

2002-03

THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

HOUSE OF REPRESENTATIVES

VOTES AND PROCEEDINGS

No. 87

THURSDAY, 27 MARCH 2003

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- 1 The House met, at 9 a.m., pursuant to adjournment. The Speaker (the Honourable Neil Andrew) took the Chair, and read Prayers.
- 2 **ROYAL COMMISSION INTO THE BUILDING AND CONSTRUCTION INDUSTRY—MINISTERIAL STATEMENT AND PAPERS—MOTION TO TAKE NOTE OF PAPERS**
 Mr Abbott (Minister for Employment and Workplace Relations), by leave, made a ministerial statement relating to the Royal Commission into the Building and Construction Industry and presented the following papers:
 Royal Commission into the Building and Construction Industry—
 Volume 1 (Summary report) and Volumes 3 to 11 (Recommendations).
 Ministerial Statement, 27 March 2003.
 Mr McGauran (Minister for Science) moved—That the House take note of the paper.
Suspension of standing and sessional orders—Extended time for speech
 Mr McGauran, by leave, moved—That so much of the standing and sessional orders be suspended as would prevent Mr McClelland speaking for a period not exceeding 16 minutes.
 Question—put and passed.
 Mr McClelland addressed the House.
 Debate adjourned (Mr Barresi), and the resumption of the debate made an order of the day for the next sitting.
- 3 **AVIATION TRANSPORT SECURITY BILL 2003**
 Mr Anderson (Minister for Transport and Regional Services), pursuant to notice, presented a Bill for an Act to safeguard against unlawful interference with aviation, and for related purposes.
 Bill read a first time.
 Mr Anderson moved—That the Bill be now read a second time.
Paper
 Mr Anderson presented an explanatory memorandum to the Bill.
 Debate adjourned (Mr Rudd), and the resumption of the debate made an order of the day for the next sitting.
- 4 **AVIATION TRANSPORT SECURITY (CONSEQUENTIAL AMENDMENTS AND TRANSITIONAL PROVISIONS) BILL 2003**
 Mr Anderson (Minister for Transport and Regional Services), pursuant to notice, presented a Bill for an Act to deal with consequential and transitional matters arising from the enactment of the *Aviation Transport Security Act 2003*, and for other purposes.
 Bill read a first time.
 Mr Anderson moved—That the Bill be now read a second time.
Paper
 Mr Anderson presented an explanatory memorandum to the Bill.

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

5 CIVIL AVIATION AMENDMENT BILL 2003

Mr Anderson (Minister for Transport and Regional Services), pursuant to notice, presented a Bill for an Act to amend the *Civil Aviation Act 1988*, and for related purposes.

Bill read a first time.

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

Paper

Mr Anderson presented an explanatory memorandum to the Bill.

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

6 CIVIL AVIATION LEGISLATION AMENDMENT BILL 2003

Mr McGauran (Minister for Science), for Mr Anderson (Minister for Transport and Regional Services), pursuant to notice, presented a Bill for an Act to amend the law relating to aviation, and for related purposes.

Bill read a first time.

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

Paper

Mr McGauran presented an explanatory memorandum to the Bill.

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

7 PRODUCT STEWARDSHIP (OIL) LEGISLATION AMENDMENT BILL (NO. 1) 2003

Dr Kemp (Minister for the Environment and Heritage), pursuant to notice, presented a Bill for an Act to amend the *Product Stewardship (Oil) Act 2000*, and for related purposes.

Bill read a first time.

Dr Kemp moved—That the Bill be now read a second time.

Paper

Dr Kemp presented an explanatory memorandum to the Bill.

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

8 EXPORT CONTROL AMENDMENT BILL 2003

Mr Truss (Minister for Agriculture, Fisheries and Forestry), pursuant to notice, presented a Bill for an Act to amend the *Export Control Act 1982*, and for related purposes.

Bill read a first time.

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

Paper

Mr Truss presented an explanatory memorandum to the Bill.

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

9 NATIONAL RESIDUE SURVEY (CUSTOMS) LEVY AMENDMENT BILL (NO. 2) 2003

Mr Truss (Minister for Agriculture, Fisheries and Forestry) presented a Bill for an Act to amend the *National Residue Survey (Customs) Levy Act 1998*, and for related purposes.

Bill read a first time.

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

Paper

Mr Truss presented an explanatory memorandum to the Bill.

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

10 NATIONAL RESIDUE SURVEY (EXCISE) LEVY AMENDMENT BILL (NO. 2) 2003

Mr Truss (Minister for Agriculture, Fisheries and Forestry) presented a Bill for an Act to amend the *National Residue Survey (Excise) Levy Act 1998*, and for related purposes.

Bill read a first time.

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

Paper

Mr Truss presented an explanatory memorandum to the Bill.

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

11 RECENT AUSTRALIAN BUSHFIRES—SELECT COMMITTEE

The House was informed that the Acting Chief Government Whip, the Opposition Whip and the Chief National Party Whip had nominated Members to be members of the Select Committee on the Recent Australian Bushfires.

Mr M. A. J. Vaile (Minister for Trade), by leave, moved—That Mr Adams, Mr Bartlett, Mr Causley, Ms Ellis, Mrs Gash, Mr Gibbons, Mr Hawker, Mr McArthur, Mr Mossfield, Mr Nairn, Mr G. M. O'Connor, Mr Organ, Ms Panopoulos and Mr Schultz be appointed members of the Select Committee on the Recent Australian Bushfires, and indicated that the Deputy Speaker (Mr Causley), pursuant to standing order 334, had consented to serve on the committee.

Question—put and passed.

12 AUSTRALIAN SECURITY INTELLIGENCE ORGANISATION LEGISLATION AMENDMENT (TERRORISM) BILL 2002 [NO.2]

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.

