.J.J.
Stephens, U.	Barnett, G.
Carr, K.J.	Brandis, G.H.
Evans, C.V.	Abetz, E.

* denotes teller

Question negatived.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (11.02 am)—by leave—I thank the Senate. I do not want to go through the content of my previous statement again, except to say that the Greens will not be supporting this motion because we believe we should not be setting the sitting agenda schedule and outcomes for the first week of the sitting after the winter break. We should be dealing with these matters now. If we have to have further inquiries into the climate change legislation, who knows how many more will be required when we come back after August? We think this is bad process. What is effectively happening here is that the opposition is getting some control of the scheduling in the Senate, and it is the wrong direction to go in.

Senator WONG (South Australia—Minister for Climate Change and Water) (11.03 am)—by leave—I just wanted to

place on record again that it has been the government's wish to deal with the CPRS this week. We have been unable to have this bill debated because of the tactics of the opposition and because of the majority they gained on procedural—

Opposition senators interjecting—

The PRESIDENT—Order! If those on my left want to seek the call, they are entitled to. Leave has been given by the chamber on a number of occasions this morning for people to make statements for two minutes.

Senator WONG—I thank the Senate. As I was saying, the government has been consistent in its determination to have this bill discussed and debated this week. We have been frustrated at every opportunity by the procedural tactics, delaying tactics and irresponsibility of the opposition. The benefit in this promotion from Senator Xenophon is that it brings down the bar on your filibustering and your delay because what it makes clear—

Senator Ian Macdonald—Mr President, I raise a point of order. Leave was given to make a statement, which usually means an explanation. This speaker is getting into debate and argument and accusation. That is not in the spirit of the leave given for a statement. Leave was not given for a debate.

The PRESIDENT—There is no point of order.

Senator WONG—Thank you, Mr President. The government's view is that, given the behaviour of the opposition this week and the fact that the government have not had the majority in this chamber for debate, we want to bring down the boom on the filibustering, the delaying tactics and the avoidance of a vote on the other side. So what this motion will mean is that the next time we come back here the opposition will finally have to have a position, which has thus far

been completely lacking, on the Carbon Pollution Reduction Scheme.

Senator JOYCE (Queensland—Leader of the Nationals in the Senate) (11.06 am)—Mr President, I seek leave to make a short statement.

The PRESIDENT—Leave is granted for two minutes.

Senator JOYCE—Obviously we have to put on the record that this is part of the process of the debate. Part of the process of the debate is to give us as much time as humanly possible to get more information out to the Australian people to clearly convince them what an absolutely ridiculous scheme this is—what an absolutely ridiculous process this is that we are moving to a bankers and bureaucrats discussion on it—and we will. The more time we get, every day, every minute, we will—

Government senators interjecting—

The PRESIDENT—Senator Joyce, resume your seat. You are entitled to be heard in silence as much as Senator Wong and other senators. Those on my right, Senator Joyce is entitled to be heard in silence.

Senator JOYCE—This bankers, bureaucrats and brokers scheme that the Labor Party have concocted is going to do absolutely nothing for the environment and is going to do everything for a certain clique of people who no doubt they have had long discussions with. We will use every minute of every day to try and convince the Australian people to go on that journey, to clearly explain what happens to our economy if this thing were ever to come into place. If this thing ever comes into place, it is regional Australia—your seats, Labor seats—that will get flushed down the toilet. You do not care about that—and all for a gesture; all for a gesture that does absolutely nothing for our environment but does everything for your ego.

Senator PARRY (Tasmania) (11.08 am)—Mr President, I seek leave to make a short statement.

The PRESIDENT—Leave is granted.

Senator PARRY—Could I just indicate to the chamber, because of some of the falsehoods just being presented, that the CPRS has not appeared on the *Order of Business* for two days in a row—neither yesterday nor today. We are ready to debate this bill after consideration of the urgent legislation that the government particularly wants to achieve. There are budget measures, appropriations bills, and they need to be passed. I ask this question: what would have happened if we had not provided time for these bills to be debated?

Senator CONROY (Victoria—Minister for Broadband, Communications and the Digital Economy) (11.09 am)—Mr President, I seek leave to make a short statement.

The PRESIDENT—Leave is granted for two minutes.

Senator CONROY—I just wanted to respond to some of those complete furrphies that Senator Parry has just put on the record. This chamber has been turned into a farce by the lack of management of that man. Because you are so split, you have not got a clue what you are going to do on this bill.

The PRESIDENT—Senator Conroy, your comments should be addressed to the chair and not across the chamber.

Senator CONROY—I accept your admonishment, Mr President. Senator Parry thinks he is actually in charge of this chamber. He thinks he can avoid having to face up to the massive divisions on that side of the chamber on this bill. If you are so concerned, bring it on; have the vote. It really is quite embarrassing to watch the contortions you are going through in embarrassing yourself to protect your colleagues. Let the sceptics

loose; let them out! Let us have the vote. Let Barnaby have his vote. You want debate, you want a vote: bring it on!

The PRESIDENT—Senator Conroy, if you are referring to other senators you need to refer to them by their correct titles and you should address your comments to the chair.

Senator CONROY—I know exactly how I am going to vote. Do you?

Opposition senators interjecting—

Senator CONROY—Well then, come on, bring on the vote. This chamber has been turned into a farce all week because Senator Minchin cannot control his own troops and Senator Parry has not got a clue what he is doing in trying to manage the chamber.

Honourable senators interjecting—

The PRESIDENT—Order! Resume your seat. When I have silence I will ask you to continue. Senator Forshaw, you have a point of order?

Senator Forshaw—Mr President, I am actually tempted to seek leave to make a short statement about people seeking leave to make short statements. But I would ask you to draw to the attention of those senators in the opposition who are constantly interjecting that they should at least do so from their own seats.

Honourable senators interjecting—

The PRESIDENT—Order! When there is silence we will proceed. Senator Conroy.

Senator CONROY—All we have to do is actually have the bill brought before us. Bring the bill on, have the vote. What are you afraid of? Why are you turning the Senate into a complete farce—thinking that you are in charge to determine the government's order of bills and business and times? You think you are in government still. You have not got over the fact that you have lost. It is time that you woke up to yourselves. Bring

the bill on, stop hiding your divisions and let us have the vote.

Senator FIELDING (Victoria—Leader of the Family First Party) (11.12 am)—Mr President, I seek leave to make a short statement.

The PRESIDENT—Leave is granted for two minutes.

Senator FIELDING—Looking at the motion itself—and I suppose that is where the debate should be—paragraph (a) says that the hours of the meeting shall be to the adjournment. Doesn't that mean that, even if we are looking at amendments to the CPRS legislation, it could be 2 or 3 or 4 o'clock in the morning? Is that conducive to making decisions?

The PRESIDENT—The question is that the motion moved by Senator Xenophon be agreed to.

Question agreed to.

Senator Ian Macdonald—Mr President, could I take a point of order and just seek your clarification of what has just happened. I notice the amendment proposed by Senator Brown of the Greens to that motion. After lecturing us on dealing with the Carbon Pollution Reduction Scheme, I notice his amendment for the order of business did not include the Carbon Pollution Reduction Scheme. Is that is correct?

The PRESIDENT—That is not a point of order. It might be a good debating point but it is not a point of order.

Senator CHRIS EVANS (Western Australia—Minister for Immigration and Citizenship) (11.14 am)—Mr President, I seek leave to make a short statement which is really in the form of a question to the Leader of the Opposition in the Senate.

The PRESIDENT—Leave is granted for two minutes.

Senator CHRIS EVANS—I think that among all the confusion and delaying this morning the Senate has become a bit lost in the processes. I want to ask the Leader of the Opposition in the Senate if he would make clear to the Senate what legislation the opposition—and, I suppose, Senator Fielding as well, as he has been in the cart with the opposition throughout these debates on processes—are prepared to allow the government to deal with in this session, because, having now defeated any prospect of us dealing with the CPRS, we recognise that—

Senator Cormann—You just agreed to defer it!

Senator CHRIS EVANS—We are waiting for your backdown speech on alcopops, Senator Cormann. We have a request to deal with urgent legislation—legislation which the opposition has said all week is urgent—but we currently have no guarantee, apart from comments by Senator Parry earlier in the week, that they would deal with the legislation. Under the current hours available to us in legislation, we will not deal—

Opposition senators interjecting—

Senator CHRIS EVANS—Is there any chance of you controlling your backbenchers, Senator Minchin—or have you lost complete control?

Senator Ian Macdonald—If you sat down, we could get on with it.

The PRESIDENT—Order! Senator Evans is entitled to be heard in silence.

Senator CHRIS EVANS—We have the situation where, effectively, the opposition has prevented the CPRS bill being brought on for debate this week. I accept that result. We disagree strongly; but we accept that that is the view of the Senate. We are now in a position where we have urgent bills—budget bills and other bills—that we want passed this session. At the moment, on the current

hours, we will not get those passed. I ask the Leader of the Opposition in the Senate to indicate to the Senate which bills they are prepared to consider and whether they will consider extra hours to carry bills that we say are urgent and which they have said all week are urgent. (*Time expired*)

Senator MINCHIN (South Australia) (11.15 am)—Mr President, I seek leave to make a short statement.

The PRESIDENT—Leave is granted for two minutes.

Senator MINCHIN—I will endeavour to be as calm and rational as I possibly can in the face of the rather histrionic and frustrated Leader of the Government in the Senate, who is no doubt incurring the wrath of those in the lower house in senior levels of the government, who are saying, ‘Senator Evans, what are you doing upstairs?’ So I understand Senator Evans’s frustration. That goes with being a minority government in this chamber. We put up with that for nine of our 11 years in government. We know exactly the frustration that Senator Evans is experiencing. We experienced it at the hands of the Labor opposition for nine of those 11 years. They did all they could to frustrate us in our endeavours to take legislation through this place.

I suspect that Senator Evans does not understand the extent to which there has been very good cooperation between the two managers of business in this place—Senator Ludwig and Senator Parry—to ensure that, subject to members of the government not interfering and not making statements at every opportunity, we can get on and debate those bills which we accept are urgent and which do need to be passed today. As soon as members of the government shut up, we can get on with those bills. We believe there is ample time to deal with those bills today. We have had very productive discussions with

Senator Ludwig to make sure that occurs. Indeed, we have gone so far as to say that we believe that before six o’clock there may well be the opportunity to return to the second reading debate on the CPRS. We have made it clear that we are perfectly happy to do that, because we believe there will be time.

We have acted in good faith throughout this week to ensure that the government can get those bills dealt with that we agree are urgent and do need to be dealt with this session. We have cooperated with that to the full extent. You know our view on the CPRS—through you, Mr President—in relation to that particular bill, but we have worked cooperatively with the government to ensure you can deal with your bills. I will sit down so that we can get on and deal with those bills.

COMMITTEES

Publications Committee

Report

Senator CAROL BROWN (Tasmania) (11.19 am)—I present the 11th report of the Senate Standing Committee on Publications.

Ordered that the report be adopted.

Legislation Committees

Additional Information

Senator FARRELL (South Australia) (11.19 am)—On behalf of the chairs of the respective committees, I present additional information received by committees relating to inquiries on the consideration of legislation.

The list read as follows—

Community Affairs Legislation Committee – Health Workforce Australia Bill 2009

Economics Legislation Committee – Tax Laws Amendment (2009 Budget Measures No. 1) Bill 2009; exposure draft of the legislation to implement the Carbon Pollution Reduction Scheme.

BUDGET**Consideration by Estimates Committee****Additional Information**

Senator FARRELL (South Australia) (11.20 am)—On behalf of the respective chairs, I present additional information received by committees relating to inquiries on the consideration of legislation, as follows:

Budget estimates 2008-09 (Supplementary)—

Finance and Public Administration—Standing Committee—Additional information received 19 May 2009—Finance and Deregulation portfolio.

Additional estimates 2008-09—

Community Affairs—Standing Committee—Additional information received between 14 May and 24 June 2009—

Families, Housing, Community Services and Indigenous Affairs portfolio. Health and Ageing portfolio.

Economics—Standing Committee—Additional information received between 14 May and 24 June 2009—Treasury portfolio.

Education, Employment and Workplace Relations—Standing Committee—Additional information received between 14 May and 1 June 2009—Education, Employment and Workplace Relations portfolio.

Environment, Communications and the Arts—Standing Committee—Additional information received between 14 May and 25 June 2009—

Broadband, Communications and the Digital Economy portfolio.

Environment, Water, Heritage and the Arts portfolio.

Legal and Constitutional Affairs—Standing Committee—Additional information received between 13 May and 24 June 2009—Attorney-General's portfolio.

Budget estimates 2009-10—

Community Affairs Legislation Committee—Additional information received between—

4 June and 24 June 2009—

Families, Housing, Community Services and Indigenous Affairs portfolio.

Health and Ageing portfolio.

5 June and 24 June 2009—Indigenous issues across portfolios—Families, Housing, Community Services and Indigenous Affairs; and Environment, Water, Heritage and the Arts.

Finance and Public Administration Legislation Committee—Additional information received between 27 May and 22 June 2009—

Parliamentary departments.

Prime Minister and Cabinet portfolio.

Legal and Constitutional Affairs Legislation Committee—Additional information received between 25 May and 23 June 2009—

Attorney-General's portfolio.

Immigration and Citizenship portfolio.

COMMITTEES**Rural and Regional Affairs and Transport References Committee****Report**

Senator NASH (New South Wales) (11.20 am)—I present the report of the Rural and Regional Affairs and Transport References Committee on the establishment of an Australian Football League team for Tasmania, together with the *Hansard* record of proceedings and documents presented to the committee.

Ordered that the report be printed.

Senator NASH—I move:

That the Senate take note of the report.

I seek leave to continue my remarks later.

Leave granted; debate adjourned.

Foreign Affairs, Defence and Trade Committee: Joint**Report**

Senator FORSHAW (New South Wales) (11.20 am)—I present the report of the Joint Standing Committee on Foreign Affairs, Defence and Trade, *Sealing a just outcome: Re-*

port from the inquiry into RAAF F-111 deseal/reseal workers and their families, and move:

That the Senate take note of the report.

I appreciate the pressure on the Senate, but I do wish to read this speech, in light of the extreme importance of this report.

The sight of an F111 flying overhead with afterburners blazing has provided excitement for a generation of Australians and the assurance that the highest priority of defending our nation is being met. However, those who worked to keep these aircraft in service for the defence of our nation were being exposed to health risks which for some were life-threatening. Personal protection was not always afforded to those engaged in aircraft maintenance. Following its acquisition in 1973, one of the enduring legacies of the aircraft was its leaking fuel tanks. From that moment on, many thousands of Royal Australian Air Force personnel based at Amberley in Queensland were required to enter the cramped confines of these fuel tanks to perform repairs on the leaks.

The repairs were conducted as part of two programs: the major overhaul, known as the formal deseal/reseal programs, and the routine flight maintenance carried out by the maintenance squadrons. Staff in these squadrons—1, 6 and 482—did not conduct complete deseal/reseal procedures but they did perform ad hoc maintenance, colloquially known as ‘pick and patch’. Many other staff did not enter fuel tanks but worked in a support capacity.

This committee has taken evidence that this process could last for hours at a time, while workers used minimal protective equipment and worked in very poorly ventilated areas. Workers were also exposed to a cocktail of chemicals in the process. Due to serious concerns about workers’ health, work on F111 fuel tank maintenance was sus-

pending and a military board of inquiry commenced. The inquiry highlighted a culture where the operation of the aircraft was put ahead of the safety of those who maintained it. In testimony to the inquiry, Air Vice Marshal Brown noted:

The air force hurt a large number of our people involved in F111 fuel tank maintenance between 1973 and 2000. We are grateful for this chance to look at what has been done to help them and we believe that more could and should be done.

The recommendations in this report are intended to produce a fair and just outcome to help many of those who the RAAF correctly note were hurt. In the very limited time available to me this morning it is not possible to even summarise the key points in this report, much less the thousands of pages of submissions, exhibits and transcript received by the committee. At the very core of most complaints were the policy flaws, inconsistencies and confusion embedded in the ex gratia scheme established in 2005 for some of those involved in F111 fuel tank repairs.

In 2005 the then government announced several compensation schemes. The first was a health scheme aimed at assisting those whose health had been affected. The second was an ex gratia lump sum payment aimed at recognising those workers who had spent many hours inside the cramped fuel tanks of F111s. Both of these initiatives were announced at the same time and in the same press release, leading many to believe that the lump sum payment was linked to health outcomes. This clearly was not the intention. Caveats inserted by the then government also imposed arbitrary cut-off dates for health assistance and ex gratia payment claims. Later, the then government also limited health scheme eligibility, restricting it solely to those who worked in the four formal programs.

The exclusion from the scheme of about 2,000 personnel who undertook pick-and-

patch work in squadrons, whilst providing benefits to those doing identical work in other units, caused understandable anger. In addition the 2005 scheme provided payments to people who reported no ill health, whilst denying the same benefits to workers whose health had suffered. This simply aggravated the anger. In truth, there was no link between health problems and access to the scheme. The painfully slow and at times indifferent handling of their concerns also produced despair. During one of the public hearings the committee chairman, my colleague the Hon. Arch Bevis, the member for Brisbane, commented that the scheme 'was born of fuzzy logic, shrouded in misleading spin and then administered in confusion'. Now, at the conclusion of this process, we have confirmed that view.

The committee's recommendations ensure that access to the ex gratia scheme is based on the work undertaken, not the unit in which it was done, the year in which an application was made or the year in which a former worker died. Those former F111 personnel involved in civil legal action will of course be required to meet the necessary legal tests, based on the facts of their own case. The committee will, however, be seeking regular reports on progress in finalising these matters in the hope that these can be concluded in a reasonable time frame. Increased counselling support for some families is also important in helping those affected to move on with their lives.

During the course of our investigations, important system-wide problems were identified. They require urgent action. For example, eight years ago the F111 board of inquiry recommended that Defence should specify certain medical positions as requiring qualifications in occupational medicine, yet today Defence has only one person engaged full time on this vital task. How can that be, when we hear so often that the men and

women of our defence forces are our greatest assets? That has to change—and soon. If it does not, we will tragically see repeats of the F111 mistakes.

The committee's report reviews research on the possible health impacts of the fuel tank work and recommends further research on the health implications of working with aviation fuels. This too has implications beyond the F111 community and even Defence.

I want to particularly commend the Chair of the Defence Subcommittee, the Hon. Arch Bevis, for his leadership, analysis and energy throughout the conduct of this very difficult inquiry. I wish to support the chairman's thanks to staff of the Department of Defence and the Department of Veterans' Affairs for their assistance—especially the senior RAAF personnel, whose participation and support were invaluable. I would also like to thank all members of the Defence Subcommittee, who participated in this inquiry in a bipartisan manner—especially noting Mr Stuart Robert MP, the member for Fadden, who was present at all of the hearings.

Thanks are also due to the staff of the secretariat of the Joint Standing Committee on Foreign Affairs, Defence and Trade, which I have the privilege to chair—especially the committee secretary, Dr Margot Kerley. I also thank Colonel Paul Nothard and Wing Commander David Ashworth for their contribution. Special thanks are due to the inquiry secretary, Mr Muz Ali.

But most importantly we owe particular thanks to the F111 fuel tank workers and their families. Our overriding concern in this inquiry has been to ensure that the health care and support needs of those adversely affected by their service on F111s are met. I believe the recommendations do much to achieve that. This report is thorough, it is detailed and it is considered. I urge all senators and others to read it. It should be read

widely. I commend the report to the Senate and the government. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

Treaties Committee Report

Senator BIRMINGHAM (South Australia) (11.29 am)—On behalf of the Joint Standing Committee on Treaties, I present report No. 102 of the committee—Treaties tabled on 12 and 16 March 2009 and I move:

That the Senate take note of the report.

Report 102 of the Joint Standing Committee on Treaties reviews three treaty actions taken by the Australian government: the Agreement Establishing the ASEAN-Australia-New Zealand Free Trade Area; and two taxation agreements with the Isle of Man. In each case the committee has supported the proposed treaties and recommended that binding treaty action be taken.

The Agreement Establishing the ASEAN-Australia-New Zealand Free Trade Area—or AANZFTA, as it has rather awkwardly become known—creates the largest free trade agreement Australia has entered into. Trade between Australia, New Zealand and the countries of the Association of South-East Asian Nations totalled \$103 billion in 2007-08. This is indeed a very significant treaty and free trade agreement for Australia to enter into. AANZFTA represents a major development in Australia's trade with our near neighbours. It provides certainty for Australian exporters by binding the parties to this treaty—the ASEAN nations, Australia and New Zealand—to defined tariff outcomes to 2020 and beyond. It also maintains Australia's trade position in relation to ASEAN's other major trading partners—important countries like China, South Korea and Japan—which have either negotiated free trade agreements with the ASEAN countries or are in the process of doing so.

While the JSCOT have supported binding treaty action in relation to this agreement, we do have a number of recommendations. The committee heard passionate representations from representatives of Australia's horticultural industries. They were concerned at the outcomes of this treaty, in particular relating to exports of Australian fruits and vegetables into countries like Indonesia and the Philippines. They believe that the treaty locks in higher tariff rates than Indonesia applied in 2005 to Australian exports of mandarines and other key products that have damaged Australia's position in those markets. The committee believe quite firmly that Australia's horticultural industry did receive a poor outcome from this treaty and from the negotiations leading to this free trade agreement, and we have recommended that the government pursue all possible avenues to rectify and correct this and provide for a better outcome for our key horticultural industries in future. We know these are always negotiated outcomes and you cannot always win on every area of free trade. However, this was an industry that we felt was particularly disadvantaged as a result of the outcome. It locks in, yes, no higher tariffs for the future but it does leave quite significant tariffs going on.

The committee further recommended that, in the absence of other measures designed to improve free trade, a free trade agreement negotiated by Australia should not include a tariff outcome on a tariff line that is worse than the existing tariff on that tariff line. That may sound like an obvious statement, but again there were concerns about some of the tariff outcomes, particularly as they relate to bilateral arrangements that Australia may have with some of these other countries or most favoured nation arrangements in relation to treaties with these other countries. We further recommended that in future free trade agreements Australia should negotiate for the

binding tariff rate to be the lower of either the rate at the time of binding or the most favoured nation tariff rate at the time the free trade agreement comes into force. The committee also recommended, following representations from the horticultural sector, that the Department of Foreign Affairs and Trade, who we recognise go through extensive and often painful negotiations in the preparation of these free trade agreements, prepare a report for the committee examining exactly how they can better allow negotiators to directly consult with industry representatives during the negotiation process so that groups such as the horticultural industry in this instance do not find themselves disadvantaged as a result of those negotiations and at least have some clear and significant input into those negotiations.

The committee also importantly considered the issue of including environmental protections, protection of human rights and labour standards in free trade agreements. We are mindful that they are negotiated outcomes and it will not always be possible to achieve a free trade outcome as well as outcomes on all of those other significant matters in these sorts of agreements. However, on balance the committee thought the government should, at least at the outset of its considerations, look at applying labour standards, environmental standards and human rights standards as a key factor in considering these negotiations. It is particularly important for this treaty because it is, as I said, with the ASEAN nations and this free trade agreement means that we have now a level of agreed tariff rates and trade arrangements with a country like Burma, a country whose human rights record is abominable, to say the least, a country where Australia needs to be taking strong stands, and in all of our diplomatic representations does take strong stands, against the poor treatment of prisoners of conscience and against the abolition of

a democratic process. We believe that in future it is important that those concerns be at least considered and laid on the table at the commencement of the treaty processes.

In net terms, in total terms, this will be a very positive free trade agreement for Australia. We welcome the potential that it provides and the opportunities it will provide for Australian exporters, particularly in terms of maximising the opportunity for goods that are manufactured or produced using inputs from different countries across the free-trade bloc because it will provide significant advantages into those sorts of cooperative manufacturing and production processes.

In relation to the two taxation agreements with the Isle of Man, the committee recognises that these are important steps in the process of eliminating tax havens around the world and welcomes those tax agreements. It does note, however, that in relation to amendments that are required from those agreements the government has already introduced and proposed amendments to the International Tax Agreements Act 1953. The committee considers this to be pre-emptive of its consideration of these treaties and expresses its concern in the parliament and in the report at the government's pre-emptive steps in that regard. Nonetheless, these are welcome treaties. They are steps forward for Australia. I endorse them to the house and I seek leave to continue my remarks later.

Leave granted; debate adjourned.

Intelligence and Security Committee

Senator MARSHALL (Victoria) (11.37 am)—On behalf of the Parliamentary Joint Committee on Intelligence and Security, I present the report of the committee on the review of the re-listing of Hizballah's External Security Organisation as a terrorist organisation and I move:

That the Senate take note of the report.

I seek leave to have my statement incorporated in *Hansard*.

Leave granted.

The statement read as follows—

PARLIAMENTARY JOINT COMMITTEE ON
INTELLIGENCE AND SECURITY
REVIEW OF THE RELISTING OF Hizballah's
Eso

Senator Gavin Marshall

CANBERRA 25 June 2009

Mr President, on behalf of the Parliamentary Joint Committee on Intelligence and Security I have pleasure in presenting the Committee's report entitled Review of the Re-listing of Hizballah's External Security Organisation (ESO) as a terrorist organisation.

Hizballah's ESO was initially listed as a terrorist organisation under the Criminal Code Act in 2003 following their listing by the United Nations Security Council. Hizballah's ESO came up for review under the current proscription regime in 2005 and again in 2007. This is the third review is of the re-listing of Hizballah's ESO as a terrorist organisation.

The regulations were signed by the Governor-General on 14 May 2009. They were then tabled in the House of Representatives and the Senate on 25 May 2009. The disallowance period of 15 sitting days for the Committee's review of the listing began from the date of the tabling. Therefore the Committee was required to report to the Parliament by Thursday 25 June 2009.

Notice of the inquiry was placed on the Committee's website. Three submissions were received from the public along with two submissions from the Attorney-General's Department. Representatives of the Attorney-General's Department and ASIO attended a private hearing on the listings.

In its submission to the inquiry, the Federation of Community Legal Centres (VIC) Inc, put forward a detailed criticism of the proscription regime and stated that in the case of Hizballah's ESO it is unclear whether the statutory criteria had been made out.

The Committee also received a submission from Dr Patrick Emerton of Monash University. This

submission also put forward a detailed criticism of the proscription regime and but only briefly dealt with Hizballah's ESO.

In its submission to the inquiry, the Australia/Israel and Jewish Affairs Council stated that, whilst it supported the re-listing of Hizballah's ESO, it drew no distinction between the ESO and Hizballah as a whole and requested the Committee recommend to the Attorney-General that the entire Hezbollah organisation should be listed as a terrorist organisation, rather than only its External Security Organisation.

The Committee is not persuaded, at this time, to make the recommendation proposed by the Australia/Israel and Jewish Affairs Council.

Mr President, the Committee heard evidence that Hizballah's ESO continues to engage in, and offer support for terrorist acts. I will take this opportunity to provide some information on the group's current engagement in terrorist activity.

Based in Lebanon, Hizballah's ESO was formed in 1983 after senior Hizballah member, Imad Mughniyah, fled to Iran following the 1983 attack on the United States military in Beirut. It was reported to the Committee that from this incident the ESO grew out of Hizballah's military wing, the Islamic Resistance, to become a separate branch.

As a result, the ESO constitutes a distinct terrorist wing within Hizballah's structure. ASIO informed the Committee that since Hizballah has become a legitimate political party within Lebanese politics, the ESO has had to operate independently.

The Committee also heard evidence from ASIO that due to Hizballah's engagement in the recent Lebanese elections, the ESO have made a deliberate effort to rein in its terrorist activity to strengthen Hizballah's political chances.

Despite this, the Committee heard evidence that the ESO remains directly or indirectly engaged in preparing, planning, assisting in, or fostering the doing of a terrorist acts. The group has a record of regular terrorist attacks, primarily against Israeli and US interests, up until the early 1990s. Following the 2006 military confrontation with Israel, it has been reported to the Committee that ESO engagement in terrorist activity has been sustained, with a significant rocket and anti-

aircraft capability which can reach deep into Israel. There is no reason to believe the ESO has relinquished this capability.

The ESO has also established an insurgent capacity in Iraq, engaging in assassinations, kidnapping and bombings. Training cells have been set-up there to specifically to train Shia fighters prior to action in Iraq. The ESO is also involved in providing training, operational support and material to other proscribed Palestinian extremist groups, such as the Palestinian Islamic Jihad.

Although it was reported to the Committee that the ESO is a highly covert and secretive organisation, there is evidence that it remains a committed terrorist organisation and the Committee supports their listing as such under the Criminal Code. In view of this the Committee will not recommend to Parliament that the regulation be disallowed.

Mr President I would like to take this opportunity to thank my fellow Committee members for their work in reviewing this and other terrorist organisations. Lastly I would like to thank the Secretariat.

Mr President, I commend the report to the Senate.

Senator Gavin Marshall

Parliamentary Joint Committee on Intelligence and Security

25 June 2009

Question agreed to.

HEALTH WORKFORCE AUSTRALIA BILL 2009

Returned from the House of Representatives

Message received from the House of Representatives agreeing to the amendment made by the Senate to the bill.

COORDINATOR-GENERAL FOR REMOTE INDIGENOUS SERVICES BILL 2009

First Reading

Bill received from the House of Representatives.

Senator ARBIB (New South Wales—Minister for Employment Participation and

Minister Assisting the Prime Minister for Government Service Delivery) (11.38 am)—I 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 ARBIB (New South Wales—Minister for Employment Participation and Minister Assisting the Prime Minister for Government Service Delivery) (11.39 am)—I table the revised explanatory memorandum relating to the bill and I move:

That this bill be now read a second time.

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

Leave granted.

The speech read as follows—

This Bill creates the position of Coordinator-General for Remote Indigenous Services to drive the implementation of the Council of Australian Governments' (COAG) reforms across a range of areas including service delivery, employment and housing.

In late November 2008, COAG signed a National Partnership Agreement on Remote Service Delivery, which will change the way governments invest in remote areas, providing coordinated, concentrated and accelerated development across all levels of government.

The new model for remote service delivery will initially concentrate resources in priority locations across Australia.

The benchmark will be progressively to deliver in communities or townships facilities and services comparable with that in non-Indigenous communities of similar size, location and need elsewhere in Australia.

Government investment will be prioritised and coordinated to ensure each priority location has the infrastructure and services that support and sustain healthy social norms so people can reach their potential and communities can thrive.

As the backlogs are addressed and locations brought up to comparable standards, the approach will be extended to other remote communities.

Reporting directly to the Minister for Families, Housing, Community Services and Indigenous Affairs, the Coordinator-General will work closely with Commonwealth, State and Territory governments to ensure real improvements for Indigenous Australians against COAG's Closing the Gap targets in remote locations specified by the Minister.

The bill allows the Minister to specify communities that are either remote or very remote and where a significant proportion of the population is Indigenous.

The position has been established to address the practical problems associated with designing, sequencing and rolling-out a myriad of programs in remote communities.

The Coordinator-General will ensure that the delivery of all government programs in the specified remote communities is coordinated between governments instead of being planned and delivered in isolation.

The Coordinator-General will remove bureaucratic blockages and ensure commitments by government agencies are delivered on time by monitoring requirements under the National Partnership Agreement on Remote Service Delivery and other COAG reforms, assessing progress and advising government where there are gaps, slow progress, or where improvements need to be made.

The Coordinator-General will also oversee planning and strategic investment in communities and provide agencies with guidance on good practice.

The Coordinator-General will meet regularly with National and State/Territory officials who will be identified as coordinators by individual government agencies or jurisdictions.

The Coordinator-General will provide information to agencies on obstacles within their areas of responsibility and advise the Minister and COAG on the need for systemic changes.

Some of the problems may be addressed through better systems and cooperation by agencies, while

others will require policy responses which require Ministerial involvement.

The Coordinator-General's approach will be to work with other parties collaboratively.

The Coordinator-General will provide regular reports to the Minister on the progress made by all Commonwealth, State and Territory agencies.

However, when there is an issue requiring urgent remedy, this bill will give the Coordinator-General the powers:

- to require people to provide information and or documents;
- to require people to attend meetings; and
- to request assistance from Commonwealth, State and Territory agencies.

If the Coordinator-General fails to receive an adequate response from an agency official, this bill allows for the matter to be reported to the head of the relevant Commonwealth, State or Territory agency.

If the Coordinator-General is not satisfied with the response from the head of the agency, the Coordinator-General may report the matter to the Minister and also the Prime Minister if necessary.

This bill also requires the Coordinator-General to report to the Minister twice each year, or as otherwise required, on the development and delivery of remote services since the last report, and on the progress that has been made in achieving the Closing the Gap targets within the specified remote localities.

The bill outlines the administrative provisions about the appointment of the Coordinator-General including their appointment, acting arrangements, remuneration and leave, and resignation or termination of appointment.

The bill also makes provision for the Coordinator-General to arrange with the Secretary for the Department of Families, Housing, Community Services and Indigenous Affairs for the services of APS employees from the Department to be made available.

The establishment of this office is long overdue. It is supported by all Australian governments through COAG, to ensure government commitments in remote Indigenous communities are met.

Debate (on motion by **Senator Arbib**) adjourned.

NOTICES

Postponement

Senator COLBECK (Tasmania) (11.39 am)—by leave—I move:

That general business notice of motion no. 2 standing in my name for today, relating to the disallowance of the Export Control (Fees) Amendment Orders 2009 (No. 1), be postponed until 20 August.

I seek leave to make a short statement.

Leave granted.

Senator COLBECK—The opposition obviously have some considerable concerns with this process. We have received a number of representations from the agricultural sector with respect to the proposals put forward by the government. I am pleased to say, though, that we have been able to have some productive discussions with the government in the last couple of days, as I understand others have too. We have reached some agreements with respect to where this matter lies, but the purpose in postponing this motion is, in a sense, to keep the government on notice that we maintain a watching brief with respect to this matter. We will be seeking to keep the government to certain assurances that have been given to us and others. Over the winter break we will certainly be scrutinising the progress of the proposed reform program that the government has put forward. It may be that we have to come back to this matter again in August, which is the purpose for postponing the motion. But we do acknowledge that it has been possible to have some fruitful discussions with the government overnight so that we can, at this point in time, postpone this motion.

Question agreed to.

Senator MILNE (Tasmania) (11.42 am)—by leave—I just wanted to say in rela-

tion to this matter of the AQIS fees and charges that the Greens had real concerns, as did many people in this chamber right across the parties, about the impact that a 40 per cent increase in fees would have on the rural sector, particularly at this time when many of those export industries are already struggling because of the drought and various other matters. But the concern was that disallowing all of these regulations would impact across all sectors. That of course means that the meat, grains, dairy, fish and live export sectors would all be affected as well as horticulture. I had representations from all those sectors saying that they had signed an agreement with the government to proceed with the reform agenda and that if we disallowed all of the regulations, it would affect everybody. So I worked with the minister to reach an arrangement whereby half of horticulture's \$2½ million share of the \$40 million reform package would be spent on rebates over 12 months to take into account the seasonal nature and also an agreement to have a work plan in place with timetables by 1 August. I have postponed until 20 August, so that there is the opportunity to revisit it, but I do not expect that will have to be the case if the minister delivers on this agreement. I seek leave in this context to table a letter of the commitments I have from the minister. I have circulated this to the whips.

Leave granted.

BUILDING AND CONSTRUCTION INDUSTRY IMPROVEMENT ACT 2005: DIRECTIONS IN RELATION TO COERCIVE POWERS

Motion for Disallowance

Senator FISHER (South Australia) (11.44 am)—At the request of Senator Abetz, I move:

That the Directions in Relation to Coercive Powers, made on 17 June 2009 under section 11

of the *Building and Construction Industry Improvement Act 2005*, be disallowed.

The opposition seeks to disallow the ministerial direction on the basis that it not only goes beyond the minister's powers under the existing Building and Construction Industry Improvement Act but seeks to put the issues that are the subject of the ministerial direction beyond the reach of parliamentary process, beyond the reach of parliamentary scrutiny and beyond the reach of parliamentary will.

The government will attempt to say that what the minister is trying to do in the ministerial direction is simply to put in place what is already in the existing Building and Construction Industry Improvement Act. If it is in the existing act then why is a ministerial direction needed? The answer is: because it is not already in the existing act, and putting it in the act requires parliamentary process, parliamentary scrutiny and the exercise of parliamentary will, as should be the case. The government does not have the political courage to put the matters that are the subject of the ministerial direction before parliament, as part of parliamentary process and scrutiny and subject to parliamentary will. It knows that this parliament will not pass legislation to the effect of the ministerial direction because it would be a very clear breach of the government's election promise that the existing powers of the Australian Building and Construction Commission will remain as they are until January 2010.

The ministerial direction clearly goes beyond the minister's powers under the act. Under the existing act, the minister does have the power to specify the manner in which the Australian Building and Construction Commission must exercise its powers and functions. But the ministerial direction goes far beyond 'the manner in which the Australian Building and Construction Commission must exercise its powers and func-

tions'. It goes directly to those powers and functions themselves. It cuts back those powers and functions; it curtails those powers and functions. Two clear examples: firstly, the ministerial direction requires the Australian Building and Construction Commission to provide a person subject to investigation with the ability to object to that process through a court or tribunal. What is the ABCC to do with the proposed investigation if a court or tribunal upholds the objection? If that aspect of the ministerial direction is designed to stop the Australian Building and Construction Commission exercising the investigative powers that exist at the moment, then it very clearly curtails its power. If that is not the intent of that part of the ministerial direction then why is there a need to make it?

The second clear example is the supposed requirement in the ministerial direction that the Australian Building and Construction Commission, before proceeding with an investigation under section 52 of the existing act, must provide a report to a member of the Administrative Appeals Tribunal, acting in their 'personal capacity'—whatever that means—about the proposed investigation and then take into account the views of that member of the AAT before proceeding with the proposed investigation under section 52. Again, if the intent is not to require the ABCC to desist with the investigation if the views of the AAT member are negative—that is, that the investigation not be proceeded with—then why have that provision in the ministerial direction? If that is the intent of that aspect of the ministerial direction then clearly the ministerial direction curtails the current investigative powers of the ABCC. Those are but two examples of the ways in which the ministerial direction clearly goes beyond simply directing the manner in which the ABCC must exercise its powers and

functions and, rather, directly cuts and curtails those powers and functions.

The government does not have the courage to put these matters to this parliament as a legislative amendment. These matters are not in the existing legislation, and the government does not have the courage to put them before parliament to subject them to parliamentary scrutiny and parliamentary will because it knows it is in clear breach of its election promise to keep the existing powers of the ABCC in place until January 2010. This motion must be supported.

Senator SIEWERT (Western Australia) (11.50 am)—The Australian Greens have been consistent in our opposition to the ABCC. We have always argued it is unacceptable to have workplace relations laws that take away the right to silence; deny people their choice of a lawyer; provide powers to compel evidence, with the possibility of jail for noncompliance; and impose severe restrictions on the rights of workers to organise and bargain collectively. The direction from the minister in relation to coercive powers, the subject of this disallowance motion, restores basic procedural fairness and democratic rights to workers subject to the extraordinary powers given to the ABCC. It is a direction that, in the Greens' view, is too little too late. In our opinion, the minister should have given this direction 18 months ago. For us, it is outrageous that the ALP government has left in place for so long these undemocratic practices of the ABCC. We will not be supporting this disallowance motion. Our position has always been and continues to be that the ABCC should be abolished immediately. In fact, I introduced a bill to that effect last year.

What the minister's direction does is, firstly, to allow persons to have legal representation of their choice and for their lawyers to engage in the basic practice of represent-

ing their clients. Jeez! That's a breakthrough, isn't it! For example, they can sit next to their clients, consult with them and speak on their behalf. The extraordinary restrictions on legal representation under the current practices of the ABCC are contrary to our basic democratic practices. Building workers should not be treated as members of organised crime syndicates. The coercive powers of the ABCC can be and have been used in situations where workers have taken industrial action for whatever reason, including occupational health and safety concerns. These circumstances are in no way comparable to the types of crimes that usually attract and can justify such powers and restrictions on legal representation.

We labelled the ABCC a Star Chamber from the beginning, and in our opinion the restoration of the basic rights of legal representation is long overdue. Paragraph (b) of the directive requires an agency established under Commonwealth law to comply with the Commonwealth's obligation to act as a model litigant. We would say this is hardly controversial. Paragraph (c) provides that a person can raise objections to a particular exercise of section 52 power and for that objection to be tested in a court or tribunal. Again, the Australian Greens agree with this direction. We must bear in mind that the extraordinary coercive and investigative powers in section 52 include the powers to compel information, documents or the giving of evidence. Further, there is little investigatory threshold, and the extreme consequence of not complying with a notice from the ABCC is imprisonment. Given that ordinary building workers can face jail merely for not attending an interview in relation to a union meeting—indeed, in South Australia there is a worker currently facing a jail term—this discretion is an important safeguard in the exercise of these powers to make sure they are used appropriately. We are not talking

about serious crimes against persons or the community. Rather, we are talking about instances where workers are exercising their democratic rights to take industrial action. Again, we would say this is hardly controversial. Paragraphs (d) and (e) similarly insert entirely appropriate safeguards in the use of these very extraordinary powers. The Greens note that these two paragraphs do not prevent the ABC Commissioner from using his powers but merely put in place additional steps with the intention of ensuring that the use of these powers is appropriate and necessary.

We think these changes are long overdue. These are about restoring basic democratic rights to a group of workers in this country who have been unfairly picked on by this draconian legislation that puts in place the ABCC. We strongly support these moves. We do not think they go far enough. As I said, the government should have done it 18 months ago. We will not be supporting this disallowance motion.

Senator FIELDING (Victoria—Leader of the Family First Party) (11.54 am)—Family First will be supporting this disallowance motion. This is a breach of what the government's election policy said: that they would not tinker with this until they brought it into parliament at a certain date. I come from the state of Victoria, where, when you really think about it, there have been notorious issues in the building industry area. The Labor Party's Forward with Fairness policy implementation plan clearly states on page 24:

... Labor will maintain the existing arrangements for the building and construction industry ...

The ministerial direction is clearly a breach of that particular statement. It is quite clear that it is. The Australian Building and Construction Commission is such an important body that its very existence has seen a dra-

matic improvement in workplace behaviour in the industry, and I am opposed to any attempts to water it down. I am happy to have the debate in parliament, but I do not think that to go and do it sneakily through a ministerial direction, knowing that this is a contentious issue, is the right way of doing it. Under the ministerial direction, all objections will be allowed to be taken to court. This can be used just as a tactic to delay proceedings and will cause the commission to be hampered and hamstrung in their ability to continue to keep the industry clean. So, to keep it very short and sharp—because someone asked me to keep it tight—we will be supporting the disallowance motion.

