

1998-1999-2000-2001

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

VOTES AND PROCEEDINGS

No. 207

TUESDAY, 28 AUGUST 2001

1 The House met, at 2 p.m., pursuant to adjournment. The Speaker (the Honourable Neil Andrew) took the Chair, and read Prayers.

2 QUESTIONS

Questions without notice being asked—

Paper

Dr Wooldridge (Minister for Health and Aged Care) presented the following paper:

Commonwealth Health Grants to the States \$per uninsured person—Table prepared by the Department of Health and Aged Care covering periods 1993-94 to 1997-98 and 1998-99 to 2002-03.

Questions without notice continuing—

Mr Beazley (Leader of the Opposition) asking a question—

Speaker's ruling

The Speaker ruled that the question, relating to the Queensland State Liberal Party, was out of order as it did not relate to any matter of administration for which the Minister was responsible.

Dissent from ruling moved

Mr Beazley moved—That the ruling be dissented from.

Debate ensued.

Member ordered to withdraw

At 3.37 p.m. the Member for Prospect (Mrs Crosio) was ordered, under standing order 304A, to withdraw from the House for one hour for continuing to interject after a warning had been given from the Chair, and she accordingly withdrew from the Chamber.

Debate continued.

Member ordered to withdraw

At 3.53 p.m. the Member for Burke (Mr O'Keefe) was ordered, under standing order 304A, to withdraw from the House for one hour for continuing to interject

after a warning had been given from the Chair, and he accordingly withdrew from the Chamber.

Debate continued.

Mr McMullan rising to address the House—

Closure

Mr Reith (Leader of the House) moved—That the question be now put.

Question—That the question be now put—put.

The House divided (the Speaker, Mr J. N. Andrew, in the Chair)—

AYES, 76

Mr Abbott	Mrs Draper	Mr Lieberman	Mr Schultz
Mr Anderson	Mrs Elson	Mr Lindsay	Mr Scott
Mr Andren	Mr Entsch	Mr Lloyd	Mr Secker
Mr K. J. Andrews	Mr Fahey	Mr McArthur*	Mr Slipper
Mr Anthony	Mr Forrest*	Mr I. E. Macfarlane	Mr Somlyay
Fran Bailey	Ms Gambaro	Mr McGauran	Dr Southcott
Mr Baird	Mrs Gash	Mrs May	Dr Stone
Mr Barresi	Mr Georgiou	Mrs Moylan	Mrs Sullivan
Mr Bartlett	Mr Haase	Mr Nairn	Mr C. P. Thompson
Mr Billson	Mr Hardgrave	Mr Nehl	Mr A. P. Thomson
Mrs B. K. Bishop	Mr Hawker	Dr Nelson	Mr Truss
Ms J. I. Bishop	Mr Hockey	Mr Neville	Mr Tuckey
Mr Brough	Mr Howard	Mr Pearce	Mr M. A. J. Vaile
Mr Cadman	Mrs Hull	Mr Prosser	Mrs D. S. Vale
Mr Cameron	Mr Jull	Mr Pyne	Mr Wakelin
Mr Causley	Mrs D. M. Kelly	Mr Reith	Dr Washer
Mr Charles	Jackie Kelly	Mr Ronaldson	Mr Williams
Mr Costello	Dr Kemp	Mr Ruddock	Dr Wooldridge
Mr Downer	Mr Lawler	Mr St Clair	Ms Worth

NOES, 60

Mr Adams	Mr L. D. T. Ferguson	Mr Latham	Mr O'Connor
Mr Albanese	Mr M. J. Ferguson	Dr Lawrence	Ms Plibersek
Mr Beazley	Ms Gerick	Mr Lee	Mr Quick
Mr Bevis	Mr Gibbons	Ms Livermore	Mr Ripoll
Mr Brereton	Ms Gillard	Mr McClelland	Ms Roxon
Ms Burke	Mr Griffin	Ms J. S. McFarlane	Mr Sawford*
Mr Byrne	Ms Hall	Ms Macklin	Mr Sercombe*
Ms Corcoran	Mr Hatton	Mr McLeay	Ms Short
Mr Cox	Ms Hoare	Mr McMullan	Mr Sidebottom
Mr Crean	Mr Hollis	Dr Martin	Mr Smith
Mr Danby	Mr Horne	Mr Melham	Mr Snowdon
Mr Edwards	Mrs Irwin	Mr Morris	Mr Tanner
Ms Ellis	Mr Jenkins	Mr Mossfield	Mr K. J. Thomson
Mr Emerson	Ms Kernot	Mr Murphy	Mr Wilkie
Mr M. J. Evans	Mr Kerr	Ms O'Byrne	Mr Zahra