Question—put.

The House divided (the Deputy Speaker, Mr Lindsay, in the Chair)—

AYES, 74

| | | | |
|------------------|-----------------|---------------------|-------------------|
| Mr Anderson | Mr Dutton | Mr P. E. King | Mr Slipper |
| Mr K. J. Andrews | Mrs Elson | Mrs Ley | Mr A. D. H. Smith |
| Mr Anthony | Mr Entsch | Mr McArthur* | Mr Somlyay |
| Fran Bailey | Mr Farmer | Mr I. E. Macfarlane | Dr Southcott |
| Mr Baird | Mr Forrest* | Mr McGauran | Dr Stone |
| Mr Baldwin | Mrs Gallus | Mrs May | Mr C. P. Thompson |
| Mr Barresi | Ms Gambaro | Mrs Moylan | Mr Ticehurst |
| Mr Bartlett | Mrs Gash | Mr Nairn | Mr Tollner |
| Mr Billson | Mr Georgiou | Dr Nelson | Mr Truss |
| Mrs B. K. Bishop | Mr Haase | Mr Neville | Mr Tuckey |
| Ms J. I. Bishop | Mr Hardgrave | Ms Panopoulos | Mr M. A. J. Vaile |
| Mr Brough | Mr Hartsuyker | Mr Pearce | Mrs D. S. Vale |
| Mr Cadman | Mr Hawker | Mr Prosser | Mr Wakelin |
| Mr Cameron | Mr Hockey | Mr Pyne | Dr Washer |
| Mr Charles | Mr Hunt | Mr Randall | Mr Williams |
| Mr Ciobo | Mr Johnson | Mr Ruddock | Mr Windsor |
| Mr Cobb | Mr Jull | Mr Schultz | Ms Worth |
| Mr Costello | Mrs D. M. Kelly | Mr Scott | |
| Mr Downer | Dr Kemp | Mr Secker | |

NOES, 62

| | | | |
|-------------|----------------------|--------------------|------------------|
| Mr Adams | Mr L. D. T. Ferguson | Mr Latham | Mr Ripoll |
| Mr Albanese | Mr M. J. Ferguson | Dr Lawrence | Ms Roxon |
| Mr Andren | Mr Fitzgibbon | Mr McClelland | Mr Rudd |
| Mr Beazley | Ms George | Ms J. S. McFarlane | Mr Sawford |
| Mr Bevis | Mr Gibbons | Ms Macklin | Mr Sercombe |
| Mr Brereton | Ms Gillard | Mr McLeay | Mr Sidebottom |
| Ms Burke | Ms Grierson | Mr McMullan | Mr S. F. Smith |
| Mr Byrne | Mr Griffin | Mr Melham | Mr Snowdon |
| Ms Corcoran | Ms Hall | Mr Mossfield | Mr Swan |
| Mr Cox | Mr Hatton | Mr Murphy | Mr Tanner |
| Mr Crean | Ms Hoare | Ms O'Byrne | Mr K. J. Thomson |
| Mr Danby* | Mrs Irwin | Mr B. P. O'Connor | Ms Vamvakinou |
| Mr Edwards | Ms Jackson | Mr G. M. O'Connor | Mr Wilkie |
| Ms Ellis | Mr Jenkins | Mr Organ | Mr Zahra |
| Mr Emerson | Mr Katter | Ms Plibersek | |
| Mr Evans | Ms C. F. King | Mr Quick* | |

* Tellers

And so it was resolved in the affirmative—Bill read a second time.

Leave granted for third reading to be moved forthwith.

Mr Williams (Attorney-General) moved—That the Bill be now read a third time.

Debate ensued.

Question—put.

The House divided (the Deputy Speaker, Mr Lindsay, in the Chair)—

AYES, 72

| | | | |
|------------------|-----------------|---------------------|-------------------|
| Mr Anderson | Mr Dutton | Dr Kemp | Mr Scott |
| Mr K. J. Andrews | Mrs Elson | Mr P. E. King | Mr Secker |
| Mr Anthony | Mr Entsch | Mrs Ley | Mr Slipper |
| Fran Bailey | Mr Farmer | Mr McArthur* | Mr A. D. H. Smith |
| Mr Baird | Mr Forrest* | Mr I. E. Macfarlane | Mr Somlyay |
| Mr Baldwin | Mrs Gallus | Mr McGauran | Dr Southcott |
| Mr Barresi | Ms Gambaro | Mrs May | Dr Stone |
| Mr Bartlett | Mrs Gash | Mrs Moylan | Mr C. P. Thompson |
| Mr Billson | Mr Georgiou | Mr Nairn | Mr Ticehurst |
| Mrs B. K. Bishop | Mr Haase | Dr Nelson | Mr Tollner |
| Ms J. I. Bishop | Mr Hardgrave | Mr Neville | Mr Truss |
| Mr Brough | Mr Hartsuyker | Ms Panopoulos | Mr M. A. J. Vaile |
| Mr Cadman | Mr Hawker | Mr Pearce | Mrs D. S. Vale |
| Mr Cameron | Mr Hockey | Mr Prosser | Mr Wakelin |
| Mr Charles | Mr Hunt | Mr Pyne | Dr Washer |
| Mr Ciobo | Mr Johnson | Mr Randall | Mr Williams |
| Mr Cobb | Mr Jull | Mr Ruddock | Mr Windsor |
| Mr Downer | Mrs D. M. Kelly | Mr Schultz | Ms Worth |