Senator XENOPHON (South Australia) (11.56 am)—I indicate that I will be supporting the disallowance motion, but I want to put a number of caveats in relation to that. I want to acknowledge that I had lengthy discussions with both the coalition and the government in the last 24 hours in relation to this. I also indicate that this morning I spoke to Martin O'Malley, who is a senior official of the CFMEU in South Australia. We had a good discussion, and he is someone with whom I have a very good working relationship and whose views I take into account. His view, obviously, is that this disallowance motion should not be supported, but I support it for these reasons. I indicated to the government that I did not have a difficulty in relation to parts (a) and (b) of the directions, but I understand the government's position that it is a package of measures and directives, and they have a position that all the directives should be a part of this. I did not have a problem with respect to (a) and (b) because they reflect what is already in the act to make it clearer, firstly, in terms of the issue of legal representation and, secondly, in relation to the Commonwealth's obligation to act as a model litigant. I think that, if the government is minded at some other stage to

issue an amended directive, I would certainly support those without hesitation.

Secondly, in relation to parts (c), (d) and (e), they relate to an alteration of the section 52 powers, and I think it would be fair to say in an objective sense that the matter that is the subject of the ministerial directive is also, in a substantive form, the subject of the legislation that will be before the Senate in the spring session to deal with the whole issue of the ABCC's powers and the extent to which those powers ought to be curtailed or modified as a result of the Wilcox review. My principal difficulty is one of process, in that what we are seeing is that the minister, by virtue of subparagraphs (c), (d) and (e) in her directive, is pre-empting, in a sense, both the Senate inquiry process and the legislation that will come before the Senate to consider this. That is something that I think is quite unusual and goes beyond what I think would be a reasonable exercise of the minister's powers. Senator Fisher alluded to the issue of whether it could have been subject to, at the very least, administrative challenge in terms of going beyond the powers.

It is also fair to indicate that, in relation to coercive powers, the powers in section 52 of the Building and Construction Industry Improvement Act are similar to the ACCC's powers in section 155 of the Trade Practices Act, the Australian Taxation Office's powers in section 353 of the Taxation Administration Act and ASIC's powers in section 19 of the Australian Securities and Investments Commission Act. They are not unprecedented, but the issue is whether those powers have been exercised reasonably, whether they ought to be curtailed and whether the issue of unfair work practices ought to be curtailed by legislation. The powers should also relate to the issue of unreasonable action by employers. I think it would be fair to say that the ABCC has done little or nothing to deal with the issue of behaviour of employers that I think

would be unacceptable in any reasonable workplace. These are matters that I think need to be looked at.

I refer back to my conversation this morning with Martin O'Malley from the CFMEU in South Australia. Where I share common ground with Mr O'Malley is on the issue of occupational health and safety. I think we need tougher occupational health and safety laws. If there is industrial action on a legitimate occupational health and safety ground, the ABCC should exercise its powers very cautiously and ensure that workplace safety is of primary concern. I also have a concern in relation to the matters of process and I have indicated to the minister my position on this privately. I look forward to working with the government so that we can have some comprehensive reforms of the ABCC legislation or of legislation that will perform a similar function but with the excesses curtailed. I look forward to that debate when the matter is dealt with in the spring session of the Senate.

Senator ARBIB (New South Wales—Minister for Employment Participation and Minister Assisting the Prime Minister for Government Service Delivery) (12.02 pm)—I thank senators for their contributions. I do not think it is surprising—it certainly does not surprise me—that Senator Fisher and other coalition senators would be maintaining their hardline, ideologically driven approach to industrial relations. The Work Choices legislation may be dead and buried, but the same ideology is still alive in the Liberal Party and on show again today.

I say through you, Mr Acting Deputy President, to coalition senators: there is not too much to worry about here. Coalition senators have obviously not read the directive notices. If they had, they would have realised that the Deputy Prime Minister is not attempting to weaken the ABCC with

these directions or to water down the coercive powers. Also, we are not breaching an election commitment, as Senator Fisher has claimed. In no way does this breach our election commitments. Any informed and unbiased reading of the directions would show that the Deputy Prime Minister is simply reinforcing measures and guidelines already in place and seeking to ensure consultation by the ABCC when using its coercive powers.

The Rudd government will never tolerate unlawful action, intimidation or thuggery in the workplace and is 100 per cent supportive of keeping a tough cop on the beat in the construction sector. These directions will improve the operation of the ABCC and help allay fears concerning procedural fairness and treatment under the law. In the end, despite all the bluff and bluster that we have heard from Senator Fisher today, all these directions are really about is ensuring that existing rules, guidelines and standards are followed by all parties fairly and without bias or prejudice.

It is worth noting how we got here. Prior to the 2007 election the Labor Party promised it would retain the Office of the ABCC until 31 January 2010, when it would be replaced by a specialist fair work inspectorate. Labor is committed to implementing a strong set of compliance arrangements for the building industry, and the Rudd government has consistently stated that anyone who breaks the law will feel the full force of the law.

Labor also committed to consult extensively with industry stakeholders to ensure the transition to the new arrangements would be (1) orderly and (2) effective. On that basis, in June 2008 the Deputy Prime Minister asked the Hon. Justice Murray Wilcox QC, a retired Federal Court judge, to consult and report on matters relating to the creation of

the specialist inspectorate. Mr Wilcox provided his report in March this year, having consulted with industry participants. His report has been described as 'thoughtful and balanced' and I entirely agree with the assessment. It is important to note that, in discussing the need for coercive powers, Mr Wilcox observed:

... the point does not go to the question of principle some people have argued, but rather the protections that may be necessary to avoid inappropriate use, or misuse, of the interrogation power.

Mr Wilcox had concerns and found problems in relation to these powers and noted that things could be done better and that some of the current practices were not best practice.

The ministerial directives take this into account. All agencies of the Australian government must conduct their affairs in accordance with best practice. The Deputy Prime Minister's direction emphasises the need for the ABC Commissioner to comply with existing safeguards and requires the commissioner to comply with two new safeguards. As Senator Fisher has tried to point out, direction is a power that the minister has. The minister may make directions under the Building and Construction Industry Improvement Act 2005, so it is entirely within the minister's remit.

The minister's directions relate solely to the exercise of the coercive powers. They do not in any way affect the ABCC's general investigative, compliance and prosecution powers. The minister's directions include five detailed directions to the ABC Commissioner, listed (a) to (e). The first three of those just formalise the ABCC's existing practices. The two new measures are in relation to consultation with the Administrative Appeals Tribunal. This is about consultation, process and procedural fairness. In no way is it trying to water down the ABCC.

In conclusion, we have tried to strike a balance: a tough cop on the beat in the construction sector but, at the same time, procedural fairness and the application of the law in relation to workers' rights. That is what these directions are about. I therefore ask senators to not support the procedural motion.

The ACTING DEPUTY PRESIDENT (Senator Bernardi)—The question now is that the motion moved by Senator Fisher at the request of Senator Abetz be agreed to.

The Senate divided. [12.13 pm]

(The President—Senator the Hon. JJ Hogg)

Ayes.....	34
Noes.....	<u>32</u>
Majority.....	<u>2</u>

AYES

Abetz, E.	Adams, J.
Back, C.J.	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.	Johnston, D.
Joyce, B.	Kroger, H.
Macdonald, I.	Mason, B.J.
Minchin, N.H.	Nash, F.
Parry, S.	Payne, M.A.
Ronaldson, 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.	Conroy, S.M.
Crossin, P.M.	Farrell, D.E.
Faulkner, J.P.	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.
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.	Wortley, D.

PAIRS

McGauran, J.J.J.	Lundy, K.A.
Barnett, G.	Stephens, U.
Brandis, G.H.	Carr, K.J.
Humphries, G.	Wong, P.
Ryan, S.M.	Evans, C.V.

* denotes teller

Question agreed to.

EXPORT CONTROL (FEES) AMENDMENT ORDERS 2009

Senator FIELDING (Victoria—Leader of the Family First Party) (12.16 pm)—I seek leave to make a short statement about the Disallowance of the Export Control (Fees) Amendment Orders 2009 (No. 1). I was not able to get to the chamber fast enough when this matter was dealt with, and I know that leave was sought by others to make short statements.

Leave granted.

Senator FIELDING—I want to indicate to the chamber, in relation to the postpone motion by Senator Colbeck of the Disallowance of the Export Control (Fees) Amendment Orders 2009 (No. 1), that I was not in agreement with that being postponed. These fees come in from 1 July and will have an impact on a lot of businesses. I do not believe the package that has been negotiated will ensure that every person affected by these fees will be covered. Given that it is going to cost a lot of businesses in Australia an extra \$40 million each year for the next three or four years, this is a huge issue. I want it noted that I would have preferred that disallowance was voted on and I would have voted for the disallowance. But it has been deferred to the next sitting period.

COMMITTEES**Community Affairs References Committee
Report**

Senator SIEWERT (Western Australia) (12.18 pm)—On behalf of the Senate Community Affairs References Committee, I present the committee's report entitled *Lost Innocents and Forgotten Australians revisited: report on the progress with the implementation of the recommendations of the Lost Innocents and Forgotten Australians reports*, together with the *Hansard* record of proceedings and documents presented to the committee.

Ordered that the report be printed.

Senator SIEWERT—by leave—I move:

That the Senate take note of the report.

A number of the members of the Senate Community Affairs References Committee are in the chamber and we would like to speak very briefly to this report. We would like to speak for longer but our time has been limited, so we have agreed to allocate the time amongst ourselves. I found this committee inquiry probably the hardest I have ever done because of the stories I heard about the forgotten Australians and their time in institutions in this country. It was very harrowing. I think all the committee members who heard about the pain and suffering also found it very tough participating in this committee.

The report makes 16 recommendations for further work that we believe needs to be done. Progress has been made in implementing the recommendations from the *Lost Innocents* and the *Forgotten Australians* reports, but there has not been enough progress. So we have made a further 16 recommendations, to which my fellow committee members will also speak. The first two recommendations relate to the need for an apology. These recommendations resulted from the call for an apology from virtually every

witness before the committee. It was therefore essential for us to have this in our first recommendations. We believe there needs to be a formal statement of acknowledgement and an apology to the children who suffered hurt and distress or abuse and assault in institutional care. We believe this recommendation has not been picked up from the *Forgotten Australians* report, and we have reiterated the need for that.

We also believe there is a need for the Prime Minister to write to the relevant churches and religious agencies requesting that they provide formal statements concerning the need for such bodies to make reparation to children who suffered abuse and neglect in their care in the last century. We believe there needs to be further work done in the provision of redress schemes in the states that do not yet have redress schemes—those states being South Australia, New South Wales and Victoria. We are calling for government and Commonwealth leadership in this area to encourage these states to pursue putting in place redress schemes. We note there is a range of redress schemes around the country—some are better than others—and we believe there needs to be better coordination of those redress schemes. We have suggested that the Council of Australian Governments looks into these issues.

We believe that this action is very strongly needed. We also believe that the churches need to take steps to ensure that the processes for handling abuse allegations are consistent across all jurisdictions across this country. We have heard various stories from all our witnesses that the redress schemes across the country are different. They have had different support and receptions from various church organisations. We believe there needs to be greater action by the churches and religious organisations in providing support, redress and reparations to the children who were in their care. In view of

the time, I seek to continue my remarks at a later date and thoroughly recommend this report to the Senate. I urge the government to implement the recommendations. It is a crying shame that the recommendations from the previous two reports have not been fully implemented, and we urge the government to take on these recommendations very rapidly and see that they are implemented.

An incident having occurred in the gallery—

Senator MOORE (Queensland) (12.23 pm)—I want to acknowledge the presence in the gallery of a number of people who are survivors of care in this country as well as those people who support them and members of their families. Today I want to acknowledge their patience in waiting for this report to be brought down and I also reflect that that patience is part of the lives that they have led, because they have been forgotten—in fact, they have been lost. Those were the issues that were the titles of our previous reports in this place. In 2001 and 2004, the Senate brought down inquiries that exposed the horror of some experiences of care in this country.

At that time, there was great media interest. There were statements made. I still believe that the day in 2004 that *Forgotten Australians: a report on Australians who experienced institutional or out-of-home care as children* was brought down was one of the most moving experiences for everybody in this place. However, our Community Affairs References Committee believes that, whilst there were so many recommendations made in those previous inquiries, there was a need to go back to have a look at just how much work had been done and whether in fact there had been real implementation and acceptance of the recommendations. We all know that recommendations are made and not always agreed, but our committee felt

that time had gone by and we had continued to have experiences working with the people who had given their own lives to our committee. They had come to us talking about their experiences and expressing their pain and frustration, and so many of us shared those experiences. We felt we needed to go back to see what had occurred.

Senator Siewert has pointed out most of the recommendations our committee has made, and I promise this gallery and this place that we will not forget the people who are known as forgotten Australians or those people who are identified as child migrants.

An incident having occurred in the gallery—

Senator MOORE—For the sake of the process in the Senate, I ask the gallery if it could not always applaud; we can do that outside! I know there are other members of the committee who wish to speak.

This issue will continue. There will not be a process of being forgotten by anyone in this place. We will work with governments—we must. I think there will be some disappointment, because I do not think we will be able to meet all the needs that people have expressed. But in terms of making a commitment from the people who have worked together so strongly on this issue over many committees—I see that Senator McLucas, who was the chair of the committee in 2004, has come in. Today I also want to take particular note of Senator Andrew Murray, who did so much in this place and outside in the committee to keep these issues on the agenda. Whenever we have discussion in this place about the work for people who are known as ‘lost innocents’ or forgotten Australians, Senator Andrew Murray’s name will be held high, because his work continues as well.

Where do we go from here? This committee report will be put on the process today.

We will go back to the government and also to the governments at state levels because we know there is a shared responsibility here. We must continue to work together on these issues. These people's lives must now be acknowledged; no longer can people be referred to as 'lost' or 'forgotten'.

The ACTING DEPUTY PRESIDENT (Senator Bernardi)—Before I call the next speaker, I remind the gallery that it is inappropriate to burst into spontaneous acclamation, no matter how happy you are with the proceedings of the Senate. I ask that you remain quiet while the speakers are speaking.

Senator HUMPHRIES (Australian Capital Territory) (12.27 pm)—I also had the privilege of sitting through and participating in the forgotten Australians inquiry and the more recent inquiry, the report of which comes down today. 'Privilege' may be a strange word to use in respect of that process, because it was searing and heartbreaking to hear stories told by Australians of a tragic and disgraceful chapter in Australia's history. We saw evidence of so much neglect and abuse that Australians would not have imagined was going on in their own communities over so many years. In earlier reports we made recommendations to ensure, firstly, that the processes were properly brought to the public's attention and, secondly, that means of redress were put in place for those who had experienced those tragic outcomes.

We went further in this most recent report of the Senate Community Affairs References Committee in order to bear witness to the reality that much of the work we recommended be done through those earlier reports has not yet occurred. There is not a need for further research into what has occurred. There is not a need for further analysis of what steps governments need to take. There is a need for action. That action is missing, particularly on the part of a number of state

and territory governments. The action is missing on the part of many churches and other institutions that are and were responsible for the delivery of care to people in their charge. The purpose of this committee's report is to bear witness to the fact that that work is not yet concluded and must be prosecuted by the necessary authorities.

We recommend that the Commonwealth plays a leadership role in this exercise. The Commonwealth was not directly responsible for the administration of many of the facilities where children received abuse, but the Commonwealth funded, through child endowment, the care of those children and the Commonwealth today plays a leadership role in these matters. The call for action to be pursued by the states through the agency and intervention of the Commonwealth is perhaps the most important recommendation of the committee. I particularly note and endorse the call made by the Chair of the Community Affairs References Committee, Senator Siewert, that the government should focus on the need for the Prime Minister to seek from providers of care a statement of their position on redress, reparation and apology to those who were abused in their care and table the result of the work of that inquiry here in the parliament so that the Australian community can see what it is that has occurred and what is yet to occur. These Australians should not be forgotten. They should be honoured for their experience and given every support they need in order to participate fully in the community of which they are part.

Senator XENOPHON (South Australia) (12.30 pm)—I would like to talk briefly about this important report. Whilst I was not part of the committee process, I am sad to say that this issue is something I know a great deal about because a significant amount of the abuse detailed in the report occurred in South Australia. In South Australia

lia we had the Mullighan inquiry into this. The victims of wards of the state who were the subject of systematic abuse were dubbed 'take-away kids', and their plight first came to light during a series of reports by the local version of the Seven network's *Today Tonight* program. I am pleased to say that Rohan Wenn, who works with me, was the reporter that broke those stories, and it is something that we still discuss on a regular basis because it made such a profound difference in triggering the Mullighan inquiry.

For many years there have been claims by former wards of the state that they have been the victims of systemic abuse and systematic abuse; that children have been taken from state care and abused and then simply returned to have their reports of abuse ignored. I would like to pay particular tribute to Ki Meekins, a survivor of state care and a shining example of the resilience of the human spirit. It is because of the strength of people like Ki that these shocking stories have finally been told and acknowledged. We now need to focus on making amends and helping survivors of state and religious institutions. This report is an important step in that process. It is a valuable report. It is a report that needs to be acted upon with a great degree of urgency because the hurt is still there. These victims are still suffering and we need to make amends.

Senator BOYCE (Queensland) (12.32 pm)—I would very much like to endorse the comments made by my fellow members of the Community Affairs References Committee on this report and inquiry. I did not have the honour of being involved in the previous two inquiries but from the work that we did on this I now have just a small taste of the problems that have been experienced by the forgotten Australians and the lost innocents. My own particular area of interest is disability, and within the disability sphere there have been many, many examples of horrific

abuse and trauma experienced by people, not only by those who are present in the gallery today but by many others as well.

I particularly acknowledge the support of the secretariat in producing this report at what has been a very busy time. The secretary of the committee, Mr Elton Humphery, was involved in the earlier inquiries and the wisdom and patience that he was able to bring to this inquiry was very helpful to all of us. I would also like to pick up on the comment made by my colleague Senator Humphries in his description of this as a 'disgraceful chapter' in Australia's history. It is a disgraceful chapter in the history of not only Australia but also many other countries. The reports of the Irish inquiry are horrific in their description of abuse, time after time, in church-run institutions. Government departments just let it happen in the case of more than 250,000 children in Ireland.

It was a disgraceful chapter in Australia's history, but it is not a closed chapter. In my view there are two reasons why it is not a closed chapter. It is partly because we have not fully redressed the hurt and injuries done to the lost innocents and forgotten Australians. As the report points out, what this requires is a full and real apology from all the players involved—the federal government, the state governments and real action from the churches. I would like to read briefly from our report:

The Committee received very little evidence in relation to statements issued by churches and agencies since the Forgotten Australians report, which reflects the fact that there has been little action by churches and agencies since that time.

We hope that our call for the Prime Minister to use his authority to push the churches into real action—real apology and real attempts at redress rather than public relations stunts that sweep things under the carpet—will actually happen. The other reason that I think this is not a closed chapter is that although it

is far more subtle and far less out in the open, institutionalisation is still happening in Australia and the damage of it is still being felt by Australians. Time after time we have been having state governments, supported by federal government funding, developing institutions. They might be smaller but they are never going to be any better. I would like to briefly conclude by using a quote from the *Irish Times* in relation to the Irish inquiry which I think is just as relevant to us here. It said, 'Abuse was not the failure of the system. It was the system.'

I seek leave to continue my remarks later.

Leave granted; debate adjourned.

Education, Employment and Workplace Relations References Committee

Report

Senator HUMPHRIES (Australian Capital Territory) (12.36 pm)—I present the report of the Senate Education, Employment and Workplace Relations References Committee on the tender process conducted by the Department of Education, Employment and Workplace Relations for employment services contracts, together with the *Hansard* record of proceedings and documents presented to the committee.

Ordered that the report be printed.

Senator HUMPHRIES—by leave—I move:

That the Senate take note of the report.

This inquiry arose out of a considerable amount of dismay and concern in the Australian community, particularly in one sector, that employment services providers with good records of achievement, including the provision of work readiness training, have failed in the recent job tender round to have contracts renewed. In ordinary circumstances, of course, we accept that there will be winners and losers in any tender process. However, we always believe that efficiency,

taxpayer value and the principle of competition serve the public interest well. This is a continuing program and in all essentials it is the early product of the previous coalition government's employment services reform.

The problem that the Employment, Education and Workplace Relations References Committee found with the recent tender round, however, is that it failed to reward sufficiently many organisations which have established their credentials in local communities by winning public confidence across a range of services that underpin successful job seeking. These are, broadly speaking, social services. Many senators were concerned about the erosion of social capital which follows the displacement of well-established providers in some communities with new providers who will need much time and effort to gain the confidence of people in those communities—people often living in difficult circumstances who are in need of specially targeted services. There is much concern about the disruption this will cause and is causing to clients and the expense associated with that. Time will be wasted in establishing new relationships, and the cost to the taxpayer which results from this hiatus in service and to old and new job services providers will be considerable.

Another serious consequence is the potential loss of experienced case workers from the employment services sector, and the unemployment of many others. That this should occur at a time of rising unemployment is quite unfortunate. The government has stated that many displaced case officers from disbanded agencies will be absorbed by the new agencies. That may or may not happen; that is speculation. We will not know until the painful shakedown process is over.

The question asked by the committee was: what went wrong? The committee has had only partial access to information that would

provide the answer. It lies partly in a decision made about a key criterion which gave insufficient weight to the record of past performance of job services providers within the system. Catholic Social Services Australia, for example, commented on this criterion:

In retrospect, the 30% weighting allocated to past performance was inadequate, allowing far too many proven performers to be dumped from the services on the basis of their written responses to selection criteria which we have already argued biases the results to larger, richer entities so often unproven in particular local areas.

The conclusion of the committee majority was that this was a wrong decision. We have well-established and successful agencies operating with a very close knowledge of their communities being displaced by new providers without any local knowledge at all, some of them based overseas. To understand this, and to make a proper assessment of a process which, according to its critics, has produced 'counterintuitive' results would require accessing documents which are confidential to the department's selectors.

The probity of the tender process remains something of an open question. With regard to the late notification of a few successful tenderers, where the system failed very badly—and the department admits that—the process undoubtedly failed. Presumably, the rigorous probity arrangements were instituted to balance, as much as to safeguard, a process that was intended to be free of both external influence and external scrutiny or merits review. That was based on an attempt to avoid problems. The minister and the department have been at pains to emphasise the probity test, but that does not necessarily lead to openness and accountability. Nor does it provide any assurance as to the quality of an outcome. Many poor decisions are made in a very proper way, and in this case there was no information provided which

gives an insight into the reasons particular selections of job tenderers were made.

Senators asked questions in the committee process. Indeed, they also asked questions in estimates and in question time, and members of the other place also asked questions in the appropriate forums available to them. At the end of this process it is true to say that a number of critical questions remain unanswered, particularly ones relating to the adding of tenderers to the tranche of tenderers who were the preferred tenderers at a stage close to the end of this process.

The committee has made some recommendations which the government should consider. The tender system requires an effective dialogue with tenderers rather than what appeared to be an over-reliance on written tender documents. Of particular concern to the committee was evidence that there appeared to have been limited verification of claims made. Not one witness—successful and unsuccessful tenderers—could tell the committee that their referees had been contacted, and they received no contact from DEEWR. As with a job application, written claims are just one aspect of the process and claims must be verified with referees, in our view. The committee majority considers that the process would benefit from the inclusion of a more tangible demonstration of the ideas and capabilities of tenderers, perhaps also with some different configuration of the tender process.

The committee heard evidence that the tender process seemed to favour larger organisations which have more resources at their disposal, the capacity to inject significant capital and to take on the administrative requirements. The committee heard how smaller organisations felt unable to compete in the tender process and did not tender. In our view, to ensure the diversity of the sector, smaller and specialist organisations must

receive more support to ensure they do not feel shut out of future processes.

Importantly, the committee found that the process, perhaps inadvertently, fails to recognise the value of the additional community services provided by not-for-profit organisations. However difficult to quantify, this aspect should be properly addressed. There needs to be a selection process which can identify the best quality providers and which is able to achieve a balance between probity and effectiveness without compromising the interests of taxpayers or the philosophies which underpin care. The majority of the committee has recommended that it is time to review the tender process and investigate how best to address these issues.

I seek leave to continue my remarks later.

Leave granted; debate adjourned.

BUSINESS

Rearrangement

Senator FAULKNER (New South Wales—Minister for Defence) (12.45 pm)—by leave—I move:

That government business have precedence over business of the Senate from 12.45 pm till 2pm today and that the order of business be:

Coordinator-General for Remote Indigenous Services Bill 2009.

No. 5 Migration Amendment (Protection of Identifying Information) Bill 2009. Private Health Insurance Legislation Amendment Bill 2009.

No. 6 Disability Discrimination and Other Human Rights Legislation Amendment Bill 2008.

Remaining government business orders of the day.

Question agreed to.

COORDINATOR-GENERAL FOR REMOTE INDIGENOUS SERVICES BILL 2009

Second Reading

Debate resumed.

Senator SCULLION (Northern Territory) (12.46 pm)—The coalition supports the introduction of the Coordinator-General for Remote Indigenous Services Bill 2009. Its clear intent is to provide a government service coordination function that has been identified as absolutely vital in the Northern Territory intervention. For those who are listening to this debate, the vernacular for the Northern Territory intervention, the terminology, is now ‘closing the gap in the Northern Territory’, but they mean the same thing. This concept clearly is not new. To be effective, I believe that there are some significant and serious challenges that the coordinator-general has to overcome.

Anyone who has had close association with Indigenous communities will be painfully aware of the lack of coordination between government departments over years and years and the confusion and the substandard delivery of service as a consequence of that. I suppose one of the realities is that, as an Indigenous community leader, you would think that you would have a special certificate in being a professional meeting attendee, given the numbers of meetings that are required. People land in aeroplanes and they say, ‘Where are the leaders?’ and they are all supposed to jump out there and be keen. That is a huge load on those leaders, and they often do not even understand the results of the meetings or what happened, so they are very confused.

What is proposed to occur through this piece of legislation I think will make it a lot better, although we need to be very careful about this. I am certainly reminded of an attempt by the Northern Territory government in 2001, with Bob Beadman. I think the intent was clearly to have a very similar effect to that of the coordinator-general as indicated in this piece of legislation. It had some successes, but inevitably the system failed because individual departments within

the Northern Territory and individual departments within the Commonwealth were not able to communicate successfully. This is nothing new. Anybody who has had anything to do with bureaucracies knows that we have silos: 'They are your silo of responsibility.' There is no mischief in that; that is just the way the system is built. But, unless we are able to deal with desiloisation in a coordinated way, the proposal before us will fail as others have before it.

We still think that this is a very important proposal. I think it is very important for us to understand—and perhaps, in some sort of response, the minister may indicate—the nature of the relationship between the coordinator-general and other individuals who are responsible for the running of what is now called 'closing the gap in the Northern Territory'. Certainly government business managers have provided a number of pieces of coordination, and I think they—to a greater and lesser degree, depending on who you talk to and which business manager you are talking about—have been quite successful.

As an exemplar, I was recently in Milngimbi, and there is actually a letter of agreement between the individual who runs the shire and the shire operations and the government business manager to have a meeting on any issue that affects either of their jurisdictions. I understand that there are only two other communities in which that occurs, and the coordination of the service delivery between them just works a lot better. They are all very busy people in these communities, but we have to have a dictate that says: 'You are going to have to meet with these individuals. You're going to have to ensure that this happens.' To simply set up another head of something will fail as surely as did the process that introduced Mr Beadman.

I am not sure how it can be done, but all governments at all levels have to provide the necessary support to this individual to ensure that this works very well, and we need to do that very carefully. Indigenous Australians do not need any more promises; they deserve real action. I think this is a significant part of ensuring that we deliver that, but, without the support of all government departments across the board, that is not going to happen. Perhaps, Minister, those particular notes are not at hand, but I am sure you will be able to provide that advice to me at some stage. Certainly, if that advice is not available at the moment, it will not change our position on supporting this legislation.

Senator FAULKNER (New South Wales—Minister for Defence) (12.51 pm)—I will be brief in my response. I thank Senator Scullion for his contribution, but he has asked me to briefly deal with some matters—I will do that as best I can briefly in summing up.

The Coordinator-General for Remote Indigenous Services Bill 2009, as you would realise, Mr Acting Deputy President Forshaw, allows for government investment to be prioritised and coordinated to ensure that each priority location has the infrastructure and services to support and sustain healthy social norms so that people can reach their potential and communities can thrive. This position has been established to address the practical problems associated with designing, sequencing and rolling out myriad programs in remote communities. The bill provides for consultation with relevant state or territory governments before the minister specifies a remote location in a particular state or territory. The bill also makes provision for the coordinator-general to arrange with the Secretary of the Department of Families, Housing, Community Services and Indigenous Affairs for the services of APS employees from the department to be made available.

The state or territory coordinator-general for remote Indigenous services will be the first point of contact when the coordinator-general is exercising his or her powers in relation to a specified remote community in that state or territory.

To move specifically to the issues that Senator Scullion raised in his speech on the second reading—or those I am able to address at the moment—I can say that, when there is an issue requiring urgent remedy, this bill will give the coordinator-general the powers to require people to provide information and/or documents, to require people to attend meetings, and to request assistance from Commonwealth, state and territory agencies. If the coordinator-general is not satisfied with the response from the head of the agency, the coordinator-general may report the matter to the minister and also to the Prime Minister, if necessary. The coordinator-general's approach will be to work with other parties collaboratively. The coordinator-general will provide regular reports to the minister on progress made by all Commonwealth, state and territory agencies. The coordinator-general will ensure that the delivery of all government programs in the specified remote communities is coordinated between governments, instead of being planned and delivered in isolation. If the coordinator-general fails to receive an adequate response from an agency official, this bill allows for the matter to be reported to the head of the relevant Commonwealth state or territory agency.

In conclusion, again, I thank Senator Scullion for his speech on the second reading. I will make sure that his comments are referred to Minister Macklin so that she is aware of the views that he has expressed in the chamber today.

Question agreed to.

Bill read a second time.

Third Reading

Bill passed through its remaining stages without amendment or debate.

MIGRATION AMENDMENT (PROTECTION OF IDENTIFYING INFORMATION) BILL 2009

Second Reading

Debate resumed from 22 June, on motion by **Senator Ludwig**:

That this bill be now read a second time.

Senator FIERRAVANTI-WELLS (New South Wales) (12.55 pm)—The Migration Amendment (Protection of Identifying Information) Bill 2009 amends the Migration Act 1958 to ensure that all personal identity information obtained by the Department of Immigration and Citizenship is subject to the access, use and disclosure regime in part 4A of the act. It follows provisions first enacted in the Migration Legislation Amendment (Identification and Authentication) Act 2004 which provided for the collection of biometric data by immigration officials. By strengthening the power of officials to collect personal identifying information, in turn the integrity of our immigration and border protection system was strengthened. Part 4A of the amended act contained provisions restricting access and disclosure of this personal information. Use of personal information outside these provisions carried significant penalties, including up to two years imprisonment.

In 2007, the coalition introduced the Migration Legislation Amendment (Information and Other Measures) Bill 2007, which sought to broaden the circumstances through which personal identifying information could be accessed. These amendments were particularly important in improving the process of dissemination of information throughout the government, particularly for security related purposes. We are now advised by the

government that recently acquired legal advice suggests that, in some cases, personal information collected by the department from other domestic and international agencies may not be protected by part 4A of the act. The coalition will be supporting these amendments to ensure that all personal identifying information held by the department is protected by part 4A provisions.

In the other place, the shadow minister for immigration and citizenship, Dr Stone, gave detailed background to the context and importance of this bill. Her remarks were in stark contrast to the misguided, ill-informed and politically-driven comments which were levelled by those opposite her, most particularly by the Parliamentary Secretary for Multicultural Affairs and Settlement Services, Laurie Ferguson, who chose instead to use his second reading speech to attack the opposition and, most remarkably, to defend himself over the recent Auditor-General's report on his department's actions in the allocation of grants, including to his own electorate of Reid. Mr Ferguson appeared to lose sight of the important legislation at hand, instead embarking on a desperate attempt to defend himself and Labor's actions.

So let us look at 'whiteboard mark 2', and how Labor was found to have ignored its own guidelines on grant allocations. In a report dated 21 May 2009, the Auditor-General found that the Department of Immigration and Citizenship breached guidelines on the allocation of funding for the 2008-09 Settlement Grants Program. In Senate estimates on 28 May 2009 I was told that, of the 399 applications from 244 organisations, 230 new projects were funded under the program in 2008-09. When additional monies became available, the department identified five projects for funding. Four more projects were identified after discussions with the parliamentary secretary. No record was kept of this conversation. Of the four additional fun-

ded—surprise, surprise!—two were in Mr Ferguson's own electorate of Reid. It seems strange that, of all the remaining 170 projects that could have been chosen, two out of the four were from the parliamentary secretary's own electorate. The Auditor-General's report goes on to claim that it is not clear whether the 'most deserving projects on the basis of merit' were funded. The report is very critical: 'without adequate documentation, departments are not able to demonstrate that all applications have been treated equitably.' This incident makes a mockery of the so-called reforms to the administration of grants programs advocated by Labor after it came to power. This is indeed shades of the whiteboard and indeed can be aptly described as 'whiteboard mark 2'. Instead of explaining the importance of the legislation, Mr Ferguson embarked on a feeble attempt to defend his actions—actions which have been criticised by the Auditor-General. In conclusion, the coalition will be supporting this bill.

Senator SHERRY (Tasmania—Assistant Treasurer) (1.00 pm)—I thank Senator Fieravanti-Wells for her contribution to the debate on the Migration Amendment (Protection of Identifying Information) Bill 2009. I do not agree with the observations and interpretation she advanced; nevertheless, she was speaking in support of the bill.

The bill provides the appropriate framework for handling personal identifiers in the future. The Migration Legislation Amendment (Information and Other Measures) Act 2007 made an amendment to the definition of 'identifying information' in paragraph 336A(a) to provide that it is any personal identifier provided under section 40, 46, 166, 170, 175, 188, 192 or 261AA of the act. However, these amendments to the definition in 2007 made these provisions more limited than the original policy intention.

Recent legal advice suggests that personal identifiers belonging to the department's clients that are not currently protected by part 4A include those collected from other agencies, domestic or international; unsolicited external sources; and from law enforcement agencies often shared with the department as part of an investigation. In relation to these personal identifiers DIAC has been adhering to part 4A of the Migration Act and the Privacy Act where applicable, so there is no question of either act being breached. In order to ensure that the rights and privacy of persons whose personal identifiers are provided by international and external sources are protected under the act and to ensure our Australian and international partners that the data they will provide will be given this protection this bill will subject all personal identifiers collected by DIAC for immigration purposes to the same statutory regime, that being part 4A of the act. I commend the bill to the chamber.

Question agreed to.

Bill read a second time.

Third Reading

Bill passed through its remaining stages without amendment or debate.

PRIVATE HEALTH INSURANCE LEGISLATION AMENDMENT BILL 2009

First Reading

Bill received from the House of Representatives.

Senator SHERRY (Tasmania—Assistant Treasurer) (1.03 pm)—I 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 SHERRY (Tasmania—Assistant Treasurer) (1.03 pm)—I move:

That this bill be now read a second time.

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

Leave granted.

The speech read as follows—

The Private Health Insurance Legislation Amendment Bill 2009 will amend the *Private Health Insurance Act 2007* and the *Age Discrimination Act 2004*.

The commencement day for provisions dealing with extended family policies and surplus assets is the later of 1 July 2009 and the day on which the Act receives Royal Assent. The commencement day for provisions dealing with amendments to the *Private Health Insurance Act 2007* which are a consequence of the Private Health Insurance (National Joint Replacement Register Levy) Bill 2009 is the same time as the commencement of the proposed Private Health Insurance (National Joint Replacement Register Levy) Act 2009.

The amendments will permanently allow private health insurers to offer extended family policies that cover people aged 18 to 24 (inclusive), who do not have a partner, are not receiving a full time education at school, college or university and where the fund rules of a private health insurer provide for this group.

The Bill also includes consequential amendments to the *Private Health Insurance Act 2007*, consistent with the introduction of the Private Health Insurance (National Joint Replacement Register Levy) Bill 2009 which imposes a levy upon sponsors of joint replacement prostheses in order to recover the costs of maintaining the National Joint Replacement Register (NJRR).

Extended family policies

The 18 to 24 age group has relatively low participation in private health insurance. Private health insurers developed extended family policies to encourage 18-24 year olds to continue their health cover into adulthood. Under the *Private Health Insurance Complying Product Rules 2008 (No 3)*, transitional arrangements were made to allow

these extended family policies to continue until 31 December 2009.

The Bill will amend the *Private Health Insurance Act 2007* to allow insurers to permanently offer extended family insurance policies.

While premiums on an extended dependent family policy can be more than other family policies covering just younger children and older students, most importantly, the overall cost should nonetheless be lower than if such young adults had to take out their own separate policy.

This will make it more attractive for people aged under 25 to remain in private health insurance.

This is a win-win amendment. It is a win for the private health industry as it will be able continue to offer an attractive product for families and young adults, and it is a win for many families who will be able to save money by utilising extended dependent private health insurance policies.

The Bill also amends the *Age Discrimination Act 2004* to provide an exemption from any unlawful age discrimination under that Act which may arise from allowing a higher premium to be set for policies that include 'dependent child non-students'.

National Joint Replacement Register Levy

A new cost recovery Act to fund the National Joint Replacement Register has been proposed and will commence on 1 July 2009 or, if later, the day of Royal Assent. The Bill includes consequential amendments related to the National Joint Replacement Registry Levy, with respect to the administration of the levy.

Senator CORMANN (Western Australia) (1.03 pm)—The coalition supports the Private Health Insurance Legislation Amendment Bill 2009. It is the first and only and, indeed, very lonely positive legislative initiative of this government in relation to private health insurance. It, of course, comes after the disastrous changes last year to the Medicare levy surcharge thresholds, which the government expects will see nearly 500,000 fewer people in private health insurance. It comes after Labor's broken promise on pri-

ivate health insurance rebates, which will see a further 40,000 people leave private health insurance with all of the disastrous related consequences for our public health system and with all the related disastrous consequences in terms of the cost of private health insurance for the 11 million Australians that do take additional responsibility for their own healthcare needs.

As I said, this is a positive initiative. This bill will add a new category to the groups to which private health insurers can offer insurance policies. Currently, the Private Health Insurance Act requires that insurers are only allowed to offer policies to particular insured groups—namely, singles, couples and families with dependent children. Since late 2007 the rules were changed to include another extended family category, which included 'dependent children non-students'. This category allowed family policies to cover people between the ages of 18 and 24 who were single and not in full-time education. The category was developed by health insurers to encourage young adults to maintain health insurance cover into adulthood.

The arrangements however have been temporary and this bill proposes amendments to insert the category of 'dependent child non-student' into the Private Health Insurance Act. This will enable insurers to offer policies to this group on a permanent basis. Health insurers will be able to charge higher premiums for these extended family policies than for others; however, the premium is expected to be less than that charged to a young, single individual if they were forced to take out their own cover. With the percentage of people in the 20- to 24-year age grouping covered by private health insurance in decline, down to 3.9 per cent in 2008, it is hoped that this measure will make insurance under the family policy umbrella more attractive and see younger people remain covered by insurance.

Of course we will have to wait and see because the positive impact of this measure will be offset to a very significant degree by the disastrous consequences of successive attacks by the Rudd Labor government on Australians with private health insurance. These successive attacks will see the cost of private health insurance increase overall and in excess of 500,000 fewer Australians covered by private health insurance—attacks that are going to have a disastrous impact on our health system overall. Very specifically as a result of the broken promise on private health insurance rebates, more than 2.3 million Australians are expected to see an automatic increase in their private health insurance of between a staggering 14.3 to 66.7 per cent.

The government initially told us that 25,000 people would leave as a result. During estimates that became 40,000 people. Access Economics has estimated that it could be up to 100,000 people. The government in its rhetoric has been trying to point to Private Health Insurance Administration Council data to suggest that the expectation of last year, of there being nearly half a million fewer Australians in private health insurance as a result of the Medicare levy surcharge changes, had not come out. But of course during the Senate estimates both the health department and the Treasury confirmed that the government continues to expect, and indeed continues to need, 500,000 fewer Australians to be covered by private health insurance in order to achieve the savings that it has included in the budget estimates. So with those few remarks I confirm that the coalition support this initiative. We consider this to be a positive initiative. But what a shame it is that the government could not take this sort of attitude to our health system more often.

Senator SHERRY (Tasmania—Assistant Treasurer) (1.08 pm)—in reply—I thank

Senator Cormann for the support of the Liberal-National Party opposition in the Senate. Of course I do not agree with his editorial on the general approach of this Labor government in respect of private health insurance. The Labor government supports a strong private and public health system, and many of the prophecies of doom that Senator Cormann has been making of course have not come to fruition.

Senator Cormann—They're still in your budget estimates.

Senator SHERRY—I did not interrupt the senator when he was speaking. It is the end of the session and we are here to deal with important budget bills. The senator should calm down. The Private Health Insurance Legislation Amendment Bill 2009 will amend the Private Health Insurance Act 2007 and the Age Discrimination Act 2004. The amendments will permanently allow private health insurers to offer extended family policies that cover people aged 18 to 24 inclusive who do not have a partner, who are not studying full-time at school, college or university and where the fund rules of a private health insurer provide for this group.

The private health insurers developed extended family policies to encourage 18- to 24-year-olds to continue their health cover into adulthood. Under the Private Health Insurance (Complying Product) Amendment Rules 2008 (No. 3) transitional arrangements were made to allow these extended family policies to continue until 31 December 2009. The bill will amend the Private Health Insurance Act 2007 to allow insurers to permanently offer extended family insurance policies. The bill also amends the Age Discrimination Act 2004 to provide an exemption for any unlawful age discrimination under the act which may arise from allowing a higher premium to be set for extended family policies.

The bill also includes consequential amendments to the Private Health Insurance Act 2007 consistent with the introduction of the Private Health Insurance (National Joint Replacement Register Levy) Bill 2009, which imposes a levy upon sponsors of joint replacement prostheses in order to recover the costs of maintaining the National Joint Replacement Register. The Private Health Insurance (National Joint Replacement Register Levy) Bill 2009 was passed on 18 June 2009. I commend the bill to the Senate.

Question agreed to.

Bill read a second time.

Third Reading

Bill passed through its remaining stages without amendment or debate.

DISABILITY DISCRIMINATION AND OTHER HUMAN RIGHTS LEGISLATION AMENDMENT BILL 2008

Second Reading

Debate resumed from 13 February, on motion by **Senator Sherry**:

That this bill be now read a second time.