* Tellers

Pairs

Mr Fischer Mr Swan

And so it was resolved in the affirmative.

And the question—That the ruling be dissented from—being accordingly put—

The House divided (the Speaker, Mr J. N. Andrew, in the Chair)—

AYES, 61

Mr Adams	Mr M. J. Ferguson	Dr Lawrence	Mr Quick
Mr Albanese	Mr Fitzgibbon	Mr Lee	Mr Ripoll
Mr Beazley	Ms Gerick	Ms Livermore	Ms Roxon
Mr Bevis	Mr Gibbons	Mr McClelland	Mr Sawford*
Mr Brereton	Ms Gillard	Ms J. S. McFarlane	Mr Sercombe*
Ms Burke	Mr Griffin	Ms Macklin	Ms Short
Mr Byrne	Ms Hall	Mr McLeay	Mr Sidebottom
Ms Corcoran	Mr Hatton	Mr McMullan	Mr Smith
Mr Cox	Ms Hoare	Dr Martin	Mr Snowdon
Mr Crean	Mr Hollis	Mr Melham	Mr Tanner
Mr Danby	Mr Horne	Mr Morris	Mr K. J. Thomson
Mr Edwards	Mrs Irwin	Mr Mossfield	Mr Wilkie
Ms Ellis	Mr Jenkins	Mr Murphy	Mr Zahra
Mr Emerson	Ms Kernot	Ms O'Byrne	
Mr M. J. Evans	Mr Kerr	Mr O'Connor	
Mr L. D. T. Ferguson	Mr Latham	Ms Plibersek	

NOES, 76

Mr Abbott	Mrs Draper	Mr Lieberman	Mr Schultz
Mr Anderson	Mrs Elson	Mr Lindsay	Mr Scott
Mr Andren	Mr Entsch	Mr Lloyd	Mr Secker
Mr K. J. Andrews	Mr Fahey	Mr McArthur*	Mr Slipper
Mr Anthony	Mr Forrest*	Mr I. E. Macfarlane	Mr Somlyay
Fran Bailey	Ms Gambaro	Mr McGauran	Dr Southcott
Mr Baird	Mrs Gash	Mrs May	Dr Stone
Mr Barresi	Mr Georgiou	Mrs Moylan	Mrs Sullivan
Mr Bartlett	Mr Haase	Mr Nairn	Mr C. P. Thompson
Mr Billson	Mr Hardgrave	Mr Nehl	Mr A. P. Thomson
Mrs B. K. Bishop	Mr Hawker	Dr Nelson	Mr Truss
Ms J. I. Bishop	Mr Hockey	Mr Neville	Mr Tuckey
Mr Brough	Mr Howard	Mr Pearce	Mr M. A. J. Vaile
Mr Cadman	Mrs Hull	Mr Prosser	Mrs D. S. Vale
Mr Cameron	Mr Jull	Mr Pyne	Mr Wakelin
Mr Causley	Mrs D. M. Kelly	Mr Reith	Dr Washer
Mr Charles	Jackie Kelly	Mr Ronaldson	Mr Williams
Mr Costello	Dr Kemp	Mr Ruddock	Dr Wooldridge
Mr Downer	Mr Lawler	Mr St Clair	Ms Worth

* Tellers

Pairs

Mr Fischer Mr Swan

And so it was negatived.

Questions without notice concluded.

3 PAPERS

The following papers were presented:

National Health and Medical Research Council—

Grants Book 2001.

Report for 2000.

Queensland Fisheries Joint Authority—Report for 1999-2000.

Western Australian Fisheries Joint Authority—Report for 1998-99.