NOES, 62

| | | | |
|-------------|----------------------|--------------------|------------------|
| Mr Adams | Mr L. D. T. Ferguson | Ms C. F. King | Mr Ripoll |
| Mr Albanese | Mr M. J. Ferguson | Mr Latham | Ms Roxon |
| Mr Andren | Mr Fitzgibbon | Mr McClelland | Mr Rudd |
| Mr Beazley | Ms George | Ms J. S. McFarlane | Mr Sawford |
| Mr Bevis | Mr Gibbons | Ms Macklin | Mr Sercombe |
| Mr Brereton | Ms Gillard | Mr McLeay | Mr Sidebottom |
| Ms Burke | Ms Grierson | Mr McMullan | Mr S. F. Smith |
| Mr Byrne | Mr Griffin | Mr Melham | Mr Snowdon |
| Ms Corcoran | Ms Hall | Mr Mossfield | Mr Swan |
| Mr Cox | Mr Hatton | Mr Murphy | Mr Tanner |
| Mr Crean | Ms Hoare | Ms O'Byrne | Mr K. J. Thomson |
| Mr Danby* | Mrs Irwin | Mr B. P. O'Connor | Ms Vamvakinou |
| Mr Edwards | Ms Jackson | Mr G. M. O'Connor | Mr Wilkie |
| Ms Ellis | Mr Jenkins | Mr Organ | Mr Zahra |
| Mr Emerson | Mr Katter | Ms Plibersek | |
| Mr Evans | Mr Kerr | Mr Quick* | |

* Tellers

And so it was resolved in the affirmative—Bill read a third time.

13 AUSTRALIAN HUMAN RIGHTS COMMISSION LEGISLATION BILL 2003

Mr Williams (Attorney-General), pursuant to notice, presented a Bill for an Act to rename, refocus and restructure the Human Rights and Equal Opportunity Commission and amend the law relating to human rights, and for related purposes.

Bill read a first time.

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

Paper

Mr Williams presented an explanatory memorandum to the Bill.

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

14 TAXATION LAWS AMENDMENT BILL (NO. 5) 2003

Mr Slipper (Parliamentary Secretary to the Minister for Finance and Administration) presented a Bill for an Act to amend the law relating to taxation, and for related purposes.

Bill read a first time.

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

Paper

Mr Slipper presented an explanatory memorandum to the Bill.

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

15 TRADE PRACTICES AMENDMENT (PERSONAL INJURIES AND DEATH) BILL 2003

Mr Slipper (Parliamentary Secretary to the Minister for Finance and Administration), pursuant to notice, presented a Bill for an Act to amend the *Trade Practices Act 1974*, and for related purposes.

Bill read a first time.

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

Paper

Mr Slipper presented an explanatory memorandum to the Bill.

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

16 TRADE PRACTICES LEGISLATION AMENDMENT BILL 2003

Mr Slipper (Parliamentary Secretary to the Minister for Finance and Administration), pursuant to notice, presented a Bill for an Act to amend the *Trade Practices Act 1974*, and other legislation, and for related purposes.

Bill read a first time.

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

Paper

Mr Slipper presented an explanatory memorandum to the Bill.

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

17 CUSTOMS TARIFF PROPOSAL NO. 1 (2003)

Mr Slipper (Parliamentary Secretary to the Minister for Finance and Administration) moved Customs Tariff Proposal No. 1 (2003).

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

18 CUSTOMS TARIFF PROPOSAL NO. 2 (2003)

Mr Slipper (Parliamentary Secretary to the Minister for Finance and Administration) moved Customs Tariff Proposal No. 2 (2003).

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

19 PROPOSED FITOUT OF NEW LEASED PREMISES FOR THE BUREAU OF METEOROLOGY AT DOCKLANDS, VIC—APPROVAL OF WORK

Mr Slipper (Parliamentary Secretary to the Minister for Finance and Administration), pursuant to notice, moved—That, in accordance with the provisions of the *Public Works Committee Act 1969*, it is expedient to carry out the following proposed work which was referred to the Parliamentary Standing Committee on Public Works and on which the committee has duly reported to Parliament: Proposed fitout of new leased premises for the Bureau of Meteorology at Docklands, Vic.

Question—put and passed.

20 TAXATION LAWS AMENDMENT BILL (NO. 7) 2002

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.

Mr Cox 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:

- (1) condemns the Howard Government because:
 - (a) it is the highest taxing government in history;
 - (b) without the additional revenue provided by bracket creep the budget would be in deficit this financial year and in 2005-06;
 - (c) it will be unable to return to taxpayers the more than \$6 billion in additional tax as a result of bracket creep which it will receive in 2005-06, without going into deficit;
 - (d) it continues to take new policy decisions that spend the proceeds of additional taxation collections, in the case of this Bill by providing tax concessions to foreign expatriates not available to Australian taxpayers; and
 - (e) tax concessions to expatriates should not be paid for by reducing the medical expenses rebate for ordinary Australians; and
- (2) calls on the Government to provide annual indexation of the medical expenses rebate; and
- (3) calls on the Government to provide tax deductibility to volunteer fire fighters for incidental expenses that are not reimbursed and are incurred in volunteer fire fighting, on account of the extreme sacrifices they make for the community in time, effort and personal risk”.

Debate continued.

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.

Mr Cox moved the Opposition amendment.

Debate continued.

Amendment negatived.

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 (3) 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.

21 WHEAT MARKETING AMENDMENT BILL 2002

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.

Question—put and passed—Bill read a second time.

Message from the Governor-General

Message No. 120, 11 December 2002, from His Excellency the Governor-General was announced recommending an appropriation for the purposes of the Bill.

Leave granted for third reading to be moved forthwith.

On the motion of Mr Truss (Minister for Agriculture, Fisheries and Forestry), the Bill was read a third time.

22 QUESTIONS

Questions without notice being asked—

Member ordered to withdraw

At 2.29 p.m. the Member for Sydney (Ms Plibersek) 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.