Senator FIFIELD (Victoria) (1.11 pm)—I rise today to speak on the Disability Discrimination and Other Human Rights Legislation Amendment Bill 2008. The coalition will be supporting this bill. This bill will amend a range of antidiscrimination legislation, but most importantly the Disability Discrimination Act 1992. It will also see some technical and cosmetic amendments, such as the Human Rights and Equal Opportunity Commission changing its name to the Australian Human Rights Commission. Many of the amendments this bill makes arise from the recommendations of the Productivity Commission's 2004 review of the Disability Discrimination Act 1992, which was commissioned by the then Parliamentary Secretary to the Treasurer, the Hon. Ian Campbell.

The majority of the amendments in this bill seek to enact recommendations which were accepted by the previous coalition government.

Australia was one of the first countries, under the former coalition government, to sign the UN Convention on the Rights of Persons with Disabilities, in March 2007. The then coalition government consulted widely with stakeholder groups, including disability sector representatives, to gain an informed position on the key issues. With the ratification of the convention in 2008, it is important that we now move towards shifting attitudes in Australia in respect of disability.

To the greatest extent possible, we need to break down the social and economic barriers that prevent participation in mainstream community life by people with a disability. We need to move away from the thinking that sees disability support as welfare. A person with a disability has the entitlement to participate in the community and the workforce. And a person with a disability, with the right support, can make full use of their skills, their talents and their capacities. This bill goes some way to ensuring the positive duty to make reasonable adjustments for a person with a disability—reasonable adjustments so an individual can exercise choice and more easily engage in the workforce, reasonable adjustments that will give a person with a disability independence and choice. The aim is to overcome restrictions that limit opportunity and provide particular challenges and barriers to seeking work. Reasonable adjustments, by balancing net benefits for the community without imposing undue hardship on the organisations required to make them, will, when the amendment is adopted, make it much easier for a person to apply for a job without feeling that they have to hide any possible disability.

I hope that with this amendment we will see more people with a disability in the workforce. I hope that individuals will feel more inclined to disclose in advance to a potential employer any disability related needs or modifications which are required for them to perform the duties of the job and that they will not feel they have to opt not to make a job application for fear of being rejected due to a disability.

People with disabilities are underrepresented in the workforce due to the attitudes of society and a lack of support. One of the greatest challenges facing people with disability is acceptance by the community. To be able to dine with friends, do the grocery shopping or be in a public place are aspects of life that we all take for granted. Acceptance of a person with a disability sometimes requires people to accept not only the person with a disability but also their use of an aid or their reliance on an individual—a carer— or on an animal, as assistance that they need to take part in daily life.

This bill clarifies the requirements for an assistance animal to be recognised and also provides that discrimination on the grounds of a person having a carer, assistant, assistance animal or disability aid is equivalent to discrimination on the grounds of disability. The bill also makes clear that the definition of disability includes genetic predisposition to a disability.

Access to community life and independence are important objectives for us all. I think all senators are committed to supporting initiatives to provide and improve accessibility, equity, opportunity and choice for all Australians. It is easy for any one of us to mouth those words; it is much harder to deliver. I will just give one instance. The Productivity Commission's 2004 review of the Disability Discrimination Act 1992 and the report of the Senate Standing Committee on

Legal and Constitutional Affairs into this bill both recommended implementing more accessible voting procedures for voters with a disability.

The coalition's commitment to independence saw the introduction of a trial, at the 2007 federal election, of electronically assisted voting for electors who were blind or vision impaired. It is my belief that blind and vision impaired people should be able to take up their right to a secret ballot in future elections. The 2007 trial was seen as a success by stakeholder groups. To quote from Vision Australia's submission to the committee inquiry into the 2007 federal election:

... it marked a milestone in Australia progressing toward a society which is fully inclusive of the needs of people with a disability.

It was therefore very disappointing on 17 March this year when the Chair of the Joint Standing Committee on Electoral Matters announced in a media release:

The committee has recommended that electronically assisted voting for blind and vision impaired electors ... be discontinued.

After that release, I think very much in an admission of the committee's failure to canvass alternatives, the committee chair, Mr Melham, said:

I don't feel good about making the recommendation.

I think Mr Melham was recognising that simply saying that the trial will not be continued and there will be no future provision for blind and vision impaired people really was not an adequate response.

As I said, my belief is that that option of a secret ballot should be there for blind and vision impaired people. The coalition government's trial certainly provided a positive experience for many voters. Mr Graeme Innes, Human Rights Commissioner and Disability Discrimination Commissioner, said of the trial in 2007 and his ability to cast a vote:

I had tears in my eyes ... I was able to exercise what I regard as a very important democratic right.

I believe that is a right which should be available. It remains to be seen what the Rudd government will do and how it will provide a secret vote for blind and vision impaired people. I hope that the government does see its way to facilitating blind and vision impaired people to access that right.

The coalition supports measures in this bill that widen opportunities for people with a disability to gain independence and participate in the community. These amendments, by placing responsibility on all relevant parties to work together, will remove much discrimination that is currently faced by people with a disability. This legislation is a move forward to achieving a more equitable society. I commend the bill to the chamber.

Senator SHERRY (Tasmania—Assistant Treasurer) (1.20 pm)—in reply—I would like to thank Senator Fifield for his contribution and the support of the Liberal-National Party for this legislation. The amendments in the Disability Discrimination and Other Human Rights Legislation Amendment Bill 2008 will improve the efficiency and effectiveness of our antidiscrimination system. There has been broad support for these amendments in both chambers.

This bill makes changes that have been reviewed and carefully considered not only by the government but also by respected bodies including the Productivity Commission, in its 2004 review of the Disability Discrimination Act 1992; the Australian Law Reform Commission; and committees of this parliament. Key amendments in the bill will clarify the obligation of employers, service providers and others to remove discriminatory barriers for people with disabilities.

Other important amendments in the bill include removing the 'dominant reason' test

from the Age Discrimination Act 2004 and amending the Human Rights and Equal Opportunity Commission Act 1986 to formally change the name of the Human Rights and Equal Opportunity Commission to the Australian Human Rights Commission.

The bill was recently the subject of an inquiry and report by the Senate Standing Committee on Legal and Constitutional Affairs. I am pleased to report to the Senate that the committee recommended that it be passed subject to an amendment in paragraph 30(3)(a) to clarify the onus of proof in cases involving unlawful requests for information. The government accepts the merits of the Senate committee's recommendation and I can foreshadow that in the committee stage of this bill the government will move a minor amendment along these lines. The proposed amendment puts beyond doubt that the evidence must be provided under section 30 and that there was no unlawful purpose for which the information was sought.

The committee also made four other substantive recommendations of a more general nature which the government accepts in principle and to which it will give further consideration. Once again I thank Senator Fifield for his contribution to the debate and his support for the bill. The bill is another step towards ensuring our laws continue to promote equality, equal opportunity and a fair go for people with disability. It does so in a practical and measured way, and I commend the bill to the Senate.

Question agreed to.

Bill read a second time.

In Committee

Bill—by leave—taken as a whole.

Senator SHERRY (Tasmania—Assistant Treasurer) (1.23 pm)—I table a supplementary explanatory memorandum relating to the government amendment to be moved to the

bill. The memorandum was circulated in the chamber earlier today. I now move government amendment (1) on sheet QF335:

- (1) Schedule 2, item 60, page 18 (lines 3 to 4), omit “the first person did not request or require the information for”, substitute “none of the purposes for which the first person requested or required the information was”.

Section 30 of the Disability Discrimination Act provides that it is unlawful for a person to request or require disability related information from another person if the request is connected with action that is unlawful under the act. Paragraph 30(3)(a) as proposed in the bill places the onus on the respondent to produce evidence that he or she did not request or require the information for the purpose of unlawfully discriminating against the other person on the grounds of disability. This amendment to proposed paragraph 30(3)(a) requires the production of evidence that none of the purposes for which the information was sought was for unlawful discrimination. It addresses a concern raised by the Senate Standing Committee on Legal and Constitutional Affairs that the paragraph might otherwise enable a successful defence to a discriminatory request for information where that unlawful discrimination is only one of a number of purposes for which information was sought. I commend the amendment to the Senate.

Question agreed to.

Bill, as amended, agreed to.

Bill reported with an amendment; report adopted.

Third Reading

Senator SHERRY (Tasmania—Assistant Treasurer) (1.26 pm)—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

CAR DEALERSHIP FINANCING GUARANTEE APPROPRIATION BILL 2009

Second Reading

Debate resumed from 15 June, on motion by **Senator Faulkner**:

That this bill be now read a second time.

Senator ABETZ (Tasmania) (1.26 pm)—The Senate is considering the Car Dealership Financing Guarantee Appropriation Bill 2009. The so-called ‘special purpose vehicle’—SPV, dubbed OzCar—was established to help car dealers unable to obtain ongoing finance because of the credit squeeze. I remind the Senate that the credit squeeze was exacerbated by the mismanagement of the credit squeeze by Labor. Firstly, Labor’s ill-thought-out bank guarantee saw a flight of capital from credit companies to the banks. The consequences are there for all to see. Also, Labor’s huge spendathon, which has now sucked up \$200 billion—and it is ever increasing—from the credit markets, made the credit supply all the more difficult. I still do not know how Mr Rudd and Mr Swan say with a straight face that somehow you deal with a credit crisis by putting a greater demand on credit resources by borrowing an extra \$200 billion, which, by the end of it all, I think will be \$315 billion.

Senator Fifield—Bizarre.

Senator ABETZ—It really is, as Senator Fifield says, quite bizarre. It is an act of economic stupidity and long-term vandalism to the rightful inheritance of the next generation of Australians. When Labor make these economically irresponsible decisions there are flow-on consequences. And, of course, the flow-on consequence for car dealers was that they found themselves in real strife. That is what happens. Once you start unsettling one part of the economy, there are flow-on consequences. Therefore, a mechanism was needed to assist the car dealers. That mecha-

nism was established with the great announcement and great fanfare of the \$2 billion OzCar fund. We now know, courtesy of Senate estimates—and it was never issued by way of press release—that although the \$2 billion was announced with great fanfare, it shrank to \$850 million, and we think it is now down to \$450 million. There was no further discussion by way of media releases as to that, but we found that out.

We have also found out that OzCar, the special purpose vehicle facility, would not be in existence but for the need of Ford Credit, for which the parameters of the original OzCar were substantially changed. Indeed, the incontrovertible evidence is that, but for Ford Credit's needs, OzCar would not even have been established. What was the importance for Ford Credit? Very simply, Ford Credit provides funding to the car dealerships which, not surprisingly, sell Ford motor vehicles. If the car dealerships that sell these vehicles cannot exist, there is then—and this is interesting—a knock-on effect to Ford manufacturing in this country. Therefore, this facility is needed, and we support the government in establishing the facility and expanding the parameters to allow Ford Credit into the scheme, something which it was not designed for originally. These are the flow-on, knock-on consequences of the irresponsible decisions which Labor has taken.

There has been some questioning around the issue of Ford Credit's involvement in the OzCar scheme, and I want to place a few statements of fact on the record. But, first, I want to deal with a number of smokescreens that have been put up. Firstly, there has been a deliberate campaign by Labor to suggest that the opposition created a fake email. There is no evidence, and, might I add, it is a completely false assertion. Are we actually to believe that somebody from the opposition, on the evidence known, broke into Treasury to create it on a Treasury computer? That is

fanciful stuff. I know there have been a number of journalists anxious to ask me questions. Given that it was created on a Treasury computer, I just wonder why they do not ask Mr Rudd and Mr Swan, 'Do you believe that somebody from the opposition actually went in there to create this fake email?' or whether he will now apologise. I think we know what the answer will be. They will not even bother to ask Mr Rudd that question, unfortunately. The second point and the second smokescreen is that the whole case of the opposition against Mr Swan was based on the email. Can I simply say that that email bore no relationship whatsoever, in any way, shape or form, to the allegations that still stand firm against Mr Swan—and they remain very firm.

I will make some other observations, especially in relation to my friends in the media who, all of a sudden, seem very interested in me: some of your members have been willing to risk imprisonment for not revealing their sources. It is a matter of great honour to them, yet they apply a completely different standard to the opposition when the opposition says, 'We will not reveal our sources.' It is interesting. Remember when Mr Rudd was going on about the Australian Wheat Board and he had cable after cable leaked to him?

Senator Fifield—Where did he get those from?

Senator ABETZ—You could ask that question, Senator Fifield, but, interestingly, Mr Rudd was not asked by the media: 'Reveal your sources.' No such demand was made. Why not? Where is the standard here? I say to those journalists who rely on information provided to them: be very careful with this push—and I would in fact invite them to read the editorial in the *Australian*.

Can I also say that I am astounded at the language used. It seems that if a public ser-

vant gives information to a Labor opposition, all of a sudden they become a hero and they are a whistleblower. If a public servant gives information to a Liberal-National opposition they are a mole—an interesting change and nuance in the language employed by our very objective friends in the media! I would invite them to consider, and consider very carefully, their use of language and the way that they have sought to pursue this matter.

In case anybody is interested, the *Hansard* is up. On Friday, 19 June there was a hearing of a Senate committee, and I invite everybody to read that *Hansard* and the statements contained therein. May I say that the questions that I raised therein were proper for any opposition to follow up on the basis of information received. If certain questions had not been asked and journalists had somehow found out that certain information may or may not have been received by the opposition, the headlines would have been that we are gutless and that we do not know what the role of opposition is. The role of opposition is to test the material that is supplied to us from time to time. Read the *Hansard*, even upside down if you like, and you will find nothing other than a testing of information, a testing of propositions, which, as we now know, the witness was not allowed to answer because of the deliberate interference of Labor senators and the senior officer at the table.

But let us get back to the facts that do not rely on any email whatsoever. The facts are these: the Treasurer of this country knew via emails going to his home fax that a Treasury official would raise the issue of a Mr John Grant at a meeting on 23 February 2009—a crucial meeting. Without its \$550 million requirement of guarantee Ford Credit would be sunk and, without Ford Credit, Ford manufacturing would be sunk. This was the seriousness of the proposition; there were thousands of jobs at stake.

We weasel into the discussion courtesy of a Treasury official with the specific instruction of the Treasurer: ‘By the way, there’s a fellow called John Grant who needs financing for his car dealership. By the way, I just happen to have with me his mobile telephone number. It might be helpful. By the way, he is a mate of the Prime Minister, but that is all irrelevant and the mobile number’s here. Give him a ring.’ And the Ford officials rang Mr Grant that very day and arranged to have further discussions a few days later. Can you imagine the immense pressure on Ford Credit? They were fighting not only for Ford Credit’s life but also for Ford’s manufacturing life in Australia—\$550 million for Ford Credit plus all their investment in Ford manufacturing.

It was a huge burden and I lay no blame on Ford Credit for ringing Mr John Grant. But I do blame the Treasurer of this country for using his officers to ask for such an accommodation for Mr John Grant. Out of all the car dealers that had problems in this country, not a single one got the favoured treatment that John Grant did. Why John Grant, a mate and benefactor of the Prime Minister of this country? No questions about that. That is the absolute truth. That is the absolute situation. Mr John Grant, out of all the car dealers, was offered that special deal. Indeed, in trying to run his own defence—and the media should see this as very contemptuous of the parliament—Mr Swan put down a press pack of emails. He did not table it in the parliament where he was under attack but gave it to the media late in the afternoon so the opposition could not see it and respond to it until the next day. See how Labor is always driven by the media cycle? But finally the media did provide us with a copy of the emails and, as a result, the opposition could go through them.

Those emails are very telling, because they disclose that those car dealers on which

Treasury officials were working had a detailed analysis attached to them: somebody was not in a financially sound position; somebody else was an elderly couple, but the children did not want to take over the family business and there was no succession plan. And so the detailed analysis went on. Where was the analysis of Mr John Grant's business? It was not even John Grant. I think it was just 'John tells us he fits the criteria'. That was the rigorous assessment that the Treasurer demanded. What a rigorous assessment: 'John tells us it's OK'. What else do the emails tell us? Every other car dealer was referred to by the name of the business. What about Mr Grant's? Was it John Grant Motors? Was it even Mr Grant? Was it even John Grant? No, the emails flowing to the Treasurer's home fax spoke of 'John': 'John this'; 'John that'; 'John said.' The familiarity just reeks of Labor Party mateship and Labor Party deals. No other car dealer was referred to only by their Christian name in these emails emanating from Mr Swan's office which reported progress back to Mr Swan's home fax. No other car dealer got that sort of special treatment.

Our case against Mr Swan is based on his misleading advice to the parliament that John Grant was dealt with in no special way; that he was dealt with no differently. We now know for a fact that it was only John Grant's case that went to the Treasurer's home fax. We now know from the information released that the only car dealer who was referred to by Christian name only was our dear friend John, Mr John Grant. We know that it was the only case raised on that particular Monday, 23 February with Ford Credit. Others had been raised with Ford Credit previously, but it was the only case on that particular Monday at the crucial meeting in Melbourne which was to help determine whether Ford Credit would be accommodated. The case of John Grant was raised and his mobile phone

number handed over with a message 'He's a mate of the Prime Minister.' It was all done with the full knowledge of the Treasurer, and when the bureaucrat got back to Canberra he sent an email outlining what he had done and that then got shot off to the Treasurer's home fax as well.

The case is now clearly established that Mr Swan can no longer maintain and sustain his argument about Mr Grant. Mr Swan cannot say in any way, shape or form that John Grant was not treated in a preferential manner. He was treated in a preferential manner, and when the bureaucrat first got the message from the Treasurer's office it was made perfectly clear that this was no ordinary constituent. There was something special about this man; he was a mate of the Prime Minister.

The legislation before us is necessitated by Labor's poor handling of the economy. The credit crisis has been exacerbated by Labor's foolish bank guarantee, which has had a flow-on consequence with people withdrawing money from credit companies into banks, and as a result the credit companies cannot provide the credit assistance that they have in the past. And if Ford Credit—and that is basically the only company that is now being accommodated by this—were not accommodated, Ford dealerships may well collapse around the country which would have dire consequences for Ford Australia's manufacturing.

If Mr Swan's involvement in Mr John Grant's case had happened in the state of New South Wales, it would, without any measure of doubt, have been referred to ICAC. I thought my home state of Tasmania were the limbo champs with the Westminster system of parliamentary democracy. Senator Parry and Senator Bushby, who are sitting here with me, know that when somebody is caught misleading the parliament—even in

state Labor—they do the decent thing and actually resign. And here is Mr Swan continuing to assert that nothing special was done. Clearly, something very special was done, and to suggest that the opposition's case against Mr Swan relies on the email is simply false. It is untrue. The evidence is there for itself.

In my time as a lawyer and as a parliamentarian, I have always told people, 'You can rely on my assurance that I will not breach confidences.' If something is given to me confidentially, it will remain so with me—even if it becomes uncomfortable for me and even if it does become easier to reveal my source. My own personal integrity and my own professional integrity say that you cannot be concerned about yourself; it is about those people to whom you have given a promise and an assurance. So I say to my friends in the media and the Labor Party: do you really want a senator to breach a confidence and pursue that or do you want to pursue a Treasurer who, on the documentation that he has tabled in his flawed defence, shows that he has misled the parliament not once, not twice, but on more than half-a-dozen occasions over the past week or so. So, I indicate that the opposition supports the bill.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (1.46 pm)—The Greens will not be supporting this legislation. I will give cogent reasons for that in a moment. First, I want to refer to the contribution from Senator Abetz. He has turned his guns on the journalists today, saying that some of the members of that group have been prepared to go to prison rather than reveal their sources. But there is no journalist who has the power in the first place to veto a court that might hear the case that would lead to that outcome. This is not so with Senator Abetz. Today in this parliament, when a motion was put up by Senator

Ludwig to refer matters to the Privileges Committee, the coalition and Senator Fielding effectively abolished the court, by refusing that reference. So there is not a clear analogy here at all. What should have happened, of course, was that the reference to the Privileges Committee—which, by the way, meets in camera and does protect sources—should have gone ahead. But it was blocked. Senator Abetz may have fled the chamber at the time of the vote—

Senator Abetz—I rise on a point of order, Madam Acting Deputy President. Firstly, it is a reflection on a senator to suggest that I 'fled' the chamber. Secondly, I was paired. Given that the motion related to me personally, I thought that I should not be casting a vote and that a pair was appropriate. But Senator Brown cannot help himself; he has to reflect on me.

Senator BOB BROWN—As I was saying: Senator Abetz fled the chamber, through the pair mechanism, and that is on the record. Senator Abetz has at least now—

The ACTING DEPUTY PRESIDENT (Senator Carol Brown)—Senator Brown, I ask you to withdraw your comments about Senator Abetz 'fleeing' the chamber.

Senator BOB BROWN—Absolutely. He left the chamber—if you see a difference there, Madam Acting Deputy President. He said he did himself.

The ACTING DEPUTY PRESIDENT—Senator Brown, I ask you to withdraw your statement about Senator Abetz 'fleeing' the chamber.

Senator BOB BROWN—I did and I do. He left the chamber, as he said, and was not present for the vote. What we have established now is that Senator Abetz knew—I did not—that the reference to the Privileges Committee involved him. That is his own admission. He said, 'I invite anyone to read the *Hansard*.' Well, I do read the *Hansard*.

On page 35 of the *Hansard* of the economics committee proceedings last week, Senator Abetz says, 'A person, a journalist in fact, has suggested to me that there may have been a communication from the Prime Minister's office.' I asked Senator Abetz to say who that journalist was, and—

Senator Abetz—I don't reveal my sources.

Senator BOB BROWN—He is not going to reveal his sources! I asked him if he would talk to that journalist and say, 'Do you mind if you have me reveal the source?' You see, what is happening is that there are double standards; one applies to journalists but the other applies to—

Opposition senators interjecting—

The ACTING DEPUTY PRESIDENT—Order! Senators will remain quiet and we will listen to Senator Bob Brown in silence.

Senator BOB BROWN—There is one set of standards that applies to journalists, who Senator Abetz has turned his aim at. But the other set of standards applies to unknown people, who he says are journalists—and only he can tell us whether they are fictional or not—that he wants to protect. He says that the role of the opposition is to test material provided. Well, so is the role of the Privileges Committee. Its role is, above all, to defend the integrity of the committee system and this chamber and to make sure that there is no avenue for deceit, cover-up, misinformation or the Senate being left without information which ought to be before it. If there were integrity and honesty in the stand of Senator Abetz, who now identifies himself, he would have ensured that, rather than being paired, he came across and voted for the inquiry, because the inquiry would have enabled him to clear any inference at all about him. But instead—in a very sad day for the Senate—the numbers were used in a political exercise to block the Privileges

Committee from defending the interests of this Senate and its committee system. I would ask all members of the coalition and Senator Fielding to reflect on that. That motion should be back in here and reversed before the day is through, and it is up to them to decide whether they are going to do that or not. But, of course, there is no chance, because there is a political influence on the vote in this chamber to defend the opposition.

Senator Parry—Madam Acting Deputy President, on a point of order: Senator Brown is referring to a vote of the Senate early today which, under standing orders, he is not allowed to do.

The ACTING DEPUTY PRESIDENT—Senator Brown is allowed to refer to the vote. I do not believe he is reflecting on it.

Senator BOB BROWN—Senator Parry has not been here nearly as long as I have, or he would know better than that.

Senator Parry—Madam Acting Deputy President, could I ask you to refer that matter to the President. That matter was reflecting on votes. Senator Brown asked us to come back and vote again. That is reflecting on a vote of the Senate.

Senator Faulkner—Madam Acting Deputy President, I heard the point of order as I was entering the chamber and, in a disorderly comment, I actually said that you are able to refer to a vote in the chamber. Madam Acting Deputy President, you may well accept Senator Parry's invitation to raise that matter with the President, but I would make this point to you: there is nothing to prevent any senator at any time from referring to a vote in the chamber. There is, of course, a standing order that relates to reflecting on a vote in the chamber. When Senator Parry made his point of order, he actually used the terminology 'referring', and I made a comment as a result of that. But

I would respectfully suggest that that is a very different issue from a point of order that might be taken—a matter for ruling, of course, by the chair—about reflecting on a vote of the Senate. There is a substantive difference, and I would respectfully suggest that Senator Parry needs to take account of that.

Senator Parry—I do believe Senator Faulkner may be correct about my terminology being incorrect. However, I still ask that the President review this matter, look at *Hansard* and determine whether or not Senator Brown was reflecting on a vote of the Senate.

The ACTING DEPUTY PRESIDENT—I will refer it to the President.

Senator BOB BROWN—I endorse that reference, Madam Acting Deputy President. The Greens will not be supporting this legislation. We believe there is a much better use for this guarantee money than the use to which the government now wishes to put it. But we do not want to back an estimated \$550 million more of taxpayers' money going to this industry. It must be seen in the context of a much wider support base for the industry from government in Australia. The fringe benefits tax concession was worth \$1.9 billion. The Commonwealth recently gave \$149 million to Holden for the production of four-cylinder cars. The government announced last year a \$1.3 billion Green Car Innovation Fund. The government is carrying on the Howard government's move to continue to provide \$2 billion more to industry over the period 2006 to 2010 through tax credits on imported cars. The Rudd government has committed a further \$3.4 billion in assistance for the industry, which it plans to roll out from 2011 to 2020.

The addition \$550 million in support for car dealerships stands in contrast to the outrage expressed by the industry against the

increase in the luxury car tax in 2008. There are legitimate questions over why this industry is supported above funding for the public transport sector. The government indicated in the last budget that it will spend \$3.2 billion on metro rail over five years at an average of just \$637 million a year. This is just one-third of the annual assistance provided to the car industry from the fringe benefits tax. Surely, that is totally out of whack in an age of climate change and an age of a very great need for infrastructure to go into the public transport sector. Such funding further institutionalises car dependence, increases our vulnerability to rising oil prices, and creates costs to our health and our community.

In the second reading debate the coalition indicated they are largely supporting this bill because it will support and protect jobs in country areas. We believe the money could be much better spent not just on protecting jobs in country regions but through a green new deal creating thousands more jobs in the country. The government ought to be equally concerned about the impact of climate change on many more jobs in rural and regional areas, including 128,000 jobs in the Murray-Darling Basin and 63,000 jobs on the Great Barrier Reef. It ought to be willing and prepared to support a higher renewable energy target and a higher greenhouse gas abatement target. That will do much more to generate employment than ensuring the car industry in the diminishing way in which this program has been put forward. It is public money. There are alternative uses. There are better uses for creating jobs in rural and regional Australia. The Greens have put those uses forward, and we want to see the money go in that direction instead.

Debate interrupted.

QUESTIONS WITHOUT NOTICE

Economy

Senator WILLIAMS (2.00 pm)—My question is to the Minister representing the Treasurer, Senator Sherry.

Senator Cameron—I have a question for Eric. Why doesn't he explain himself?

Honourable senators interjecting—

The PRESIDENT—Order! Order! Senator Williams is entitled to be heard in silence.

Senator WILLIAMS—Thank you, Mr President. What is the current federal government gross debt?

Senator SHERRY—I shall find the appropriate figures for you. Thank you for your question. First of all, I make the point that the reason why government has debt in this country, and it is increasing, is a consequence of the world financial and economic crisis.

Senator Joyce—I raise a point of order, Mr President. The answer to this question is a number, not a story.

The PRESIDENT—There is no point of order.

Senator SHERRY—The reason why we have government debt in Australia is a consequence of the world economic and financial crisis. As I have pointed out on a number of occasions—and indeed yesterday Senator Coonan, the shadow minister for finance, referred to this—the Commonwealth revenues have been significantly affected by the global financial and economic crisis, to the tune of \$210 billion. There are two forms of debt: gross debt and net debt.

Senator Williams—I asked about gross debt.

Senator SHERRY—Yes, I heard your question, but I point out that there are two forms of debt. There is gross debt and net debt. The Liberal opposition have lapsed into

a bad habit of only referring to gross debt. When they were in government, they would refer to net debt generally. So in terms of the gross debt for the 2008-09 financial year, the estimates have shown \$111.9 billion. That is the level of gross debt. In terms of net debt, in 2008-09 it is \$4.7 billion.

Senator WILLIAMS—I have a supplementary question, Mr President. What is the current total state debt now underwritten by the Commonwealth?

Senator SHERRY—First of all, this is the federal parliament, the Commonwealth parliament, and I would suggest that the Liberal-National Party opposition focus on providing positive solutions and positive responses to the current global economic and financial crisis, from which Australia is not immune.

The PRESIDENT—Senator Sherry, I draw your attention to the question.

Senator SHERRY—I was just going on to point out, Mr President, that in terms of state debts, and territory debts I assume you are talking about as well, the Commonwealth is not responsible for the level of debt. That is a matter for state and territory governments. Because of the world economic and financial crisis, the Commonwealth, with the support of—

Senator Joyce—Mr President, on a point of order, I draw your attention to standing order 194(1), where it says that a senator shall not digress from the subject matter of any question. The answer to this question is a number, not a story. You have got four seconds left. Can you give us a number?

Senator Ludwig—On the point of order, Mr President: those opposite obviously want to interject rather than listen to the answer that Senator Sherry is providing. Senator Sherry is being relevant to the question; he is not digressing. What we see again is a point of order being used as a way to restate the

question to make a statement—to make a point. I accept that the opposition at first blush raised the relevance issue, but they then digressed again. There is no point of order, I submit.

The PRESIDENT—Senator Sherry, I draw your attention to the fact that there are four seconds remaining to answer the question.

Senator SHERRY—1.1 per cent of GDP.

Senator WILLIAMS—I have a second supplementary question, Mr President. Will the minister take that question on notice and report back to the Senate the total state debt underwritten? Further, given that it took the coalition government more than a decade of hard work to pay off Labor's \$96 billion debt, how will Labor's new debt, heading for \$315 billion, possibly be repaid by future governments in a little over a decade?

Senator SHERRY—I gave the senator the figure for state debt—

Opposition senators interjecting—

The PRESIDENT—Order! When there is silence, I will ask Senator Sherry to continue. The time for debating is post question time, for both sides.

Senator SHERRY—I did give the senator the level of state debt, which is 1.1 per cent of GDP. You asked for the level and I have given you the level.

Senator Williams—You are wrong.

Senator SHERRY—The figure is correct; the percentage figure I have given you is correct. If you want further information, you should certainly clarify your question in your supplementary, which you failed to do. In terms of deficit, this Commonwealth government has responsibly set out a pathway for restoring the budget to surplus over the next six to seven years. That is very important in the context of the global economic and financial crisis. *(Time expired)*

Economy

Senator STERLE (2.07 pm)—My question is to the Minister representing the Prime Minister, Senator Evans. Isn't it the case that over the past year the global financial crisis and the worst global recession in 75 years have unleashed an unprecedented wave of economic turmoil throughout the international and Australian economies? Can the minister please inform the Senate of the decisive action the Rudd Labor government has taken to stimulate the Australian economy during the global financial crisis, support jobs and protect working families from the effects of the global recession and set a path of nation building for recovery?

Senator CHRIS EVANS—I thank the senator for his question. The Rudd government has acted swiftly to protect the national interest during this difficult economic period. The government's \$42 million nation-building plan will stimulate Australia's economy and cushion Australians from the worst impacts of the global financial crisis by building the infrastructure we are going to need for tomorrow. Almost 70 per cent of the funds appropriated for economic stimulus is being spent on infrastructure. That is money being spent on our schools, rails, roads and ports—things that the former government failed to invest in.

I think we can be confident about our nation's future, despite the worst global recession in 75 years. We are weathering the storm better than most other advanced economies. Our GDP rose by 0.4 per cent in the March quarter and is 0.4 per cent higher over the year. During the same period, the G7 economies collectively contracted by 2.1 per cent. Australia now has the fastest economic growth, the lowest deficit and the lowest debt of all major advanced economies in the world. I think it is worth repeating: we have the fastest economic growth, the lowest

deficit and the lowest debt of all major advanced economies in the world. Whilst those opposite want to talk down the Australian economy and be negative about these things, there is clear evidence that the government's efforts to stimulate the economy are working to support Australian jobs and growth in the economy. We made the hard decisions in this year's budget that have helped weather this international recession and we have taken decisive action on a range of fronts to invest in the success of the economy, to provide the stimulus needed that will help Australians through this turbulent time and to assist them to ensure we come out the other end in a much better condition than we otherwise would have. *(Time expired)*

Senator STERLE—Mr President, I ask a supplementary question. Can the minister also advise the Senate on any new evidence that shows how the Rudd government's nation-building stimulus package is supporting the economy and jobs during the global recession? Are there any barriers to the government's efforts to combat the impact on Australian families?

Senator CHRIS EVANS—We are getting increasing evidence now that the government's decisive action is working. In the last couple of days we have had reports from the IMF and the OECD that confirm that the economic stimulus package that the government put in place is starting to have a large impact on the Australian economy. People like Senator Joyce ought to focus on these things rather than negativity and the side-shows that we have seen in recent days. Those opposite have not been talking about jobs and the economy; they have been attempting to attack the Treasurer using false documents. Senator Abetz tried to use false documents at Senate estimates to mislead the Senate. He ought to answer this question: did he meet with Mr Grech beforehand and

abuse Senate processes? Why does he hide behind— *(Time expired)*

Senator STERLE—Mr President, I ask a further supplementary question. Can the minister also advise the Senate on any recent independent assessments of the effectiveness of the Rudd government's policy response to the global recession? Are there any barriers that are preventing the government from addressing these important issues?

Senator CHRIS EVANS—There is evidence that the economic stimulus package is working, but we would be making much better progress if we could get legislation through this parliament, if we could get those opposite to do the work. We have covered virtually no legislation this week because the opposition are too scared to debate climate change because they are so wracked with division. They would rather misuse Senate process.

Opposition senators interjecting—

The PRESIDENT—Order! Senator Evans, resume your seat. When there is quiet we will resume.

Senator CHRIS EVANS—The opposition ought to explain to the Australian people why they have refused to allow us to use the time of the parliament properly this week and why they, it seems, conspired to mislead the Senate during Senate committee hearings. What I think the Senate needs to know is: did Senator Abetz meet with Mr Grech before the hearings? Did he seek to misuse those hearings? I think he has to explain: was there a conspiracy involved? *(Time expired)*

Honourable senators interjecting—

The PRESIDENT—Order! I am waiting to call Senator Cormann, who is entitled to be heard in silence.

Hospitals

Senator CORMANN (2.13 pm)—My question is to the Minister representing the

Minister for Health and Ageing, Senator Ludwig. I refer to the Prime Minister's commitment before the last election to fix public hospitals by 30 June 2009—just five days from now. Are Australia's public hospitals 'fixed'?

Senator LUDWIG—After the opposition's neglect and the ripping out of a billion dollars from the hospital system, we have invested in the whole health system. We have invested in a modern health system for a modern Australia, unlike those opposite who are not prepared to agree to pursue health and hospital reform with us.

The Liberals cut \$1 billion out of it and now they come whingeing to this chamber to say that we are not doing enough. We are doing more than you ever contemplated. For 12 years the former government played the blame game. That is all you did: you played the blame game with the states over hospitals and you never—through you, Mr President—came up with a long-term plan to deal with the health and hospital system in Australia. In 2000, under the Liberals, the health workforce shortage affected in the order of 60 per cent of Australians.

This government has got on with the business of managing. We have looked at how we can provide healthcare agreements that will deliver \$64 billion over five years, an increase of more than \$20 billion, or 50 per cent, over the last agreement. We can have a look at what it means for individual states: New South Wales, \$19.8 billion; Queensland, \$12.01 billion; WA, \$6.17 billion; Tasmania, \$1.13 billion—more than you have ever turned your minds to. All the opposition did was work out how they could reduce funding. They did not bring a long-term plan forward. They did not even consider there was a need for the national Preventative Health Taskforce, which we estab-

lished with Professor Rob Moodie. We have also launched—(*Time expired*)

Senator CORMANN—Mr President, I ask a supplementary question. I note the minister was not prepared to say that hospitals were fixed. Will the government publicly release the criteria on which the government will make its judgment as to whether public hospitals are fixed?

Senator LUDWIG—The criteria will be: when we demonstrate that we have invested the \$64 billion in the health agreement, an increase of \$22 billion, and when we demonstrate \$600 million to reduce elective surgery waiting time, as promised, which means over 41,000 procedures delivered under stage 1. We will demonstrate our commitment to the health system when \$750 million for emergency departments has been provided. That is how we will demonstrate our commitment to the hospital system in this country—unlike the Liberals, who did not demonstrate any support for the hospital system—because all they could do was work out how to take \$1 billion away from it.

We will demonstrate our commitment to the hospital system by ensuring \$3.2 billion for the HHF to rebuild health infrastructure, with 32 iconic health projects across Australia. That is how we will be able to test how successful we have been: when we deliver on all of these projects. I hope those opposite will be there to watch it. (*Time expired*)

Senator CORMANN—Mr President, I ask a further supplementary question. Given it is clearly a fact that Australia's public hospitals are not fixed, with only five days to go, and given that the minister has just indicated the government does not appear to be prepared to release the criteria on which it will make a judgment on that, will the government now move to take over Australia's public hospitals within the next five days?

Senator LUDWIG—The difficulty with the other side is that they always want to create a straw man—they want to build a false premise and then try to cut it down. In this instance, those opposite are not even particularly effective at doing that. What they have now demonstrated is a complete misunderstanding of the whole hospital and health system. This government are ensuring that we are meeting our election commitments, which include the \$64 billion health agreement. What those opposite want to do is play politics with the health system. What they do not want to do is support a reduction in elective surgery waiting lists and support money going to state and territory hospitals to increase the health of Australians. Those opposite want to continue to play politics with the issue rather than to support money going to state and territory governments to support the hospital system. Those opposite do not want to— (*time expired*)

China: Human Rights

Senator BOB BROWN (2.19 pm)—My question, with almost no notice, is to the Minister representing the Minister for Foreign Affairs. I refer to the plight of the famed Chinese democrat Liu Xiaobo, who is co-author of the Charter 08 declaration, which calls for freedom, civil rights and human decency in China. He has been under arrest for six months and has now been formally arrested and charged with trying to spread rumours, subversion of the state and overthrowing the socialist system. I ask the government: will it make a stand for Liu Xiaobo and democracy in China? What representations have been made to the government about the plight of this extraordinarily courageous advocate for democracy in China and what news can be given to the Senate about the plight of this great and noble person?

Senator FAULKNER—I thank Senator Brown for his question. Certainly I can say to Senator Brown—through you, Mr President—that I am aware, as is the government of course, of the reports that China has now confirmed the arrest of the internationally acclaimed author Liu Xiaobo on grounds of subversion. I can certainly say to the Senate that Australia again calls for his release. The Australian government encourages China to address the concerns raised by the authors of Charter 08. I can also assure the Senate, and Senator Brown particularly, that the government will continue to make representations to China on the detention of Charter 08 signatories and others who were exercising internationally recognised liberties including freedom of speech.

Australia will continue to engage frankly with China on questions of human rights, including higher level meetings through the Australia-China Human Rights Dialogue. I say also, as I think I have said before, that we believe the best way to encourage China to make further progress on human rights issues is through those channels, and the government has encouraged that as opposed to— (*Time expired*)

Senator BOB BROWN—Mr President, I ask a supplementary question. I ask Senator Faulkner at what level the contact has been made with China. Has, indeed, the Prime Minister rung his counterpart in China and spoken in Mandarin about the plight of Liu Xiaobo? If not, will he? If not, at what level is the contact? Is it simply going to be at official-to-official level, as we have so often seen with Australian governments, that this contact will be made? Finally, I ask: why did the government not support the Greens' motion in this place two weeks ago condemning Liu Xiaobo's arrest and detention? Does the government not think that was some sort of comfort to the Beijing authorities, who now have him up on these charges?

Senator FAULKNER—Senator Brown, I am unable specifically to answer your question that goes to the level of contact. I can only seek some advice on that for you. I certainly can say more generally to you—and I hope this assists you—that the Australian government regularly raises its concerns on human rights and does so directly with China’s leaders. I know that, for example, the Minister for Foreign Affairs raised our human rights concerns with Foreign Minister Yang Jiechi in March this year during the Australian foreign minister’s visit to Beijing; I know he raised those concerns with Mr Yang in February and July 2008; and I know the Prime Minister raised human rights concerns in his meetings with Chinese leaders in April this year and in April and August of last year. (*Time expired*)

Senator BOB BROWN—Mr President, I ask a further supplementary question. Many Australians will laud the Australian government for having called in the representative of Iran over the current actions in that country in repressing democracy. I ask the minister—through you, Chair—whether the government will consider calling in the ambassador from China to seek an explanation and to express Australia’s position on the arrest of Liu Xiaobo and the obviously fraught position that this great man now faces in China.

Senator FAULKNER—I think I have indicated a strong statement of concern on behalf of the government. I will need to check for Senator Brown what the immediate plans are in relation to the specific question that he raises, but I can assure you that the government and the Department of Foreign Affairs and Trade continue to raise concerns about human rights issues with representatives in Canberra and Beijing. I will need to seek some further advice for you, Senator Brown, on the specific issue you have raised and, if I am able to get some information soon, I am

very happy to certainly provide it to you at the earliest available opportunity.

Hospitals

Senator KROGER (2.26 pm)—My question is to the Minister representing the Minister for Health and Ageing, Senator Ludwig. Does the minister believe that it is acceptable that last weekend there were no intensive care beds available across Victoria—in Colac, in Geelong, in Ballarat, in Warrnambool and in central Melbourne?

Senator LUDWIG—In terms of the intensive care availability across Victoria, I understand that the question from Senator Kroger is whether I believe or not that that was the case. I always prefer to inform myself about the level of these things rather than take it from the opposition that it is in fact the case, and that is a reasonable position to adopt.

Senator Kroger—Mr President, on a point of order: my question was not whether he believed it was the case. My question was whether he believed it was acceptable that there were no intensive beds available.

The PRESIDENT—Senator Ludwig, you have one minute, 28 seconds remaining.

Senator LUDWIG—What I can say in response to the question, of course, is that what this government has done—other than take a billion dollars out of the system, which the opposition did—is ensured that we have a COAG agreement with the states and territories to ensure that matters such as reducing elective surgery waiting times and providing funding for state and territory hospitals, which includes how they want to distribute within the hospital system, are addressed, unlike what the opposition did when they were in government. We have a health-care agreement which delivers the \$64 billion over five years. This is an increase of more than \$20 billion. In fact, when you look at it in total it is a 50 per cent increase over

the last agreement. So it is about ensuring that we support both state and territory hospitals, including those which you mentioned in Victoria. As for how the states themselves distribute that funding within the system, that is a matter which the overall COAG agreement seeks to deal with. The Commonwealth responsibility in this area is, as I have demonstrated, putting the \$64 billion over the five years into the system. What we have already said is that, in terms of reducing elective surgery waiting times and providing support, unlike those opposite, who did not provide the assistance—(*Time expired*)

Senator KROGER—Mr President, I thank the senator for that response, but in my supplementary question I direct him to what the question was: is the government going to ensure that sufficient intensive care beds be made available in Victoria?

