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THE PARLIAMENT OF THE COMMONWEALTH OF AUSTRALIA

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Contents

| | | |
|----|---|------|
| 1 | Meeting of Senate..... | 2146 |
| 2 | Government Documents | 2146 |
| 3 | Order of Business—Rearrangement..... | 2146 |
| 4 | Consideration of Legislation..... | 2147 |
| 5 | Carbon Pollution Reduction Scheme Bill 2009 | |
| | Carbon Pollution Reduction Scheme (Consequential Amendments) | |
| | Bill 2009 | |
| | Australian Climate Change Regulatory Authority Bill 2009 | |
| | Carbon Pollution Reduction Scheme (Charges—Customs) Bill 2009 | |
| | Carbon Pollution Reduction Scheme (Charges—Excise) Bill 2009 | |
| | Carbon Pollution Reduction Scheme (Charges—General) Bill 2009 | |
| | Carbon Pollution Reduction Scheme (CPRS Fuel Credits) Bill 2009 | |
| | Carbon Pollution Reduction Scheme (CPRS Fuel Credits) (Consequential | |
| | Amendments) Bill 2009 | |
| | Excise Tariff Amendment (Carbon Pollution Reduction Scheme) Bill 2009 | |
| | Customs Tariff Amendment (Carbon Pollution Reduction Scheme) | |
| | Bill 2009 | |
| | Carbon Pollution Reduction Scheme Amendment (Household Assistance) | |
| | Bill 2009..... | 2147 |
| 6 | Questions..... | 2147 |
| 7 | Motion to Take Note of Answer | 2148 |
| 8 | Petitions..... | 2148 |
| 9 | Notices..... | 2148 |
| 10 | Postponements | 2152 |
| 11 | Foreign Affairs, Defence and Trade—Joint Standing Committee—Leave to | |
| | Meet During Sitting..... | 2152 |
| 12 | Environment, Communications and the Arts Legislation Committee— | |
| | Extension of Time to Report | 2152 |
| 13 | Community Affairs Legislation Committee—Extension of Time to | |
| | Report | 2152 |
| 14 | Carbon Pollution Reduction Scheme Bills—Consideration | 2153 |

| | | |
|----|--|------|
| 15 | Foreign Affairs—Iran | 2154 |
| 16 | Anti-Terrorism Laws Reform Bill 2009 | 2154 |
| 17 | Industrial Relations—Australian Building and Construction Commissioner—Order for Production of Documents | 2155 |
| 18 | Economics References Committee—References | 2155 |
| 19 | Discussion of Matter of Public Importance—Environment—Renewable Energy..... | 2157 |
| 20 | Sport—Local Sporting Champions—Ministerial Statement—Document | 2157 |
| 21 | Auditor-General—Audit Reports Nos 43 and 44 of 2008-09—Documents | 2157 |
| 22 | Electoral Matters—Joint Standing Committee—Reports..... | 2157 |
| 23 | Public Works—Joint Statutory Committee—3rd Report of 2009..... | 2157 |
| 24 | Documents | 2158 |
| 25 | Appropriation (Parliamentary Departments) Bill (No. 1) 2009-2010 Appropriation Bill (No. 1) 2009-2010 Appropriation Bill (No. 2) 2009-2010..... | 2159 |
| 26 | Excise Tariff Amendment (2009 Measures No. 1) Bill 2009 [No. 2] Customs Tariff Amendment (2009 Measures No. 1) Bill 2009 [No. 2]..... | 2160 |
| 27 | Legislation Committees—Reports—Budget Estimates 2009-10 | 2160 |
| 28 | Economics Legislation Committee—Report—Car Dealership Financing Guarantee Appropriation Bill 2009..... | 2161 |
| 29 | Carbon Pollution Reduction Scheme Bill 2009 Carbon Pollution Reduction Scheme (Consequential Amendments) Bill 2009 Australian Climate Change Regulatory Authority Bill 2009 Carbon Pollution Reduction Scheme (Charges—Customs) Bill 2009 Carbon Pollution Reduction Scheme (Charges—Excise) Bill 2009 Carbon Pollution Reduction Scheme (Charges—General) Bill 2009 Carbon Pollution Reduction Scheme (CPRS Fuel Credits) Bill 2009 Carbon Pollution Reduction Scheme (CPRS Fuel Credits) (Consequential Amendments) Bill 2009 Excise Tariff Amendment (Carbon Pollution Reduction Scheme) Bill 2009 Customs Tariff Amendment (Carbon Pollution Reduction Scheme) Bill 2009 Carbon Pollution Reduction Scheme Amendment (Household Assistance) Bill 2009..... | 2161 |
| 30 | Privileges—Standing Committee—Statement by President—Proposed Reference | 2161 |