Questions without notice continuing—

Papers

Mr Emerson, by leave, presented the following papers:

Wheat of the battle—Copy of article by Fred Brenchley, *The Bulletin* dated 1 April 2003.

Free trade pay-off?—Transcript of interview, Sunday, ninemsn, March 2003.

Poorer countries targeted with tricky trade tactics—Copy of article in *Fraser Coast Chronicle*, 13 March 2003.

Questions without notice continued.

23 SUSPENSION OF STANDING ORDERS 48A AND 103

Mr Abbott (Leader of the House), by leave, moved—That standing order 48A (adjournment and next meeting) and standing order 103 (new business) be suspended for this sitting.

Question—put and passed.

24 SPECIAL ADJOURNMENT

Mr Abbott (Leader of the House) moved—That the House, at its rising, adjourn until Tuesday, 13 May 2003, at 2 p.m., unless the Speaker or, in the event of the Speaker being unavailable, the Deputy Speaker, fixes an alternative day or hour of meeting.

Question—put and passed.

25 LEAVE OF ABSENCE TO ALL MEMBERS

Mr Abbott (Leader of the House) moved—That leave of absence be given to every Member of the House of Representatives from the determination of this sitting of the House to the date of its next sitting.

Question—put and passed.

26 PAPERS

The following papers were presented:

Department of Agriculture, Fisheries and Forestry—Report—Innovating rural Australia: Research and development corporation outcomes, 2002.

Employment, Education and Workplace Relations—House of Representatives Standing Committee—Report—Shared endeavours: Employee share ownership in Australia—Government response.

Foreign Affairs, Defence and Trade—Joint Standing Committee—Reports—Australia's role in United Nations reform—Government response.

Review of Foreign Affairs, Trade and Defence annual reports, 2000-01—Government response.

Productivity Commission—Economic regulation of harbour towage and related services—Report No. 24.

Government response.

27 PAPERS—MOTION TO TAKE NOTE OF PAPERS

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

Employment, Education and Workplace Relations—House of Representatives Standing Committee—Report—Shared endeavours: Employee share ownership in Australia—Government response.

Foreign Affairs, Defence and Trade—Joint Standing Committee—Reports—Australia's role in United Nations reform—Government response.

Review of Foreign Affairs, Trade and Defence annual reports, 2000-01—Government response.

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

28 PAPERS

Mr Abbott (Leader of the House) presented the following papers:

Petitions not in accord with standing and sessional orders of the House.

29 DISCUSSION OF MATTER OF PUBLIC IMPORTANCE—WAR ON IRAQ

The House was informed that Mr Crean (Leader of the Opposition) had proposed that a definite matter of public importance be submitted to the House for discussion, namely, "The failure of the Government to properly consider the humanitarian costs and long-term consequences of the war on Iraq".

The proposed discussion having received the necessary support—

Mr Crean addressed the House.

Discussion ensued.

Member ordered to withdraw

At 3.31 p.m. the Member for Werriwa (Mr Latham) 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.

Discussion continued.

Discussion concluded.

30 TERRORISM INSURANCE BILL 2002—REPORT FROM MAIN COMMITTEE

The Deputy Speaker reported that the Bill had been fully considered by the Main Committee, Governor-General's messages recommending appropriations had been reported, and the Bill had been agreed to with amendments (*see item No. 9, Minutes of Proceedings of the Main Committee, 26 March 2003*), and presented a certified copy of the Bill together with a schedule of amendments.

Amendments made by the Main Committee agreed to.

Bill, as amended, agreed to.

On the motion of Fran Bailey (Parliamentary Secretary to the Minister for Defence), by leave, the Bill was read a third time.

31 NATIONAL GALLERY AMENDMENT BILL 2002—REPORT FROM MAIN COMMITTEE

The Deputy Speaker reported that the Bill had been fully considered by the Main Committee and agreed to without amendment, and presented a certified copy of the Bill.

Bill agreed to.

On the motion of Fran Bailey (Parliamentary Secretary to the Minister for Defence), by leave, the Bill was read a third time.

32 CRIMINAL CODE AMENDMENT (TERRORISM) BILL 2002—REPORT FROM MAIN COMMITTEE

The Deputy Speaker reported that the Bill had been fully considered by the Main Committee and agreed to without amendment, and presented a certified copy of the Bill.

Bill agreed to.

On the motion of Fran Bailey (Parliamentary Secretary to the Minister for Defence), by leave, the Bill was read a third time.

33 MEMBERS' INTERESTS COMMITTEE—PAPER

Mr Haase (Chair) presented the following paper:

Committee of Members' Interests—Register of Members' Interests for the 40th Parliament—Notifications of alterations of interests received during the period 12 December 2002 to 26 March 2003.

34 PUBLICATIONS COMMITTEE—REPORT

Mr Randall (Chair) presented the following paper:

PUBLICATIONS COMMITTEE REPORT

The Publications Committee reports that it has met in conference with the Publications Committee of the Senate. The Committee, having considered documents presented to the Parliament since 13 February 2002, recommends that the following be printed:

Aboriginal Land Commissioner—Reports—

No. 61—Maria Island and Limmen Bight River land claim no. 71 and part of Maria Island Region land claim no. 198.

No. 62—McArthur River Region land claim no. 184 and part of Manangoora Region land claim no. 185.

No. 63—Lorella Region land claim no. 199 and part of Maria Island Region land claim no. 198.

Australian Electoral Commission—Redistribution into electoral divisions 2002-03—Victoria.

Australian Law Reform Commission—Report No. 95—Principled regulation: Federal civil and administrative penalties in Australia, December 2002.

Australian Trade Commission (AUSTRADE)—Report for 2001-02—Erratum.

Commonwealth Grants Commission—State revenue sharing relativities—2003 update.