Senator LUDWIG—I thank Senator Kroger for her question. What I can guarantee is that we have a healthcare agreement which delivers \$64 billion. That is what I can guarantee, unlike those opposite, who then took \$1 billion out of the system. We are committed to ensuring that states and territories are funded for the health and hospital system. We will deliver \$750 million to state and territory emergency departments, and the Victorian government will receive \$181.3 million of that. The Victorian elective surgery lists commitment gives \$34.2 million for in the order of 5,908 surgeries. This Commonwealth government is ensuring that we have emergency department funding and that we have elective surgery. We also are providing 75 GP training places in 2009 for Victoria. They will receive 17 to deal with the issues that you referred to. (*Time expired*)

Senator KROGER—Mr President, my further supplementary is: given that the Rudd government has not yet met its—

Senator Cameron—Eric, why won't you explain yourself?

The PRESIDENT—Senator Cameron, it is disorderly to constantly interject!

Senator KROGER—Thank you, Mr President. Given the Rudd government has not met its commitment to fix public hospitals in Victoria by mid-2009—and I point out to the senator that I am not asking about elective surgery; I am actually referring to intensive care beds—will the government keep its promise to take over Victoria's hospital system within the next five days?

Senator LUDWIG—In response to the question by Senator Kroger, it is worth again hearing about the \$64 billion health agreement as well as the \$872 million to prevent illness and stop people having to go to hospital in the first place. In addition there is \$3.2 billion for the HHF. Of course, we have never been an apologist for the states and territories. The government will not always agree with specific decisions they make or their priorities. If you have questions about their programs or have a particular interest in a certain area, I suggest you ask them. But we do agree that there is a need to work together to create a better health system. I am sure those opposite would agree that one of the fundamental issues is that this government is working with the states and territories to deliver a better outcome in public hospital funding, which the previous government never did. (*Time expired*)

Economy

Senator JACINTA COLLINS (2.33 pm)—My question is to the Assistant Treasurer, Senator Sherry. Minister, isn't it the case that over the last year we have seen a wave of unprecedented economic turmoil stemming from the subprime crisis in the United States, the global credit crunch, the global financial crisis and the combined challenges these have presented to the inter-

national and Australian economies? Can the Assistant Treasurer advise the Senate of any new information announced overnight in relation to the global recession and Australia's economic performance? What has the government done to protect Australians from the full impact of the global crisis, and how does the Australian economy compare to other developed economies?

Senator SHERRY—Thanks to my colleague Senator Collins for that very important question. As we generally know, perhaps other than the Liberal-National Party opposite, the world is confronting a financial and economic crisis, the worst that has been seen in the 75 years since the Great Depression. This has spread into a deep worldwide recession. We saw overnight the release by the Organisation for Economic Cooperation and Development, an independent and respected leading international economic forecaster, of an updated report on the state of the global economy. Unfortunately, the report indicates that, of the OECD countries, the average negative decline in economic growth will be just 4.1 per cent, which is one of the worst records of negative growth the world has seen in a very long time. In contrast, it is estimated that the Australian economy will contract by 0.4 per cent. So, in contrast to the average of negative 4.1 per cent amongst OECD countries, Australia is 0.4 per cent. This is the best performance of any economy in the world.

Importantly, the OECD report also refers to government budgets having provided a 'very important cushion for economic activity in the downturn'. So here we have another respected and independent international economic forecaster acknowledging the important initiatives and interventions of this Labor government to support and cushion the economy in the face of this world economic recession. (*Time expired*)

Senator JACINTA COLLINS—Mr President, I have a supplementary question for the minister. Assistant Treasurer, you have outlined new data announced last night about the forecasted performance of the global economy, but isn't it the case that these numbers are a sobering reminder of the difficult challenges facing the global economy ahead? Do they confirm that Australia is outperforming all other advanced economies? Can the Assistant Treasurer point to any reasons why the Australian economy has performed so well, by contrast, in the circumstances, and is there any independent endorsement of the government's actions?

Senator SHERRY—As I have indicated, the OECD report says that the Australian economy is the best performing in the world in the current very difficult circumstances. As I have quoted, the decisive interventions by the Labor government—the budget \$42 billion stimulus package, the bank guarantee and the range of other decisive interventions—have been acknowledged by the OECD as having a significant cushioning impact for Australia in the face of this world financial and economic crisis.

Senator Joyce—You don't believe that!

Senator SHERRY—By way of interjection Senator Barnaby Joyce claims that he knows everything, and that, of course, he knows more than the OECD. If we look at the average negative of 4.1 per cent, the US is negative 2.8 per cent, Europe is negative 4.8 per cent—(*Time expired*)

Senator JACINTA COLLINS—Mr President, I have a further supplementary question for the minister. I note that the Assistant Treasurer has highlighted that the Rudd government has acted in the best interests of Australians by moving swiftly and decisively to secure Australian jobs and to protect the Australian economy. But can the Assistant Treasurer advise the Senate of any

alternative policies to deal with the impact of the global recession on the Australian economy and how they compare to the Rudd government's actions? Have these alternative policies been implemented by any other governments in the developed economic world and what have the effects of such policies been?

Senator SHERRY—As I have indicated, the OECD report has provided strong support for the decisive policy actions of the Rudd Labor government. But it is not just the OECD; the International Monetary Fund has also endorsed the Labor government's stimulus approach and the important role it has played in cushioning the Australian economy. I think it is important to note that both the OECD and the IMF have endorsed in general principle government stimulus packages. We have seen that around the world not just from labour governments from the centre left but also from right-of-centre governments. In fact there is only one political party in the world that does not support government intervention via stimulus packages, and that is the Liberal Party of Australia. There is only one political party in the world—they have no idea, they have no policies— (*Time expired*)

Hospitals

Senator NASH (2.40 pm)—My question is to the Minister representing the Minister for Health and Ageing, Senator Ludwig. I refer to the Prime Minister's promise to fix our public hospitals by mid-2009 and his promise on 21 October 2007 that when it came to the state of the nation's health system the buck stops with him. What has the Prime Minister done to address the dire shortage of medical specialists in western New South Wales, amongst others, particularly in the regional centre of Dubbo? What has the minister done to fix the Wagga Wagga Base Hospital and what has the min-

ister done to address the already desperately overstretched Port Macquarie hospital?

Senator LUDWIG—I thank Senator Nash for the excellent question. It does give me an opportunity to say that we have injected \$600 million into the system to help reduce elective surgery waiting times because it is important for those people in rural Australia to ensure that, where they do need elective surgery, they have the availability of services to do it.

Opposition senators interjecting—

Senator LUDWIG—I know those opposite do not want to hear this. They do not want to hear the good work that this government is doing in the public hospital system because of the money we have put in and the agreement we have managed to reach with the states and territories through the COAG process, unlike those opposite over the last 12 years. They were completely unable to then progress this debate any further than a blame game. We have provided \$64 billion over the five years and it is ensuring that we are getting on with the job—unlike those opposite, who do not want to recognise the fact that this government is actually putting the money into the public hospital system.

Of course, none of those initiatives and improvements would have occurred if those opposite had anything to do with it. The member for North Sydney said as much in February—

Senator Nash—Mr President, I rise on a point of order on relevance. I specifically asked the minister about the Dubbo, Wagga Wagga and Port Macquarie hospitals. He has not addressed that at all and I ask you to direct him to the question.

Senator Conroy—Mr President, on the point of order: unfortunately, I think a very selective memory was just exercised by Senator Nash. Her question covered a range

of issues, not just what she is now attempting to define as the question. Perhaps if she paid attention to the suggestion that you made yesterday about not putting preamble in front of questions and sticking specifically to them she might actually have a point of order. But the problem with the question—and *Hansard* will bear this out—is it was quite a lengthy question, and this was only one small part that she is now claiming was the entire question. I ask you to rule that there is absolutely no point of order.

The PRESIDENT—Senator Ludwig, you have 44 seconds to address the question that has been raised in the chamber.

Senator LUDWIG—In terms of general practice rural incentive programs to help those people in regional Australia, there is \$64.3 million over four years existing and \$189.6 million over the four years, which is a total of \$253.9 million. But there is also scaling of rural workforce programs, and these will help those people in those communities that you represent. And, of course, they will also help those opposite because, quite frankly, they are too embarrassed to ask questions on the health and hospital reform agenda that this government is putting forward because they do not want to start to admit that they ripped out the \$1 billion from it.

We are also providing the national rural locum scheme, which is the new funding of— (*Time expired*)

Senator NASH—Mr President, I ask a supplementary question. I note that the minister was completely unable to answer the question. I ask the minister: given that we are only five days away from the mid-2009 deadline, is the Prime Minister willing to accept the responsibility for the critical state of health services in western New South Wales?

Senator LUDWIG—Not only are we ensuring that we provide the overall plan but also the Rudd government are currently awaiting the final report of the Health and Hospital Reform Commission. We remain committed to making an assessment mid-year. That is what we said we would do. We will do the assessment when we have the report before us. More importantly, the Liberal Party expects the Rudd government to wave a magic wand. I am sure that those opposite think we have a magic wand, but we do not. What we have tried to do in 18 months is fix the 12 years of neglect. We have started to clean up the job that the member for Dickson was not able to do. We have ensured that we have provided a lot more in 18 months than what those on the other side provided in the 12 years they were in government. (*Time expired*)

Senator NASH—Mr President, I ask a further supplementary question. Given the Rudd government has failed to meet its pre-election commitment to fix public hospitals in New South Wales by mid-2009, will the government now meet its promise to take over the New South Wales public hospital system within the next five days?

Senator LUDWIG—Those on the other side are at it again: straw-man reasoning, where they put up a proposition and then try to knock it down. What the opposition fail to recognise is that the government are serious about fixing the hospital and health system in Australia. Those opposite only want to play politics with it. The Rudd government are waiting for the final report. Why doesn't the shadow minister for health provide his plan of how he is going to fix the health and hospital system? I would be keen to read that plan of how he is going to progress it. We said that we will put the money into the health and hospital system in Australia. We said we would make an agreement, which we have done, with COAG. We are meeting our

election commitments, while those opposite flip-flop around without a plan, without any direction, completely at sea with all of this. What those opposite do not have is a plan to deal with the health and hospital system. *(Time expired)*

Mr Guy Campos

Senator FIELDING (2.47 pm)—My question is to the Minister representing the Attorney-General, Senator Wong. I refer to the multiple reports aired on *Today Tonight* regarding the government's unwillingness to bring Guy Campos, a self-confessed child beater and alleged war criminal and murderer, to justice for crimes committed against the East Timorese. Can the government confirm that, one year into a Federal Police investigation, Guy Campos is still living freely in Australia, no less than two kilometres away from the family of the boy whom he bashed to death, with the government's full knowledge and consent?

Senator Chris Evans—Mr President, I rise on a point of order concerning the question. I am not sure whether Senator Fielding misread the question, but the implication was that someone was bashed to death with the government's consent. If that is the case, it seems to me that the question is out of order.

The PRESIDENT—The question will stand, Senator Fielding. I will review the *Hansard* to see what was actually in the question. One of the difficulties, and I have said this before, is that there is a lot of noise when people are asking their questions. In this situation where I have been asked for a ruling on a question, it is very hard to give a ruling because I could not hear some of the material.

Senator WONG—I have to say, Senator, that I will give you the benefit of the doubt in terms of the question. Some very serious allegations have been made in relation to Mr Guy Campos. Obviously, the government

treats allegations of war crimes and crimes against humanity extremely seriously. It is the case that there has been public discussion of Mr Campos, who is alleged to have committed war crimes in East Timor during the 1990s. This is in the Minister for Home Affairs' portfolio. I am advised that the AFP is currently investigating allegations made against Mr Campos.

Generally in relation to the allegation of war crimes, whether in relation to Mr Campos or not, there are often complex legal and factual issues that need to be carefully considered by our law enforcement agencies. Investigation and prosecution decisions are clearly matters for the AFP and the Commonwealth Director of Public Prosecutions, as independent statutory authorities. Therefore, some of the matters to which I think Senator Fielding referred may well be matters that are within the purview of the Australian Federal Police or the Commonwealth Director of Public Prosecutions.

Senator FIELDING—Mr President, I ask a supplementary question. I was led to believe that it is a fact that the Federal Police have now concluded their investigation into Guy Campos's crimes and that a brief of evidence in relation to Mr Campos and his alleged offences under the Crimes (Torture) Act 1988 and the Geneva Conventions Act 1957 has now been handed to the Commonwealth Director of Public Prosecutions. If this is so, can the minister explain why no action has been taken to bring this man to justice?

Senator WONG—I will see if I can provide to you anything further than that which I have read out. I again say to you that, if it is the case that the AFP investigation is concluded and the matter is with the Commonwealth Director of Public Prosecutions, that is as it should be. Those are decisions for the Commonwealth Director of Public Prosecu-

tions. These are not decisions that are made at a political level and I would suggest that what you have outlined in your supplementary is in fact precisely the sort of procedure that should be followed. I will make inquiries of the Minister for Foreign Affairs and see if there is anything further I can give you. As I said, the advice I have before me is that the AFP is currently investigating the allegations. I will take advice as to whether that investigation has concluded or if anything further can be said on that.

Senator FIELDING—Mr President, I ask a further supplementary question. Given that the Attorney-General's Department and the Australian Federal Police can move so swiftly for the Prime Minister and the Labor Party on an issue about an email and a ute, why has it taken so long for the government to fully investigate these crimes and move swiftly? Why is it still dragging its feet a year on in prosecuting Guy Campos for his self-confessed crimes?

Honourable senators interjecting—

Senator WONG—I invite Senator Fielding to carefully consider some of the allegations he made in that supplementary question. They are not allegations that are normally the sorts of things he would bring to this chamber, and I would suggest—

The PRESIDENT—Senator Wong, resume your seat. Senator Fielding is entitled to hear the answer. There are interjections from both sides across the chamber. It is completely disorderly. Senator Wong, continue your answer.

Senator WONG—If the inference is inappropriate action or interference in our justice system by the government, I suggest to Senator Fielding that it is a most inappropriate inference. I suggest to Senator Fielding in relation to the last part of his question, which was an assertion that the government has 'dragged its feet'—I think those were the

words used; if I am wrong I stand to be corrected—that I again refer to my answer to the first supplementary question, relating to how our justice system works and the decisions that should be made by AFP and the Commonwealth Director of Public Prosecutions.

Hospitals

Senator HUMPHRIES (2.55 pm)—My question is to Senator Ludwig, the Minister representing the Minister for Health and Ageing. I refer the minister to the report of the Australian Institute of Health and Welfare into hospital statistics, which notes that visits to emergency departments in Australia are growing by five per cent a year. In the Australian Capital Territory an average wait time in an emergency department is 10 hours. Bearing in mind the Prime Minister's promise to fix the public hospital system by next Tuesday, I ask: does the minister regard people waiting for 10 hours for treatment in emergency departments as the kind of fix the Prime Minister had in mind?

Senator LUDWIG—What we do regard as good health and hospital reform is putting \$64 billion over five years into it—unlike those opposite, who thought the good for the health system was in fact to remove \$1 billion from it. Unlike those opposite—it is very disappointing to hear those opposite complain—I welcome the latest report from the Australian Institute of Health and Welfare and the contribution it makes to the accountability and performance of hospital systems. It is clear that public hospitals are continuing to experience pressures in relation to elective surgery and emergency department activity. The government is implementing lasting reform to alleviate this pressure on the hospital system.

I think the real issue is we are implementing lasting reform. We have a COAG agreement. We have looked at both health and

hospital funding, but we have also said that we would put \$64 billion over five years, which is provided through the national health care special purpose payment, which now goes beyond hospitals and covers other areas of the health system, and through the National Partnership Agreement on Hospital and Health Workforce Reform, preventative health and Indigenous health. The National Partnership Agreement on Hospital and Health Workforce Reform provides funding of \$2.5 billion, including \$154 million for a more nationally consistent system of activity based funding. It also provides \$1.1 billion to train more doctors and ensures the training of nurses and other health professionals. There is also \$500 million to improve sub-acute care services. In addition, when you look at the achievements within the ACT and break that down—and I know those opposite, particularly the senator for the ACT, would be interested in knowing that—the ACT government has received \$10 million—(*Time expired*)

Senator HUMPHRIES—Mr President, I ask a supplementary question. I am glad for that clarification. I had thought the Prime Minister, when he was promising to fix the hospital system, was talking about outcomes, not inputs. The same report from the Institute of Health and Welfare indicates the median waiting time for elective surgery across Australia was 34 days last financial year—two days more than the previous financial year. Again in the ACT it is more than double that—72 days wait for elective surgery. What does the minister suggest that I say to my constituents, who were promised a system that would be fixed by now but instead have a system which is actually falling apart?

Senator LUDWIG—It is one of those areas that I know the Senator for the ACT has an interest in. I know he prefaces all his remarks to the constituents, but when he was in government he participated in ripping \$1

billion out of the health and hospitals system. We have said time and time again that we have been in government for 18 months and we have put our money where our mouth is. Those opposite did not do that. When you look at emergency department funding, the Rudd government will deliver \$750 billion to state and territory emergency departments. The ACT received \$10 million of that. That is \$10 million that was not there and that is now being provided for elective surgery. There is also stage 2 of the program to ensure the ACT can also get \$6.6 million for capital works at Canberra and Calvary hospitals, because it is not going to be a system that is fixed overnight after the mess the Liberals left it in. We will need to ensure that we provide both the capital funding—(*Time expired*)

Senator HUMPHRIES—Mr President, I ask a further supplementary question. Will the minister have the decency to admit to the Senate today that, five days before this dramatic ‘we’ll fix the system’ promise deadline is reached, that the promise—

Senator Cameron interjecting—

The PRESIDENT—Order! What you are doing is disorderly, Senator Cameron. I have reminded you on a number of occasions. You must desist.

Senator HUMPHRIES—Will the minister admit that this promise is in its terminal phase and should now have its life-support system turned off by admitting that there is no fix coming down the line, that the government has lost interest in a referendum to put this issue to the Australian people and that it has abrogated all responsibility for reform to its National Health and Hospitals Reform Commission?

Senator LUDWIG—I thank the ACT senator for his question, but the difficulty always is, of course, whether he has the decency to tell his constituents that when the

Liberals were in government they took a billion dollars out of the health and hospitals system. What this government is doing is putting in \$64 billion over five years to address the neglect that you left. And if you want to tell us about what your plan is, I am only too happy to hear it. I suspect it is a piece of paper that is blank, quite frankly, because what this government is doing is ensuring that we are addressing the neglect that the previous government left the health and hospitals system in—12 years of neglect. And of course those opposite do not like what I am saying. I understand that. I understand you do not like it because of course you are responsible for the neglect. You are responsible—(*Time expired*)

Senator Chris Evans—Mr President, I ask that further questions be placed on the *Notice Paper*.

Senator Bob Brown—Mr President, I rise on a point of order. Immediately before question time, during my submission on the Car Dealership Financing Guarantee Appropriation Bill 2009, Senator Abetz took a point of order in which he said that it would have been inappropriate for him to vote on the matter of reference to the Standing Committee of Privileges this morning. However, he also said that he had been paired. I ask you to look at that matter, Mr President, and come back to the Senate to let the Senate know whether a pairing is not in effect a vote. If so, Senator Abetz has said it would be inappropriate for him to have voted, so the matter may be recommitted to the chamber.

The PRESIDENT—I will take that away and review it and I will come back to the chamber with a response.

QUESTIONS WITHOUT NOTICE: ADDITIONAL ANSWERS

Pulp and Paper Manufacturing Industry

Senator CARR (Victoria—Minister for Innovation, Industry, Science and Research) (3.03 pm)—On Monday, 22 June, I received a question from Senator Bob Brown and I indicated to that question that if there were any further matters the Minister for Trade had to offer in regard to the proposition of the Gunns company receiving any support then I would come back to the chamber. I have been advised by the Department of Foreign Affairs and Trade that in the case of the Gunns pulp mill under this government—that is, since the last election—Austrade has received two informal inquiries from potential investors which, to the best of the department's knowledge, did not proceed further. The former government, the coalition government, did receive an application for major project facilitation status from the pulp mill in April 2005. This was granted in June 2005 and expired in December 2008. For projects granted MPF status, potential investors are provided with information, advice and assistance with necessary government approvals, as well as advice on relevant government programs that may assist significant investment projects. The MPF service was transferred under this government to the Department of Infrastructure, Transport, Regional Development and Local Government in December 2007.

China: Human Rights

Senator FAULKNER (New South Wales—Minister for Defence) (3.04 pm)—I want to respond to some elements of the supplementary questions that Senator Bob Brown asked me in question time today. I have sought some advice from the Department of Foreign Affairs and Trade. It may be recalled that Senator Brown asked me at what level representations were made regard-

ing the arrest of Liu Xiaobo. I can indicate to Senator Brown that these were made through our Beijing embassy to the Chinese Ministry of Foreign Affairs, initially at councillor and first secretary level, and subsequently followed up on several occasions at councillor and first secretary level. I have also been advised, in response to the question raised by Senator Brown in relation to calling in the Chinese ambassador, that the answer at this stage is no. The government considers the most appropriate avenue on this occasion will be through diplomatic channels in China, registering our concerns directly with the Chinese authorities in Beijing. I had intended also in my answer, but did not have enough time available to me, to address another issue that Senator Brown raised, which went to the question of a previous resolution of the Senate. I was going to indicate to the Senate, if I had had enough time, that I have made on very many occasions, perhaps some would say on far too many occasions, some comments about how foreign affairs motions are dealt with in the Senate—that they are blunt instruments.

I do want to reinforce the fact that the government is very happy to work with all parties, particularly minor parties, on notices of motion of this nature. I know that Senator Brown and others in the Australian Greens move a lot of notices of motion. But, as I have said consistently now, both in opposition and in government, the government takes the view that, because they are such blunt instruments and there is an opportunity only to vote either in favour of them or against them, the government can only support a motion which it supports in its entirety. In other words, the government takes the view that it needs to be completely satisfied with the content of any motion. I know Senator Brown is aware of this, but it was another issue that he raised in his question and, now that I am on my feet, I did not want

to leave that issue unanswered or in abeyance, given that I sought some immediate advice on those other elements of the question he asked.

**QUESTIONS WITHOUT NOTICE:
TAKE NOTE OF ANSWERS**

Hospitals

Senator CORMANN (Western Australia) (3.08 pm)—I move:

That the Senate take note of the answers given by the Special Minister of State (Senator Ludwig) to questions without notice asked by Opposition senators today relating to public hospitals.

This government have been an absolute failure when it comes to health. They have not fixed public hospitals despite an unequivocal pre-election commitment by the Prime Minister to do so by the middle of 2009. They are putting additional pressure on public hospitals through their misguided ideological attack on Australians doing the right thing by the health system by taking additional responsibility for their own healthcare needs. It is an ideological attack on people with private health insurance. They are now running away, at a million kilometres an hour, from the equally emphatic pre-election commitment that if sufficient progress had not been made by the middle of 2009, the Rudd government would take to the Australian people the proposition that the Commonwealth would take over the running of Australia's 750 public hospitals.

We have a health minister who is more occupied with doing the bidding of the Treasurer, being the propaganda machine for the Treasurer, than with focusing on implementing and pursuing sound public policy on health. If we had a minister that was more focussed on fixing public hospitals rather than being out there doing the Treasurer's bidding, perhaps our public hospitals would be a little bit better off. Today I asked a series of questions of Senator Ludwig. I asked,

'Are Australia's public hospitals fixed?' He talked us through a whole series of bureaucratic processes that go on within government. Any government can provide a running list of all the great things they do, but it is outcomes that we are interested in. The Prime Minister did not promise that he would go through a whole series of bureaucratic processes. He promised that Australia's public hospitals would be fixed. There is evidence in state after state after territory that they are not fixed. We had another half-a-dozen questions to ask, giving examples from Queensland, New South Wales, Victoria and South Australia that Australia's public hospitals are not fixed.

Even the Prime Minister realises that he will not be able to achieve his emphatic pre-election commitment. Quietly, quietly, hoping that nobody would notice, he made a little change to his website where he talks about the government's commitment to the health system. This time last year the Prime Minister's website listed its commitment on health under a headline 'Fixing our hospitals'. Do you know what it says now? It says, 'Improving our hospitals'. Last year he was going to fix our hospitals; this year he will be improving our hospitals. I bet he did not think anybody would notice. This was done quietly, sneakily, so that nobody would notice. There is all this back-peddling: 'We do not want people to think that we are not doing what we are saying we are doing, so we are just going to change what it is that we allegedly promised.' So 'fixing' our hospitals has become 'improving' our hospitals.

There are a few other 'minor' linguistic changes that I am sure the Senate would be interested to know about. This is what the Prime Minister said last year:

... if significant progress towards the implementation of the reforms—

the national health care reform, in partnership with state and territory governments—has not been achieved by mid-2009, the Government will 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.

So last year he referred to 'significant progress towards implementation'. Now he says, 'We will develop a long-term reform plan.' So it is no longer 'significant progress towards implementation'; it is, 'By the middle of 2009 we will finalise a plan.' So the government have gone from, 'We promise outcomes; we promise to fix hospitals,' to bureaucratic process language.

This is an absolute disgrace. This government have been a failure in health. They are so blinded by their ideological hatred for private health that that is what has been guiding their first 18 months in office. They have not focused on the main game. They have not focused on what is required—to actually ensure that we have a health system that works. Everything that we have had from this government is spin and rhetoric, no substance whatsoever. It is time that somebody held this government to account for their absolute failure in health.

Senator MOORE (Queensland) (3.13 pm)—I did not have a chance this morning to check the *Australian*, because I know that in the last few days you had to look at what was in the *Australian* to see what the questions were going to be. I have not seen it yet today; there could well have been a paper issue on health, because that was the focus today.

I am really pleased that Senator Cormann is such an astute reader of the Prime Minister's website. This came out during the Senate estimates process, where he was able to quote chapter and verse from the Prime Minister's website. We appreciate that, Senator

Cormann. It is really useful to know that those websites are being well read and that the linguistics of the process are being looked at. Maybe what we should be looking at is what the government said they were going to do, which is that they were going to work with the states. They said that no longer were we going to use the old blame game process that we saw year after year in this place. When there were any questions about the health system, the previous government had a really quick answer: it was the state's fault; it was always somebody else's fault. When we came into government we saw there was a problem.

First of all, we acknowledged there was a problem. We actually said we would put in place processes that would look towards fixing the public health system. We used those terms, because we saw there was a real problem. Immediately, the government decided that they needed to have the whole process engaged. So we developed the National Health and Hospitals Reform Commission. We gave that group a mandate to independently look at what was going on in the process, to provide feedback to the government and to talk to people across all states—professionals, people in consumer groups, people in state government and everybody who had an interest in our health system. This commission was carefully appointed with people who represented those areas to feed back to the government and look professionally at what we could do with the health system, because we acknowledged that the public health system needed some help. That process came out and there were discussion papers and interim reports. It has gone back out now to the community, and we are waiting for the next round of that to come through so that, then, that can work with the COAG process—once again, engaging with all the states—to see what we have to do. This is after the government has already

made the public announcement of the \$64 billion package over a period of five years to look specifically at the health system and \$600 million to look at reducing elective surgery waiting times—and, most particularly, effectively looking at training packages to ensure that we have appropriate, trained professionals at every level of our health system to provide that service.

I note the questions that were given by senators, such as Senator Nash, about particular issues in rural Australia. Her questions, quite rightly, were looking at rural New South Wales. Nobody is running away from those questions. I note Senator Cormann's issues about running away. No-one is running away from that. But I well remember—when similar questions were asked by Labor senators on that side of the chamber—being lectured to by various members of the then government about how long it took to train professionals. I well remember the special day we were told that it took a long time to train a doctor. Well, we have actually responded to that. In terms of what happened with our government, we are working with the professional groups so that we can put specific methods in place to engage with professionals to ensure that we can respond to the need, because the issues Senator Nash raised were particularly about having trained professionals working in regional Australia. We also looked at the particular needs of a regional and rural health program. And that is on our record. In terms of the process, certainly there needs to be engagement at all levels. No-one is running away from that. But we also need to have a little bit more understanding. Rather than standing up in this place and saying 'the government has failed' because on a certain date it has not fixed everything in the health system, we need to go forward.

Opposition senators interjecting—

Senator MOORE—I understand. We will look at pre-election promises. That is a very easy thing to do. Many senators here can pull those out, chapter and verse. We can read websites as well. We have those skills. In terms of process there needs to be work done to look at what has to be done with our health system. The Rudd government is going to do that work. We will move forward and we will ensure that our system is improved in the future. (*Time expired*)

Senator NASH (New South Wales) (3.18 pm)—What an extraordinary display of spin today from the Labor government. There is a very simple principle here. The Prime Minister has said, ever since Labor came into government, that they would honour all their election commitments and promises. And they have not. It is a bit unfortunate that I cannot bring some props in here—we are precluded from doing so. If I had one, it would be the size of the front of a newspaper, it would have a very big smiling picture of the Prime Minister on it, it would have a very big smiling picture of Justine Elliot on it, and the caption would be: ‘Kevin Rudd will fix our hospitals’. It does not matter how much spin the other side try to put on this, that paper, in the electorate of Richmond, promised those people in that electorate, and in all of the other electorates that it went to around the country, that Kevin Rudd would fix our hospitals. It is a simple premise.

The other thing he said was that, if there had not been an improvement in the state hospital system, he would move to take over the 750 public hospitals around the country. Neither of those two things can possibly be in dispute, because they were in writing at the time from the Prime Minister. As far as I can tell—and I do not think I am particularly stupid—they are election commitments. So, on the one hand, we have the Prime Minister saying, ‘I’m going to honour all our election commitments’; and here we have some that

are about to be broken. This is not something that has come from this side of the chamber; this has come from the Labor government. It was the Labor government that said, ‘We will fix the hospitals.’ It is their promise that they have broken. It is their commitment that they are not going to honour. The improvement is simply not there.

Everybody on this side of the chamber knows that, obviously, on the other side of the chamber they do not spend enough time visiting hospitals—particularly not regional hospitals which are suffering so badly and at which there has been no improvement. And there has been no improvement. You have only got to look at places like Dubbo Hospital, where they have had to go to their local vet to borrow bandages. If that is an improvement, I am completely at a loss. Or look at Coonabarabran Hospital, where they had to stop offering their patients meat, because the local butcher simply could not be paid. Again, if that is an improvement, I am completely at a loss. It is simply wrong to say there has been any improvement. Every single person I talk to in regional communities right across the state tells me that there has been no improvement. And this is no indictment of our doctors and nurses, who do an absolutely brilliant job under the conditions they are asked to work in, in providing those services as best they possibly can for our regional people. For the health minister to come out on 25 May and say there have been ‘positive signs of improvement’ and ‘significant developments’ and ‘improved outcomes’ is bureaucratic rubbish. It is the same bureaucratic rubbish that we heard from the minister today in his answers to questions. He had simply no idea. I am not sure he was even listening to the questions, because the answers he gave bore no relation whatsoever to the questions that were asked. It was bureaucratic rubbish!

From Senator Moore, on the other side, we had more bureaucrat spin about ‘reviews’ and ‘we’re working with’. I think she actually indicated that it was her understanding that what they promised during the election campaign was to work with the states. Rubbish! Their promise was to fix the hospitals. Regardless of what other Labor senators are about to say, that is the absolute truth. They promised, very simply, two clear things. The Prime Minister said he would honour all his election commitments, and fixing our hospitals was one of them. If our hospitals are not fixed, he has broken an election promise to every single person across this country. Every single person across this country should be aware of that. They would remember that, because people talked about it at the time. They would come up and say, ‘Kevin Rudd says he is going to fix our hospitals.’ Weren’t they living in a pipedream thinking he might actually come through and do it! Because he has not. Unless he can pull a rabbit out of the hat in the next five days and fix the hospitals, he has broken an election promise. There are no two ways about it. If he thinks there has been an improvement in our hospital system then he must believe in fairies at the bottom of the garden. Every single person out in our communities knows that our hospitals have not been improved. The Prime Minister should live up to his election promise.

Senator POLLEY (Tasmania) (3.23 pm)—What never ceases to amaze me in this place is the hypocrisy of those opposite. After 18 months in government, I would put our track record up against theirs any day of the week—on health or any other issue. In fact, in the future I will be extremely happy to put up the 12-year record of the Rudd Labor government against the Howard-Costello mess of 12 long years in government. It was really interesting to hear Senator Cormann, who believes he is the new champion of

health, talk about what is happening in every state around the country. As usual, the opposition, as they did when they were in government, have neglected Tasmania. They never mention Tasmania. Why? Because it is so embarrassing. If you want to talk about health, let us talk about the Mersey Hospital on the north-west coast of Tasmania. Let us talk about the Howard government intervening in health, shall we? Let us talk about John Howard and his election promises.

Senator Wong—Mr Acting Deputy President, on a point of order—

Senator Cormann interjecting—

Senator Wong—If you could give me the courtesy of allowing me to make the point of order, Senator Cormann, that would be useful. A bit of interjection is the usual practice, but those of us on this side listened in relative silence to the contributions of those on the other side. Senator Polley, at the moment, has five coalition senators interjecting against her. Could they at least do it sequentially and observe a modicum of decorum in this place.

The DEPUTY PRESIDENT—There is no point of order. Senator Polley.

Senator POLLEY—Thank you, Mr Deputy President. We on this side realise we have hit a nerve when they—

Senator Wong—Mr Deputy President, just to clarify: are you ruling that interjections are in order?

The DEPUTY PRESIDENT—No. Senator Wong, I have been in the chamber for a long time today and I have heard much louder interjections than what I heard in the past minute or two.

Senator POLLEY—Thank you, Mr Deputy President. I always feel like I have hit a home run when they start interjecting. They do not like to hear the facts. They do not want to go back to the history of 12 long

years of neglect by the Howard government. We are talking about the Mersey Hospital on the north-west coast of Tasmania. I notice that there are not any Tasmanian coalition senators here, because they are embarrassed—

Senator Cormann—Yes, there are.

Senator POLLEY—I do not hear them interjecting about the north-west coast. If it is Senator Parry—I can only see a bit of a bald head—he would be joining me, because he has been on record in the media in relation to how he felt about the Howard-Costello intervention in the Mersey Hospital and the damage that was done there. At least he has the courtesy to listen rather than interject. As I said, I would be very happy to stand on this side of the chamber in 12 years and put the Rudd Labor government's record up against yours any day of the week.

When it comes to health, can we talk about what has really happened. I take Senator Nash's concerns. I understand that she has a genuine concern on regional and rural health. I acknowledge that. I also acknowledge that Senator Humphries has a genuine interest in health. But I do not think there are many senators who can talk more about rural health than those on both sides of the chamber who represent Tasmania. I represent Tasmania and my home city of Launceston. I want to put on record that it is not just spin by government senators, as has been indicated by Senator Nash.

The DEPUTY PRESIDENT—Order! The clock has been frozen at three minutes and 40 seconds for some time. It takes a very powerful speech, Senator Polley, to stall the clock!

Senator POLLEY—I hope I am not going to be robbed now, because I am really enjoying the opportunity—

The DEPUTY PRESIDENT—I think we are being quite generous to you, Senator Polley. You may get some extra time.

Senator POLLEY—And so you should be! Thank you, Mr Deputy President. It is important for the Australian community and, in particular, the Tasmanian community to have their voices heard in this place. I am talking about the huge injection of funds into the Launceston General Hospital and what it is going to mean to all Tasmanians and, in particular, those in the north of the state. In fact, some \$40 million has been allocated to enhance the services that are already provided by the Launceston General Hospital. What that means to the local people is that there will be better services. There has been an injection of money to attract nurses back into the field. Because of the neglect of the Howard government in terms of skilling, we are trying to ensure, as a responsible government would, that we have more GPs and doctors trained. We are trying to ensure that we have an environment where nurses want to continue in the workforce and where those who leave the workforce to have a family will have an enticement and an inducement to come back into this very important area.

In relation to promises and election commitments, I think it is a bit rich for the other side to lecture us, after 18 months in government, on not delivering on election commitments. When we talk about the buck stopping with Kevin Rudd, yes it does. But this week we are seeing the buck stop with Eric Abetz and Malcolm Turnbull.

The DEPUTY PRESIDENT—Order! Senator Polley, you have been in this place long enough to know to refer to people by their proper titles.

Senator POLLEY—I will respectfully refer to Senator Abetz and to Mr Turnbull. In terms of the blame game, we acknowledge that this is not the entire responsibility of the

federal government in terms of our state public health system; it is also the responsibility of the state and territory governments. I have been listening to the opposition for 2½ years constantly blaming the states over health. We have actually taken some decisive action. The health system will not be repaired quickly; I think it is totally unrealistic of those opposite to come in and expect us, after 12 years of neglect, to be able to fix everything in 18 months.

Senator Cash—You made the promise.

Senator POLLEY—I welcome the interjection, because what I am doing is hitting a raw nerve in those opposite. They do not like to hear about the truth and they do not like to actually have the facts. What they want to do is engage in rhetoric because they have no substance, they have absolutely nothing. If we want to talk about commitments and flip-flops, I think that trophy goes fairly to those on the opposite side. But I think you will find that the Australian public has, as I know the Tasmanian community has, welcomed the strong and compassionate interest that this government has demonstrated very clearly in the first 18 months of where we see the future of health in this country. We are the ones who are working to ensure that there are more GPs. We are the ones who are working to ensure that there are more nurses coming back. We are the government that is doing more for regional and rural health and acknowledging the difficulties that the community in those areas experience. (*Time expired*)

Senator HUMPHRIES (Australian Capital Territory) (3.31 pm)—Despite an extended period of time for her contribution, Senator Polley did not really touch on the issue raised by Senator Cormann, namely the minister's inability to explain how in five days time the government is going to keep the promise made by the Prime Minister to

fix our public hospital system. Of course, the answer that the minister could not bring himself to utter is that he can't and they won't, and the government has made an empty and vacuous promise which is going to leave a great many Australians disappointed.

Senator Cormann in his contribution made a very appropriate and very timely point in this debate, which is that we have a system today which responds to outcomes, which is about outcomes as far as Australians are concerned. Australians do not go into their public hospital and go to the emergency department at 10 o'clock at night and sit there until five o'clock the following morning waiting to get some ailment dealt with and say, 'Thank goodness the federal government has pumped another \$64 billion into our public hospital system. We would have been here until midday.' They do not say that. They want to know what happened to the promise to fix the hospital system. If there was evidence available to the Australian public that there were actually improving outcomes in public hospitals around the country, there would be some basis for thinking that perhaps we had not quite fixed them but we were at least fixing them or in the process of doing that. But the evidence is to the contrary: waiting lists going up, times for elective surgery increasing. It was 34 days last year, two days longer than the previous year. Waiting times in public hospital emergency departments are going up. Aboriginal and Torres Strait Islanders are having to wait 2½ times the rate of other Australians to get elective surgery. There is a whole list of statistics indicating that Australia is going backwards.

The reliance on the question of inputs, on what we are doing and what we are putting into the system, rather than what is coming out of the system, underlines the mistake the Labor Party is making. There is an issue about how you deliver reform in our public

hospital system. You guys are relying on shovelling X billion dollars into the state hospital systems hoping it is going to solve the problem. Unfortunately, the evidence is absolutely compelling that it will make the problem worse rather than better. We have no indication that these people have any capacity to deliver better outcomes no matter how much extra money is pumped in. The consultation you are undertaking, the extra dollars you are throwing in, may not be the best way the public can see better outcomes in the system. Certainly to date they have not seen those better outcomes. Have the decency to tell the Australian people what you mean by 'fixing the public hospital system'. Tell them what you mean by that. What can they look at as an indication that things are getting better in their public hospital system? If you cannot do that much, your promise is not worth very much. Your promise about improving the system even is not worth very much if you cannot tell us now what the benchmarks are that you are going to use to reflect the improvements that you say you are going to make to our system.

The solution to this issue is very simple: have the guts to do what you did with, for example, that promise to create a department of homeland security. It was a silly promise. You worked out after a few weeks of government that it was not going to make any sense, you had a little review and you quietly dumped the idea; no more department of homeland security. Well, next Tuesday is a good time to come clean, for Kevin Rudd to get up there in one of his media conferences and say, 'Look, by the way, I said something 18 months or two years ago which was a little bit on the stupid side. I promised to fix our public hospital system by today. I haven't done that. Sorry about that. We will find some other measure to work out how we are going to make things better in our public hospital system.' And we would respect him

for it. Unfortunately, the government's response to the failure of its promise is more frightening than the fact that the promise has been broken. Its response has been simply to channel vast amounts of money into state government bureaucracies which have demonstrated a spectacular lack of ability to actually make a difference in a positive way. You are not the first government to pump extra money into our system; it has been happening for years and years. It happened under the Howard government as well. Unfortunately, the vehicle for doing that leaves a great deal to be desired.

You held the tantalising hope out to the Australian people that you might take on responsibility for Australia's public hospitals. That appears to be part of the cruel hoax that you engaged in when making that promise. You apparently have no intention of putting that to a referendum anymore or considering that issue anymore. If I am wrong, tell me so. The fact is that you have broken your promise big-time and you should admit it. (*Time expired*)

Question agreed to.

China: Human Rights

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (3.36 pm)—I move:

That the Senate take note of the answer given by the Minister of Defence (Senator Faulkner) to a question without notice asked by Senator Bob Brown relating to human rights in China and Chinese democrat, Liu Xiaobo.

This man has been held in detention for six months and in the last few days has been now formally arrested and charged by the Beijing autocrats. I quote a report from Shinhua news agency:

Liu has been engaged in agitation activities, such as spreading of rumours and defaming of the Government, aimed at subversion of the state and overthrowing the socialist system in recent years.

Minister Faulkner told the Senate that the government had made some contact with the Chinese authorities about the plight of Mr Liu, but when we analyse it we find there has been no contact with or calling of the Chinese ambassador in Australia. There has been no minister-to-minister reference in these circumstances to Mr Liu's now formal charging by the Australian government and what contact there has been with Beijing has been at the level of councillor or first secretary. The ambassador in China is apparently far too important to be involved in the matter of this great democrat's quite wrongful imprisonment and tragic subjection to further harassment, cruelty and dispossession of his rights by the Chinese authorities.