| | | |
|----|---|------|
| 31 | Carbon Pollution Reduction Scheme Bill 2009 | |
| | Carbon Pollution Reduction Scheme (Consequential Amendments) | |
| | Bill 2009 | |
| | Australian Climate Change Regulatory Authority Bill 2009 | |
| | Carbon Pollution Reduction Scheme (Charges—Customs) Bill 2009 | |
| | Carbon Pollution Reduction Scheme (Charges—Excise) Bill 2009 | |
| | Carbon Pollution Reduction Scheme (Charges—General) Bill 2009 | |
| | Carbon Pollution Reduction Scheme (CPRS Fuel Credits) Bill 2009 | |
| | Carbon Pollution Reduction Scheme (CPRS Fuel Credits) (Consequential | |
| | Amendments) Bill 2009 | |
| | Excise Tariff Amendment (Carbon Pollution Reduction Scheme) Bill 2009 | |
| | Customs Tariff Amendment (Carbon Pollution Reduction Scheme) | |
| | Bill 2009 | |
| | Carbon Pollution Reduction Scheme Amendment (Household Assistance) | |
| | Bill 2009..... | 2162 |
| 32 | Government Documents—Consideration | 2162 |
| 33 | Adjournment | 2162 |
| 34 | Attendance | 2162 |

1 MEETING OF SENATE

The Senate met at 12.30 pm. The President (Senator the Honourable John Hogg) took the chair and read prayers.

2 GOVERNMENT DOCUMENTS

The following documents were tabled:

Air Passenger Ticket Levy (Collection) Act 2001—Report for 1 April 2008 to 31 March 2009.

Australian National University—Report for 2008.

3 ORDER OF BUSINESS—REARRANGEMENT

Senator Parry, by leave, moved general business notice of motion no. 475—That, commencing from 9.30 am on Wednesday, 24 June 2009, the orders of the day for the following bills, deemed urgent by the Government:

Rural Adjustment Amendment Bill 2009

Health Workforce Australia Bill 2009

Tax Laws Amendment (2009 Budget Measures No. 1) Bill 2009

National Greenhouse and Energy Reporting Amendment Bill 2009

Car Dealership Financing Guarantee Appropriation Bill 2009

Social Security and Other Legislation Amendment (Pension Reform and Other 2009 Budget Measures) Bill 2009,

as well as the order of the day relating to Appropriation Bill (No. 1) 2009-2010 and two related bills, be called on and determined before the order of the day relating to the Carbon Pollution Reduction Scheme Bill 2009 and 10 related bills is called on.

Debate ensued.

Question put.

The Senate divided—

AYES, 34

Senators—

| | | | |
|------------|-------------------|-----------|-------------------|
| Adams | Coonan | Johnston | Ronaldson |
| Back | Cormann | Joyce | Ryan |
| Bernardi | Eggleston | Kroger | Scullion |
| Birmingham | Ferguson | Macdonald | Troeth |
| Boswell | Fielding | Mason | Trood |
| Boyce | Fierravanti-Wells | Minchin | Williams (Teller) |
| Bushby | Fifield | Nash | Xenophon |
| Cash | Fisher | Parry | |
| Colbeck | Humphries | Payne | |

NOES, 32

Senators—

| | | | |
|--------------|--------------|-----------------|---------|
| Arbib | Crossin | Hurley | Moore |
| Bilyk | Farrell | Hutchins | O'Brien |
| Bishop | Faulkner | Ludlam | Polley |
| Brown, Bob | Feeney | Ludwig | Pratt |
| Brown, Carol | Forshaw | Marshall | Siewert |
| Cameron | Furner | McEwen (Teller) | Sterle |
| Carr | Hanson-Young | McLucas | Wong |
| Collins | Hogg | Milne | Wortley |

Question agreed to.

4 CONSIDERATION OF LEGISLATION

The Special Minister of State (Senator Ludwig), at the request of the Minister for Climate Change and Water (Senator Wong) and pursuant to notice, moved government business notice of motion no. 1—That the provisions of paragraphs (5) to (8) of standing order 111 not apply to the Social Security and Other Legislation Amendment (Pension Reform and Other 2009 Budget Measures) Bill 2009, allowing it to be considered during this period of sittings.

Question put and passed.