Department of Foreign Affairs and Trade—Advancing the national interest: Australia's foreign and trade policy white paper.

Housing Assistance Act 1996—Report for 2000-2001 on the operation of the Act.

Human Rights and Equal Opportunity Commission—Aboriginal and Torres Strait Islander Social Justice Commissioner—Reports for 2002—

Native title.

Social justice.

Maralinga Rehabilitation Technical Advisory Committee (MARTAC)—Report—Rehabilitation of former nuclear test sites at Emu and Maralinga (Australia) 2003.

National Environment Protection Council—Report for 2001-02.

Native Title Act—Native title representative bodies—Reports for 2001-02—

Aboriginal Legal Rights Movement Inc.

Cape York Land Council Aboriginal Corporation.

Central Queensland Land Council Aboriginal Corporation.

Gurang Land Council Aboriginal Corporation.

Kimberley Land Council.

Mirimbiak Nations Aboriginal Corporation.

Ngaanyatjarra Council Aboriginal Corporation.

North Queensland Land Council Aboriginal Corporation.

South West Aboriginal Land and Sea Council.

Yamatji Barna Baba Maaja Aboriginal Corporation.

Royal Commission into the Building and Construction Industry—Final report of Royal Commissioner, the Hon. Terence Cole, March 2003—

Volume 2—Conduct of the Commission.

Volume 12—State and Territory overview.

Volume 13—Hearings—New South Wales, part 1.

Volume 14—Hearings—New South Wales, part 2.

Volume 15—Hearings—Victoria, part 1.

Volume 16—Hearings—Victoria, part 2.

Volume 17—Hearings—Queensland, part 1.

Volume 18—Hearings—Queensland, part 2.

Volume 19—Hearings—South Australia, Tasmania, Northern Territory and Australian Capital Territory.

Volume 20—Hearings—Western Australia, part 1.

Volume 21—Hearings—Western Australia, part 2.

Volume 22—Administration.

Wheat Export Authority—Report for 2001-02.

DON RANDALL

Chair

27 March 2003

On the motion of Mr Randall, by leave, the report was agreed to.

35 MESSAGES FROM THE SENATE

Messages from the Senate, were reported:

(a) returning the following Bills without amendment:

No. 235—Medical Indemnity (Prudential Supervision and Product Standards) 2002—26 March 2003.

No. 236—Medical Indemnity (Prudential Supervision and Product Standards) (Consequential Amendments) 2002—26 March 2003.

No. 240—Industry, Tourism and Resources Legislation Amendment 2003—27 March 2003.

No. 241—Corporations Legislation Amendment 2003—27 March 2003.

No. 242—Corporations (Fees) Amendment 2002—27 March 2003.

No. 243—Corporations (Review Fees) 2002—27 March 2003.

- (b) acquainting the House that the Senate had agreed to a resolution concerning capital works within the Parliamentary Zone, being the design and location of pedestrian lighting in the Parliamentary Zone—Message No. 238—27 March 2003.

36 COMMUNICATIONS LEGISLATION AMENDMENT BILL (NO. 1) 2002

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 Tanner who moved, as an amendment—That all words after “That” be omitted with a view to substituting the following words: “whilst not denying the Bill a second reading, the House:

- (1) expresses its strong objection to the fact that the Bill seriously undermines the Freedom of Information Act by exempting certain documents created with respect to decisions regarding offensive Internet content by the Australian Broadcasting Authority, the Office of Film and Literature Classification, the Classification Board and the Classification Review Board, from the scope of the FOI Act; and
- (2) notes that this removal of FOI scrutiny will seriously undermine the level of transparency and accountability of the decision-making processes of these agencies and that the Government is seeking to disguise the fact that its attempts to censor the Internet have proved ineffectual”.

Debate adjourned (Mr C. P. Thompson), and the resumption of the debate made an order of the day for a later hour this day.

37 MESSAGE FROM THE SENATE—CORPORATIONS AMENDMENT (REPAYMENT OF DIRECTORS’ BONUSES) BILL 2002

Message No. 237, 27 March 2003, from the Senate was reported returning the Corporations Amendment (Repayment of Directors’ Bonuses) Bill 2002 with amendments.

Ordered—That the amendments be considered forthwith.

Mr Slipper (Parliamentary Secretary to the Minister for Finance and Administration) moved—That the amendments be disagreed to.

Debate ensued.

Question—put.

The House divided (the Deputy Speaker, Mr Wilkie, in the Chair)—

AYES, 72

| | | | |
|------------------|---------------|---------------------|-------------------|
| Mr Abbott | Mr Costello | Mr Jull | Mr Ruddock |
| Mr Anderson | Mr Downer | Mrs D. M. Kelly | Mr Schultz |
| Mr K. J. Andrews | Mr Dutton | Dr Kemp | Mr Scott |
| Mr Anthony | Mrs Elson | Mr P. E. King | Mr Secker |
| Fran Bailey | Mr Entsch | Mr Lindsay | Mr Slipper |
| Mr Baird | Mr Farmer | Mr McArthur* | Mr A. D. H. Smith |
| Mr Baldwin | Mr Forrest* | Mr I. E. Macfarlane | Mr Somlyay |
| Mr Barresi | Mrs Gallus | Mr McGauran | Dr Southcott |
| Mr Billson | Ms Gambaro | Mrs May | Dr Stone |
| Mrs B. K. Bishop | Mrs Gash | Mrs Moylan | Mr C. P. Thompson |
| Ms J. I. Bishop | Mr Georgiou | Mr Nairn | Mr Ticehurst |
| Mr Brough | Mr Haase | Dr Nelson | Mr Tollner |
| Mr Cadman | Mr Hardgrave | Mr Neville | Mr Truss |
| Mr Cameron | Mr Hartsuyker | Ms Panopoulos | Mr Tuckey |
| Mr Causley | Mr Hawker | Mr Pearce | Mr Wakelin |
| Mr Charles | Mr Hockey | Mr Prosser | Dr Washer |
| Mr Ciobo | Mr Hunt | Mr Pyne | Mr Williams |
| Mr Cobb | Mr Johnson | Mr Randall | Ms Worth |