I would remind the Senate that Mr Liu was one of the protestors for democracy in Tiananmen Square 20 years ago and he served two years in jail after that, having seen thousands of his fellow peaceful democratic protestors butchered by the very same people who are now in power in Beijing. During the 1990s he spent five further years in detention because he dared to speak up for democracy and freedom. Now we have him again being arraigned and persecuted simply because he was the co-author of *Charter 08*, which I have circulated to every member of this parliament and which I recommend everybody have a look at it. It is the equivalent of the Declaration of Independence in the United States and it was issued on the day celebrating the 60th anniversary of the United Nations Declaration of Human Rights. Mr Liu was arrested on the eve of that announcement and, since then, many more of the 3,000 Chinese democracy advocates who had the courage to sign this document have been arrested.

The Australian government's subservience to the dictators in Beijing on this matter is totally unacceptable. Where is the gumption to stand up for the rights which are enshrined

in *Charter 08* to which we all subscribe? Repeatedly we hear that Australia is a great country for democracy, that we believe in the freedom and the rights—political, civil and religious—of every human being but in particular of every citizen in this country. How can the rights of this great advocate, in a repressive police state—of the things that we believe in—be left by our country to be handled by a councillor or a first secretary at an embassy. Why is the Prime Minister not involved here? Why has the Minister for Foreign Affairs not been involved? Why indeed is the ambassador in Beijing silent while the ambassador for China here in Canberra has not been contacted about this criminal behaviour on the part of the powers that be in China? It is in breach of their own constitution that this man is being pursued, vilified, arrested, detained, harassed and treated so cruelly by the Chinese authorities. It reminds me of what happened to Solzhenitsyn and so many others during the very dark years of the Soviet Union. We should and must do better. (*Time expired*)

Question agreed to.

COMMITTEES

Selection of Bills Committee

Report

Senator McEWEN (South Australia) (3.42 pm)—I present the 10th report of 2009 of the Selection of Bills Committee.

Ordered that the report be adopted.

Senator McEWEN—I seek leave to have the report incorporated in *Hansard*.

Leave granted.

The report read as follows—

SELECTION OF BILLS COMMITTEE

REPORT NO. 10 OF 2009

1. The committee met in private session on Thursday, 25 June 2009 at 11.49 am.
2. The committee resolved to recommend—
That—

- (a) the *provisions* of the Access to Justice (Civil Litigation Reforms) Amendment Bill 2009 be *referred immediately* to the Legal and Constitutional Affairs Legislation Committee for inquiry and report by 17 September 2009 (see appendix 1 for a statement of reasons for referral);
- (b) the Anti-Terrorism Laws Reform Bill 2009 be *referred immediately* to the Legal and Constitutional Affairs Legislation Committee for inquiry and report by 28 October 2009 (see appendix 2 for a statement of reasons for referral);
- (c) the Australian Citizenship Amendment (Citizenship Test Review and Other Measures) Bill 2009 be *referred immediately* to the Legal and Constitutional Affairs Legislation Committee for inquiry and report by 7 September 2009 (see appendix 3 for a statement of reasons for referral);
- (d) the *provisions* of the Corporations Amendment (Improving Accountability on Termination Payments) Bill 2009 be *referred immediately* to the Economics Legislation Committee for inquiry and report by 7 August 2009 (see appendix 4 for a statement of reasons for referral);
- (e) the *provisions* of the Crimes Legislation Amendment (Serious and Organised Crime) Bill 2009 be *referred immediately* to the Legal and Constitutional Affairs Legislation Committee for inquiry and report by 17 September 2009 (see appendix 5 for a statement of reasons for referral);
- (f) the *provisions* of the Health Legislation Amendment (Midwives and Nurse Practitioners) Bill 2009 and **2 related bills** be *referred immediately* to the Community Affairs Legislation Committee for inquiry and report by 7 August 2009 (see appendix 6 for a statement of reasons for referral);
- (g) the Marriage Equality Amendment Bill 2009 be *referred immediately* to the Legal and Constitutional Affairs Legislation Committee for inquiry and report by 26 November 2009 (see appendix 7 for a statement of reasons for referral);
- (h) the Migration Amendment (Immigration Detention Reform) Bill 2009 be *referred immediately* to the Legal and Constitutional Affairs Legislation Committee for inquiry and report by 7 August 2009 (see appendix 8 for a statement of reasons for referral);
- (i) the *provisions* of the National Consumer Credit Protection Bill 2009 and **3 related bills** be *referred immediately* to the Economics Legislation Committee for inquiry and report by 7 August 2009 (see appendix 9 for a statement of reasons for referral);
- (j) the National Security Legislation Monitor Bill 2009 be *referred immediately* to the Finance and Public Administration Legislation Committee for inquiry and report by 7 September 2009 (see appendix 10 for a statement of reasons for referral);
- (k) the *provisions* of the Personal Property Securities Bill 2009 be *referred immediately* to the Legal and Constitutional Affairs Legislation Committee for inquiry and report by 7 August 2009 (see appendix 11 for a statement of reasons for referral);
- (l) the Telecommunications Legislation Amendment (National Broadband Network Measures No. 1) Bill 2009 be *referred immediately* to the Environment, Communications and the Arts Legislation Committee for inquiry and report by 17 August 2009 (see appendices 12 and 13 for statements of reasons for referral);
- (m) the *provisions* of the Therapeutic Goods Amendment (2009 Measures No. 2) Bill 2009 be *referred immediately* to the Community Affairs Legislation Committee for inquiry and report by 7 August 2009 (see appendix 14 for a statement of reasons for referral); and

(n) the *provisions* of the Trade Practices Amendment (Australian Consumer Law) Bill 2009 be *referred immediately* to the Economics Legislation Committee for inquiry and report by 7 September 2009 (see appendices 15 and 16 for statements of reasons for referral).

3. The committee resolved to recommend— That the following bills *not* be referred to committees:

- ACIS Administration Amendment Bill 2009
- Australian Wine and Brandy Corporation Amendment Bill 2009
- Automotive Transformation Scheme Bill 2009
- Customs Tariff Amendment (2009 Measures No. 1) Bill 2009 [No. 2]
- Excise Tariff Amendment (2009 Measures No. 1) Bill 2009 [No. 2]
- Higher Education Support Amendment Bill 2009
- Road Transport Reform (Dangerous Goods) Repeal Bill 2009
- Statute Stocktake (Regulatory and Other Laws) Bill 2009
- Tax Agent Services (Transitional Provisions and Consequential Amendments) Bill 2009
- Tax Laws Amendment (2009 Measures No. 4) Bill 2009.

The committee recommends accordingly.

4. The committee deferred consideration of the following bills to its next meeting:

- Aviation Transport Security Amendment (2009 Measures No. 1) Bill 2009
- Banking Amendment (Keeping Banks Accountable) Bill 2009
- National Health Security Amendment Bill 2009
- Trade Practices Amendment (Guaranteed Lowest Prices—Blacktown Amendment) Bill 2009.

(Kerry O'Brien)

Chair

25 June 2009

APPENDIX 1

SELECTION OF BILLS COMMITTEE

Proposal to refer a bill to a committee

Name of bill:

Access to Justice (Civil Litigation Reforms) Amendment Bill 2009

Reasons for referral/principal issues for consideration:

Complexity of amendments deserves and requires adequate time for review. The Access to Justice Inquiry has yielded response on the measures in the Bill, experts and organisations submitting and appearing to give evidence should be utilised to ascertain the extent to which this meets their concerns.

Possible submissions or evidence from:

Australian Women Lawyers, President, Fiona McLeod SC

Dr Joo-Cheong Tham, Melbourne University Law School

Hugh de Krestler, Federation of Community Legal Services

Hilary Charlesworth, Australian National University Law School

Margaret Davies Flinders University Law School

Greg Mead, Senior Counsel, Legal Services Commission of South Australia

Anna Copeland, SCALES, Murdoch University

Phoebe Knowles, Campaign Coordinator, Australian Human Rights Group

Kate Davis, Women's Legal Centre

Matt Tinkler, Executive Director, Public Interest Law Clearing House (VIC) Inc.

Rebecca Lee, President of Women Lawyers of WA Inc

Committee to which bill is to be referred:

Legal and Constitutional Legislation Committee

Possible hearing date(s):

Late August - Early September

Possible reporting date:

Possible reporting date: 17 September

Whip/ Selection of Bills Committee member

(signed)

Rachel Siewert

Assoc. Professor Jude McCulloch, Castan Centre for Human Rights Law,

Gilbert and Tobin Centre of Public Law, Faculty of Law, University of NSW

Law Society of New South Wales

Australian Muslim Civil Rights Advocacy Network

Sydney Centre for International Law, Faculty of Law, Sydney University

Australian Lawyers Alliance

Australian Human Rights Commission

Civil Liberties Australia

Mary Heath, Flinders University Law School

Committee to which bill is to be referred:

Legal and Constitutional References Committee

Possible hearing date(s):

late September/early October

Possible reporting date:

28 October

Whip/ Selection of Bills Committee member

(signed)

Rachel Siewert

APPENDIX 2**SELECTION OF BILLS COMMITTEE****Proposal to refer a bill to a committee****Name of bill:**

Anti-Terrorism Laws Reform Bill 2009

Reasons for referral/principal issues for consideration:

The Bill outlines specific provisions in the Criminal Code 1995 related to the definitions relating to terrorism offences, provisions relating to the proscription of 'terrorist organisations', offences relating to interaction with 'terrorist organisations', 'reckless possession of a thing' and the offence of sedition, provisions in the Crimes Act 1914 relating to detention of terrorism suspects, provisions in the Australian Security Information Organisation Act 1979 relating to the questioning of terrorism suspects and the detention of terrorism suspects; and repeals the National Security Information Act 2004. The Bill seeks to implement the recommendations and findings of reviews that have been held in response to particular situations arising from the terror laws, Haneef etc, and the objections of leading legal organisations and advocates to particular provisions of the anti-terrorism laws, which were passed in haste. Australia's parliament and community did not get an opportunity to hold a thorough, calm and considered debate over the terrorism laws when they were introduced, an inquiry into these components of the laws offers such an opportunity.

Possible submissions or evidence from:

Law Council of Australia

Julian Burnside, Liberty Victoria

Phil Lynch, Director, Human Rights Law Resource Centre Ltd

Dr Patrick Emerton, Monash University Law School

Justice John Dowd, President, Australian chapter of the Intl Commission of Jurists

APPENDIX 3**SELECTION OF BILLS COMMITTEE****Proposal to refer a bill to a committee****Name of bill:**

Australian Citizenship Amendment (Citizenship Test Review and Other Measures) Bill 2009

Reasons for referral/principal issues for consideration:**Possible submissions or evidence from:****Committee to which bill is to be referred:****Possible hearing date(s):****Possible reporting date:**

7 September 2009

Whip/ Selection of Bills Committee member

(signed)

Stephen Parry

APPENDIX 4**SELECTION OF BILLS COMMITTEE****Proposal to refer a bill to a committee****Name of bill:**

Corporations Amendment (Improving Accountability on Termination Payments) Bill 2009

Reasons for referral/principal issues for consideration:

Significant change to the remuneration of executives

Examine unintended consequences

Possible submissions or evidence from:

Industry submissions (business & industry associations)

Press articles

Committee to which bill is to be referred:

Senate Economics Committee

Possible hearing date(s):**Possible reporting date:**

1 August

Whip/ Selection of Bills Committee member

(signed)

Stephen Parry

APPENDIX 5**SELECTION OF BILLS COMMITTEE****Proposal to refer a bill to a committee****Name of bill:**

Crimes Legislation Amendment (Serious and Organised Crime) Bill 2009

Reasons for referral/principal issues for consideration:**Possible submissions or evidence from:**

State and territory police

Anti-crime groups

Criminologists/Law Reform Institute

Committee to which bill is to be referred:

Legal and Constitutional Affairs

Possible hearing date(s):**Possible reporting date:**

17 September 2009

Whip/ Selection of Bills Committee member

(signed)

Stephen Parry

APPENDIX 6**SELECTION OF BILLS COMMITTEE****Proposal to refer a bill to a committee****Name of bill:**

Health Legislation Amendment (Midwives and Nurse Practitioners) Bill 2009

Midwife Professional Indemnity (Commonwealth Contribution) Scheme Bill 2009

Midwife Professional Indemnity (Run-Off Cover support Payment) Bill 2009

Reasons for referral/principal issues for consideration:**Possible submissions or evidence from:****Committee to which bill is to be referred:****Possible hearing date(s):****Possible reporting date:**

7 August 2009

Whip/ Selection of Bills Committee member

(signed)

Stephen Parry

APPENDIX 7**SELECTION OF BILLS COMMITTEE****Proposal to refer a bill to a committee****Name of bill:**

Marriage Equality Amendment Bill 2009

Reasons for referral/principal issues for consideration:

To determine whether marriage should be extended to all, regardless of sex, sexuality or gender

Possible submissions or evidence from:

Marriage Equality Australia

NSW Gay and Lesbian Rights Lobby

Committee to which bill is to be referred:

Legal and Constitutional Affairs Legislative Committee

Possible hearing date(s):**Possible reporting date:**

November 26 2009

Whip/ Selection of Bills Committee member

(signed)

Rachel Siewert

APPENDIX 8**SELECTION OF BILLS COMMITTEE****Proposal to refer a bill to a committee****Name of bill:**

Migration Amendment (Immigration Detention Reform) Bill 2009

Reasons for referral/principal issues for consideration:

Examine the proposed provisions of the Migration Amendment (Immigration Detention Reform) Bill 2009

Possible submissions or evidence from:

Australian Law Council

Commonwealth Ombudsman

Australian Human Rights Commission

Refugee Council of Australia

Amnesty International

Hotham Mission Asylum Project

Law Institute of Victoria

Liberty Victoria

Refugee and Immigration Legal Centre Incorporated

Commonwealth Ombudsman

UNHCR

Just Australia

Committee to which bill is to be referred:

Legal & Constitutional Legislation Committee

Possible hearing date(s):**Possible reporting date:**

August 11

Whip/ Selection of Bills Committee member

(signed)

Kerry O'Brien

APPENDIX 9**SELECTION OF BILLS COMMITTEE****Proposal to refer a bill to a committee****Name of bill:**

National Consumer Credit Protection Bill 2009

National Consumer Credit Protection (Transitional and Consequential Provisions) Bill 2009

National Consumer Credit (Fees) Bill 2009

Corporations Legislation Amendment (Financial Services Modernisation) Bill 2009

Reasons for referral/principal issues for consideration:

The size and extent of the reforms warrant further scrutiny through a Senate inquiry. Possible submissions or evidence from:

Possible submissions or evidence from:

The Australian Bankers' Association, ABACUS, Consumer Action Law Centre and other industry and consumer groups.

Committee to which bill is to be referred:

The Senate Economics Committee.

Possible hearing date(s):**Possible reporting date:**

Thursday, August 13

Whip/ Selection of Bills Committee member

(signed)

Kerry O'Brien

APPENDIX 10**SELECTION OF BILLS COMMITTEE****Proposal to refer a bill to a committee****Name of bill:**

National Security Legislation Monitor Bill 2009

Reasons for referral/principal issues for consideration:

The Bill will apparently provide the government's response to the repeated call of the Senate for an independent reviewer of terrorism laws. The Committee will need to assess the extent to which the recommendations of the Legal and Constitutional Inquiry into the Troeth/Trood Bill of last

year were taken on board, and the scope of the Reviewer's mandate.

Possible submissions or evidence from:

Law Council of Australia

Julian Burnside, Liberty Victoria

Phil Lynch, Director, Human Rights Law Resource Centre Ltd

Dr Patrick Emerton, Monash University Law School

Justice John Dowd, President, Australian chapter of the Intl Commission of Jurists

Assoc. Professor Jude McCulloch, Castan Centre for Human Rights Law,

Gilbert and Tobin Centre of Public Law, Faculty of Law, University of NSW

Law Society of New South Wales

Australian Muslim Civil Rights Advocacy Network

Sydney Centre for International Law, Faculty of Law, Sydney University

Australian Lawyers Alliance

Australian Human Rights Commission

Civil Liberties Australia

Mary Heath, Flinders University Law School

Committee to which bill is to be referred:

Legal and Constitutional References Committee

Possible hearing date(s):

late September/early October

Possible reporting date:

28 October

Whip/ Selection of Bills Committee member

(signed)

Rachel Siewert

APPENDIX 11

SELECTION OF BILLS COMMITTEE

Proposal to refer a bill to a committee

Name of bill:

Personal Property Securities Bill 2009

Reasons for referral/principal issues for consideration:

So as to enable scrutiny of bill to see that bill measures up with the committee recommendations arising out of the inquiry into the exposure draft of this bill.

Possible submissions or evidence from:

Committee to which bill is to be referred:

Legal and Constitutional Affairs

Possible hearing date(s):

Possible reporting date:

4 August 2009

Whip/ Selection of Bills Committee member

(signed)

Stephen Parry

APPENDIX 12

SELECTION OF BILLS COMMITTEE

Proposal to refer a bill to a committee

Name of bill:

Telecommunications Legislation Amendment (National Broadband Network Measures No. 1) Bill 2009

Reasons for referral/principal issues for consideration:

Detailed consideration of scope of the requirements and the confidentiality protections.

Possible submissions or evidence from:

Telecommunications carriers and utility companies. Committee to which bill is to be referred: Environment, Communications and the Arts Legislation.

Committee to which bill is to be referred:

Possible hearing date(s):

Possible reporting date:

17th August 2009

Whip/ Selection of Bills Committee member

(signed)

Kerry O'Brien

APPENDIX 13**SELECTION OF BILLS COMMITTEE****Proposal to refer a bill to a committee****Name of bill:**

Telecommunications Legislation Amendment
(National Broadband Network Measures No. 1)
Bill 2009

Reasons for referral/principal issues for consideration:

Need to assess that privacy provisions are adequate, and that the powers conferred are commensurate with need.

Possible submissions or evidence from:

Simon Sheik, Get Up
Dale Clapperton, Electronic Frontiers Australia
Peter Black, School of Law
Dr. Jeffrey E. Brand Bond University, CRICOS
Provider 00017B
Professor Trevor Barr, Swinburne University,
Room BA 923B

Committee to which bill is to be referred:

Environment, Communication and the Arts

Possible hearing date(s):

late September/early October

Possible reporting date:

28 October

Whip/ Selection of Bills Committee member

(signed)
Rachel Siewert

APPENDIX 14**SELECTION OF BILLS COMMITTEE****Proposal to refer a bill to a committee****Name of bill:**

Therapeutic Goods Amendment (2009 Measures
No 2) Bill 2009

Reasons for referral/principal issues for consideration:**Possible submissions or evidence from:****Committee to which bill is to be referred:**

Community Affairs

Possible hearing date(s):**Possible reporting date:**

7 August 2009

Whip/ Selection of Bills Committee member

(signed)
Stephen Parry

APPENDIX 15**SELECTION OF BILLS COMMITTEE****Proposal to refer a bill to a committee****Name of bill:**

Trade Practices Amendment (Australian Consumer Law) Bill 2009

Reasons for referral/principal issues for consideration:

The Bill introduces new concepts into Commonwealth consumer protection legislation, particularly in relation to the creation of an unfair contract terms law. These concepts currently exist in various forms in the States and Territories and their adoption at the Commonwealth level have been endorsed by the Council of Australian Governments.

Possible submissions or evidence from:

Interest is likely from a wide range of business and consumer organisations. The Treasury received around 200 public submissions during 2009 in developing the provisions of the Bill.

Committee to which bill is to be referred:

Senate Standing Committee on Economics

Possible hearing date(s):

August / September 2009

Possible reporting date:

September 2009

Whip/ Selection of Bills Committee member

(signed)
Stephen Parry

APPENDIX 16**SELECTION OF BILLS COMMITTEE****Proposal to refer a bill to a committee****Name of bill:**

Trade Practices Amendment (Australian Consumer Law) Bill 2009

Reasons for referral/principal issues for consideration:

To get further detail on the Bill.

Possible submissions or evidence from:**Committee to which bill is to be referred:**

Senate Economics Committee

Possible hearing date(s):**Possible reporting date:**

Monday, 10 August 2009

Whip/ Selection of Bills Committee member

(signed)

Stephen Parry

Helen Coonan

COMMITTEES**Membership**

The DEPUTY PRESIDENT—The President has received letters from a party leader requesting changes in the membership of committees.

Senator LUDWIG (Queensland—Manager of Government Business in the Senate) (3.42 pm)—by leave—I move:

That senators be discharged from and appointed to committees as follows:

Finance and Public Administration Legislation Committee—

Appointed—

Substitute member:

Senator Ludlam to replace Senator Siewert for the committee's inquiry into the National Security Legislation Monitor Bill 2009

Participating member: Senator Siewert

Intelligence and Security—Parliamentary Joint Committee—

Discharged—Senator Coonan

Appointed—Senator Trood

Legal and Constitutional Affairs Legislation Committee—

Appointed—

Substitute members:

Senator Polley to replace Senator Marshall for the committee's inquiry into the provisions of the Crimes Legislation Amendment (Serious and Organised Crime) Bill 2009

Senator Hanson-Young to replace Senator Ludlam for the committee's inquiry into the Australian Citizenship Amendment (Citizenship Test Review and Other Measures) Bill 2009

Senator Hanson-Young to replace Senator Ludlam for the committee's inquiry into the Marriage Equality Amendment Bill 2009

Senator Hanson-Young to replace Senator Ludlam for the committee's inquiry into the Migration Amendment (Immigration Detention Reform) Bill 2009

Participating members: Senators Ludlam and Marshall.

Question agreed to.

BUSINESS**Rearrangement**

Senator LUDWIG (Queensland—Manager of Government Business in the Senate) (3.43 pm)—by leave—I move:

That, on Thursday, 25 June 2009:

- (a) the routine of business from not later than 3.45 pm shall be government business only;
- (b) consideration of government documents under general business and consideration of committee reports, government responses and AuditorGeneral's reports under standing order 62(1) and (2) shall be proceeded with;
- (c) divisions may take place after 4.30 pm; and

- (d) the following government business orders of the day shall be considered: Car Dealership Financing Guarantee Appropriation Bill 2009 Social Security and Other Legislation Amendment (Pension Reform and Other 2009 Budget Measures) Bill 2009 Appropriation (Parliamentary Departments) Bill (No. 1) 2009-2010 and two related bills

Just for those who may have a range of pieces of paper relating to hours on their desk today, I will outline the routine of business. From not later than 3.45 pm it shall be government business only. The three bills will be the Car Dealership Financing Guarantee Appropriation Bill 2009, which we are part of the way through debating, the Social Security and Other Legislation Amendment (Pension Reform and Other 2009 Budget Measures) Bill 2009, and the Appropriation (Parliamentary Departments) Bill (No. 1) 2009-2010 and two related bills.

In addition, divisions may take place after 4.30 pm. I will also seek leave to withdraw government business notice of motion No. 6 when this is agreed to. What that effectively means for the remaining part of the afternoon is that we will go through and deal with those bills. There will come a point at about 6 pm when we will return to government documents, by which time we should have finished dealing with those bills. We will continue to monitor the chamber to ensure that happens.

Senator HANSON-YOUNG (South Australia) (3.44 pm)—I would like to clarify with the minister that the Migration Amendment (Abolishing Detention Debt) Bill is no longer on the proposed list and express the Greens' view that it should be. We are prepared to debate and consider that bill until it is dealt with. I do think it is a matter of urgency. I have spoken with numerous people, even just today, about how this is impacting on their daily lives. A further deferral of this issue would have an impact on many peo-

ple's lives and I do not think there is any reason why we should not deal with it tonight.

Question agreed to.

NOTICES

Withdrawal

Senator LUDWIG (Queensland—Special Minister of State and Cabinet Secretary) (3.45 pm)—I withdraw government business notice of motion No. 6 standing in my name relating to the hours of meeting for 18 June 2009.

CAR DEALERSHIP FINANCING GUARANTEE APPROPRIATION BILL 2009

Second Reading

Debate resumed.

Senator FIFIELD (Victoria) (3.45 pm)—I rise to speak on the Car Dealership Financing Guarantee Appropriation Bill 2009, which has been the backdrop of some current events over the last week. The opposition will not be opposing the passage of this legislation. Car dealers are encountering serious and genuine difficulties obtaining finance in the current economic climate. We do know that the global financial situation has contributed to a freezing up of global credit markets, with risk averse lenders re-evaluating many of their businesses and reluctant to lend. But there is no doubt that the Rudd government's ill-considered bank deposit guarantee has made the situation far worse, as foreign banks and other financial institutions have come under enormous pressure as nervous customers seek the safety of government guaranteed deposit-holding institutions.

These factors contributed to two major finance companies, GE and GMAC, withdrawing from the car dealer wholesale floor plan finance market earlier this year. Many concerned dealers, who rely on readily accessible finance to drive their sales, have

understandably found themselves in a very vulnerable financial situation. I understand that potentially hundreds of dealers, particularly in rural and regional Australia, were at very serious risk of becoming financially unviable if they were not able to access alternative sources of credit.

The coalition has always held the view that the best way to assist these dealers is to persuade GE and GMAC to withdraw their participation in the car dealer finance market in a more ordered and considered way rather than simply pulling up stumps on 1 January, as they advised they were going to do. Thankfully, both companies have opted to withdraw more gradually, and many other finance companies have stepped in to offer finance to these dealerships. This means the expected amount of guaranteed funds has declined from \$2 billion to the most recent estimate of around \$450 million. So the government is pushing ahead to establish a special purpose vehicle it has dubbed the OzCar fund, and the major beneficiary will be Ford Credit.

An important fact is that Ford Credit was not originally targeted for the government scheme. The parameters were changed to accommodate Ford Credit when it became clear it required assistance. The coalition does not quibble with Ford Credit's inclusion in the scheme. However, the process of negotiation with Ford Credit raises serious questions about the government's behaviour. These questions go to the heart of the saga which has unfolded over the last week. They go to the heart of this government's credibility and they raise serious doubts about the Treasurer and his honesty.

All the available information suggests that Mr Swan has misled the parliament. In previous governments, misleading the parliament was considered a serious and sackable offence, certainly an offence which the pre-

vious government took very seriously. But the current government is intent on playing a game of smoke and mirrors to obscure serious questions that Mr Swan must answer. Mr Swan has repeatedly stated that the now very well known Mr John Grant, a personal friend and donor to the Prime Minister, an associate of the Treasurer and someone from whom he bought a car, has received 'no special treatment'. Mr Swan told parliament on 15 June, referring to Mr Grant: he 'received the same assistance as any other car dealer'. Mr Swan had previously said, in the House of Representatives on 4 June, in relation to the representations by his office:

I have no idea what the outcome of that was.

He said so in subsequent media interviews as well. Both Mr Swan and the Prime Minister have said that they stand by those comments 100 per cent. But we have good reason to be very sceptical about the Treasurer's statements.

Let us consider for a moment the chronology of events which led to this saga. Mr Bernie Ripoll, a Queensland Labor backbencher, referred the case of Mr Grant to the Treasurer's office. A senior staffer in the Treasurer's office contacted a Treasury official who was responsible for OzCar to see if he could assist Mr Grant. That Treasury official has stated that it was clear to him that Mr Grant was 'not your average constituent' and was an 'associate of the Prime Minister'.

The government has called into question the testimony of that particular Treasury officer, but we do not have to rely on his testimony to gauge the importance which was placed on the case of Mr Grant. There is ample evidence which testifies to the importance that the Treasurer's office placed on this case. Firstly, the officer who was assisting Mr Grant, at the request of the Treasurer's office, took extraordinary steps to assist Mr Grant. The officer met with Ford

Credit, who were seeking access to up to \$450 million in taxpayers' money from the government. That meeting took place in Melbourne on 23 February. At that meeting, the officer raised the case of Mr Grant on behalf of the Treasurer.

There were two unusual facts about the request he made to Ford Credit for their assistance to Mr Grant. Firstly, Mr Grant operates a Kia dealership, not a Ford dealership, and Ford Credit only services Ford and Volvo dealerships. Secondly, the Treasury officer gave representatives of Ford Credit Mr Grant's mobile phone number with instructions to contact him and see if they could assist. This raises very serious issues. Mr Deputy President, place yourself in the shoes of Ford Credit. They desperately need finance to assist their dealers around the country who face financial ruin if they are not able to access credit quickly. But Ford Credit was not originally eligible for the scheme, and they were engaged in a lobbying effort for the scheme's parameters to be altered to include them. At a meeting with the Treasury official—who would have significant influence, you would think, on whether or not they gained access to the scheme—they were asked to do a favour for someone they would not ordinarily assist, someone who did not operate a Ford or Volvo dealership. It was a favour for no less than a personal friend of the Prime Minister. It becomes pretty clear what is expected of them in that situation, and it is highly inappropriate. It was not what Ford was expected to do—you cannot blame Ford—but the expectation that was placed on Ford by the government that was inappropriate. It is telling that the government is not able to point to any other instance where a senior Treasury official, acting at the instruction of the Treasurer's office, provided the mobile phone number of a dealer in need of help to Ford Credit, and it is also telling that it was pro-

vided at a point where Ford Credit was most likely to be eager to please.

But these are not the only issues in the case of Mr Grant. In an effort to demonstrate that Treasury officials and the Treasurer's office were going to equal lengths for other dealerships, Mr Swan's office has released a series of emails about other dealers—emails which Senator Abetz referred to in his contribution. One of these was raised by a Liberal backbencher. The government exclaimed: 'Aha! Gotcha! See: the government were willing to help anyone who needed assistance. The PM's mate got no special favours.' That is the thesis from the government. It is a great argument except for a few inconvenient truths. We know from emails originally provided to the Senate Standing Committee on Economics that the Treasurer took a very personal interest in the case of Mr Grant. Emails on the matter to and from his staff and the Treasury officer were cc-ed to the Treasurer, and his staff even went to the extraordinary length of faxing all email correspondence from Treasury to Mr Swan's home fax machine.

The Treasurer has attempted to suggest that he was very interested in this issue generally and concerned about the plight of all car dealers. If he were being truthful, I think most of his fellow ministers would have to hang their heads in shame. Do they all have constituent inquiries of that nature, in that detail, faxed to their homes too? I would be surprised. But, unsurprisingly, other dealers did not get this rolled-gold treatment. Of all other emails made public by Mr Swan's office, none state that they are being faxed to his home—not even cc-ed to Mr Swan. Why, then, the special treatment for Mr Grant? Is it possible that it just might be because he happens to be a friend and donor to the Prime Minister, or is it simply a coincidence that Mr Swan followed every email on Mr Grant's case with the Treasury?

The government have attempted to make this debate about the opposition. They say the opposition have smeared Mr Rudd and Mr Swan, that we have pursued this issue too vigorously and that we should all just let it be. In effect, they are saying, 'Move on; there's nothing to see here.' I am sure all governments would love it if oppositions did not pursue allegations of misconduct—you cannot blame them; it is fair enough—but, unfortunately for Mr Rudd and Mr Swan, that is not going to happen, because it is our job to follow up inconvenient matters. That is what the parliament is here for. That is why we have Senate committees: to uncover the truth about government behaviour—maladministration and inappropriate behaviour.

It seems, however—I hate to say it—that Senator Hurley missed that particular civics lesson at school, judging by her disgraceful conduct in the Senate hearing last Friday. Efforts by opposition senators to uncover the truth about contact between Treasury officers and the offices of the Treasurer and the Prime Minister were repeatedly derailed. Senator Cameron, who served as the Treasurer's—

The DEPUTY PRESIDENT—Senator Fifield, I have just been reflecting on what you have said, and I think your comments about Senator Hurley should be withdrawn.

Senator FIFIELD—I withdraw them, Mr Deputy President. On the subject of Senator Hurley, her colleague Senator Cameron served as the Treasurer's mailman at the committee, delivering Treasury emails. After all, you have to find a job for Senator Cameron, and it is good that the government found one for him. Senator Cameron was also the chief interference runner, repeatedly interjecting as Senator Abetz was questioning witnesses.

Senator Parry—He scored some own goals.

Senator FIFIELD—Indeed he did, Senator Parry. On other occasions Senator Hurley, in the chair, asserted that the Treasury officials had answered Senator Abetz's questions before they had even been given an opportunity to respond. Senator Hurley also repeatedly asked witnesses if they would like to answer the questions. Mr Deputy President, you would know that it is not the role of a chair to determine which questions have to be answered, and it is certainly not the role of a chair to tell witnesses that answering a senator's question is an optional exercise. That is a matter which I think needs to be looked at at another time, because the role of chairs in this parliament goes very much to the integrity and good functioning of this parliament.

Mr Deputy President, witnesses before a Senate committee are effectively under oath. They appear before the Senate to answer its questions and are expected to do so to the best of their ability. As I say, I do not think the unprecedented intervention by the chair helped uncover the truth at that committee. It is important, I think, that all senators take very seriously their responsibility to uncover the truth and ensure that Senate committees fulfil that task. It is clear that the government has a lot that it wishes to hide in relation to OzCar. They would not be engaged in the unprecedented smear campaign against the Leader of the Opposition through the media and the parliament if they were not worried—and, for that matter, also the smear campaign against Senator Abetz.

The publicly available evidence makes it clear that Mr Swan does have serious questions to answer. His suggestion that Mr Grant was the recipient of normal constituent services is laughable. Mr Grant was clearly the beneficiary of special treatment. No other car

dealer received the care, attention and assistance as promptly or as comprehensively as Mr Grant did. Mr Swan needs to answer the charges against him. He needs to fully disclose any other matters which are relevant to this case, and I hope he does so for the proper functioning of this parliament—that is, that ministers are open, honest and transparent. That is all the opposition is seeking: answers to legitimate questions.

Just before I conclude, I cannot finish without responding to some of the comments and some of the contributions of Senator Brown earlier in this debate where he said that the coalition had vetoed a reference to the Privileges Committee. He said that the Senate, and the opposition, had effectively vetoed a reference to a court—viewing the Privileges Committee as a court of the parliament. I think the Senate took the right decision. The Senate did the right thing. The Privileges Committee has never been used for partisan political benefit and it is important that this chamber ensures that the Privileges Committee is never used for that sort of purpose. One of the great strengths of the parliament is the Privileges Committee. Its operation goes to the integrity of the parliament. A Privileges Committee operating correctly and appropriately is one of the safeguards ensuring that the parliament and senators are behaving appropriately. It is for that reason that I believe the Senate took the appropriate decision—took the decision that it did—that the Privileges Committee not be embroiled in what was clearly a very partisan and political reference to it. That is not the purpose of the Privileges Committee.

The Senate has made its decision. It is not a decision that Senator Brown likes. Senator Brown is something of a sore loser. He has lost a few things recently—I think there was a court matter and now he has lost a vote here on the floor of the chamber. I think Senator Brown was upset because the Senate

had the temerity to defy ‘the will of Bob’. But the Senate has made its decision and it was the appropriate decision. Senator Brown also, I thought in a very cheap point-scoring exercise, criticised Senator Abetz for, in his words, ‘fleeing the chamber’. Senator Abetz did not flee the chamber; Senator Abetz was paired. Senator Abetz has stated to the chamber that he thought that, given the matter which the Senate was deliberating on related to him, the appropriate thing was not to be in the chamber. I think Senator Abetz was right to do that. I can imagine how, if Senator Abetz had stayed in the chamber and cast a vote on the matter, Senator Brown would be screaming and hollering how inappropriate it was that Senator Abetz was involved in the deliberations.

Senator Hanson-Young—Mr Acting Deputy President, I rise on a point of order. Senator Fifield has reflected on comments that Senator Brown made in relation to Senator Abetz fleeing the chamber. My understanding is that Senator Brown then withdrew that and replaced those words with ‘leaving’.

The ACTING DEPUTY PRESIDENT (Senator Trood)—I am not sure that is a point of order.

Senator Hanson-Young—Mr Acting Deputy President, it is about correcting what is on the record, and I would like Senator Fifield to take that on board.

The ACTING DEPUTY PRESIDENT—I invite Senator Fifield to address that matter if he chooses to do so.

Senator FIFIELD—Mr Acting Deputy President, I am not sure I have to correct anything here because those words were uttered in the chamber. I think it was a cheap and unnecessary point made by Senator Brown. Senator Abetz did the right thing. If he had stayed in this chamber and taken part in the deliberations on that matter then Sena-

tor Brown would have been screaming and hollering that it was inappropriate for him to be here. So I feel for Senator Abetz. He really cannot win when it comes to Senator Brown. Senator Abetz is a man of great integrity. He is a good and honest servant of the parliament. He has conducted himself appropriately at all times. I think the reflections that have been made on him in this place and outside are totally unwarranted. He has been fulfilling his duty as a senator—which is to seek the truth. It is not always comfortable and it is not always convenient, certainly not for those who are being questioned, and it is not always convenient for the person asking the questions. But he is fulfilling his obligations as a senator and as a shadow minister. With those remarks, I will conclude and commend the bill to the chamber.

The ACTING DEPUTY PRESIDENT (Senator Trood)—Senator Macdonald, you are not on my speaking list. Do you wish to speak?

Senator IAN MACDONALD (Queensland) (4.06 pm)—No, I was not. But, yes, I do wish to speak. As a senator in this chamber I would like to exercise my right to speak on any bill.

Senator Sherry—Mr Acting Deputy President, I rise on a point of order. Is this appropriate? The normal courtesies of the chamber and the way in which we operate are that we are informed in advance as to who is going to speak on a bill. That has not happened in this case. Senator Macdonald, I would accept, has a right to speak on a bill, but the courtesy and the way the chamber operates in practice is that people are notified.

The ACTING DEPUTY PRESIDENT (Senator Trood)—Senator Sherry, there is no point of order. As you point out, any senator has a right to speak when recognised by

the chair. I am recognising Senator Macdonald.

Senator IAN MACDONALD—Thank you, Mr Acting Deputy President. I was not listed to speak. I did not intend to, but I was swayed by the eloquence of the previous speaker, Senator Fifield, on this. I thought I should take just a couple of minutes of the Senate's time to, first of all, support what Senator Fifield said about Senator Abetz. A more assiduous, honest and competent representative in this chamber you would not find. Everything Senator Fifield said about that I agree with. I also support what Senator Fifield said about the actual bill before us, the Car Dealership Financing Guarantee Appropriation Bill 2009.

I just wanted to raise in relation to this bill a matter of particular interest to an area of Queensland where I spend some time, and that is up in the north and out in the west. I heard on Radio National this morning an interview between James Carleton and a person called Jane Colvin, who is from the Holden dealership in Longreach. I will read parts of the interview and will not say much more. I will then conclude my contribution on this bill. Ms Colvin was asked by the interviewer about what assistance the Holden dealership in Longreach got in relation to supporting finance. Jane Colvin said:

We rang our local federal member and he did email us back with the initial press release on 5 December. We then emailed him—I think it was on 7 December and again on the 15th—asking him what to do, how to go about chasing it up—that is, getting some support for their floor plan. She went on:

We also had our local bank manager trying to chase it up—just how to go about getting the assistance that they were all talking about. And bear in mind that this whole thing is not about any of us getting money for free; it's simply about the government guaranteeing funds so that the companies can lend it back to us. We're not going to

run off with the money. It's not free money; it's simply a guarantee of a loan. We never received anything back from the politicians after that, basically. We contacted others as well as our local member, but we really did not get any information.

James Carleton said some things and then he said:

You're in the central west—that would be Flynn, a marginal Labor electorate in central western Queensland. I would have thought that your local MP would have been onto this very quickly indeed, given the state of his political contest in that electorate.

Ms Colvin answered:

Well, we basically thought so too. We did actually contact some of our senators and so forth ... they did raise it with various people for us, but as far as getting any information—which probably needed to come from Chris Trevor's office—it was just a blank.

Then there was another question and Jane Colvin finished by saying:

We actually are waiting to find out who is being supported by OzCar. This program—

that is, the Radio National program—

has actually given me more information than I have been able to achieve through my politicians and so forth. So, yes, we will be getting onto that.

Here is a motor dealership in Longreach, in central western Queensland, desperately trying to get information about this from the local Labor member, and they do not even get a return phone call. They tried a couple of times, emailed him, and they could not get any response. Compare that with John Grant Motors. Not only did John Grant get a call back from his local member, I assume, but he got a call from the Treasurer. The Treasurer of our nation actually sent emails to him, got the secretary of the Treasury to be involved and got people to talk to Ford Credit about this issue.

There seems to be one rule for people who happen to know the Prime Minister or the

Treasurer and another rule for those motor dealers in Longreach in central western Queensland who are desperately trying to find out from their Labor member what this is all about and cannot even get a return phone call.

I thought I read somewhere that Mr Swan said that the guy in Mr Rudd's electorate was just treated as any normal constituent would be. Well, if he was treated the same way as this dealer in Longreach was, he would not have got a phone call from anyone, he would not have been given any information and he certainly would not have had the highest officers of our land approaching Ford Credit about him. He would have been ignored, as were these dealers in Longreach in central western Queensland.

I think this highlights the issue Senator Fifield was talking about in just how this issue has been dealt with by the Prime Minister and the Treasurer. I do not want to take the time of the Senate any longer. I appreciate I have another 15 minutes, but I am conscious that there are other bills to deal with, so I will not address other issues which I think have been well covered by Senator Fifield. In that respect, I support his remarks.

Senator SHERRY (Tasmania—Assistant Treasurer) (4.12 pm)—The Car Dealership Financing Guarantee Appropriation Bill 2009 is an important component of the government's response to the fallout from the global financial crisis. The bill is essential to support the operations of the special purpose vehicle, the SPV, that has been established to facilitate liquidity for commercially viable car dealerships and it will in turn provide support for hundreds of small businesses and thousands upon thousands of jobs in this sector.

On 5 December last year, the Prime Minister and the Treasurer announced that the SPV would be established, with the support

of Australia's leading banks, to provide liquidity to car dealer financiers who have encountered financing difficulties as a result of the global financial crisis. The SPV, otherwise known as OzCar, was to provide critical wholesale floor plan financing to commercially viable car dealerships that were financed by GE Money Motor Solutions or GMAC, both of whom at that point had announced their intention to exit the Australian dealer floor plan financing market.

As flagged in December, the Treasurer announced on 13 May 2009 that the OzCar facility will provide for the rolling of Ford Credit into the facility in light of the serious funding pressures confronting Ford Credit. This will support the availability of critical wholesale floor plan finance to car dealerships, helping them to stay in business over the next 12 months.

The government has taken the action, and I might indicate that it is being supported by the Liberal-National Party, to ensure that commercially viable car dealerships will have continuing access to finance. In the absence of the finance, the car dealers may be forced to close. If the car dealers cannot obtain finance they may be forced to close. That would put at risk thousands of jobs in the Australian car industry. According to the Motor Trades Association of Australia, the MTAA, which is the representative organisation for car dealerships, there would be up to 75,000 jobs at risk. This government believes in being prepared. It believes in decisive action in the face of the global financial and economic crisis. It believes it is appropriate to be prepared for eventualities that may occur as a fallout from the world financial crisis. The government is simply not prepared to allow tens of thousands of jobs to be lost in the car dealership sector of the motor industry.