4 PAPERS—MOTION TO TAKE NOTE OF PAPERS

Mr Reith (Leader of the House) moved—That the House take note of the following papers:

National Health and Medical Research Council—Report for 2000.

National Health and Medical Research Council—Grants Book 2001.

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

5 PROPOSED DISCUSSION OF MATTER OF PUBLIC IMPORTANCE—GOODS AND SERVICES TAX

The House was informed that Mr Crean (Deputy Leader of the Opposition) had proposed that a definite matter of public importance be submitted to the House for discussion, namely, “The government’s failure to ensure transparency and fairness in the administration of its GST tax laws”.

The proposed discussion having received the necessary support—

Mr Crean rising to address the House—

Mr Reith (Leader of the House) moved—That the business of the day be called on.

Question—put.

The House divided (the Speaker, Mr J. N. Andrew, in the Chair)—

AYES, 73

Mr Abbott	Mrs Elson	Mr McArthur*	Mr Slipper
Mr Anderson	Mr Entsch	Mr I. E. Macfarlane	Mr Somlyay
Mr K. J. Andrews	Mr Forrest*	Mr McGauran	Dr Southcott
Mr Anthony	Ms Gambaro	Mrs May	Dr Stone
Fran Bailey	Mrs Gash	Mrs Moylan	Mrs Sullivan
Mr Baird	Mr Georgiou	Mr Nairn	Mr C. P. Thompson
Mr Barresi	Mr Haase	Mr Nehl	Mr A. P. Thomson
Mr Bartlett	Mr Hardgrave	Dr Nelson	Mr Truss
Mr Billson	Mr Hawker	Mr Neville	Mr Tuckey
Mrs B. K. Bishop	Mr Hockey	Mr Pearce	Mr M. A. J. Vaile
Ms J. I. Bishop	Mrs Hull	Mr Prosser	Mrs D. S. Vale
Mr Brough	Mr Jull	Mr Pyne	Mr Wakelin
Mr Cadman	Mrs D. M. Kelly	Mr Reith	Dr Washer
Mr Cameron	Jackie Kelly	Mr Ronaldson	Mr Williams
Mr Causley	Dr Kemp	Mr Ruddock	Dr Wooldridge
Mr Charles	Mr Lawler	Mr St Clair	Ms Worth
Mr Costello	Mr Lieberman	Mr Schultz	
Mr Downer	Mr Lindsay	Mr Scott	
Mr Draper	Mr Lloyd	Mr Secker	

NOES, 61

Mr Adams	Mr Fitzgibbon	Mr Lee	Mr Quick
Mr Albanese	Ms Gerick	Ms Livermore	Mr Ripoll
Mr Bevis	Mr Gibbons	Mr McClelland	Ms Roxon
Mr Brereton	Ms Gillard	Ms J. S. McFarlane	Mr Sawford*
Ms Burke	Mr Griffin	Ms Macklin	Mr Sercombe*
Mr Byrne	Ms Hall	Mr McLeay	Ms Short
Ms Corcoran	Mr Hatton	Mr McMullan	Mr Sidebottom
Mr Cox	Ms Hoare	Dr Martin	Mr Smith
Mr Crean	Mr Hollis	Mr Melham	Mr Snowdon
Mr Danby	Mr Horne	Mr Morris	Mr Tanner
Mr Edwards	Mrs Irwin	Mr Mossfield	Mr K. J. Thomson
Ms Ellis	Mr Jenkins	Mr Murphy	Mr Wilkie
Mr Emerson	Ms Kernot	Ms O'Byrne	Mr Zahra
Mr M. J. Evans	Mr Kerr	Mr O'Connor	
Mr L. D. T. Ferguson	Mr Latham	Ms Plibersek	
Mr M. J. Ferguson	Dr Lawrence	Mr Price	

* Tellers

Pairs

Mr Fischer Mr Swan

And so it was resolved in the affirmative.

6 MAIN COMMITTEE—DAY OF NEXT MEETING

The Speaker reported that the Deputy Speaker had fixed Wednesday, 29 August 2001, at 9.40 a.m., for the next meeting of the Main Committee.