NOES, 53

| | | | |
|----------------------|-------------------|--------------------|------------------|
| Mr Adams | Mr M. J. Ferguson | Mr Latham | Mr Ripoll |
| Mr Albanese | Mr Fitzgibbon | Mr McClelland | Ms Roxon |
| Mr Andren | Ms George | Ms J. S. McFarlane | Mr Sawford |
| Mr Bevis | Mr Gibbons | Ms Macklin | Mr Sercombe |
| Mr Brereton | Ms Gillard | Mr McLeay | Mr Sidebottom |
| Mr Byrne | Mr Griffin | Mr McMullan | Mr Snowdon |
| Ms Corcoran | Ms Hall | Mr Melham | Mr Tanner |
| Mr Cox | Mr Hatton | Mr Mossfield | Mr K. J. Thomson |
| Mr Danby* | Ms Hoare | Mr Murphy | Ms Vamvakinou |
| Mr Edwards | Mrs Irwin | Ms O'Byrne | Mr Windsor |
| Ms Ellis | Ms Jackson | Mr G. M. O'Connor | Mr Zahra |
| Mr Emerson | Mr Jenkins | Mr Organ | |
| Mr Evans | Mr Kerr | Ms Plibersek | |
| Mr L. D. T. Ferguson | Ms C. F. King | Mr Quick* | |

* Tellers

And so it was resolved in the affirmative.

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

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

Senate Amendment Number 1

Senate amendment number 1 makes amendments relating to the disclosure of executive remuneration, in particular amending the definition of **emolument**.

The House opposes this amendment on the basis that the Corporations Amendment Bill 2002, which is currently being exposed for public comment, proposes to remove the term **emolument** from section 300A of the *Corporations Act 2001*. Under that Bill, the word 'remuneration' will be substituted in place of **emolument**. A definition of 'remuneration' already exists in the Corporations Act which cross-refers to relevant Accounting Standards made in accordance with the Corporations Act. A definition of 'emolument' would be unnecessary if the Corporations Amendment Bill is passed.

Senate Amendment Number 2

In relation to the amendment to section 200F of the Corporations Act in Senate amendment number 2, the House opposes this amendment as there has been no consultation in relation to its operation. The Government intends to consider the provisions of the Corporations Act dealing with director and executive remuneration.

Senate Amendment Numbers 3 and 4

Senate amendment numbers 3 and 4 make amendments relating to the detailed disclosure of executive remuneration and the rights of shareholders to debate a resolution on executive remuneration at a company meetings. The Government is currently considering the requirements in the Corporations Act relating to disclosure of director and executive remuneration. The Government will consult on any proposed amendments to these provisions. In these circumstances the House opposes the Senate's amendments.

Senate Amendment Number 5

Senate amendment number 5 proposes extending the Bill to allow the recovery of profits received by directors from the sale of options granted to them, as well as the options themselves. The Bill already provides for the recovery of securities, including options, issued to directors. In doing so, it fits into the existing regime under the Corporations Act that permits the court to make a range of orders in relation to the property that a person must repay to a company. These would include an order requiring a director to repay the benefits and proceeds arising from the issue of options by the company. Accordingly, there is no need for this amendment.

Senate Amendment Number 6

Senate amendment number 6 extends the Bill to apply to the five highest-paid officers of the company, as well as its directors. The amendment is opposed because the general scheme of Australia's corporations legislation places primary responsibility for the solvency of corporations on the directors of

companies, not employees. Accordingly, the Bill is aimed at payments made to directors of insolvent companies, not employees.

Further, the Corporations Act already contains provisions that permit liquidators to apply to a court to reverse transactions made by a company while it is insolvent, within certain time limits. This could include payments to management and other employees, where the requirements of those provisions are satisfied.

Senate Amendment Number 7

Senate amendment number 7 adds additional factors for the court to consider in determining whether a payment can be caught by the Bill as being “unreasonable”. The Senate amendment introduces new elements, which will add uncertainty to the Bill’s operation, or that could restrict its operation. For example, the Bill passed by the House proposed that unreasonable payments within four years of a company’s insolvency are susceptible to be repaid. In contrast, under the Senate’s amendments, a court would need to consider how close to the winding up the payment was made, which could effectively shorten the four year reach of the Bill proposed by the House.

Senate Amendment Number 8

Senate amendment number 8 extends the application of the Bill to include transactions entered into on or after 4 June 2001, rather than from the commencement date of the Bill. Because the Bill can allow amounts paid to directors and related parties to be reclaimed even if the payment was made while the company was solvent, any amendment to provide the Bill with an operation that pre-dates its commencement could be affected by the constitutional prohibition against the acquisition of property on unjust terms (Constitution, paragraph 51(xxxi)). Legal advice indicates that an attempt to have the Bill apply retrospectively constitutes a risk to its validity.

Senate Amendment Number 9

Senate amendment number 9, in relation to liability for the debts of related companies, could leave companies with an unascertainable and potentially unbounded liability for the debts of related insolvent companies. The amendment provides little meaningful guidance to a Court and, more importantly, to directors of companies in group structures. The amendment begs the question of what is ‘just’ and from whose perspective the Court is to consider it.