At this stage it would be useful to briefly describe how OzCar will actually operate and, subsequently, the importance of this appropriation bill that has been the subject of debate today. In order to provide liquidity to commercially viable car dealerships, the OzCar SPV will raise funds by selling securities to the four major banks: ANZ, Commonwealth, NAB and Westpac. The SPV will finance eligible financiers who on-lend the funds for wholesale floor plan finance to car dealerships. Given the very difficult and tight global capital markets, the support of the four banks is essential to secure buyers of OzCar securities and hence facilitate liquidity.

Ozcar can raise funds only if it is able to sell securities. The government is supporting the OzCar SPV by putting in place a Commonwealth guarantee on various securities issued by the SPV. This guarantee is required because the participating banks have agreed to provide liquidity to the OzCar SPV only through the purchase of securities on the basis that non-AAA rated securities will be Commonwealth guaranteed. This legislation provides for an appropriation to support this guarantee. Whilst the government guarantee was executed on behalf of the Commonwealth on 23 December last year, an appropriation is required to provide comfort to the purchasers of OzCar securities that the Commonwealth will meet any payments required under the guarantee.

The SPV does not require any capital contribution by the Commonwealth and will not have a direct impact on the budget bottom line—other than in the very unlikely event that the guarantee is called upon. The SPV will be open for 12 months and there will be an orderly six-month wind-down after that. So there is a sunset provision. It is expected that, once OzCar facilities wind down, those dealers who relied on the SPV for financing would be able to secure alternative finance in

improved global and domestic capital markets. This situation will need to be reviewed if there is no marked improvement or if the market further deteriorates.

The contributions from Liberal-National Party senators opposite covered a wide range of issues other than the actual guaranteed appropriation which we are dealing with, and I respect their right to range far and wide about a whole range of issues that they claim are relevant. I am not going to take the time of the Senate to respond, but I will make a couple of points about some of the claims that have been made by Liberal-National Party senators. With respect to the last contribution, from Senator Macdonald, Senator Macdonald rose to speak without observing the due courtesies of the chamber, which are to notify, on a list that is provided, that you intend to speak on a piece of legislation. He has breached the conventions and the courtesies that this chamber operates on. I make that observation.

But I think it is a little worse than that in terms of Senator Macdonald's contribution, because we have had extensive discussion and debate on motions today and finally reached agreement on how the chamber would proceed in terms of the legislation before us. No less than the Leader of the Opposition in the Senate, Senator Minchin, indicated that certain pieces of legislation would be dealt with, and there was a commitment to that. I respect Senator Minchin; I have always believed that he is someone who, when he gives his word, keeps it—on behalf of the opposition. And what do we have? We have Senator Macdonald getting up here to speak in contravention of the normal courtesies in the chamber—on top of Senator Minchin having given assurances that the legislation would be dealt with in a considered and orderly fashion. That is the way Senator Macdonald wants to behave; that is a reflection on him.

Senator Abetz made a wide-ranging contribution, and there are two particular sets of issues I want to go to. Senator Abetz's basic argument on this appropriation bill—and firstly he was supporting it—was that this appropriation was necessary because 'the world financial crisis has been exacerbated by various acts of economic stupidity and economically irresponsible decisions of this government'. I strongly refute that. I strongly reject that argument. It is amazing that there is almost no-one in Australia, or indeed the world, who believes that the issues that we are dealing with here—including this guarantee appropriation in the case of car dealer finance—has been brought on by the actions of this Labor government, other than some members of the Liberal-National Party opposition.

The fact that we are dealing with extraordinary pieces of legislation for extraordinary times is a consequence of the world financial crisis, which had its genesis in the United States. Unfortunately, that financial crisis led last year to the almost total seizing up—to use a car term, I suppose—or collapse of world financial markets. Confidence in banks was collapsing, particularly in Europe, the UK and the US, and interbank lending was grinding to a halt. In that context, a range of governments were placing guarantees on bank deposits, bank transactions and interbank lending, and the Rudd Labor government acted decisively to provide a guarantee. As I say, they are extraordinary circumstances.

Senator Williams—You should have put it on GMAC and GE Finance as well.

Senator SHERRY—The reason that we are considering this legislation is to provide a level of certainty in another form. If Senator Williams had cared to carry out even some modest examination of the guarantees put in place around the world—

Senator Williams—I spoke to you about it.

Senator SHERRY—The guarantees around the world have largely—if not exclusively—been confined to banks, credit unions and building societies. There is an extensive range of other types of financial instruments—property trusts, margin lending, superannuation funds or pension funds and, in this case, commercial financing arrangements for car dealers—and, overwhelmingly, they were not the subject of a guarantee in other countries.

I accept that Senator Fifield has a considerably greater understanding of current economic circumstances and a considerably greater degree of financial literacy than Senator Abetz. But for Senator Abetz to come in here and assert that we are dealing with these sorts of consequences of the world financial crisis because the Labor government has carried out ‘acts of economic stupidity’, ‘economically irresponsible decisions’ and has exacerbated this is just patent nonsense. I referred in question time today to the observations of the OECD and the IMF, leading world economic institutions, who have pointed out that the Australian economy is doing very well. In fact, it is the best-performing economy in the world compared to the 29 other countries in the OECD. Of comparable economies, the Australian economy is the only economy that is not in recession. And whatever people might think about the actions of this Labor government or the former Liberal government, I think the observations of the IMF and the OECD in terms of the government’s interventions—in supporting those interventions and drawing a reasonable conclusion that the Australian economy is stronger as a consequence—are correct. So the broad thesis and theme of the critique from Senator Abetz is just totally wrong.

I would just make a couple of points about Senator Abetz’s comments—which were, I think, partly in defence of himself and partly a continued and unjustified attack on the Treasurer. In terms of the Treasurer’s comments to parliament on the *Hansard* of 4 June—and all of the debate, questions et cetera that have been posed over the last week—the Treasurer has done nothing that contradicted what he said in parliament on 4 June and he stands by those statements. On 4 June the Treasurer, Mr Swan, said:

... there have been numerous representations made to members of parliament from car dealers right around the country—numerous representations which have been forwarded on to my office and in turn forwarded on to the responsible officials in the Treasury for consideration. There is nothing abnormal about that.

... ..

It is the case that Mr Grant made representations to my office, and he was referred on to the SPV, just like everybody else. I have no idea what the outcome of that was.

And, of course, there were others who were referred on to the SPV and the staff in Treasury—it was not just Mr Grant. There were inquiries from Mrs Kay Hull, National Party member for Riverina; Mr Bruce Billson, Liberal Party member for Dunkley; Mr James Bidgood, Labor member for Dawson; Mr Bernie Ripoll, Labor member for Oxley; Mr Rowan Ramsey, Liberal member for Grey; the Hon. Sharman Stone, Liberal Party member for Murray; and obviously some other Liberal and National party members. The Treasurer has said:

... I have had no discussions with the Prime Minister about this matter whatsoever—none whatsoever.

... ..

... in the case of the Prime Minister and me, there were none.

On the *Hansard* of 15 June, the Treasurer said:

Mr Grant would have received the same assistance as any other car dealer who was referred through that process received.

The second fact is that Mr Grant received no special benefit from OzCar and no outcome whatsoever from Ford Credit. Fact 3: there were steps taken to help other dealers, and that has been borne out in the course of investigations. The Treasurer did this because there were jobs at stake in the community, as I have outlined in this legislation, and because it was his view in his office that the Treasury should do whatever they could to help dealers who approached the Treasurer's office. The Executive Director of the Motor Trades Association of Australia, Mr Michael Delaney, said:

The treatment that Mr Grant, a member of mine, got was no different from the treatment all of my other members got on my intervention on their behalf to Mr Grech. They were all treated in the same way, and for the same good reason: there was no other way to do these things. In fact I think Mr Grant has been treated less well because he went to the Treasurer.

Over the last week in the middle of a world financial and economic crisis, we have seen a Liberal opposition that could make only one firm decision in the Senate. The one firm decision they could make was to defer the emissions trading scheme. They decided to put it off because they are so divided. Other areas in which they have decided to make decisions where they are clearly divided are the migration regulations and the alcopops tax. We have heard a lot about smoke from Senator Abetz. Whatever the smoke, I suggest that the fire has well and truly burnt the case that the opposition were trying to advance against the Prime Minister and the Treasurer, for the obvious reason they were relying on a fake email. I am sure a lot more will come out as a consequence of that.

This legislation is important. When I referred earlier to it being very unlikely the guarantee will be called upon and, hence, impact on the government's bottom line, it is possible that the guarantee will be called upon but we think that is unlikely. Obviously, it is more likely that the special purpose vehicle will be called upon to provide financing in the case of car dealerships. This is an important part of the government's response to the consequences of the global financial crisis. Any forced closure of otherwise viable car dealerships would have a direct and adverse impact on the Australian automotive industry, including component suppliers, at a time of significant economic challenges. This had potentially grave consequences for the Australian economy, hundreds of small businesses and thousands upon thousands of jobs. The passage of this bill is crucial to the successful operations of the OzCar SPV, and failure to pass this bill would risk the loss of thousands of Australian jobs in the automotive industry.

I am pleased to see the Liberal-National Party are supporting the legislation. They have spent the week scouring second-hand car yards. I suggest they refocus their attention on the issues of the day which will undoubtedly be issues for the next number of years: how to protect and cushion jobs in Australia in the face of this world economic and financial crisis. Nevertheless, I thank them for supporting this legislation. At least they have finally decided to do something positive in the face of this world financial and economic crisis.

Question agreed to.

Bill read a second time.

Third Reading

Bill passed through its remaining stages without amendment or debate.

UNPARLIAMENTARY LANGUAGE

Senator PARRY (Tasmania) (4.33 pm)—by leave—I seek leave to make a very brief statement in referring a matter to the President.

Leave granted.

Senator PARRY—In response to questions asked of Senator Evans today in question time by Senator Sterle, Senator Evans—and I am raising this issue now because the *Hansard* has only just become available—said in one response:

... they, it seems, conspired to mislead the Senate during Senate committee hearings.

A second response was:

... they have been attempting to attack the Treasurer using false documents. Senator Abetz tried to use false documents at Senate estimates to mislead the Senate.

I ask that those two comments be referred to the President and further ask the President to report back to the Senate as to whether they are unparliamentary and whether they contain allegations that should not be contained within that type of response.

**SOCIAL SECURITY AND OTHER
LEGISLATION AMENDMENT
(PENSION REFORM AND OTHER 2009
BUDGET MEASURES) BILL 2009**

Second Reading

Debate resumed from 24 June, on motion by **Senator Carr**:

That this bill be now read a second time.

upon which **Senator Siewert** moved by way of amendment:

At the end of the motion, add “but the Senate considers that:

- (a) the pension rate increases in this bill should be extended to the parenting payment single rate and to all recipients of the disability support pension including those who are under age 21 without children, who have been excluded from the rate increase; and

- (b) the rate of Newstart Allowance should be increased to equal the pension rate”.

Senator BOYCE (Queensland) (4.34 pm)—I continue my speech from yesterday in the second reading debate on the Social Security and Other Legislation Amendment (Pension Reform and Other 2009 Budget Measures) Bill 2009. Retirees can subsequently lose their pension or receive a lesser pension. On this topic of the change in taper rates, I quote some figures from Dr Hickman from SA Superannuants. These figures were brought to the Senate Community Affairs Legislation Committee inquiry into this bill by the Australian Council of Public Sector Retiree Organisations. Dr Hickman’s figures show that after the change in the taper rate a pensioner would be \$673 a year worse off after four years and that this would rise to a maximum of \$3,854 after 10 years. This modelling was done by an economist from the Australian Council of Public Sector Retiree Organisations and it suggests that the guarantee given by the government that grandfathering will ensure that no pensioner will be worse off because of the change to the taper rate is not in fact true.

I would also like to bring to the Senate’s attention yet another example of the problems that develop when legislation is hastily inquired into and hastily looked into and the problems involved in what Ms Clare Martin referred to as ‘less equitable and more complex legislation’. The National Council on Intellectual Disability has today also published some work suggesting that people on disability support pensions will be worse off. The National Council on Intellectual Disability asks why people with disability in receipt of a disability report support pension who choose to work and earn income are treated differently from people in receipt of the age pension who choose to work and earn income. Yet again we have an example of multiple tiers developing. The NCID says:

There now exists a double comparative disadvantage. Young people in receipt of the Disability Support Pensioner do not have access to the Work Bonus and also do not have access to the Senior Australian Tax Offset.

They point out that the changes to the income test taper reduce the incentive to work, and this is a policy contrary to the government's alleged interest in social inclusion and in reforms to employment services. They point out:

- The base pension increase is quickly chewed up by the new taper for those who will enter the workforce as new workers.
- The effective marginal tax rate ... means that a worker only receives a net benefit of approximately 34 cents for every dollar earned.

We are talking here about people on disability support pensions. They go on to say that treating the contribution to work of young people with disabilities as less than that of aged workers sends a very strong message devaluing people with disabilities.

The NCID have used the average weekly wage of \$345 because this is the average received by people with intellectual disabilities working in open employment who are assisted by Commonwealth services. Using that figure, they point out that a person with a disability in receipt of the pension earning \$345 a week in comparison with an age pensioner earning the same is at a significant disadvantage at both levels. They earn \$56.13 less in net income if they are currently working, using the current taper test, or nearly double that for new workers currently in receipt of the disability support pension. They are \$83.73 a week worse off in net income.

The coalition have said that we will not oppose this legislation. However, we will be monitoring its working very closely. We have the government's guarantee that no-one will be worse off because of the taper rate, that the grandfathering clause will work and will

mean that people do not have money ripped out of their pensions when they most need it. But, given that age pensioners are nearly \$4,000 a year worse off after 10 years, and given these figures that have been released today by the National Council on Intellectual Disability showing that workers can be \$83 a week worse off if they are recipients of the disability support pension, the guarantee is not in any way, shape or form watertight. This is certainly something that I will be monitoring very closely. We in the coalition will ensure that the government keeps its promise.

Senator SHERRY (Tasmania—Assistant Treasurer) (4.40 pm)—The Social Security and Other Legislation Amendment (Pension Reform and Other 2009 Budget Measures) Bill 2009 implements key elements of the government's secure and sustainable pension reform package announced in the May budget. They are the most significant reforms in the 100-year history of Australia's pension system, they are reforms that deliver a fair go for pensioners and they are reforms of which this government is very proud. I am pleased to be dealing with this legislation on behalf of the government.

The retirement income system in Australia is effectively composed of a government guaranteed defined benefit age pension and, on top of that, a range of superannuation, compulsory and voluntary. In the context of total retirement income for Australians, obviously superannuation is very important. However, the age pension has been long neglected because the reality is, particularly for those older Australians either in retirement or approaching retirement, the majority have very little superannuation or no superannuation, because they simply were not in the workforce for long enough or they retired before superannuation became compulsory—another major and important retirement in-

come reform, initiated in 1987 by the former Hawke-Keating government.

The secure and sustainable pension reform package improves the adequacy of the pension system. It makes its operations simpler and more responsive to the needs of pensioners and secures its long-term sustainability. It prepares Australia to meet future challenges, including the ageing of the population. In addition to providing significant increases in payments, the reforms will make the pension system simpler and more flexible.

At the centre of these reforms is a much-needed increase in pension payments. From 20 September 2009 single pensioners will receive an increase of \$32.49 per week, comprising a \$30 per week increase in the maximum base pension rate and a \$2.49 per week increase in the new and increased pension supplement. Let me repeat that: single pensioners will receive an increase of \$32.49 per week. Pensioner couples will receive an increase of \$10.14 per week combined, delivered through the new pension supplement. That is an increase of \$10.14 per week for pensioner couples.

These are the most significant reforms in the 100-year history of Australia's pension system. Australia's 3.3 million age pensioners, disability pensioners, carers, wife and widow B pensioners, bereavement allowance recipients, special needs pensioners and veteran income support recipients will benefit from these increases.

The single pension will increase as a proportion of the pension paid to couples combined from 60 per cent to 66.33 per cent. This ratio will also apply to the new pension supplement and the seniors supplement. The pension will continue to be benchmarked against wages using the so-called MTAWWE, which was the last major reform of the pension base in Australia. I think it was 1983 when the Hawke Labor government intro-

duced the automatic indexation of pensions to MTAWWE. That was the last major reform, but this reform is the most significant in the 100 years since the age pension was introduced, in terms of the base rate of the age pension.

The pension will continue to be benchmarked to wages, and the benchmark for the single rate of pension will increase from 25 per cent to 27.7 per cent of male total average weekly earnings, which is an increase of 10 per cent. Following these reforms, the new total weekly pension plus supplement will be an estimated \$336.68 for singles and \$507.50 for couples combined, which amounts to \$17,507.36 a year for singles and \$26,390 for couples combined. The actual figures to apply from 20 September will depend on indexation and on final inflation and wages parameters that are not yet available.

The range of supplementary payments and allowances currently paid to pensioners will be simplified and made more flexible through the introduction of a new pension supplement. The value of current allowances will be maintained and increased in the new pension supplement. The new seniors supplement will be introduced to benefit eligible self-funded retirees who hold a Commonwealth seniors health card. A new pensioner and beneficiary cost of living index will be introduced from 20 September 2009 to better reflect the costs that pensioners' households face and will be used along with the consumer price index and the new wages benchmark to determine annual increases in the base pension.

Pension advance payments will be more flexible and we will bring greater consistency to the portability rules for overseas study among income support payment recipients. To better target the pension, the income test withdrawal rate will be increased from 40c to 50c for each dollar of private

income over the free area. This is one of the tough decisions needed to make the pension system more sustainable and to target the biggest pension increases to those who need them most.

Transitional arrangements will be put in place to protect existing pensioners who would otherwise have faced a payment reduction because of these changes. The transitional rules will maintain existing payments in real terms and give an increase of \$10.14 a week. Pensioners will be able to access the transitional rules for as long as necessary and will be moved to the new system once it delivers them a better outcome.

To help pensioners keep more of the money they earn, a new work bonus is being introduced as part of the new income test arrangements which will help pensioners maintain some part-time work while they receive a pension. This bill will close the Pension Bonus Scheme to new entrants following a recommendation of the Harmer review. I note that the shadow minister admitted in his remarks that the scheme, which was introduced by the former Liberal government, had not achieved what it was supposed to. Now is the time to close it and replace it with a more effective incentive.

Other minor amendments are made to the pension system, including exempting certain payments being made by the Western Australian government from the pension income test. The bill also contains measures that change indexation arrangements for family payments to make family assistance more sustainable. This brings indexation arrangements for family tax benefit part A minimum rates for children under 16 into line with other indexation across the family tax benefit system.

This bill takes the tough decision to raise the pension age. The age pension was first

paid in 1909, and next month marks the centenary of—

Senator Ian Macdonald—What happened to this urgency you were talking about?

Senator SHERRY—Sorry?

Senator Ian Macdonald—You were talking about getting these bills through this afternoon.

Senator SHERRY—I think I actually have a duty and an obligation here, because decisions are sometimes made in court based on second reading speeches—

Senator Ian Macdonald—This isn't your second reading speech.

Senator SHERRY—and responses to proposed committee amendments. At least I am on the speakers list! Since the first pension was paid in 1909, the pension age for men has been set at 65. The pension age for women is currently increasing—another tough decision taken by a former Labor government—and will reach 65 in 2013. As part of these reforms and to improve the long-term sustainability of the pension system, the qualifying age for age pension will increase for both men and women from 65 to 67 years.

Senator Williams interjecting—

Senator SHERRY—Have you got something to say as well?

Senator Williams—We've heard all this before.

Senator SHERRY—I am anxious to conclude. The increase in the qualifying age for age pension will begin to be phased in from 1 July 2017 and will be fully implemented on 1 July 2023. Phasing in the change over this period will allow affected individuals time to plan for their retirement. The change to the age pension age will allow the government to respond to the long-term cost of our demographic changes.

This Labor government is serious about addressing these demographic changes. We are determined to make our pension system both adequate and sustainable over the long term. That is why we had the pension review that was initiated in May last year, receiving almost 2,000 written submissions. The review was supported by a reference group made up of a range of experts and industry organisations. The reference group canvassed all the issues surrounding pension reform.

The need for action has been reinforced by a recently released report by the OECD, *Pensions at a glance*, which shows that the poverty rate for older Australians is double the OECD average. The report's analysis is based on pension figures from 2006, during the time of the previous government. Australia has the fourth highest poverty rate for people aged over 65 in the OECD. Only Ireland, Korea and Mexico have higher rates of old age poverty. Along with Ireland and Switzerland, Australia's old age poverty rates are double those of the rest of the population, and poverty rates for singles are worse than for couples. The reforms to the pension system contained in this bill will improve its adequacy, make the system simpler and more responsive to pensioners' needs and secure the sustainability of the pension system as the Australian population ages.

These reforms to Australia's pension system are essential and they are overdue. In the early months of this Rudd Labor government, we heard extensively from the former Liberal-National government and, indeed, from the crossbenchers, about the need to increase the base pension. I accepted the argument being put by the crossbenchers—the Greens and Family First and Senator Xenophon. They had raised that issue consistently over a long period of time. But, upon moving into opposition, the Liberal-National coalition finally decided it was time to increase

the age pension after they had done nothing about it for almost 12 years.

Then we have the rank hypocrisy from the opposition, who attack the government on debt—given the outcome of the global financial economic crisis—and who demand an increase in the age pension, having done nothing about it for 12 years. The cost over the forward estimates I think is between \$11 billion and \$12 billion approximately. But, of course, they did not indicate anywhere savings could be made, either direct monetary savings or savings via the recognition of the demographic changes and the age at which the age pension should be accessed. It is sheer hypocrisy from the Liberal-National coalition: do nothing for almost 12 years, go into opposition and demand an increase in the age pension—having done nothing about it for 12 years—without even bothering to indicate how it would be paid for. It is absolute hypocrisy from those opposite.

We are, indeed, very proud of these changes. The increase in the age pension in this country is long, long overdue. The changes will improve long-term security and certainty and ensure that over time the pension system is both adequate and sustainable. The reforms included tackle the reality of the ageing population and the challenge this represents.

I know concern has been expressed about the increase in the pension age. The longer you leave reforms in this area, the more difficult reform will become.

Senator Scullion—2017!

Senator SHERRY—Yes, 2017. I notice that Liberal shadow minister Abbott was critical of us for not phasing in the pension access age of 67 faster than we had otherwise indicated. I think you have to be just a bit careful about phasing in increases to the pension access age. People have got to have some reasonable notice. I think Mr Abbott,

the Liberal shadow minister, is being a bit harsh about criticising the Labor government for not doing it fast enough, particularly as the former government had done nothing in 12 years anyway.

I do not often use my family in these circumstances—

Senator Ian Macdonald—Usually not a good idea, ever.

Senator SHERRY—Senator Macdonald! I want to quote you the demographics. My daughter, Mia, is nine years old. She was born in the year 2000. You hate to talk about your family in the context of people who work in retirement incomes, but I talked to an actuary about life expectancy. He said, ‘Well, if your daughter lives to five’, which fortunately she has, ‘her average life expectancy will be 93.’ So my daughter, having been born in the year 2000, on average will now live to the year 2093. And the odds are she will probably live to see the year 2101. It is simply unsustainable, sadly and unfortunately, for my daughter not to work either in retirement or in education for 45 years of her 100-year life, if she lives 100 years. It is simply not sustainable for any society to have individuals either studying up to, say, their early twenties and then going into retirement at the age of 65. It is simply not possible to have individuals not participating in society in some form of economic involvement.

The longer you leave these reforms, the worse it gets. Frankly, some of the European countries have got themselves into a mess. Some have tackled the issue of the pension access age; some have not. But if you look at the long-term debt projections—and I will give some credit to the Liberal-National coalition, because they, like us, are supporting this legislation and they, like us, have at a range of times closed the unsustainable defined benefit funds that exist in this country.

Senator Ian Macdonald—You have filibustered for 15 minutes now, Nick.

Senator SHERRY—These are all important issues, Senator Macdonald, and this is a very substantial—

Senator Ian Macdonald—They are all in the second reading speech.

Senator SHERRY—No, they are not. The comments I have made in the last seven minutes are not in the second reading speech, Senator Macdonald.

Senator Ian Macdonald interjecting—

Senator SHERRY—Again, you are wrong, Senator Macdonald, and because you do not listen and you interject and speak when you are not on the speaker’s list you just fail to listen and understand.

This is a very, very important issue. I do not think reforms of this magnitude should go unremarked on by the government in closing the debate. The reforms deliver a fair go for Australia’s pensioners and I commend the bill to the Senate. I thank all those senators who have contributed, and I thank the Liberal-National coalition for supporting the package and the bill.

Question put:

That the amendment (**Senator Siewert’s**) be agreed to.

The Senate divided. [5.05 pm]

(The Acting Deputy President—Senator SP Hutchins)

Ayes.....	7
Noes.....	<u>46</u>
Majority.....	<u>39</u>

AYES

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

NOES

Abetz, E.	Adams, J. *
Arbib, M.V.	Back, C.J.
Bernardi, C.	Bilyk, C.L.
Birmingham, S.	Brown, C.L.
Cameron, D.N.	Cash, M.C.
Colbeck, R.	Collins, J.
Coonan, H.L.	Cormann, M.H.P.
Crossin, P.M.	Eggleston, A.
Evans, C.V.	Farrell, D.E.
Feeney, D.	Ferguson, A.B.
Fierravanti-Wells, C.	Fifield, M.P.
Fisher, M.J.	Forshaw, M.G.
Furner, M.L.	Humphries, G.
Hutchins, S.P.	Kroger, H.
Ludwig, J.W.	Macdonald, I.
Marshall, G.	McEwen, A.
Moore, C.	O'Brien, K.W.K.
Parry, S.	Payne, M.A.
Polley, H.	Pratt, L.C.
Ronaldson, M.	Ryan, S.M.
Scullion, N.G.	Sherry, N.J.
Sterle, G.	Troeth, J.M.
Trood, R.B.	Wortley, D.

* denotes teller

Question negatived.

Original question agreed to.

Bill read a second time.

In Committee

Bill—by leave—taken as a whole.

Senator SIEWERT (Western Australia) (5.10 pm)—The Greens oppose schedule 11 in the following terms:

- (1) Schedule 11, page 108 (line 1) to page 109 (before line 1), Schedule **TO BE OPPOSED**.

The Greens oppose the provisions in schedule 11 of the bill, which increases the pension age from 65 to 67. As I articulated in my second reading contribution, the Greens are concerned about the decision to raise the age from 65 to 67, because it has ramifications for many people. While we are not necessarily opposed in principle to this amendment, we believe that this has been brought in without any consultation with the community

and it has not been subject to a rigorous discussion or consultation within the community. The first the community knew about it was on budget night. The only real opportunity for discussion—besides the emails that I am sure other people have received—was the very quick review of the bill that the Senate Community Affairs Legislation Committee did. It was through no fault of the community affairs committee, I might add; they had to do it quickly because it was referred to us on either the Tuesday or the Wednesday and we had the inquiry on the Friday, so the community had very little opportunity to make submissions.

There are a number of concerns. One of my principal concerns is that, of those aged between 60 and 65, already 50 per cent of that cohort are on some form of income support. What you are doing for the cohort of people who are already on income support is condemning them to another two years of Newstart. When this bill, which we are just about to pass with the rises to the single base pension rate, goes through, the difference between Newstart and the pension will be \$106. So you are condemning people who are already struggling on income support to another two years of income support on, for example, Newstart. We do not think that is good enough. We think the government needs to look at alternatives. It also has not looked at the fact that we may need to consider an increase in the preservation age for superannuation. We do not know if that is the case; we have not had an opportunity to look clearly enough into the facts. We believe that we need to be looking at who this impacts, to what extent and what measures should be put in place to help that group of people that is going to be affected.

One of the other groups of people that is going to be significantly affected is a particular group of women who have very little super. We all know about this group of women.

They have very little super because they are of that age that they more often than not came out of the workforce when they were raising their children. That group is most likely to have people, who come out of the workforce, to look after; for example, their ageing parents. At that period of time when they were out of the workforce, they were not earning and were not able to contribute to super. There is a group of women in their mid-40s who have an average superannuation of \$8,000. It is that group of women that is going to be caught up by these changes. They thought they would be going into retirement at 65 and now they have to stay in the workforce for another two years. We are not adequately looking after those women. Some of those women may not have employment later on and would then be subject to income support, and they will not be able to access their inadequate super.

So we have a number of concerns with these changes. As I have said, our principal concern is that these changes have been brought in without community consultation. People had been planning for a retirement age of 65; now it is going to be 67. We do not know to what extent it will affect people. We are not, in principle, opposed to this in the longer term, but we think the timing and the lack of community consultation are poor and we are concerned that it has not been considered as part of the Harmer review. We believe it should come out of this bill, that the bill should go forward and that the government can then bring this particular component of it back. When you think about it, it was a bit sneaky of the government to put it in this bill because they knew very well that both this chamber and the other place would want to support the bill. Most of us here have been urging the government to increase the age pension for quite some time. It is rather sneaky to put it in this bill when they know very well that we will not want to oppose it

because it is raising the pension. So we say to the government: take it out, go and consult and bring it back when you have some answers to the problems that are going to affect those most likely to be caught up in these provisions. The people affected are those that do not have adequate super, those that have not been able to plan and, most importantly, those that are now on income support. You are condemning them to another two years in the workforce. We should be doing better than that for the people who are ageing in our community.

Senator XENOPHON (South Australia) (5.16 pm)—I indicate my support for the Greens amendment and I endorse the comments of Senator Siewert. We have not had community consultation. We have not had a national conversation about this quite radical shift in going from a retirement age of 65 to 67. I also wonder to what extent these changes will deliver the savings that they are meant to deliver. During the estimates process, I put some questions on notice about how many of the people affected by this change from 65 and 67 are manual labourers. There have been various media reports about these changes, including a vox pop undertaken by the ABC where they spoke to some workers—they may have been dock workers—who said that they did not think they were going to last beyond 65 and that by the age of 60 they were pretty well physically shot as a result of the hard manual labour. So these are things that need to be considered.

I wonder to what extent the projected savings from changing the retirement age from 65 to 67 will come to fruition given that many in that group between the ages of 65 to 67 may seek disability pensions and other forms of assistance because they cannot continue to do the hard physical work that they have been doing, particularly in those occupations. So I do have reservations about the extent of the savings in relation to this. Of

course, along with all others in this chamber, I welcome the government's legislation. The pension increases are overdue and it is a welcome boost for pensioners. But I wonder whether there ought to have been further consultation in relation to this change from 65 to 67 and the projected savings factor in the number of people that simply will not be physically able to continue working from 65 to 67 and will have to seek alternative benefits.

Senator CHRIS EVANS (Western Australia—Minister for Immigration and Citizenship) (5.18 pm)—The first thing to say about the consultation process is that the Harmer pension review did canvass these issues, as did a lot of the submissions. There was a general review of the issues around pensions and there were over 2,000 submissions. It was, of course, a recommendation arising out of the Harmer review, although I concede that was only released in line with the budget papers.

The key point is that this is a small step that tries to deal with a long-term major shift in the demographics of this country. While the previous government talked about inter-generational reports and such things for a long time, very little was done to respond to those challenges. It is a big issue for me in the Immigration and Citizenship portfolio because we have an ageing workforce and from next year onwards the number of workers in the Australian economy will reduce. So we are seeing a decline in our workforce and it is a big issue for Immigration in its role in meeting that demographic change. But we do have to make policy responses to that huge demographic movement. It is the sort of policy response that other OECD countries have taken. It does have a long lead-in time and that is important because it is designed to allow people to adjust.

Senator Siewert quite rightly made the point about women and their inadequate access to superannuation compared to males because of their working experience over the course of their life. It is a really important issue and one that we have been grappling with in public policy terms for a number of years now. I think it is fair to say that we have not yet solved it, but equally you do not stop doing other things because you have not solved a difficult problem. It is true to say, though, that when the new pension age is fully implemented, working Australians will have had 30 years of the superannuation guarantee. Labor made that big reform and by the time we move the pension age to 67 there will have been 30 years of compulsory superannuation in this country. We will have seen a large proportion of the population shift from reliance on the age pension to an increasing reliance on superannuation or a reliance only on part pension.

A huge shift in retirement incomes in this country is occurring and each year that shift is more marked. So we would say part of the answer to the concern is that this is another step in moving the reliance from the old age pension into the superannuation area. We think it is an important step. It obviously has to be part of a suite of other policies. But this sort of debate has been around for a long time now. While the actual measure was not specifically consulted upon by the government, it has been part of the general debate about pensions. It was part of the considerations of the Harmer review. Sooner or later someone had to bite the bullet and send the signal that these changes were going to be required.

There was a question again about people not wanting to work until age 67. I can say I am very much in that camp; I am a vote for that proposition. But I think this is a signal that people have to respond to the fact that people are living much longer and the whole

basis of the age pension and the life expectancy upon which it was calculated has changed dramatically. The issues that Senator Siewert pointed out in this respect are perfectly reasonable. I used to be secretary of the Firefighters Union. They had a retirement age of 55, for the very good reason that you do not want to be going up ladders fighting fires at 65 or 67. It was an occupational response that a retirement age of 55 was more appropriate, and our superannuation schemes were organised to reflect the reality that blokes, and now women—there are increasing numbers of women in the job—were perhaps not suited to doing that at the age of 65. So there are a whole range of occupations where the argument about 65 or 67 is irrelevant. People have had to make changes in their lives, work in other areas and respond to the pressures or demands of certain jobs. So I think those changes—the way we deal with people in work, the way we allow them to work part time, the work bonus changes—are helpful in that regard.

This is really an important signal that, again—just like when the Hawke-Keating government introduced compulsory superannuation—says, ‘We are having to respond to the demographics and we are putting in a different policy framework for support in retirement.’ This signals another important response to the realities of Australian society and the changing demographics. We think it is important that this change occur now and that we continue to deal with the other issues which senators quite rightly raise as important issues. I think it is like the debate we had about alcopops. You cannot solve all the alcohol related health issues with one piece of legislation. We see this as a really important step; it is an important signalling of what needs to occur in public policy. We think there is some urgency in taking these steps because we cannot keep putting off dealing

with the issues that are confronting Australian society.

Senator SIEWERT (Western Australia) (5.25 pm)—As I said earlier, we are not necessarily saying that we should not be taking this step. The point here is that we do not know all the ramifications. Community consultation has not occurred. Yes, I do take the point that the Harmer review did not talk about issues around the single pension. However, I am sure that 2,000 people did not say that you should raise the pension age. There were 2,000 submissions, not 2,000 people saying we should raise the pension age.

The point here is that, even if you undertook a consultation process for six months until the end of the year and then brought in legislation, you would not be doing it, bam, like that. You might also be able to inform the Australian community about what you are doing to address those very significant issues around the 50 per cent of people that are already on income support, that are already aged between 60 and 65 and that will now be on Newstart for another two years. There cannot be any confidence in the community that they are going to have quality of life when, as I said earlier, once these changes go through, Newstart will be \$106 below the single age pension. So there are significant quality of life issues here. One of the reasons that you are increasing the age pension is quality of life. It was recognised that as people aged they could not survive on the previous base rate of the pension. But now we are saying that it is okay for those same people, at 65, to receive below what the pension was for another two years, unless the government moves to address the difference between Newstart and the age pension.

I am glad Senator Xenophon raised the issue that some workers are physically exhausted and that it is a real struggle for them

to continue working for those extra two years. We did not touch on that group of women that work in areas like hospitality and retail. People think it is mainly men who do hard physical labour and whose jobs have taken a great toll on them. If you are working in retail and hospitality—

Senator Xenophon—Cleaning.

Senator SIEWERT—and cleaning, areas which are largely dominated by women, that takes a huge toll as well. So, although people automatically think about blue-collar workers being physically exhausted from their work, there is also a cohort of women who are exhausted from their work and who are being asked to be on their feet for another two years. These issues have not been dealt with. The government has not articulated how it is going to look after that group of people who are already on income support and moving through. I have heard the government say, 'We are going to be doing more training.' I have some issues with that because at the moment I do not think it is well targeted to that group of people that are coming out of employment around the age of 55 and trying to find more work. There are a lot of people that are continuing to work beyond the age of 65; I absolutely acknowledge that. But there is a group that is not. I do not think the training packages are there yet. I would like to know what the government is doing beyond what it is already doing and how it is going to help those people that are already on income support.

Minister, you touched on an issue around the work bonus. I have a specific question on the work bonus that I was going to ask later, but since you have touched on it I will ask it now. Could the government explain why the work bonus will not apply to people on the disability support pension? As we know, there is a big push to get people on the disability support pension into the workforce,

and where they can enter the workforce and they have got support that is a really good idea. I am just wondering what the rationale was for not providing the work bonus to people on the disability support pension.

Senator CHRIS EVANS (Western Australia—Minister for Immigration and Citizenship) (5.29 pm)—I will deal with the last bit first, in relation to people on DSP not entitled to the work bonus. Firstly, they have access to the working credit arrangements and, secondly—as the senator knows, and we have had this debate in other contexts—the Harmer review and the responses to it were focused on people at retirement age. The review by Mr Henry was dealing with the working age persons issue, so those issues will be addressed as part of that review. That is why there is a distinction between those who are on DSP who are working age versus those who are on age pensions.

Senator Siewert, you refer to the sorts of answers you have had previously about supporting mature age workers, training and reskilling et cetera. I can repeat all of those to you, but your point is well made. The women who work around Parliament House are good examples of women doing very heavy work—with those floor polishers and other things. Many of them are mature women who work very hard and no doubt find that very taxing work, as we all would. But I guess my main response to you is that all the problems you point to are problems whether you retire at 60, 65 or 67. These are issues we confront and we have to respond to—

Senator Siewert—Why don't you fix them now then, instead of changing the pension age?

Senator CHRIS EVANS—Senator, in 18 months we have not solved all the problems of the world, but I know Ms Macklin is working on it. I think if you give her another

18 months then she may have done that. I guess what I am saying is that there are a range of problems in social policy, if you like, and response to demographics et cetera. What you are highlighting are serious social issues that need to be confronted—that is right. But that was true before we changed the date of access to the pension and it will be true afterwards. Can we fix all of that in this legislation? No. But they are live issues. They are issues that we are attempting to deal with in some of these measures that we have been talking about in terms of retraining, reskilling and support for mature age workers. These are challenges that will be with us whether the retirement age is 60, 65, 67 or 75. We need to attack them, but clearly we cannot solve those as part of this legislation.

Senator SIEWERT (Western Australia) (5.32 pm)—I appreciate that you cannot solve all the problems in 18 months. There are some issues that I know have been here for a long time. My point is that I think we should make a go of tackling some of those problems before we actually extend them further by extending the retirement age from 65 to 67, because I think you have brought on some other problems that will need solving. I am pleased to hear—if I can interpret what you have said—that the government will be reconsidering these issues around work and support for those on the disability support pension once the Henry report has been released. Thank you.

Senator XENOPHON (South Australia) (5.33 pm)—Could the minister take on notice this question: in terms of the difference between retiring at 65 or at 67, have any projections been made about the extent to which this change might mean that, instead of people being on the pension—because they will not be able to be on it—they might be seeking alternative benefits, such as disability payments? I obviously do not expect an an-

swer now, but perhaps this is something the minister could correspond with me about in due course.

Senator CHRIS EVANS (Western Australia—Minister for Immigration and Citizenship) (5.33 pm)—I understand that this issue was canvassed a bit in estimates. Ms Macklin’s office took some questions on notice. I will check to see whether any modelling—I know you are big on modelling this week, Senator Xenophon—has been done on that transference between payments, if you like. I think the best thing is if we treat that as part of the response to the Senate questions on notice—if that is fair enough. I cannot give you an answer now, but I will encourage Ms Macklin’s office to provide as much as they have as part of that process.

Question put:

That schedule 11 stand as printed.

The committee divided. [5.38 pm]

(The Chairman—Senator the Hon. AB Ferguson)

Ayes.....	48
Noes.....	<u>7</u>
Majority.....	<u>41</u>

AYES

- | | |
|----------------|-----------------------|
| Abetz, E. | Adams, J. |
| Arbib, M.V. | Back, C.J. |
| Bilyk, C.L. | Birmingham, S. |
| Bishop, T.M. | Brown, C.L. |
| Bushby, D.C. | Cameron, D.N. |
| Cash, M.C. | Colbeck, R. |
| Collins, J. | Cormann, M.H.P. |
| Crossin, P.M. | Evans, C.V. |
| Farrell, D.E. | Feeney, D. |
| Ferguson, A.B. | Fierravanti-Wells, C. |
| Fifield, M.P. | Fisher, M.J. |
| Forshaw, M.G. | Furner, M.L. |
| Hurley, A. | Hutchins, S.P. |
| Joyce, B. | Kroger, H. |
| Ludwig, J.W. | Macdonald, I. |
| Marshall, G. | McEwen, A. * |
| McLucas, J.E. | Moore, C. |
| Nash, F. | O’Brien, K.W.K. |

Parry, S.	Payne, M.A.
Polley, H.	Pratt, L.C.
Ronaldson, M.	Ryan, S.M.
Scullion, N.G.	Sherry, N.J.
Sterle, G.	Troeth, J.M.
Williams, J.R.	Wortley, D.

NOES

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

* denotes teller

Question agreed to.

Senator SIEWERT (Western Australia) (5.43 pm)—As set out at Greens amendment (2) on sheet 5840, the Greens opposes schedule 14 in the following terms:

(2) Schedule 14, page 117 (lines 1 to 16), Schedule **TO BE OPPOSED**.

Schedule 14 relates to the indexation of family tax benefit. We seek to oppose this schedule. This schedule effectively freezes family tax benefit, which will result in a real decrease in the amount of money going to single parents. I covered this in my comments in the second reading debate. We are opposing this because it effectively freezes the family tax benefit for the highest maximum rate, which means that those on very low incomes—in particular, sole parents—will effectively have a decrease in real terms. It saves the government a substantial amount of money, and that money of course comes from those families who are the most vulnerable in our community and can least afford it.

We do not believe it is a measure that supports the government's claim to be socially inclusive. We think it will substantially affect single income families and low income families. We think this is the second hit that single parent families take through this bill. The first one, of course, is not getting an increase, which we discussed earlier. This one means that they are going to take a substantive cut

in real terms. We think the government needs to rethink it and take this schedule of the bill out.

Senator CHRIS EVANS (Western Australia—Minister for Immigration and Citizenship) (5.45 pm)—Can I say in response that we fundamentally disagree with Senator Siewert's analysis. We just do not think the analysis is right. It is a change in the indexation arrangements. The rates are not frozen. They maintain in real terms over the years. I understand the forgone future increase in 2009-10 will be about 35c a week in family tax benefit A maximum rates for each child 12 and under but effectively it will be increased in future years and will maintain its value in real terms. It will be based on the CPI rather than MTAW, but it is not true to say that it will be frozen. It will continue to be indexed and will continue to increase and maintain its value in real terms over coming years.