7 BILLS REFERRED TO MAIN COMMITTEE

Mr Ronaldson (Chief Government Whip), by leave, moved—That the following Bills be referred to the Main Committee for further consideration:

Wool International Amendment 2001;

Education, Training and Youth Affairs Legislation Amendment (Application of Criminal Code) 2001; and

Environmental Legislation Amendment (No. 2) 2001.

Question—put and passed.

8 SELECTION COMMITTEE—REPORT

Mr Nehl (Chair) presented the following paper:

Selection Committee—Report relating to the consideration of committee and delegation reports and private Members' business on Monday, 17 September 2001.

9 PUBLIC ACCOUNTS AND AUDIT—JOINT COMMITTEE—REPORT—STATEMENTS BY MEMBERS—MOTION TO TAKE NOTE OF PAPER

Mr Charles (Chair) presented the following paper:

Public Accounts and Audit—Joint Committee—Report 382—Review of Auditor-General's Reports 1999-2000—Fourth Quarter: Tactical Fighter Operations, Magnetic Resonance Imaging Services, High Wealth Individuals Taskforce, incorporating a dissenting report, June 2001.

Ordered to be printed.

Mr Charles, Mr Cox, Mr Georgiou and Ms Gillard, by leave, made statements in connection with the report.

Mr Charles, by leave, moved—That the House take note of the paper.

Mr Charles was granted leave to continue his speech when the debate is resumed.

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

10 POSTPONEMENT OF NOTICE

Ordered—That notice No. 1, government business, be postponed until a later hour this day.

11 FINANCIAL SERVICES REFORM BILL 2001—SENATE'S AMENDMENTS

The order of the day having been read for the further consideration of the Senate's amendments—

Debate resumed on the question—That the amendments be agreed to—

Question—put and passed.

12 MESSAGE FROM THE SENATE—FINANCIAL SERVICES REFORM (CONSEQUENTIAL PROVISIONS) BILL 2001

Message No. 683, 23 August 2001, from the Senate was reported returning the Financial Services Reform (Consequential Provisions) Bill 2001 with amendments.

Ordered—That the amendments be considered forthwith.

On the motion of Mr Hockey (Minister for Financial Services and Regulation), the amendments were agreed to, after debate.

13 MESSAGE FROM THE SENATE—FINANCIAL SECTOR (COLLECTION OF DATA—CONSEQUENTIAL AND TRANSITIONAL PROVISIONS) BILL 2001

Message No. 690, 23 August 2001, from the Senate was reported returning the Financial Sector (Collection of Data—Consequential and Transitional Provisions) Bill 2001 with an amendment.

Ordered—That the amendment be considered forthwith.

On the motion of Mr Hockey (Minister for Financial Services and Regulation), the amendment was agreed to, after debate.

14 TAXATION LAWS AMENDMENT BILL (NO. 2) 2001—SENATE'S AMENDMENT

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

On the motion of Mr Slipper (Parliamentary Secretary to the Minister for Finance and Administration), the amendment was disagreed to, after debate.

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

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

Senate Amendment Number 1

This amendment proposes exemptions from income tax and capital gains tax for taxpayers who enter into perpetual conservation covenants under the regional forest agreements private reserve program.

The amendment only applies to the regional forest agreements private reserve program. The Government has proposed taxation incentives in relation to conservation covenants more generally.

The two measures announced by the Government are: firstly, to treat the conservation covenant as a part disposal of the land, which means that land holders who grant conservation covenants are not disadvantaged as opposed to other land holders; and secondly to provide landowners who, for no consideration, have entered into a conservation covenant with a gift deductible recipient, a deduction consistent with the existing gift provisions for gifts of land.

The House considers that the Government proposals provide appropriate concessions for those who grant conservation covenants. The Government's capital gains tax proposal avoids the technical problems with the Senate amendment (which would result in a small but unintended windfall gain to

landholders who grant conservation covenants and allow some landholders a capital loss on ultimate disposal of the remainder of the land) while ensuring that many landholders will not have to pay capital gains tax when they grant a conservation covenant.

Accordingly, the House of Representatives does not accept this amendment.