This amendment could also deter a company’s management from restructuring company groups for valid reasons, including economic efficiency. In any case, the Corporations Act already provides substantial protection against asset stripping by related companies. Holding companies can be liable for debts incurred by their subsidiaries while insolvent. The existing law places sensible and useable restrictions on the liability of companies for the debts of their subsidiaries.

Senate Amendment Number 10

Senate amendment number 10 requires that the trustees of most superannuation funds must cast votes at relevant company meetings for all shares held by the fund, or appoint proxies to do so. It also requires all managed investment fund managers to publicly disclose their proxy voting policy and to disclose details of votes cast or not cast at general meetings of companies they invest in.

Mandatory voting and the disclosure of votes cast requires careful analysis and consultation with stakeholders before accepting it. There has been no analysis of the effectiveness of these proposals. Any given fund manager may vote on thousands of resolutions each year, at hundreds of annual general meetings. There could be considerable costs imposed to publicly disclose this information. These costs could be passed on to consumers, and may represent a barrier to new entrants into the superannuation and managed investment funds industries.

In any case, amendments 1, 2, 3, 4, 9 and 10 described above are outside of the scope of the objectives of the Corporations Amendment (Repayment of Directors’ Bonuses) Bill 2002. The House considers that these matters are more appropriately pursued in the context of the 9th instalment of the Government’s Corporate Law Economic Reform Program reforms, which are anticipated to be introduced into Parliament for debate later this year.

In addition, amendments to the Corporations Act of the type outlined above require the approval of the Ministerial Council for Corporations under the Corporations Agreement that underpins the national regulation scheme for companies and securities. These amendments potentially have far-reaching ramifications, and the House is opposed to allowing them to pass without the opportunity to properly

consult with the States and Territories, as well as with key stakeholders and other users of the legislation.

Accordingly the House of Representatives does not accept these amendments.

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

38 COMMUNICATIONS LEGISLATION AMENDMENT BILL (NO. 1) 2002

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 Tanner (see item No. 36, page 851)*—

Debate resumed.

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

39 MESSAGE FROM THE SENATE—HEALTH INSURANCE AMENDMENT (DIAGNOSTIC IMAGING, RADIATION ONCOLOGY AND OTHER MEASURES) BILL 2002

Message No. 239, 27 March 2003, from the Senate was reported returning the Health Insurance Amendment (Diagnostic Imaging, Radiation Oncology and Other Measures) Bill 2002 with amendments.

Ordered—That the amendments be considered forthwith.

On the motion of Ms Worth (Parliamentary Secretary to the Minister for Health and Ageing), the amendments were agreed to, after debate.

40 COMMUNICATIONS LEGISLATION AMENDMENT BILL (NO. 1) 2002

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 Tanner (see item No. 36, page 851)*—

Debate resumed.

Absence of quorum

Mr Latham called the attention of the Deputy Speaker to the fact that a quorum of Members was not present.

The bells having been rung, and a quorum not having been obtained within the prescribed time, the Deputy Speaker, in accordance with standing order 45, announced that the Chair would be resumed in five minutes.

At 6.11 p.m., the Deputy Speaker resumed the Chair, and a quorum of Members was present.

Debate continued.

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

41 MESSAGE FROM THE SENATE—FAMILY AND COMMUNITY SERVICES LEGISLATION AMENDMENT BILL 2003

Message No. 246, 27 March 2003, from the Senate was reported returning the Family and Community Services Legislation Amendment Bill 2003 with amendments.

Ordered—That the amendments be considered forthwith.

On the motion of Mr Anthony (Minister for Children and Youth Affairs), the amendments were agreed to.

42 MESSAGE FROM THE SENATE—AGRICULTURE, FISHERIES AND FORESTRY LEGISLATION AMENDMENT BILL (NO. 2) 2002

Message No. 244, 27 March 2003, from the Senate was reported returning the Agriculture, Fisheries and Forestry Legislation Amendment Bill (No. 2) 2002 with an amendment.

Ordered—That the amendment be considered forthwith.

On the motion of Mr Anthony (Minister for Children and Youth Affairs), the amendment was agreed to.

43 MESSAGE FROM THE SENATE

A message from the Senate was reported returning the following Bill without amendment:

27 March 2003—Message No. 247—Veterans' Affairs Legislation Amendment (No. 3) 2002.

44 COMMUNICATIONS LEGISLATION AMENDMENT BILL (NO. 1) 2002

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 Tanner (see item No. 36, page 851)*—

Debate resumed.

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

45 MESSAGE FROM THE SENATE—COPYRIGHT AMENDMENT (PARALLEL IMPORTATION) BILL 2002

Message No. 248, 27 March 2003, from the Senate was reported returning the Copyright Amendment (Parallel Importation) Bill 2002 with amendments.

Ordered—That the amendments be considered forthwith.

On the motion of Mr Williams (Attorney-General), the amendments were agreed to, after debate.

46 COMMUNICATIONS LEGISLATION AMENDMENT BILL (NO. 1) 2002

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 Tanner (see item No. 36, page 851)*—

Debate resumed.

Amendment negatived.

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

Leave granted for third reading to be moved forthwith.

On the motion of Dr Stone (Parliamentary Secretary to the Minister for the Environment and Heritage), the Bill was read a third time.

47 MESSAGE FROM THE SENATE—TAXATION LAWS AMENDMENT BILL (NO. 2) 2003

Message No. 249, 27 March 2003, from the Senate was reported returning the Taxation Laws Amendment Bill (No. 2) 2003 with amendments.

Ordered—That the amendments be considered forthwith.

On the motion of Mr Slipper (Parliamentary Secretary to the Minister for Finance and Administration), the amendments were 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 amendments of the Senate Amendments 1 and 2

These amendments omit Schedule 1 of the Bill, which provides a foreign income exemption for temporary residents.