The TEMPORARY CHAIRMAN—The question is that schedule 14 stand as printed.

Question agreed to.

Bill agreed to.

Bill reported without amendments; report adopted.

Third Reading

Senator CHRIS EVANS (Western Australia—Minister for Immigration and Citizenship) (5.47 pm)—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

APPROPRIATION (PARLIAMENTARY DEPARTMENTS) BILL (No. 1) 2009-2010**APPROPRIATION BILL (No. 1) 2009-2010****APPROPRIATION BILL (No. 2) 2009-2010****Second Reading**

Debate resumed from 23 June, on motion by **Senator Wong**:

That these bills be now read a second time.

Senator IAN MACDONALD (Queensland) (5.47 pm)—On behalf of the opposition, I indicate that the coalition will not be opposing the appropriation bills notwithstanding that they relate to what is perhaps the worst budget that we have seen in the last couple of decades.

I ask that you, Mr Acting Deputy President, might be able to indicate to me if my understanding is wrong. I speak on the understanding that at six o'clock we will break to deal with other matters of the Senate and then return to finish the speakers list on the appropriation bills. I just need some actual confirmation because the length of my contribution will depend on it. Whilst perhaps you are considering that, I note that Senator Sherry took 20 minutes on the second reading summing-up of the previous bill, which mainly consisted of a rehash of the printed second reading speech. So it is quite clear that the government has been filibustering to prevent proper discussion on the appropriations and it has left us with 10 minutes to discuss the complete appropriation bills. I know there are probably a dozen coalition members who would like to say something on the bills. I have more than 20 minutes to speak on it, but if we are to finish at six I will curtail my contribution so that hopefully my colleagues can have a couple of minutes.

The ACTING DEPUTY PRESIDENT (Senator Hutchins)—I am considering your

request at the moment, Senator. Please continue until I can make a statement.

Senator IAN MACDONALD—Mr Acting Deputy President, I have looked at the speakers list and I have noticed Senator Brown is on it. I have got no idea how long Senator Brown will want to speak, but if we have to finish by six—

The ACTING DEPUTY PRESIDENT—As I understand it, at six o'clock we will go to the consideration of government documents unless leave is granted to do otherwise.

Senator IAN MACDONALD—This is an appalling way to run the chamber and it is typical of the way the Labor Party run the government. They have simply got no idea. They could not run a marbles match. Just have a look at the state of the economy. You will remember at the budget 12 months ago the euphoria that was around. The budget came in at a \$22 billion surplus. I might say it was a surplus left to the current government by Peter Costello. The books were handed over with \$20 billion surplus. Here we are 12 short months later and we are now debating a budget with a deficit of some \$58 billion. How could anyone, even anyone as incompetent as the Labor Party, turn that around in 12 short months? We are now facing a deficit of over \$300 billion that will have to be paid off by our children and our grandchildren in the years ahead.

While Senator Sherry filibustered on that previous bill so that we would not get adequate speaking time, there was a group of children up in the gallery. I was hoping that we could get onto this bill so that they could listen to the debate about it, because those young children, who I would guess were between the ages of eight and 14, will be the ones who will have to pay for the profligacy of the Labor Party in this year's budget.

This is not new to us. Look at the states. Every state managed by a Labor government has racked up debts to an incredible degree. My own state of Queensland has a debt approaching the \$96 billion which the last federal Labor government had. That is incredible. How could a state government, my state government, the state government of Queensland, which has been the resource state and which has been recognised for 40 years as the best run, most financially responsible state, have a deficit of almost \$90 billion? The answer is pretty simple: it has had a Labor government for 10 years or so. That is all you need to say.

I was in this chamber during the term of the last Labor government—the Hawke-Keating government. That government, in its last term of office, racked up a secret deficit—they did not tell anyone about it—in one year of some \$10 billion. That was unheard of in those days. We came to government, opened up the books and found that the Australian public had been lied to by the last Labor government on the state of the books. We found a \$10 billion deficit for that year. Then we added up all of the deficits that had been run up by the Labor Party and found that they totalled some \$96 billion. That is what Labor governments do. That is what they did federally. It took us seven, eight or nine tough years to pay off the Labor Party's \$96 billion debt. That debt happened during the term of the last Labor government.

We left the incoming Labor government with a surplus of \$22 billion. Thanks to Peter Costello, there was \$22 billion in credit put away in different funds. But 12 months later we are now debating on these appropriation bills a deficit of almost \$60 billion. How could anyone possibly do that? I know they talk about the global financial crisis, but it has been exacerbated by the inexperience and incompetence of Mr Rudd and Mr Swan in dealing with our economy. What concerns

me and, I think, an increasing number of Australians is the understanding that someone has to pay off the debts that have been racked up by Kevin Rudd. Someone has to deal with Mr Rudd's debts—and it will be the children of the future.

There are many issues that we could raise about the budget. Since the Labor government have come in, they have spent something like \$225 million a day. Money just goes through their hands like sand through the hourglass. It is always so easy to spend someone else's money. It is much more difficult when you have to pay for it yourself.

I am concerned about the impact of the Labor Party's mismanagement in this budget on rural and regional Australia, particularly Northern Australia, which I represent in a portfolio way. I want to just for a couple of minutes deal with the people who predominantly live in Northern Australia, and that is our Indigenous citizens, the original citizens of Australia. I want to point out how the Labor Party in concert with the Greens has taken Indigenous welfare back about 100 years. I want to quote some material from various sources that have indicated how Indigenous people understand that the Labor Party is paternalistic, does not want them to make their own decisions and wants to keep them on the welfare drip, and that, in doing that, they are being supported by the Greens for political purposes.

You only have to look at the furore over the Labor Party's plan to create a World Heritage area on Cape York Peninsula and to declare wild rivers. Indigenous leader after Indigenous leader has pointed out that by doing that you are condemning Indigenous people to a welfare existence. Indigenous people quite rightly say that these so-called environmental initiatives are only being undertaken to get Greens preferences in the leafy suburbs of Brisbane—the same sort of

preference deals that the Greens did with the Labor Party in supporting Labor candidates who were pledged to construct the Traveston Crossing Dam. I will quote Mr Noel Pearson. He said:

All of that (economic growth) is precluded because the premier has made sleazy political deals in the course of the recent political campaign ...

It's an absolute kick in the guts to us.

He went on to say that it was all because the Labor Party needed preferences from the Greens to retain office. Of course, the Greens who go along and pretend that they are interested in Indigenous matters simply continue to support Labor governments, particularly the one in Queensland, who seem determined to condemn Indigenous people to welfare.

Senator Hanson-Young—You're obsessed!

Senator IAN MACDONALD—I beg your pardon? I am upset. I am very upset for the Indigenous people. I want to quote—and I am not going to have much time to do this, but perhaps when we resume I will take no more than five minutes to complete it—from a very interesting inquiry the Senate Standing Committee on the Environment, Communications and the Arts conducted into forestry and mining on the Tiwi Islands. It was initiated, as I understand it, by the Greens and by Senator Crossin and it was to investigate certain, perhaps, malpractices.

The ACTING DEPUTY PRESIDENT (Senator Trood)—Order! Senator Macdonald, it is six o'clock and the Senate is due to go to consideration of government documents. Is leave granted for consideration of these bills to continue until concluded?

Leave granted.

Senator IAN MACDONALD—I will curtail my remarks because I know others do want to speak. This inquiry into the Tiwi Land Council was set up because it was thought that because there was a forestry

operation on the island there had been malpractices and worse. The committee went up there and I am delighted that I introduced myself into the committee. I quote from the *Hansard* Mr Ullungura, an Indigenous elder, who gave evidence. He said:

... the frustration they—

Indigenous people—

feel about always having to fight to use a very small area, less than five per cent, of their land for economic development—in this case, it is forestry. The potential for jobs is enormous. A harvest is going to happen; someone is going to have to harvest this stuff when it is ready. I know there has been talk about art and tourism and stuff, but you are never going to employ potentially hundreds of people directly, or there is the forestry camp that you guys were at today. People have to be fed and watered, there is a hospitality industry there and the roads have to be done. There is a lot of short-term stuff, when they do the harvest and get rid of the chipping, but then they have to replant it. The potential for employment is huge.

He went on to say:

If it was not for forestry, we would not be sitting here now, we would be sitting out in the long grass. It is not the \$10 million or \$15 million that the federal government put in, but the initial stages of the feasibility study and all of that was all paid through forestry. Education was recognised on the islands and especially at Wurrimi-yanga, this mob's country, as just a disaster, an absolute basket case. I am a teacher by trade, part of the system that was teaching at Nguui, and we have been pumping out illiterate kids, 90 per cent plus—literally, kids who cannot spell 'cat'—for 20 years.

These guys are trying to build a future with five per cent of their land. They recognise, as well as anyone, that they want to look after their endangered species, but there is 95 per cent of the land that is free for the dunnarts to go roaming and all that sort of stuff. These guys have been saying for years that the answer to solving Indigenous disadvantage is jobs, jobs, jobs. You get self-esteem; you get money; you get a fridge full of food to feed your kids. To go out bush, to go

hunting—that is all good; you leave it all alone. But you need jobs to be able to buy your car to be able to get out bush to go to your country.

I recommend to colleagues that they read the full transcript of that and of how these Indigenous people want to do things. They want to get real jobs. They are doing it on the Tiwi Islands. But that seemed to find disfavour.

Senator Siewert—There are nine.

Senator IAN MACDONALD—Sorry?

Senator Siewert—There are nine jobs.

Senator IAN MACDONALD—Senator, I am quoting the Indigenous elders. As always, you in the Greens would know better than the Indigenous elders. With respect, I say to you that this is what is so wrong with Indigenous policy in Australia. People like the Greens and people like the Labor Party know more about what Indigenous people want. This lot of Indigenous people built this magnificent school and they were, by implication, criticised by a senator not from the coalition parties for building it in a certain place. They were actually questioned on why they were building it there. What the committee were told by the elders was that they wanted to get it away from the influence of drugs, alcohol and welfare dependency that the government policy had created. I could go on for hours with this but I know my colleagues want to speak. Suffice it to say that the coalition will be supporting the appropriation bills.

Senator BOB BROWN (Tasmania—Leader of the Australian Greens) (6.04 pm)—The Australian Greens support this legislation. One matter I draw the Senate's attention to is the second reading amendment that I have circulated. It is about the recommendation of the Senate Standing Committee on Finance and Public Administration in its report on additional estimates 2008-09 that the government respond as a matter of prior-

ity to reports of the Senate Appropriations and Staffing Committee on the ordinary annual services of government. The amendment calls upon the Minister for Finance and Deregulation to respond immediately to the longstanding correspondence of the Appropriations and Staffing Committee on the matter. I wish to amend my amendment by replacing the word 'immediately' with the words 'by 12 August'. In respect of Appropriation Bill (No. 1) 2009-10, I move the motion as amended:

At the end of the motion, add:

, and the Senate

- (1) again endorses recommendation 1 of the Finance and Public Administration Committee in its report on the additional estimates 2008-09, that the government respond to the Standing Committee on Appropriations and Staffing reports on the ordinary annual services of the government as a matter of priority and
- (2) calls upon the Minister for Finance and Deregulation to respond by 12 August to the longstanding correspondence of the Standing Committee on Appropriations and Staffing on the matter.

I refer members to my speech on 12 March in this place on the same matter. It is a hugely important issue. This move is to prevent the drift we have seen with recent governments to include in the appropriation bills enormous spending matters that should not be there, therefore taking away the ability of parliament to debate them. For example, the multimillion dollar bill for tsunami assistance to Indonesia was put into appropriations and therefore was taken out of range of debate. The Northern Territory emergency response package of bills was put into appropriations, whereas it should have been separate legislation and brought before the parliament and accounted for in the usual way.

The tendency for this has been increasing since there was a compact in 1965 to not allow that procedure, but the 1965 compact did not really list clearly enough what governments ought not to be able to put into appropriations legislation. My amendment in March had the support of the opposition, and I hope that this amendment—which now gives the Minister for Finance and Deregulation a specific date, 12 August, to respond to the Senate on the correspondence from the Standing Committee on Appropriations and Staffing—gets support.

While I am on my feet, I note that earlier today I sought advice from the President on the matter of Senator Abetz's pairing in the vote on the No. 1 matter on the *Notice Paper*, a motion by Senator Ludwig on matters being referred to the Standing Committee of Privileges. Senator Abetz himself, in his submission to the chamber before question time, said:

Given that the motion related to me personally, I thought that I should not be casting a vote ...

However, the question I asked of the President was whether, in getting paired, Senator Abetz was in fact casting a vote. If that was the case, I submit to the Senate that the intention of the Senate was not properly reflected in the outcome and that there would have been a reference to the privileges committee had Senator Abetz absented himself from that vote. He, in his own words, said he should not be casting a vote. This is an important matter. I hope, and I have asked of the President, that there will be a ruling on it before we rise this evening so that, if the President makes the ruling that Senator Abetz did cast a vote, there will be the opportunity to correct this morning's vote wherein the Senate—that is, the coalition and Senator Fielding—blocked the reference to the committee.

Senator BIRMINGHAM (South Australia) (6.09 pm)—I recognise the lateness of the hour today and that there is still other business for the Senate to conduct, so I will attempt to keep my remarks as brief as possible—I hope that my comments on brevity are not similar to those of colleagues who have gone before me! Nonetheless, it is a pleasure to speak on the appropriations bills, but it is a great disappointment to speak at such a late hour on the very last day of these sittings. The appropriations bills are important bills for this parliament to consider appropriately, thoroughly and diligently. They are the one opportunity, in particular, for this chamber to have a relatively free-ranging debate on the budget that has been just handed down by this government. Regrettably, because of the mismanagement of this chamber by the government, we will in fact see barely any debate at all occur on these appropriations bills and the budget that the government has handed down. That is a grave disappointment to me. It should be a grave disappointment to all senators and, particularly, to the Australian public that this opportunity has been missed. It has been missed because, of course, rather than dealing with the 2009-10 budget in a timely manner, the government had to spend most of the week trying to talk about a program that they are seeking to introduce sometime in 2012. They did that rather than getting on with the business in an orderly manner and dealing with the priorities, the top priority being this budget—this budget debacle, of course—that they have handed down.

The opposition are, of course, supporting these bills, because we recognise the importance of them passing in a timely manner. That is why they will go through tonight despite the fact that we will not have the type of debate on the budget that the parliament and the Australian public deserve. However, I do have a number of concerns. As the

youngest member of this chamber aside from Senator Hanson-Young, I have some concerns in particular about the fact that, whilst this budget whacks many Australians left, right and centre, it whacks younger people in particular. It whacks them in a number of ways.

Senator Mason—Mmm.

Senator BIRMINGHAM—Senator Mason is nodding. He, of course, is well aware of the hit in direct ways, such as the changes to the youth allowance and the devastating impact that will have on rural and regional Australians and younger people in those areas who seek to go and study further in higher education pursuits, and the disadvantage they will have in attempting to do so. In many ways, of course, it whacks future students, because it is claimed now that the education revolution we are having is in fact a ‘bricks and mortar’ revolution. So, rather than the government delivering on its promises of an education revolution—which would be a revolution in teacher standards, curriculum and class sizes and would be a revolution that delivered real teaching outcomes—we instead have a wasteful ‘bricks and mortar’ revolution occurring forcefully at every school around the country, building buildings that some of them do not necessarily want; they would rather have something else instead. But, no, they are being told, in the Stalinist sort of approach of the government, ‘This is what you will have.’

It hits younger Australians in the health-care sector. Yes, there will be some short-term effects from the government’s decision to slash private health insurance and private health insurance rebates, but it will be younger Australians who feel it in the longer term as well, because what we will see from the escalating prices of private health insurance, which will increase over time, will be the steady decline of membership of private

health insurance, and from that we will see a rapid escalation of prices. So younger Australians, because of those higher prices, will put off membership of private health cover when they do need it, when they start a family. When they do need it, later in life, they will find it is all too expensive and out of reach by then.

Of course, this stands as one of the great broken promises of the government from this budget. It was Ms Roxon, now the Minister for Health and Ageing and then the shadow minister, who made it crystal clear in a press release on 26 September 2007:

... Federal Labor has made it crystal clear—
they were her words—

that we are committed to retaining all of the existing Private Health Insurance rebates ...

All of the existing private health insurance rebates! Guess what? She went on to say:

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

This is absolutely untrue.

I am sorry, but our scare campaign on Labor planning to take away private health insurance rebates was not absolutely untrue. In fact, it was absolutely true. Like with so many broken promises from the government, what the Liberal Party said before the last election about what Labor would do turned out to be true. Reminiscent of Peter Garrett’s famous words, ‘Once we get in we’ll just change it all,’ what they said at the election just did not matter.

On general aged-care, superannuation, retirement and standard-of-living issues, again we see many people hit and duded in this budget, but it is younger Australians in particular who will pay the price. In the debate on the previous bill considered by this place we considered the raising of the pension age and the impact that would have. There are some merits to the argument for doing so in

terms of dealing with intergenerational shift in Australia. I accept that there are some good arguments as to why we should look at the types of reforms to the age pension age that have been implemented. That is why the opposition was supportive of that legislation.

However, good points were made by Senator Xenophon and other speakers that the national discussion about the need for the increase to the age pension age was not had. There was nothing at all. The government did not go to the last election suggesting there might need to be a change to the age pension age. They did not in their first budget last year suggest there might need to be a change to the age pension age or to the tapering rates which they have changed, which will have a particularly negative impact on part-pensioners. Nope, they did not do any of those sorts of things. They simply introduced it, snuck it into this year's budget, hoped that nobody would notice and managed to get it through, without the public debate and discussion that these matters deserve.

You would think that, as a government, if you were going to make the age pension a little less accessible for future generations, maybe you would encourage superannuation more and maybe you would make super easier so that fewer people were reliant on the age pension in future. But, oh, no, not this government—it went and decided that it would change the superannuation taxes along the way. In this year's budget the government reduced the incentives and made it harder for people to put money into superannuation. Guess what? That is another broken promise of the government.

Back on 12 November 2007, very close to the election date, the Prime Minister said, 'There will be no change to the superannuation laws one jot, one tittle.' I think you can safely say the changes that have been made

represent at least one jot, at least one tittle, by this government, whatever a 'tittle' may be. I am sure a tittle is represented quite well in the government's approach to things. If you took the Prime Minister at his word at the time and then looked at what the government has done in its budget this time around, you would be quite tempted to say, 'Fair shake of the sauce bottle, mate.' Surely Mr Rudd should have been taken at his word when he said there would be no change to the superannuation laws, not 'one jot, one tittle'. But, no, future Australians will find the age pension less accessible, and superannuation will be an equally harder road for them.

The government decided that they would go on the attack over these matters today. In question time today the Minister for Families, Housing, Community Services and Indigenous Affairs, Ms Macklin, stood up in the other chamber and quoted from my recent budget newsletter that went out to thousands of households across the western suburbs of Adelaide. She decided to attack me for saying:

... the Labor Government has once again shown its mean and tricky colours by raising the retirement age ...

I stand wholeheartedly by that comment in the newsletter. Whatever Ms Macklin might wish to say in the House of Representatives about the fact that the opposition allowed the legislation to go through today on the age pension rise, it makes no difference to the fact that the government's approach on this matter was mean and tricky. It was mean and tricky because there was no consultation, discussion or dialogue. Future generations of Australians, with absolutely no input into this decision and no opportunity to comment, will find themselves paying the price for it.

There are many other ways in which this government and this budget let down Austra-

lians of all ages and, especially, future generations of Australians. The most important area, which I will finish on, relates to Labor's debt. Future generations of Australian taxpayers will have to pay this debt off. Dollar by dollar they will have to pay it off. First of all they will suffer just by having to service the debt. Future taxpayers, although it starts with today's taxpayers, will fork out billions of dollars each year in their taxes just to service Labor's current debt. Those billions of dollars will mean less money for health care, schools, the environment and water, which is another area tragically overlooked in this budget. There will be less money in each and every budget of Australian governments of the future thanks to the profligate spending of the Rudd government in this budget.

We have seen the charade of the Prime Minister and the Treasurer when asked about those debt levels—ducking, dodging, weaving and doing the best they possibly can to avoid admitting what those debt levels may be. The budget papers make it clear that we are headed towards a \$188 billion debt over the forward estimates. After much ducking, dodging and weaving the Prime Minister invented the term 'peak debt', which is allegedly \$315 billion. That figure assumes the government lives up to its promise of having only a two per cent growth rate in spending, but after just 18 months of this government we know that that is an impossible promise for it to keep. The idea that peak debt will be \$315 billion while this Prime Minister, Treasurer and government remain in charge of the Treasury coffers is just laughable, and future generations will pay for it.

This is a tragic budget for Australia. It undoes so much of the good work that had been done over the previous decade. It leaves a legacy for future generations that they will have to pay for. That is a sad day for Australia; it is unfortunate that the government has

dug this hole and I regret deeply that younger Australians in particular will be paying the price for it for years and decades to come.

Senator RYAN (Victoria) (6.23 pm)—I rise today to speak on the Appropriation Bill (No. 1) 2009-2010 and related bills and, like my colleagues before me, indicate that I will not be opposing them. I will keep my remarks brief due to the government's complete mismanagement of the program, and I remind them that there is no more basic function of this parliament than dealing with appropriations bills. Any attempt to prevent debate on them is completely misdirected, given their importance.

This budget represents nothing less than a massive betrayal of Australians today, Australians in past years and Australians in the future, because for so many years this country worked so very hard to ensure that there was a government free of debt, that we had the money to invest to care for our older people and to invest in schools and hospitals. This government have betrayed all that hard work and actually taken money out of the pockets of future Australians, with absolutely unimaginable levels of debt—\$220 billion of deficits over four years and \$315 billion of peak debt, in the terms that my colleague, Senator Birmingham, outlined. And they have done all this by using excuses—it is a global financial crisis and it is not their fault. When they put up their charts about other governments their defence is, effectively, other profligate governments in the OECD are worse, and they did it first. That is not the way to manage an economy, nor the government's finances.

They talk about infrastructure; borrowing for pink batts is not infrastructure. What does it say, when you take money from kids tomorrow—when they will be working and paying higher taxes—and when you take

money from people who are going to need aged care and health care in future years, to put pink batts in people's homes? There is also the fact that you are saying to everyone out there: 'Don't go to the trouble of actually investing in your own pink batts. The government will take care of it for you.'

This budget is based on a flawed approach. There is no evidence and no consensus that this Keynesian pump priming, throwing out \$900 rebates to people, actually works. There is no consensus on that whatsoever. It has not worked in western Europe—particularly in the UK—and there is no evidence it is working in the United States. This is not 1932, where for the first time we are reading Keynes' *General Theory*. The world has moved on. But this misjudgment on the government's part does have a real price, and that is debt.

The government does not understand the critical importance to Australia of a solid government financial position. We are a capital-importing country; we have been since the day that Australia was formed. We have been importing capital for over 100 years. For that reason a sound financial position for the Commonwealth is critical. It makes it easier to import capital, it makes it easier for people to buy their own homes and it makes it easier for businesses to invest and provide jobs, opportunities and economic growth. That is the core misjudgment of this government. I recall the 1980s, where one of the key driving forces for consolidation of government finances, at least until Paul Keating became Prime Minister, was the argument, with the support of the opposition, that it was important that the government stop accruing debt. Because when the government goes and borrows money to the extent it was in the 1980s—let alone the unimaginable amounts it is today—it does crowd out private sector investment. And it does actually have an impact for a capital importer and

capital-importing country like Australia. The government has completely misjudged the role of its own budget in this, which is not to pump prime the economy but to ensure that others can borrow for productive investment that will do more for future years than pink batts.

There is another thing driving this budget and some of its aspects. I do not like to say it, but proposals like Ruddbank and OzCar provide opportunities for patronage. Opportunities for patronage tend to tempt governments; we have seen some of that over the last fortnight. But there should not be such opportunities for patronage and discretion, because the government's role is to provide a sound regulatory basis—which the past government did for our financial system and which has stood it in such good stead over the last two years—and allow people to go on about their own business. For decades this country did do what the Prime Minister has said he wants to do again, and have government at the centre of the economy. For decades we did that and by the 1960s and seventies, starting with people like the then member for Wakefield, we realised that was holding Australia back. Over the last 20 years we have gone through a transformation, and the idea that we can wind the clock back, have the government at the centre of the economy and have the government making decisions to insulate people's houses and to build second halls in schools is ridiculous. Driving that is the opportunity for patronage, which drives the Labor Party, and always has.

When the government borrow to this extent it is going to force up interest rates. Maybe not today, maybe not tomorrow but a couple of billion dollars a week is going to be sucked out of financial markets over the next four years as this government run up unimaginable levels of debt. They based the servicing of this debt and the claimed repayment of it—which I do not think anyone

believes—on some outrageously optimistic growth assumptions: 4½ per cent! We have not achieved year-on-year 4½ per cent growth in my lifetime. And I would like to point out to the government that in November 2007, when the Reserve Bank increased interest rates, growth was at 4.1 per cent and they were the ones screaming about capacity constraints.

Over the last few weeks we have heard the Treasurer and we have heard the Prime Minister say, 'Oh, well, with a downturn, there is unused capacity in the economy. It can be used to provide a higher level of growth coming out.' Firstly, how long does that last? And, secondly, it displays a basic misunderstanding of where the Australian economy is today because, three weeks after they were speaking about unused capacity, they were talking about how well the economy was going and claiming that they have avoided a recession over the last two quarters. You cannot have it both ways. You cannot say, 'There is all this unused capacity in the economy, like there was in the last recession we had to have'—coincidentally, of course, under a Labor government. You cannot say there is all this unused capacity which is going to provide the basis for this 4½ per cent growth out in the future and at the same time run around saying that the economy is in great shape. One or the other is true, because what this budget will do and what those growth assumptions will do is either not be achieved or lead to massive inflation.

What does inflation do? It destroys jobs growth. It destroys investment certainty. Most importantly, it penalises those who have saved. There is no greater way to transfer wealth from the thrifty to those who have debt than to have inflation. That is what happened in the 1970s. Just like this government does not care for those who are investing in their own health care and want nothing more than to be left alone to look after themselves

while contributing to a decent society through legitimate levels of taxation, it does not understand it has put in place a budget that will potentially lead to a decade like the 1970s. It is not just in Australia that this is being spoken about; it is all around the world. Governments are borrowing unprecedented amounts, and money is being printed in places we would never have thought would need to do so. This government says, 'We have a global financial crisis caused by too much debt,' and its response has been to go on the greatest borrowing binge imaginable. It talks about opposition scare campaigns. We would not have conceived of these numbers in 2007. It is unimaginable that a government would borrow this much.

On top of this, despite the government saying we are going to have incredible growth coming out of this downturn, this recession, whatever it turns out to be, it has put in place an industrial relations agenda that it has admitted, and experts have outlined, will put up the price of labour. The only spare capacity in this economy at the moment, sadly, is actually in the labour force. Under this Labor Party, we are seeing increased unemployment—again, something that was not on the cards two years ago. What is its response? Its response is to make employing people more expensive. Add to that huge borrowing binges, cash being thrown around, questions over the tender process and the value for money of the various projects being built—which was pointed out by my colleague Senator Mason this week—and the price of labour being forced up, and, yet, all of a sudden, the government says we are going to get 4½ per cent growth going forward. It is inconsistent. It is incoherent. It will cost Australia in the long run.

Finally, this is all being done at precisely the wrong time. In future years, we know we will have an ageing population. We want to provide decent care for our ageing and senior

Australians. We want to provide them with the health care and the facilities which they have earned as long-term contributors to our society. We want to ensure that they have pensions that the government of the day can fund. What have this government done? Just as we are going into this phase where the workforce is shrinking and the number of senior Australians who will call on future budgets is increasing, the government have racked up this enormous, unimaginable level of debt. This was the time to save. This was the time to put money in the bank, just like the previous government did, so that the taxation burden on a shrinking workforce was not higher. We know that higher levels of taxation decrease incentives to work and decrease productivity, and they lower economic growth. With increasing numbers of senior Australians, we should be investing to provide them with the best possible services and care that we can afford.

The government promised surplus budgets. However, there is one promise that has not yet been broken and I would like to flag this to the Senate this evening. It promised it would not raid the Future Fund. I am not holding my breath on that one. I will not be surprised to see within two or three years the Future Fund buying Commonwealth bonds or something similar. The Future Fund will be raided. This government cannot be trusted with the nation's finances. It has taken away the income of future Australians and it has ensured higher taxes in the future. It has destroyed a decade of work that saw Australia in a position that was the envy of the world. Now we are just one of the rest—racking up government debt and taking money out of our children's pockets.

Senator ARBIB (New South Wales—Minister for Employment Participation and Minister Assisting the Prime Minister for Government Service Delivery) (6.33 pm)—I am pleased to bring the second reading de-

bate on the Appropriation Bill (No. 1) 2009-2010 and cognate bills to a close. Senator Ryan is certainly trying to crank up a scare campaign. The government is working to support the economy through the global recession. The government's fiscal stimulus program started with supporting household consumption and then moved to small-scale investments that could be implemented within a relatively short time frame. This budget marks the start of the next phase of moving to larger and longer term nation-building infrastructure projects. The budget contains a significant infrastructure package: \$22 billion over six years to improve the quality, adequacy and efficiency of transport, communications, energy, education and health infrastructure across Australia.

It is necessary to inject some balance and perspective into the debate concerning the government's budget position. Australia's balance sheet is strong and will continue to be one of the strongest in the world. After peaking at 13.8 per cent of GDP in 2013-14, net debt is expected to fall to 3.7 per cent of GDP by 2019-20. In comparison, average net debt in advanced economies will continue to rise to a substantial 80.6 per cent in 2014. The government's firm commitment to return the budget to surplus will ensure that fiscal sustainability is maintained. Meeting the commitment will involve further tough choices, but it is important because fiscal sustainability remains one of the key ingredients for sustainable economic growth.

Unfortunately, we cannot accept the amendment of the Greens. The matter was the subject of correspondence between the previous government, the then President of the Senate and the Standing Committee on Appropriations and Staffing. However, no changes to the compact were agreed.

To conclude, the government's approach seeks to support the economy and to protect

jobs. It does so by making substantial investments in worthwhile infrastructure. It is therefore a budget for all Australians and for future generations of Australians. I commend Appropriation Bill (No. 1) 2009-2010 and the cognate bills to the Senate.

Question put:

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

The Senate divided. [6.41 pm]

(The Acting Deputy President—Senator RB Trood)

Ayes.....	7
Noes.....	<u>48</u>
Majority.....	<u>41</u>

AYES

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

NOES

Abetz, E.	Adams, J.
Arbib, M.V.	Back, C.J.
Bernardi, C.	Bilyk, C.L.
Birmingham, S.	Bishop, T.M.
Boyce, S.	Brown, C.L.
Bushby, D.C.	Cameron, D.N.
Cash, M.C.	Colbeck, R.
Collins, J.	Cormann, M.H.P.
Crossin, P.M.	Farrell, D.E.
Feeney, D.	Ferguson, A.B.
Fierravanti-Wells, C.	Fifield, M.P.
Forshaw, M.G.	Furner, M.L.
Humphries, G.	Hurley, A.
Hutchins, S.P.	Kroger, H.
Ludwig, J.W.	Marshall, G.
Mason, B.J.	McEwen, A.
McLucas, J.E.	Moore, C.
Nash, F.	O'Brien, K.W.K.
Parry, S.	Payne, M.A.
Polley, H.	Pratt, L.C.
Ryan, S.M.	Scullion, N.G.
Sherry, N.J.	Sterle, G.
Troeth, J.M.	Trood, R.B.
Williams, J.R.	Wortley, D.

* denotes teller

Question negatived.

Original question agreed to.

Bills read a second time.

Third Reading

Bills passed through their remaining stages without amendment or debate.

DOCUMENTS

Consideration

The following order of the day relating to government documents was considered:

Australian Institute of Health and Welfare—Report for 2007-08. Motion of Senator Williams to take note of document called on. Debate adjourned till Thursday at general business, Senator Ryan in continuation.

COMMITTEES

Consideration

The following orders of the day relating to committee reports and government responses were considered:

Electoral Matters—Joint Standing Committee—Reports—Advisory report on the Commonwealth Electoral (Above-the-Line Voting) Amendment Bill 2008—Report on the conduct of the 2007 federal election and matters related thereto. Motion of Senator Carol Brown to take note of reports called on. Debate adjourned till the next day of sitting, Senator Birmingham in continuation.

Community Affairs; Education, Employment and Workplace Relations; Environment, Communications and the Arts; Finance and Public Administration; Foreign Affairs, Defence and Trade; Legal and Constitutional Affairs; and Rural and Regional Affairs and Transport—Legislation Committees—Reports—Budget estimates 2009-10. Motion of Senator Cormann to take note of reports called on. On the motion of Senator Birmingham the debate was adjourned till the next day of sitting.

Foreign Affairs, Defence and Trade—Joint Standing Committee—Report—Inquiry into Australia's relationship with ASEAN. Motion of Senator Farrell to take note of report agreed to.

Climate Policy—Select Committee—Report—Economics Legislation Committee—Report—Carbon Pollution Reduction Scheme Bill 2009 and related bills [Provisions]. Motion of Senator O'Brien to take note of reports agreed to.

Finance and Public Administration—Standing Committee—Report—Residential and community aged care in Australia. Motion of the chair of the committee (Senator Polley) to take note of report agreed to.

Community Affairs—Standing Committee—Report—Grasping the opportunity of Opal: Assessing the impact of the Petrol Sniffing Strategy. Motion of the chair of the committee (Senator Moore) to take note of report agreed to.

Legal and Constitutional Affairs—Standing Committee—Report—Disability Discrimination and Other Human Rights Legislation Amendment Bill 2008. Motion of Senator Barnett to take note of report agreed to.

Community Affairs—Standing Committee—Report—Government expenditure on Indigenous affairs and social services in the Northern Territory. Motion of Senator Crossin to take note of report agreed to.

Corporations and Financial Services—Joint Statutory Committee—Report—Opportunity not opportunism: Improving conduct in Australian franchising. Motion of Senator Williams to take note of report agreed to.

Community Affairs—Standing Committee—Report—Towards recovery: Mental health services in Australia. Motion of the chair of the committee (Senator Moore) to take note of report agreed to.

AUDITOR-GENERAL'S REPORTS

Consideration

The following orders of the day relating to reports of the Auditor-General were considered:

Auditor-General—Audit report no. 11 of 2008-09—Performance audit—Disability employment services—Department of Families, Housing, Community Services and Indigenous Affairs; Department of Education, Employment and Workplace Relations. Motion of Senator Parry to take note of document agreed to.

Auditor-General—Audit report no. 37 of 2008-09—Performance audit—Online availability of government entities' documents tabled in the Australian Parliament. Motion of Senator Parry to take note of document agreed to.

Auditor-General—Audit report no. 40 of 2008-09—Performance audit—Planning and allocating aged care places and capital grants—Department of Health and Ageing. Motion of Senator Parry to take note of document agreed to.

Orders of the day nos. 4 to 7 relating to reports of the Auditor-General were called on but no motion was moved.

COMMITTEES

Reports: Government Responses

The ACTING DEPUTY PRESIDENT (Senator Trood)—On behalf of the President, and in accordance with the usual practice, I table a report of parliamentary committee reports to which the government has not responded within the prescribed period. The report has been circulated to honourable senators. With the concurrence of the Senate, the report will be incorporated in *Hansard*.

The report read as follows—

PRESIDENT'S REPORT TO THE SENATE ON GOVERNMENT RESPONSES OUTSTANDING TO PARLIAMENTARY COMMITTEE REPORTS

AS AT 25 JUNE 2009

PREFACE

This document continues the practice of presenting to the Senate twice each year a list of government responses to Senate and joint committee reports as well as responses which remain outstanding.

The practice of presenting this list to the Senate is in accordance with the resolution of the Senate of 14 March 1973 and the undertaking by successive governments to respond to parliamentary committee reports in timely fashion. On 26 May 1978 the Minister for Administrative Services (Senator Withers) informed the Senate that within six months of the tabling of a committee report, the responsible minister would make a statement in the Parliament outlining the action the govern-

ment proposed to take in relation to the report. The period for responses was reduced from six months to three months in 1983 by the incoming government. The Leader of the Government in the Senate announced this change on 24 August 1983. The method of response continued to be by way of statement. Subsequently, on 16 October 1991 [tabled 5 Nov 1991] the government advised that responses to committee reports would be made by letter to a committee chair, with the letter being tabled in the Senate at the earliest opportunity. The government affirmed this commitment in June 1996 to respond to relevant parliamentary committee reports within three months of presentation. The current government indicated on 26 June and 4 December 2008 that it is committed to providing timely responses to parliamentary committee reports¹.

This list does not usually include reports of the Parliamentary Standing Committee on Public Works or the following Senate Standing Committees: Appropriations and Staffing, Selection of Bills, Privileges, Procedure, Publications, Regulations and Ordinances, Senators' Interests and Scrutiny of Bills. However, such reports will be included if they require a response. Government responses to reports of the Public Works Committee are normally reflected in motions in the House of Representatives for the approval of works after the relevant report has been presented and considered.

Reports of the Joint Committee of Public Accounts and Audit (JCPAA) primarily make administrative recommendations but may make policy recommendations. A government response is required in respect of such policy recommendations made by the committee. However, responses to administrative recommendations are made in the form of an executive minute provided to, and subsequently tabled by, the committee. Agencies responding to administrative recommendations

are required to provide an executive minute within six months of the tabling of a report. The committee monitors the provision of such responses.

An entry on this list for a report of the JCPAA containing only administrative recommendations is annotated to indicate that the response is to be provided in the form of an executive minute. Consequently, any other government response is not required. However, any reports containing policy recommendations are included in this report as requiring a government response.

Committees report on bills and the provisions of bills. Only those reports in this category that make recommendations which cannot readily be addressed during the consideration of the bill, and therefore require a response, are listed. The list also does not include reports by committees on estimates or scrutiny of annual reports, unless recommendations are made that require a response.

A guide to the legend used in the 'Date response presented/made to the Senate' column

* See document tabled in the Senate on 24 June 2009, entitled Government Responses to Parliamentary Committee Reports—Response to the schedule tabled by the President of the Senate on 4 December 2008, for Government interim/final response.

** Report contains administrative recommendations – any response to those recommendations is to be provided direct to the JCPAA committee in the form of an executive minute.

¹ See House of Representatives *Hansard*, 26 June 2008, p6131 and 4 December 2008, p12623, and *Journals of the Senate*, 4 December 2008, p1447.