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

15 TAXATION LAWS AMENDMENT BILL (NO. 4) 2001

The order of the day having been read for the resumption of the debate on the question—That the Bill be now read a second time—

Debate resumed by Mr K. J. Thomson who moved, as an amendment—That all words after “That” be omitted with a view to substituting the following words:

“whilst not declining to give the bill a second reading, the House condemns the Government for:

- (1) imposing a complex and cumbersome tax system on Australian businesses rather than delivering the simpler system it promised;
- (2) creating new tax avoidance opportunities, despite addressing some existing avoidance opportunities in this bill;
- (3) increasing the compliance burden for Australian businesses thereby reducing their competitiveness; and
- (4) applying one set of tax rules for the Liberal Party and another for small businesses”.

Debate continued.

Debate adjourned (Ms Gillard), and the resumption of the debate made an order of the day for a later hour this day.

16 MIGRATION LEGISLATION AMENDMENT BILL (NO. 6) 2001

Mr Ruddock (Minister for Immigration and Multicultural Affairs), pursuant to notice, presented a Bill for an Act to amend the *Migration Act 1958*, and for other purposes.

Bill read a first time.

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

Paper

Mr Ruddock presented an explanatory memorandum to the Bill.

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

17 TAXATION LAWS AMENDMENT BILL (NO. 4) 2001

The order of the day having been read for the resumption of the debate on the question—That the Bill be now read a second time—*And on the amendment moved thereto by Mr K. J. Thomson (see item No. 15, page 2566)—*

Debate resumed.

Amendment negatived.

Question—That the Bill be now read a second time—put and passed—Bill read a second time.

Consideration in detail

Bill, by leave, taken as a whole.

Paper

Mr Slipper (Parliamentary Secretary to the Minister for Finance and Administration) presented a supplementary explanatory memorandum to the Bill.

On the motion of Mr Slipper, by leave, Government amendments (1) to (6) were made together.

Bill, as amended, agreed to.

Consideration in detail concluded.

On the motion of Mr Slipper, by leave, the Bill was read a third time.

18 INNOVATION AND EDUCATION LEGISLATION AMENDMENT BILL (NO. 2) 2001

The order of the day having been read for the resumption of the debate on the question—That the Bill be now read a second time—

Debate resumed by Mr Lee who moved, as an amendment—That all words after “That” be omitted with a view to substituting the following words:

“whilst not declining to give the bill a second reading, the House condemns the Government for damaging Australian universities through massive funding cuts, and for reducing opportunities for Australian undergraduate and postgraduate students, in particular by:

- (1) cutting Commonwealth funding for universities by \$3 billion since 1996, thereby reducing student places by 81,500;
- (2) overseeing a reduction of 3,278 in enrolments of Australian university students in 2000;
- (3) cutting the number of research training places by 3,336; and
- (4) cutting HECS postgraduate coursework places by 60% since 1996”.

Debate continued.

Mr Latham addressing the House—

19 ADJOURNMENT

It being 10.30 p.m.—The question was proposed—That the House do now adjourn.

Debate ensued.

Question—put and passed.

And then the House, at 10.54 p.m., adjourned until tomorrow at 9.30 a.m.

PAPERS

The following papers were deemed to have been presented on 28 August 2001:

Australian Bureau of Statistics Act—Australian Bureau of Statistics—Proposal—2001 No. 10.

Migration Act—Direction under section 499—2001 No. 21.

Motor Vehicle Standards Act—Road Vehicle (National Standards)—Determination—2001 No. 4.

Parliament Act—Parliamentary Zone—Commonwealth Place—Approval of external lighting design, change of tree species and alterations to the exhaust flues.

Superannuation Act 1990—Fourteenth amending deed to the deed to establish an occupational superannuation scheme for Commonwealth employees and certain other persons, pursuant to section 5, 20 August 2001.

Taxation Administration Act—Rulings—

1999 No. PR 98 (Addendum).

2000 Nos PR 32 (Addendum), PR 80 (Addendum).

2001 Nos CR 17 (Addendum), CR 36, CR 37.

**ATTENDANCE**

All Members attended (at some time during the sitting) except Mr Fischer, Mrs Gallus, Mr Rudd, Mr Sciacca and Mr Swan*.

* On leave



I. C. HARRIS

Clerk of the House of Representatives