The amendments would unnecessarily delay the implementation of the Government's election commitment to remove disincentives for the employment of skilled foreign workers. It is not appropriate that these measures should be referred to the 'Review of International Tax Arrangements'. Accordingly, the House of Representatives does not accept these amendments.

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

48 MESSAGE FROM THE SENATE—INSPECTOR-GENERAL OF TAXATION BILL 2002

Message No. 250, 27 March 2003, from the Senate was reported returning the Inspector-General of Taxation Bill 2002 acquainting the House that the Senate does not insist on its amendments disagreed to

by the House, and has made further amendments to the Bill. The Senate requests the concurrence of the House in the further amendments made by the Senate.

Ordered—That the further amendments be considered forthwith.

Mr Slipper (Parliamentary Secretary to the Minister for Finance and Administration) moved—That the further amendments be agreed to.

Paper

Mr Slipper presented a supplementary explanatory memorandum to the Bill.

Debate ensued.

Question—put and passed.

49 MESSAGE FROM THE SENATE—DAIRY INDUSTRY SERVICE REFORM BILL 2003

Message No. 252, 27 March 2003, from the Senate was reported returning the Dairy Industry Service Reform Bill 2003 with amendments.

Ordered—That the amendments be considered forthwith.

On the motion of Mr Truss (Minister for Agriculture, Fisheries and Forestry), the amendments were agreed to.

50 MESSAGE FROM THE SENATE—FAMILY AND COMMUNITY SERVICES LEGISLATION AMENDMENT (AUSTRALIANS WORKING TOGETHER AND OTHER 2001 BUDGET MEASURES) BILL 2002

Message No. 254, 27 March 2003, from the Senate was reported returning the Family and Community Services Legislation Amendment (Australians Working Together and other 2001 Budget Measures) Bill 2002 and acquainting the House that the Senate has considered message No. 238 relating to the Bill and does not insist on its amendment Nos 18, 22, 24, 37, 39, 40, 42, 43, 47, 49, 50, 54, 61, 63 to 65 and 74 to 77 which the House has insisted on disagreeing to and has made further amendments to the Bill. The Senate requests the concurrence of the House in the further amendments made by the Senate.

Ordered—That the further amendments be considered forthwith.

On the motion of Mr Anthony (Minister for Children and Youth Affairs), the further amendments were agreed to, after debate.

51 MESSAGES FROM THE SENATE

Messages from the Senate, 27 March 2003, were reported:

- (a) returning the Corporations Amendment (Repayment of Directors' Bonuses) Bill 2002 and acquainting the House that the Senate does not insist on its amendments disagreed to by the House—No. 251; and
- (b) returning the following Bills without amendment:
 - No. 253—Primary Industries (Excise) Levies Amendment (Dairy) Bill 2003 (*without requests*).
 - No. 255—National Blood Authority Bill 2002.

52 ADJOURNMENT

Dr Nelson (Minister for Education, Science and Training) moved—That the House do now adjourn.

Question—put and passed.

And then the House, at 11.15 p.m., adjourned until Tuesday, 13 May 2003, in accordance with the resolution agreed to this sitting.

PAPERS

The following papers were deemed to have been presented on 27 March 2003:

ACIS Administration Act—Guidelines—2003 ACIS Administration (Modulation) Amendment (No. 1).

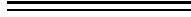
Criminal Code Act—Regulations—Statutory Rules 2003 No. 43.

Telecommunications (Carrier Licence Charges) Act—Determination under paragraph 15(1)(e)—2003 No. 1.

ATTENDANCE

All Members attended (at some time during the sitting) except Mrs Crosio*, Mrs Draper, Jackie Kelly, Ms Livermore*, Mr Lloyd, Mr Price and Mr Sciacca.

* On leave



I. C. HARRIS

Clerk of the House of Representatives

2002-03

HOUSE OF REPRESENTATIVES
SUPPLEMENT TO VOTES AND PROCEEDINGS

No. 87

MAIN COMMITTEE

MINUTES OF PROCEEDINGS

THURSDAY, 27 MARCH 2003

1 The Main Committee met at 9.40 a.m.

2 MEMBERS' STATEMENTS

Members' statements were made.

3 POSTPONEMENT OF ORDERS OF THE DAY

Mrs Gallus (Parliamentary Secretary to the Minister for Foreign Affairs) moved—That orders of the day Nos 1 and 2, Government business, be postponed until a later hour this day.

4 NATIONAL GALLERY AMENDMENT BILL 2002

The order of the day having been read for the second reading—Ms Gallus (Parliamentary Secretary to the Minister for Foreign Affairs) moved—That the Bill be now read a second time.

Paper

Ms Gallus presented an explanatory memorandum to the Bill.

Debate ensued.

Suspension of sitting

At 10.41 a.m., a division having been called in the House, the proceedings were suspended.

Resumption of sitting

At 11.07 a.m., the proceedings were resumed.

Debate continued.

Paper

Mr McGauran (Minister representing the Minister for the Arts and Sport), by leave, presented the following paper:

National Gallery of Australia—Disposal policy, 26 April 1995.

Question—put and passed—Bill read a second time.

Leave granted for the question on the report to be put forthwith.

Question—That the Bill be reported to the House without amendment—put and passed.

5 CRIMINAL CODE AMENDMENT (TERRORISM) BILL 2002

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.

Question—put and passed—Bill read a second time.

Leave granted for the question on the report to be put forthwith.

Question—That the Bill be reported to the House without amendment—put and passed.

6 ADJOURNMENT

Mr Pyne moved—That the Main Committee do now adjourn.

Debate ensued.

Question—put and passed.

At 1.25 p.m. the Deputy Speaker adjourned the Main Committee until a date and time to be fixed.



B. C. WRIGHT
Clerk of the Main Committee