Committee and title of report	Date report tabled	Date response presented/made to the Senate	Response made within specified period (3 months)
A Certain Maritime Incident (Senate Select)			
Report on a Certain Maritime Incident	23.10.02	*(interim)	No

Committee and title of report	Date report tabled	Date response presented/made to the Senate	Response made within specified period (3 months)
Administration of Indigenous Affairs (Senate Select) After ATSIC—Life in the mainstream?	8.3.05	*(final)	No
Agricultural and Related Industries (Senate Select) Interim report—Food production in Australia	18.6.09	Not required	-
Australian Commission for Law Enforcement Integrity (Joint Statutory) Inquiry into law enforcement integrity models	10.3.09 (tabled HoR 23.2.09)	-	No
Examination of the annual report of the Integrity Commissioner 2007-08	16.6.09 (tabled HoR 1.6.09)	-	Time not expired
Australian Crime Commission (Joint Statutory) Review of the Australian Crime Commission Act 2002	10.11.05	*(interim)	No
Examination of the annual report for 2004-05 of the Australian Crime Commission	19.10.06	*(interim)	No
Inquiry into the manufacture, importation and use of amphetamines and other synthetic drugs (AOSD) in Australia	28.2.07	*(interim)	No
Inquiry into the future impact of serious and organised crime on Australian society	19.9.07	*(interim)	No
Examination of the Australian Crime Commission annual report 2006-07	18.6.08	*(interim)	No
Inquiry into the Australian Crime Commission Amendment Act 2007	4.9.08	*(interim)	No
Examination of the Australian Crime Commission annual report 2007-08	17.6.09	-	Time not expired
Climate Policy (Senate Select) Report	15.6.09	-	Time not expired
Community Affairs Legislation Tobacco advertising prohibition	16.11.04 (presented 30.9.04)	*(final)	No

Committee and title of report	Date report tabled	Date response presented/made to the Senate	Response made within specified period (3 months)
Therapeutic Goods Amendment (Repeal of Ministerial responsibility for approval of RU486) Bill 2005	8.2.06	*(final)	No
Compliance audits on Medicare benefits	17.6.09	-	Time not expired
Community Affairs References			
Beyond petrol sniffing: renewing hope for Indigenous communities	20.6.06	*(final)	No
Lost Innocents and Forgotten Australians revisited—Report on the progress with the implementation of the recommendations of the Lost Innocents and Forgotten Australians reports	25.6.09	-	Time not expired
Community Affairs Standing			
Funding and operation of the Commonwealth State/Territory Disability Agreement	8.2.07	*(interim)	No
National Health Amendment (Pharmaceutical Benefits Scheme) Bill 2007 [Provisions]	18.6.07	*(final)	No
Health Insurance Amendment (Medicare Dental Services) Bill 2007 [Provisions]	10.9.07 (presented 5.9.07)	*(final)	No
Highway to health: better access for rural, regional and remote patients	20.9.07	*(interim)	No
Alcohol Toll Reduction Bill 2007 [2008]	18.6.08	*(final)	No
National Health Amendment (Pharmaceutical and Other Benefits—Cost Recovery) Bill 2008	26.8.08	*(interim)	No
Towards recovery: Mental health services in Australia	25.9.08	*(interim)	No
Building trust: Supporting families through disability trusts	16.10.08	14.5.09	No
Social Security and Veterans' Entitlements Legislation Amendment (Schooling Requirements) Bill 2008 [Provisions]	13.11.08	*(final)	No

Committee and title of report	Date report tabled	Date response presented/made to the Senate	Response made within specified period (3 months)
Excise Tariff Amendment (2009 Measures No. 1) Bill 2009 [Provisions], Customs Tariff Amendment (2009 Measures No. 1) Bill 2009 [Provisions] and the impact of the tax on ready-to-drink alcoholic beverages Community Affairs Standing (continued)	16.3.09	-	No
Grasping the opportunity of Opal: Assessing the impact of the petrol sniffing strategy	19.3.09	-	No
Corporations and Financial Services (Joint Statutory)			
Report on the regulations and ASIC policy statements made under the Financial Services Reform Act 2001	23.10.02	*(final)	No
Review of the Managed Investments Act 1998	12.12.02	*(interim)	No
Inquiry into Regulation 7.1.29 in Corporations Amendment Regulations 2003 (No. 3), Statutory Rules 2003 No. 85	26.6.03	*(interim)	No
Money matters in the bush: Inquiry into the level of banking and financial services in rural, regional and remote areas of Australia	10.2.04 (presented 15.1.04)	*(interim)	No
Report on the ATM fee structure	10.2.04 (presented 15.1.04)	*(interim)	No
Corporations Amendment Regulations 2003 (Batch 6); Draft Regulations: Corporations Amendment Regulations 2003/04 (Batch 7); and Draft Regulations: Corporations Amendment Regulations 2004 (Batch 8)	24.3.04	*(final)	No
Corporations Amendment Regulations 7.1.29A, 7.1.35A and 7.1.40(h)	15.6.04	*(interim)	No
Property investment – Safe as houses?	23.6.05	*(final)	No
Statutory oversight of the Australian Securities and Investments Commission	7.2.06 (presented 19.12.05)	*(final)	No
Corporate responsibility: Managing risk and creating value	21.6.06	*(interim)	No

Committee and title of report	Date report tabled	Date response presented/made to the Senate	Response made within specified period (3 months)
Statutory oversight of the Australian Securities and Investments Commission	16.8.06	*(final)	No
Corporations Amendment (Takeovers) Bill 2006 [Exposure Draft]	26.2.07 (presented 23.2.07)	*(final)	No
Statutory oversight of the Australian Securities and Investments Commission	1.3.07	*(final)	No
Corporations Amendment (Insolvency) Bill 2007 [Exposure draft]; Corporations and Australian Securities and Investments Commission Amendment Regulations 2007 [Exposure draft]	29.3.07	*(final)	No
Corporations Legislation Amendment (Simpler Regulatory System) Bill 2007 and related bills	19.6.07	*(final)	No
Corporations and Financial Services (Joint Statutory) (continued)			
The structure and operation of the superannuation industry	7.8.07	*(interim)	No
Statutory oversight of the Australian Securities and Investments Commission	9.8.07	*(final)	No
Better shareholders – better company—Shareholder engagement and participation in Australia	24.6.08	*(interim)	No
Opportunity not opportunism: improving conduct in Australian franchising	2.12.08 (tabled HoR 1.12.08)	*(interim)	No
Statutory oversight of the Australian Securities and Investments Commission	10.3.09 (tabled HoR 23.2.09)	Not required	-
Corporations and Securities (Joint Statutory)			
Report on aspects of the regulation of proprietary companies	8.3.01	*(interim)	No
Economics Legislation			
Annual reports (No. 1 of 2006)	30.3.06	*(final)	No
Tax Laws Amendment (2009 Budget Measures No. 1) Bill 2009 [Provisions]	22.6.09	-	Time not expired

Committee and title of report	Date report tabled	Date response presented/made to the Senate	Response made within specified period (3 months)
Economics References			
Consenting adults deficits and household debt—Links between Australia's current account deficit, the demand for imported goods and household debt	13.10.05	*(interim)	No
Economics Standing			
Private equity investment in Australia	10.9.07 (presented 20.8.07)	*(final)	No
Reserve Bank Amendment (Enhanced Independence) Bill 2008 [Provisions]	16.6.08 (presented 11.6.08)	*(interim)	No
Tax Laws Amendment (Budget Measures) Bill 2008	24.6.08	*(final)	No
Excise Legislation Amendment (Condensate) Bill 2008 and the Excise Tariff Amendment (Condensate) Bill 2008	27.8.08	*(final)	No
Unit Pricing (Easy comparison of grocery prices) Bill 2008	1.9.08	*(final)	No
Australian Securities and Investments Commission (Fair Bank and Credit Card Fees) Amendment Bill 2008	16.9.08	*(interim)	No
Offshore Petroleum Amendment (Greenhouse Gas Storage) Bill 2008 [Provisions], Offshore Petroleum (Annual Fees) Amendment (Greenhouse Gas Storage) Bill 2008 [Provisions], Offshore Petroleum (Registration Fees) Amendment (Greenhouse Gas Storage) Bill 2008 [Provisions] and Offshore Petroleum (Safety Levies) Amendment (Greenhouse Gas Storage) Bill 2008 [Provisions]	23.9.08	*(final)	No
National Fuelwatch (Empowering Consumers) Bill 2008 and the National Fuelwatch (Empowering Consumers) (Consequential Amendments) Bill 2008	14.10.08	*(final)	No
Lost in space? Setting a new direction for Australia's space science and industry sector	12.11.08	*(interim)	No
Australia's mandatory Last Resort Home Warranty Insurance scheme	13.11.08	*(final)	No

Committee and title of report	Date report tabled	Date response presented/made to the Senate	Response made within specified period (3 months)
Temporary Residents' Superannuation Legislation Amendment Bill 2008 and the Superannuation (Departing Australia Superannuation Payments Tax) Amendment Bill 2008 [Provisions]	24.11.08 (presented 18.11.08)	*(final)	No
Corporations Amendment (Short Selling) Bill 2008 [Provisions]	27.11.08	*(final)	No
The need, scope and content of a definition of unconscionable conduct for the purposes of Part IVA of the Trade Practices Act 1974	3.12.08	*(interim)	No
Matters relating to the gas explosion at Varanus Island, Western Australia	3.12.08	*(interim)	No
Disclosure regimes for charities and not-for-profit organisations	4.12.08	22.6.09 (presented 19.6.09)	No
Trade Practices Amendment (Cartel Conduct and Other Measures) Bill 2008 [Provisions]	10.3.09 (presented 26.2.09)	-	No
Exposure draft of the legislation to implement the Carbon Pollution Reduction Scheme	12.5.09 (presented 16.4.09)	-	Time not expired
Education, Employment and Workplace Relations References			
Tender process for employment services contracts	25.6.09	-	Time not expired
Education, Employment and Workplace Relations Standing			
Social Security Legislation Amendment (Employment Services Reform) Bill 2008 [Provisions]	24.11.08	*(final)	No
Building and Construction Industry (Restoring Workplace Rights) Bill 2008	1.12.08 (presented 28.11.08)	*(interim)	No
Fair Work Bill 2008 [Provisions]	10.3.09 (presented 27.2.09)	-	No
Higher Education Legislation Amendment (Student Services and Amenities, and Other Measures) Bill 2009 [Provisions]	10.3.09	-	No
Fair Work (Transitional Provisions and Consequential Amendments) Bill 2009 [Provisions]	12.5.09 (presented 7.5.09)	-	Time not expired

Committee and title of report	Date report tabled	Date response presented/made to the Senate	Response made within specified period (3 months)
Electoral Matters (Joint Standing)			
Civics and electoral education	18.6.07	10.11.08 (interim)	No
Advisory report on the Commonwealth Electoral Amendment (Political Donations and Other Measures) Bill 2008	10.11.08 (tabled HoR 23.10.08)	*(final)	No
Report on the 2007 federal election electronic voting trials—Interim report of the inquiry into the conduct of the 2007 election and matters related thereto	17.3.09 (tabled HoR 16.3.09)	-	No
Report on the conduct of the 2007 federal election and matters related thereto	23.6.09 (tabled HoR 22.6.09)	-	Time not expired
Advisory report on the Commonwealth Electoral (Above-the-Line Voting) Amendment Bill 2008	23.6.09 (tabled HoR 22.6.09)	Not required	-
Employment, Workplace Relations and Education References			
Bridging the skills divide	24.11.03 (presented 6.11.03)	12.5.09 (presented 17.4.09)	No
Indigenous education funding – Final report	22.6.05	*(final)	No
Employment, Workplace Relations and Education References (continued)			
Student income support	23.6.05	*(final)	No
Employment, Workplace Relations and Education Standing			
Workforce challenges in the transport industry	9.8.07	*(interim)	No
Quality of school education	13.9.07	*(final)	No
Environment, Communications and the Arts Standing			
The effectiveness of the broadcasting codes of practice	19.6.08	*(interim)	No
Sexualisation of children in the contemporary media	26.6.08	*(interim)	No
Save Our Solar (Solar Rebate Protection) Bill 2008 [No. 2]	26.8.08 (presented 25.8.08)	*(final)	No

Committee and title of report	Date report tabled	Date response presented/made to the Senate	Response made within specified period (3 months)
Management of Australia's waste streams (including consideration of the Drink Container Recycling Bill 2008)	3.9.08	*(interim)	No
Great Barrier Reef Marine Park and Other Legislation Amendment Bill 2008	15.9.08	*(final)	No
Renewable Energy (Electricity) Amendment (Feed-in-Tariff) Bill 2008	10.11.08	*(interim)	No
Commonwealth Radioactive Waste Management (Repeal and Consequential Amendment) Bill 2008	3.2.09 (presented 18.12.08)	-	No
The operation of the Environment Protection and Biodiversity Conservation Act 1999—First report	18.3.09	-	No
The operation of the Environment Protection and Biodiversity Conservation Act 1999—Second and final report	12.5.09 (presented 30.4.09)	-	Time not expired
The reporting of sports news and the emergence of digital media	14.5.09	-	Time not expired
Environment, Communications, Information Technology and the Arts References			
Regulating the Ranger, Jabiluka, Beverley and Honeymoon uranium mines	14.10.03	*(final)	No
Environment, Communications, Information Technology and the Arts References (continued)			
Lurching forward, looking back: Budgetary and environmental implications of the Government's Energy White Paper	14.6.05 (presented 16.5.05)	*(final)	No
The performance of the Australian telecommunications regulatory regime	10.8.05	*(final)	No
Living with a salinity – a report on progress: The extent and economic impact of salinity in Australia	28.3.06	*(interim)	No
About time! Women in sport and recreation in Australia	6.9.06	*(interim)	No

Committee and title of report	Date report tabled	Date response presented/made to the Senate	Response made within specified period (3 months)
Environment, Communications, Information Technology and the Arts Standing			
Conserving Australia—Australia's national parks, conservation reserves and marine protected areas	9.5.07 (presented 12.4.07)	*(interim)	No
Finance and Public Administration			
Legislation Plebiscite for an Australian Republic Bill 2008	15.6.09	-	Time not expired
Finance and Public Administration			
References			
Staff employed under Members of Parliament (Staff) Act 1984	16.10.03	*(interim)	No
Matters relating to the Gallipoli Peninsula	13.10.05	*(interim)	No
Government advertising and accountability	6.12.05	*(interim)	No
Finance and Public Administration Standing			
Transparency and accountability of Commonwealth public funding and expenditure	1.3.07	Chairs' Committee response 21.6.07, interim Government response 10.3.09	No
Commonwealth Electoral Amendment (Democratic Plebiscites) Bill 2007 [Provisions]—Interim report	10.9.07 (presented 4.9.07)	*(final)	No
Annual reports (No. 2 of 2007)	12.9.07	*(interim)	No
Annual reports (No. 1 of 2008)	20.3.08	*(interim)	No
Finance and Public Administration Standing (continued)			
Families, Housing, Community Services and Indigenous Affairs and Other Legislation Amendment (2008 Budget and Other Measures) Bill 2008	24.6.08	*(final)	No
Knock, knock... who's there? The Lobbying Code of Conduct	3.9.08	3.2.09 (presented 15.1.09)	No
Annual reports (No. 2 of 2008)	17.9.08	*(interim)	No
Item 16525 in Part 3 of Schedule 1 to the Health Insurance (General Medical Services Table) Regulations 2007	13.11.08	*(interim)	No

Committee and title of report	Date report tabled	Date response presented/made to the Senate	Response made within specified period (3 months)
Additional estimates 2008-09	17.3.09	-	No
Annual reports (No. 1 of 2009)	19.3.09	-	No
Residential and community aged care in Australia	12.5.09 (presented 29.4.09)	-	Time not expired
Foreign Affairs, Defence and Trade (Joint Standing)			
Review of the Defence annual report 2006-2007	2.12.08 (tabled HoR 1.12.08)	*(interim)	No
Inquiry into Australia's relationship with ASEAN	24.6.09	-	Time not expired
Sealing a just outcome—Report from the inquiry into RAAF F-111 deseal/reseal workers and their families	25.6.09	-	Time not expired
Foreign Affairs, Defence and Trade Legislation			
Export Finance and Insurance Corporation Amendment Bill 2006	7.9.06	*(final)	No
Foreign Affairs, Defence and Trade Standing			
Blue water ships: consolidating past achievements	7.12.06	*(final)	No
Reforms to Australia's military justice system: Second progress report	29.3.07	*(final)	No
Australia's public diplomacy: building our image	16.8.07	5.2.09	No
Reforms to Australia's military justice system: Third progress report	10.9.07	*(final)	No
Australia's involvement in peace-keeping operations	26.8.08 (presented 1.8.08)	*(interim)	No
Reforms to Australia's military justice system: Fourth progress report	24.9.08	*(interim)	No
Fuel and Energy (Senate Select)			
The CPRS: Economic cost without environmental benefit—Interim report	12.5.09 (presented 7.5.09)	-	Time not expired
Housing Affordability in Australia (Senate Select)			
A good house is hard to find: Housing affordability in Australia	16.6.08	*(interim)	No

Committee and title of report	Date report tabled	Date response presented/made to the Senate	Response made within specified period (3 months)
Intelligence and Security (Joint)			
Review of security and counter terrorism legislation	4.12.06	3.2.09 (presented 23.12.08)	No
Inquiry into the proscription of 'terrorist organisations' under the Australian Criminal Code	20.9.07	3.2.09 (presented 23.12.08)	No
Review of the re-listing of the Kurdistan Workers' Party (PKK)	25.6.08	15.6.09 (tabled HoR 28.5.09)	No
Review of the re-listing of Al-Qa'ida, Jemaah Islamiyah and Al-Qa'ida in the Lands of the Islamic Maghreb	14.10.08	15.6.09 (tabled HoR 28.5.09)	No
Review of the re-listing of Abu Sayyaf Group, Jamiat ul-Ansar and Al-Qa'ida in Iraq as terrorist organisations	12.2.09	15.6.09 (tabled HoR 28.5.09)	No
Review of the re-listing of Ansar al-Islam, AAA, IAA, IMU, JeM and LeJ as terrorist organisations	15.6.09	-	Time not expired
Review of the re-listing of Hizballah's External Security Organisation as a terrorist organisation	25.6.09	-	Time not expired
Legal and Constitutional Affairs Standing			
Unfinished business: Indigenous stolen wages	7.12.06	*(interim)	No
Crimes Legislation Amendment (Child Sex Tourism Offences and Related Measures) Bill 2007 [Provisions]	12.2.08 (presented 10.10.07)	*(final)	No
Telecommunications (Interception and Access) Amendment Bill 2008	13.5.08 (presented 6.6.08)	*(final)	No
Stolen Generation Compensation Bill 2008	16.6.08	*(interim)	No
Family Law Amendment (De Facto Financial Matters and Other Measures) Bill 2008 [Provisions]	28.8.08	*(final)	No
Same-Sex Relationships (Equal Treatment in Commonwealth Laws—General Law Reform) Bill 2008 [Provisions]	14.10.08	*(final)	No
Migration Legislation Amendment (Worker Protection) Bill 2008	10.11.08	*(final)	No

Committee and title of report	Date report tabled	Date response presented/made to the Senate	Response made within specified period (3 months)
Effectiveness of the Sex Discrimination Act 1984 in eliminating discrimination and promoting gender equality	3.2.09 (presented 12.12.08)	-	No
Disability Discrimination and Other Human Rights Legislation Amendment Bill 2008 [Provisions]	10.3.09 (presented 26.2.09)	-	No
Exposure draft of the Personal Property Securities Bill 2008	19.3.09	18.6.09	Yes
Legal and Constitutional References			
Reconciliation: Off track	9.10.03	*(interim)	No
The road to a republic	16.11.04 (presented 31.8.04)	*(interim)	No
Medicare (Senate Select)			
Medicare – healthcare or welfare?	30.10.03	*(final)	No
Second report: Medicare Plus: the future for Medicare?	11.2.04	*(final)	No
Men's Health (Senate Select)			
Report	15.6.09 (presented 29.5.09)	-	Time not expired
Mental Health (Senate Select)			
A national approach to mental health – from crisis to community – Final report	9.5.06 (presented 28.4.06)	*(final)	No
Migration (Joint Standing)			
Negotiating the maze—Review of arrangements for overseas skills recognition, upgrading and licensing	11.9.06	*(interim)	No
Temporary visas... permanent benefits: Ensuring the effectiveness, fairness and integrity of the temporary business visa program	12.9.07	*(interim)	No
Immigration detention in Australia—A new beginning—Criteria for release from detention	2.12.08 (tabled HoR 1.12.08)	*(interim)	No
Immigration detention in Australia—Community-based alternatives to detention	15.6.09 (tabled HoR 25.5.09)	-	No

Committee and title of report	Date report tabled	Date response presented/made to the Senate	Response made within specified period (3 months)
Ministerial Discretion in Migration Matters (Senate Select) Report	31.3.04	*(interim)	No
National Broadband Network (Senate Select) Another fork in the road to national broadband—Second interim report	12.5.09	-	Time not expired
National Capital and External Territories (Joint Standing) The way forward—Inquiry into the role of the National Capital Authority	26.8.08 (presented 16.7.08)	3.2.09 (presented 11.12.08)	No
Inquiry into the Immigration Bridge proposal	15.6.09 (presented 29.5.09)	-	Time not expired
Public Accounts and Audit (Joint Statutory) Report 407—Review of Auditor-General's reports tabled between 18 January and 18 April 2005	4.9.06	** (final)	No
Report 409—Developments in aviation security since the Committee's June 2004 Report 400: Review of aviation security in Australia	4.12.06	*(final)	No
Report 411—Progress on equipment acquisition and financial reporting in Defence	1.9.08 (presented 8.8.08)	3.2.09 (presented 27.1.09)	No
Report 412—Audit reports reviewed during the 41st Parliament	1.9.08	Recommendations 11 and 12, 15.6.09, (tabled HoR 28.5.09) recommendation 18, 25.6.09	No
Report 413—The efficiency dividend and small agencies: Size does matter	4.12.08	*(interim)	No
Report 414—Review of Auditor-General's reports tabled between August 2007 and August 2008	24.6.09 (tabled HoR 22.6.09)	-	Time not expired
Publications (Joint Standing) Printing standards for documents presented to Parliament	20.9.07	*(interim)	No

Committee and title of report	Date report tabled	Date response presented/made to the Senate	Response made within specified period (3 months)
Regional and Remote Indigenous Communities (Senate Select)			
Second report	25.6.09	-	Time not expired
Rural and Regional Affairs and Transport References			
Iraqi wheat debt – repayments for wheat growers	16.6.05	*(interim)	No
Establishment of an Australian Football League team for Tasmania	25.6.09	Not required	-
Matters specified in part (2) of the inquiry into the management of the Murray-Darling Basin system—Final report	25.6.09	-	Time not expired
Import risk analysis for the importation of Cavendish bananas from the Philippines—Final report	25.6.09	-	Time note expired
Meat marketing—Final report	25.6.09	-	Time not expired
Rural and Regional Affairs and Transport Standing			
Water policy initiatives – Final report	5.12.06	*(final)	No
Australia's future oil supply and alternative transport fuels - Final report	7.2.07	*(interim)	No
Meat marketing – Interim report	4.9.08	*(interim)	No
Administration of the Civil Aviation Safety Authority (CASA) and related matters	18.9.08	*(interim)	No
Implementation, operation and administration of the legislation underpinning Carbon Sink Forests	23.9.08	18.6.09	No
Water management in the Coorong and Lower Lakes (including consideration of the Emergency Water (Murray-Darling Basin Rescue) Bill 2008)	13.10.08 (presented 10.10.08)	*(interim)	No
Climate change and the Australian agricultural sector – Final report	4.12.08	*(interim)	No
State Government Financial Management (Senate Select)			
Report	18.9.08	*(interim)	No

Committee and title of report	Date report tabled	Date response presented/made to the Senate	Response made within specified period (3 months)
Treaties (Joint Standing)			
Report 86—Treaties tabled on 27 March and 9 May 2007	16.8.07	*(final)	No
Report 91—Treaties tabled on 12 March 2008	26.6.08	*(interim)	No
Report 93—Treaties tabled on 12 March and 14 May 2008	4.9.08	19.3.09	No
Report 94—Treaties tabled on 14 May 2008	18.9.08	*(interim)	No
Report 95—Treaties tabled on 4 June, 17 June, 25 June and 26 August 2008	16.10.08	*(interim)	No
Report 98—Treaties tabled on 26 November 2008 and 4 December 2008	16.3.09 (tabled HoR 12.3.09)	Not required	-
Report 99—Treaties tabled on 3 December 2008 and 3 February 2009	16.3.09 (tabled HoR 12.3.09)	-	No
Report 100—Treaties tabled on 25 June 2008 (2)	19.3.09	-	No
Report 101—Treaties tabled on 3 February 2009	16.6.09 (tabled HoR 15.6.09)	Not required	-
Report 102—Treaties tabled on 12 and 16 March 2009	25.6.09 (tabled HoR 24.6.09)	-	Time not expired

**HIGHER EDUCATION SUPPORT
AMENDMENT (VET FEE-HELP AND
PROVIDERS) BILL 2009**

**NATION-BUILDING FUNDS
AMENDMENT BILL 2009**

**TAX LAWS AMENDMENT
(MEDICARE LEVY AND MEDICARE
LEVY SURCHARGE) BILL 2009**

**TAX LAWS AMENDMENT (2009
MEASURES No. 2) BILL 2009**

**SOCIAL SECURITY LEGISLATION
AMENDMENT (IMPROVED SUPPORT
FOR CARERS) BILL 2009**

**SOCIAL SECURITY LEGISLATION
AMENDMENT (IMPROVED SUPPORT
FOR CARERS) BILL 2009**

**SOCIAL SECURITY LEGISLATION
AMENDMENT (IMPROVED SUPPORT
FOR CARERS) (CONSEQUENTIAL
AND TRANSITIONAL) BILL 2009**

**DEFENCE LEGISLATION
AMENDMENT BILL (No. 1) 2009**

**TAX LAWS AMENDMENT (2009
MEASURES No. 3) BILL 2009**

**FAMILY ASSISTANCE AND OTHER
LEGISLATION AMENDMENT (2008
BUDGET AND OTHER MEASURES)
BILL 2009**

**FAMILY ASSISTANCE AMENDMENT
(FURTHER 2008 BUDGET MEASURES)
BILL 2009**

**FAMILY ASSISTANCE LEGISLATION
AMENDMENT (CHILD CARE) BILL
2009**

**PRIVATE HEALTH INSURANCE
(NATIONAL JOINT REPLACEMENT
REGISTER LEVY) BILL 2009**

**SOCIAL SECURITY AND OTHER
LEGISLATION AMENDMENT
(AUSTRALIAN APPRENTICES) BILL
2009**

Assent

Messages from the Governor-General reported informing the Senate of assent to the bills.

AUDITOR-GENERAL'S REPORTS

Reports Nos 46 and 47 of 2008-09

The ACTING DEPUTY PRESIDENT (Senator Trood)—In accordance with the provisions of the Auditor-General Act 1997, I present the following reports of the Auditor-General: Report No. 46 of 2008-09: *Performance audit—Business continuity management and emergency management in Centrelink* and Report No. 47 of 2008-09: *Performance audit—Management of domestic fishing compliance: Australian Fisheries Management Authority*.

COMMITTEES

Public Accounts and Audit Committee

Report: Government Response

Senator LUDWIG (Queensland—Special Minister of State and Cabinet Secretary) (6.51 pm)—I present the government's response to the 412th report of the Joint Committee of Public Accounts and Audit on its inquiry into audit reports reviewed during the 41st Parliament, and seek leave to have the document incorporated in Hansard.

Leave granted.

The document read as follows—

Parliamentary Joint Committee on Public Accounts and Audit

Report 412 – Audit reports reviewed during the 41st Parliament

Government Response to the Parliamentary Joint Committee on Public Accounts and Audit Report 412 – Audit reports reviews during the 41st Parliament.

Recommendation

The Committee recommends that DSD formally remind all agencies of their responsibility to comply with the ISIDRAS reporting as required by the Protective Security Manual.

Response

DSD formally reminded all agencies of their responsibility to comply with Information Security Incident Detection, Reporting and Analysis Scheme (ISIDRAS) reporting in the March edition of the DSD Information Security Bulletin. This document is sent to all Chief Information Officers of both State and Federal Government agencies.

Additionally, after a comprehensive review and consultation with stakeholders, DSD has taken the following actions to ensure that agencies fully understand the scheme:

The scheme has been renamed 'Information Security Incident Reporting' (ISIR), so that the title more accurately represents the scheme's function.

The number of reporting categories has changed from four to two so that it is easier for agencies to make the decision on what incidents they must report to DSD.

This information has been disseminated to Government agencies through a variety of channels including: a more informative section on incident reporting on DSD's Government website www.onsecure.gov.au; a statement of policy in DSD's 2008 Information Security Manual; and via statements at key security conferences (including the Attorney General's Security in Government conference).

DSD experienced a 25 per cent increase in agencies reporting incidents during 2007. The number of incidents reported to DSD in 2008 was consistent with the number reported in 2007. Due to improvements associated with the ISIR scheme, the quality of information provided in incident

reports is improving and agencies are reporting on the correct incident categories.

Senator LUDWIG—I move:

That the Senate take note of the document.

Question agreed to.

DOCUMENTS

Tabling

Senator LUDWIG (Queensland—Special Minister of State and Cabinet Secretary) (6.51 pm)—I table documents relating to travel for the period July to December 2008:

The list read as follows—

- parliamentarians' travel paid by the Department of Finance and Deregulation,
- former parliamentarians' travel paid by the Department of Finance and Deregulation,
- parliamentarians' overseas study travel reports; and
- schedule of special purpose flights.

COMMITTEES

Legal and Constitutional Affairs Legislation Committee

Membership

Senator LUDWIG (Queensland—Manager of Government Business in the Senate) (6.52 pm)—I move:

That Senator Hutchins replace Senator Feeney on the Legal and Constitutional Affairs Legislation Committee for the committee's inquiry into the provisions of the Crimes Legislation Amendment (Serious and Organised Crime) Bill 2009, and Senator Feeney be appointed as a participating member of the committee.

Question agreed to.

LEAVE OF ABSENCE

Senator LUDWIG (Queensland—Manager of Government Business in the Senate) (6.53 pm)—I move:

That leave of absence be granted to every member of the Senate from the end of the sitting today to the day on which the Senate next meets.

Question agreed to.

ADJOURNMENT

Senator LUDWIG (Queensland—Manager of Government Business in the Senate) (6.53 pm)—I move:

That the Senate do now adjourn till Tuesday, 11 August 2009, at 12.30 pm, or such other time as may be fixed by the President or, in the event of the President being unavailable, by the Deputy President, and that the time of meeting so determined shall be notified to each senator.

Middle East

Senator FORSHAW (New South Wales) (6.53 pm)—I recognise that it has been a difficult week and that senators are anxious to escape this place and return to their duties in their various states. But I do wish tonight to reflect upon an issue of importance—that is, the continuing problems that bedevil the Middle East, particularly the issue of Palestine. I regularly, like all other members of parliament, receive an inflow of emails and articles on this issue. I try to read them all, or most of them. Some are fair and balanced. Unfortunately, some are extreme and indeed reflect the most anti-Semitic or anti-Islamic views. Fortunately those are in the minority.

In recent weeks, however, there has been a concerted campaign in this country by various people, described as academics, artists and professionals, supporting a petition calling for a boycott of Israel. This is being promoted by the group known as the Friends of Palestine, an organisation that I regularly receive emails from and whose publications I do read. Let me quote from an extensive email that I received on 25 June from the Friends of Palestine organisation. I want to quote part of the foreword by Sonja Karkar, a well-known spokesperson for that group. It says:

Israeli-born Professor Ilan Pappé urges the international community to begin cultural boycotts as “the longest and one of the cruellest Occupations in modern times” enters its 42nd year. Those who demand that “we leave culture out of our political

actions,” he says, “provide immunity for one of the greatest atrocities of our time.”

That struck me because of its incredibly strong language. So I read on. Attached to the foreword by Sonja Karkar is an article by Ilan Pappé titled ‘The necessity of cultural boycott’. Throughout that article, which I do not have time to read in full, there are recurring attacks upon the state of Israel. It is referred to as an ‘apartheid system’, and I wish to come back to that particular reference. It says that Israel is guilty of ‘ethnic cleansing of 1948’ and, further, that it is a ‘charade’ of a democracy.

I make the point at the outset that this type of criticism is able to be freely disseminated in this country and read by all of us. I doubt if there are very many countries, certainly in the Middle East region, other than in Israel, where that sort of criticism of their own governments can be regularly read. In some cases, it is absolutely banned. You would have no access to emails or to the internet to read such material if it were directed at the country’s regime. Indeed, you could probably expect serious consequences to your person.

Dr Ilan is a well-known critic of Israel, being Chair in the Department of History at the University of Exeter. I wish to quote from his article:

In the last eight years the Israeli criminal policy escalated, and the Palestinian activists were seeking new means to confront it.

I interpose here to repeat ‘new means to confront it’. The article continues:

They have tried it all, armed struggle, guerrilla warfare, terrorism and diplomacy: nothing worked. And yet they are not giving up and now they are proposing a nonviolent strategy—that of boycott, sanctions and divestment. With these means they wish to persuade Western governments to save not only them, but ironically also the Jews in Israel from an imminent catastrophe

and bloodshed. This strategy bred the call for cultural boycott of Israel.

Another phrase that is used is ‘the Israeli criminal policy’. The article states that Palestinian activists were seeking new means, having tried armed struggle, guerrilla warfare, terrorism and diplomacy. I was not alive in 1948 but I was a young person in 1967 and I particularly remember 1973, when the surrounding Arab nations tried to annihilate the state of Israel. So, contrary to what may have been suggested in this article, this is not a new phenomenon in the last eight years—a means for the Palestinian activists to destroy the state of Israel. Of course, we can all remember the various terrorist acts that occurred, whether it was at the Munich Olympics or whether it was the bombing of airports or the hijacking of ships and airlines that occurred in the 1970s, particularly following the 1973 war.

The criticism and this boycott is linked to this so-called ‘campaign against apartheid’. Of course what always runs through this type of criticism of Israel is the linking of the Israeli government and their policies either with the Holocaust or with the apartheid regime in South Africa, or both. I find that somewhat ironic at times because some of the very persons who use that terminology, such as President Ahmadinejad in Iran, at the same time essentially deny the occurrence of the Holocaust. There is this constant reference these days to a campaign against apartheid.

I remember the campaign against apartheid. I was involved in it. That was a legitimate campaign. It was not supported by everyone, but in my view, and I think it is accepted, that was a legitimate campaign of protests and boycotts against a regime that did not allow the majority of the citizens in that state to have even the most fundamental of human rights—the right to vote, the right to walk down the street side by side with a

white person or even the right to use public facilities such as toilets in an unsegregated manner.

In my view to suggest that the campaign to support Palestinian rights should be founded upon a boycott of Israel, using the terminology or the argument that Israel is an apartheid state, is, as I said, an outrage. There are rights enjoyed by Palestinians and Arab citizens in Israel that do not exist for the Jewish people in some of those surrounding countries. There are members of Knesset in Israel who represent Arab citizens of Israel.

In February this year elections took place in Israel. If you have ever witnessed an Israeli election, you know that it is one of the most democratic elections ever held in the world. There are numerous parties that run. It makes this parliament look at times like a tame peace gathering—given the vigorous debate that goes on in the Knesset. In Israel people who want to oppose the policies of Israel with respect to Palestine are entitled to do so freely and democratically. Yet what we are seeing in Iran today is a continuation of the outrageous views expressed by President Ahmadinejad at the Durban II conference. He is now inflicting that very same campaign upon his own people. (*Time expired*)

Gilad Shalit

Senator FIFIELD (Victoria) (7.03 pm)—I very much endorse the contribution of Senator Forshaw, and I suspect that he and I will be on the same page in relation to my remarks this evening. Today marks the third anniversary of the capture of the Israeli soldier Gilad Shalit by Palestinian terrorists. On the morning of 25 June 2006, eight Palestinian terrorists crossed into Israel through underground tunnels from the Gaza Strip and launched an unprovoked assault on an Israeli defence force facility. They launched a series of attacks on the facility, including a tank

manned by four Israeli soldiers. Two IDF soldiers were killed in this raid and a further three were injured. One of the soldiers manning that tank was a young man by the name of Gilad Shalit. Gilad suffered minor injuries during the attack and was captured by the operatives associated with the terrorist organisation Hamas. He was taken back into the Gaza Strip, where it is believed he has been held captive ever since. Captured at just 19 years of age, Gilad Shalit was fulfilling the obligation of all young Israeli citizens to serve their country.

Gilad Shalit was born on 28 August 1986 to parents Aviva and Noam Shalit. He has two brothers: Yoel, who is 25, and Hadas, who is 18. In breaks from his military service, Gilad would help his parents run their bed and breakfast in Mitzpe Hilla in the Western Galilee. He graduated from Manor Kabri high school with a distinction in science. Gilad is a passionate basketballer and sportsman. Hamas have made a number of escalating ambit claims in exchange for Gilad's release. As recently as January this year it was reported that Hamas demanded the release of 1,000 Palestinian prisoners held by Israel. Gilad should be released immediately. He should be released without condition. Those who kidnapped Gilad are terrorists. They are criminals. Gilad was defending his country, democracy and the rule of law. We should not forget that Gilad was defending his homeland—defending Israel from those who we know seek its destruction.

In July 2006 Israel was under attack from within territory which it did not occupy and over which it made no claim. It was attacked from territories from which it had withdrawn in a genuine effort to forge peace. Israel was not the provocateur; it was Israel that was attacked. This young Israeli man does not deserve to languish as a prisoner of Hamas for a moment longer. His family does not deserve to spend another moment in torment.

That is why supporters of Israel must remain resolute in their advocacy for Gilad's release.

I should acknowledge the tireless efforts of all who support Gilad and his family. I encourage them to continue. It is because of such efforts that his fate cannot be ignored. It is because of such efforts that we cannot forget Gilad and his suffering. Gilad does not deserve to spend another day in captivity.

I take this opportunity to acknowledge that, while the parliament is in recess, a number of members of this and the other place will be travelling to Israel. At the moment, the Deputy Prime Minister, with the member for Higgins, is leading the Australia-Israel leadership dialogue, which Senator Brandis, Senator Barnett and Mr Pyne are also participating in. Also during the break there will be an Australia/Israel and Jewish Affairs Council delegation, led by Ms Julie Bishop, going to Israel. Senator Birmingham, Senator Ryan, Mrs Markus and Mr Billson will also be taking part in that. And I will be going to Israel on a Yachad scholarship, to study disability issues and the role of women in the Israeli military.

These high-level exchanges are important. Australia and Israel share common values. Both Israel and Australia are great and robust democracies. Israel is a beacon of hope and liberty in the Middle East. Israel needs its friends, and there are none more staunch than Australia.

Senate adjourned at 7.08 pm until Tuesday, 11 August 2009 at 12.30 pm

DOCUMENTS

Tabling

The following documents were tabled by the Clerk:

[Legislative instruments are identified by a Federal Register of Legislative Instruments (FRLI) number]

Australian Prudential Regulation Authority Act—Australian Prudential Regulation Au-

thority (Confidentiality) Determination No. 8 of 2009—Information provided by locally-incorporated banks and foreign ADIs under Reporting Standard ARS 320.0 [F2009L02487]*.

Civil Aviation Act—

Civil Aviation Regulations—Instrument No. CASA EX48/09—Exemption – from take-off minima inside Australian territory [F2009L02280]*.

Civil Aviation Safety Regulations—Airworthiness Directives—Part—

105—

AD/LA-4/4—Fuel Filter – Installation [F2009L02283]*.

AD/MU-2/9—Trim Aileron Bellcrank Bracket Bolt Holes – Inspection [F2009L02315]*.

AD/MU-2/19—Engine Nacelle Upper Door Rod Assembly – Removal and Modification [F2009L02316]*.

AD/MU-2/26—Control Cable Turnbuckles – Inspection and Replacement [F2009L02317]*.

AD/MU-2/27—Engine Control System Cable Pulleys – Replacement [F2009L02318]*.

AD/MU-2/38—Landing Gear Aural Warning System [F2009L02319]*.

AD/MU-2/72—Electrical Wiring [F2009L02320]*.

AD/S-76/54—Main Gearbox Tail Takeoff Flange Locknut [F2009L02346]*.

AD/S-76/55 Amdt 1—Retention Bolt for Stationary Swashplate Expandable Pin [F2009L02347]*.

AD/S-76/58—Tail Gearbox Output Shaft [F2009L02348]*.

AD/SF340/108 Amdt 1—Hydraulic System Accumulators [F2009L02349]*.

AD/SM-205/19—Carburettor Air Intake Box and Engine Cowling – Modification [F2009L02350]*.

106—

AD/PT6A/7—Re-Routing of Governor Air Pressure Line [F2009L02321]*.

AD/PT6A/23—Replacement of Compressor Delivery Heated Air Tube by a Non-Metallic Hose [F2009L02328]*.

AD/PT6A/26—Power Turbine Containment Ring [F2009L02329]*.

AD/PT6T/2—Check and Regulating Valve Housing Reinforcing Bracket [F2009L02330]*.

Health Insurance Act—Declaration of Quality Assurance Activity—QAA No. 1/2009 [F2009L02413]*.

Income Tax Assessment Act 1936 and Taxation Administration Act—Lodgment of income tax returns for the year of income ended 30 June 2009 in accordance with the *Income Tax Assessment Act 1936* and the *Taxation Administration Act 1953* – Child Support Agency – parents with a child support assessment [F2009L02503]*.

Income Tax Assessment Act 1936, *Income Tax Assessment Act 1997*, Taxation Administration Act, Superannuation Industry (Supervision) Act and Income Tax (Transitional Provisions) Act—Lodgment of returns for the year of income ended 30 June 2009 in accordance with the *Income Tax Assessment Act 1936*, the *Income Tax Assessment Act 1997*, the *Taxation Administration Act 1953*, the *Superannuation Industry (Supervision) Act 1993* and the *Income Tax (Transitional Provisions) Act 1997* [F2009L02500]*.

Migration Act—Migration Regulations—Instrument IMMI 09/061—Appropriate regional authority [F2009L02147]*.

National Health Act—Pharmaceutical Benefits Determination under section

84BA, dated 19 June 2009 [F2009L02492]*.

Sydney Airport Curfew Act—Dispensation Report 05/09.

Taxation Administration Act—Lodgment of statements by first home saver account providers for the year ended 30 June 2009 in accordance with the *Taxation Administration Act 1953* [F2009L02505]*.

Veterans' Entitlements Act—Statements of Principles concerning—

Acquired Cataract No. 51 of 2009 [F2009L02421]*.

Acquired Cataract No. 52 of 2009 [F2009L02422]*.

Deep Vein Thrombosis No. 45 of 2009 [F2009L02415]*.

Deep Vein Thrombosis No. 46 of 2009 [F2009L02416]*.

Eating Disorder No. 47 of 2009 [F2009L02417]*.

Eating Disorder No. 48 of 2009 [F2009L02418]*.

Ischaemic Heart Disease No. 43 of 2009 [F2009L02411]*.

Ischaemic Heart Disease No. 44 of 2009 [F2009L02412]*.

Motor Neurone Disease No. 53 of 2009 [F2009L02423]*.

Personality Disorder No. 49 of 2009 [F2009L02419]*.

Personality Disorder No. 50 of 2009 [F2009L02420]*.

Systemic Lupus Erythematosus No. 41 of 2009 [F2009L02404]*.

Systemic Lupus Erythematosus No. 42 of 2009 [F2009L02403]*.

Toxic Maculopathy No. 39 of 2009 [F2009L02400]*.

Toxic Maculopathy No. 40 of 2009 [F2009L02402]*.

Water Act—

Water Charge (Termination Fees) Rules
2009 [F2009L02425]*.

Water Market Rules 2009
[F2009L02424]*.

* Explanatory statement tabled with legislative instrument.

QUESTIONS ON NOTICE

The following answers to questions were circulated:

**Immigration and Citizenship: Statutory Reviews
(Question No. 1514)**

Senator Minchin asked the Minister for Immigration and Citizenship, upon notice, on 18 May 2009:

- (1) (a) How many and which statutory reviews are due to commence and/or conclude in 2009; and (b) what are the specified timelines for commencement and conclusion of each of these reviews.
- (2) (a) How many and which statutory reviews are due to commence and/or conclude in 2010; and (b) what are the specified timelines for the commencement and conclusion of each of these reviews.

Senator Chris Evans—The answer to the honourable senator's question is as follows:

- (1) (a) 1, review of Part 4A of the Migration Act 1958 ("Obligations Relating to Identifying Information") and associated provisions regarding identification and authentication. (b) The tentative commencement date is June 2009 with conclusion in August/September 2009.
- (2) (a) Nil. (b) Nil.

**Pulp and Paper Manufacturing Industry
(Question No. 1599)**

Senator Bob Brown asked the Special Minister of State, upon notice, on 26 May 2009:

With reference to the Minister's decision to include Reflex Laser Carbon Neutral paper in the office requisites contract:

- (1) How much of the carbon neutrality of the paper is achieved by: (a) purchasing carbon offsets; and (b) genuine changes to reduce carbon emissions as a result of logging of native forests, the transport of pulp and the production of the paper.
- (2) If the carbon neutrality is achieved primarily from buying offsets, what stops any paper manufacturer being included on this basis.
- (3) How much of the pulp used to produce the paper comes from: (a) native forests in Victoria and/or Tasmania; and (b) plantations.
- (4) Does any of the pulp used in the paper come from overseas; if so: (a) where; and (b) can Australian Paper prove that the pulp comes from sustainably logged plantations.
- (5) Does Reflex include the carbon emissions from any burning of forests after logging in its account of how much carbon is emitted from the production of the paper.

Senator Ludwig—The answer to the honourable senator's questions is as follows:

- (1) and (2) These questions do not fall within the responsibilities of my portfolio, the questions should be referred to the Minister for Climate Change, as they relate to the Department of Climate Change's accreditation process for carbon neutral products.
- (3) (a) and (b) Australian Paper calculates that Reflex Laser Carbon Neutral paper contains 50 per cent of fibre that is sourced from the respective Victorian and Tasmanian State Government managed forestry business enterprises, VicForests and Forestry Tasmania, and 50 per cent of fibre that is sourced from sustainable plantations.

- (4) (a) and (b) Yes, Australian Paper has advised that plantation fibre is sourced from Brazil, Chile, New Zealand and Canada as well as Australia. Australian Paper has advised that overseas fibre suppliers all carry verifiable forestry management certification and that this information is available publicly from Australian Paper.
- (5) See answer to parts (1) and (2) above.