5 CARBON POLLUTION REDUCTION SCHEME BILL 2009

CARBON POLLUTION REDUCTION SCHEME (CONSEQUENTIAL AMENDMENTS) BILL 2009

AUSTRALIAN CLIMATE CHANGE REGULATORY AUTHORITY BILL 2009

CARBON POLLUTION REDUCTION SCHEME (CHARGES—CUSTOMS) BILL 2009

CARBON POLLUTION REDUCTION SCHEME (CHARGES—EXCISE) BILL 2009

CARBON POLLUTION REDUCTION SCHEME (CHARGES—GENERAL) BILL 2009

CARBON POLLUTION REDUCTION SCHEME (CPRS FUEL CREDITS) BILL 2009

CARBON POLLUTION REDUCTION SCHEME (CPRS FUEL CREDITS)

(CONSEQUENTIAL AMENDMENTS) BILL 2009

EXCISE TARIFF AMENDMENT (CARBON POLLUTION REDUCTION SCHEME)

BILL 2009

CUSTOMS TARIFF AMENDMENT (CARBON POLLUTION REDUCTION SCHEME)

BILL 2009

CARBON POLLUTION REDUCTION SCHEME AMENDMENT (HOUSEHOLD

ASSISTANCE) BILL 2009

Order of the day read for the adjourned debate on the motion of the Minister for Defence (Senator Faulkner)—That these bills be now read a second time—*and on the amendment moved by Senator Milne in respect of the Carbon Pollution Reduction Scheme Bill 2009:*

At the end of the motion, add “provided that the Government first commits to entering the climate treaty negotiations at the end of 2009 with an unconditional commitment to reduce emissions by at least 25 per cent below 1990 levels by 2020 and a willingness to reduce emissions by 40 per cent below 1990 levels by 2020 in the context of a global treaty”.

Debate resumed.

On the motion of the Minister for Immigration and Citizenship (Senator Evans) the debate was adjourned and the resumption of the debate made an order of the day for a later hour.

Suspension of sitting: On the motion of Senator Evans the sitting of the Senate was suspended at 1.55 pm till 2 pm.

At 2 pm—

6 QUESTIONS

Questions without notice were answered.

Distinguished visitors: The President welcomed members of a parliamentary delegation from the Republic of the Philippines led by the Speaker of the House of Representatives, the Honourable Prospero C Nograles, and, with the concurrence of honourable senators, invited the Speaker to take a seat on the floor of the chamber.

Further questions without notice were answered.

7 MOTION TO TAKE NOTE OF ANSWER

Senator Williams moved—That the Senate take note of the answer given by the Minister for Innovation, Industry, Science and Research (Senator Carr) to a question without notice asked by Senator Adams today relating to the Independent Youth Allowance.

Debate ensued.

Question put and passed.

8 PETITIONS

The following 2 petitions, lodged with the Clerk by Senator Boswell, were received:

From 3 400 petitioners, requesting that the Senate disallow item 16525 in Part 3 of Schedule 1 to the Health Insurance (General Medical Services Table) Regulations 2007 to stop the funding of second trimester and late abortions.

From 13 petitioners, requesting that the Senate consider the effect the Government's proposed changes to Centrelink's independent status allowances will have on certain tertiary students.

9 NOTICES

Notices of motion:

The Chair of the Finance and Public Administration References Committee (Senator Bernardi): To move on the next day of sitting—That the time for the presentation of the report of the Finance and Public Administration References Committee on the relationship between the Central Land Council and Centrecorp Aboriginal Investment Corporation Pty Ltd be extended to 30 October 2009. (*general business notice of motion no. 476*)

The Chair of the Education, Employment and Workplace Relations Legislation Committee (Senator Marshall): To move on the next day of sitting—That the time for the presentation of the report of the Education, Employment and Workplace Relations Legislation Committee on the provisions of the Higher Education Support Amendment (2009 Budget Measures) Bill 2009 be extended to 5 August 2009. (*general business notice of motion no. 477*)

The Leader of the Australian Greens (Senator Bob Brown): To move on the next day of sitting—That the Senate—

- (a) acknowledges the Sudanese Government's decision to allow aid agencies to return to Darfur and encourages it to facilitate the resumption of the agencies' operations;
- (b) encourages the United Nations, the African Union, the Arab League and other countries to urge Sudanese authorities to permit more patrols to ensure the safety of humanitarian operational areas;

- (c) calls on the Australian Government to increase funding to non-government organisations operating in Sudan; and
- (d) supports calls for the Sudanese Government to hold a general election in November 2009. (*general business notice of motion no. 478*)

Senator Colbeck: To move on the next day of sitting—That the Export Control (Fees) Amendment Orders 2009 (No. 1), made under regulation 3 of the Export Control (Orders) Regulations 1982, be disallowed.

Senator Xenophon: To move on the next day of sitting—

- (1) That the question for the second reading of the Carbon Pollution Reduction Scheme Bill 2009 and related bills not be put this week.
- (2) 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. (*general business notice of motion no. 479*)

Senator Xenophon: To move on the next day of sitting—

- (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. (*general business notice of motion no. 480*)

The Leader of The Nationals in the Senate (Senator Joyce) and Senator Xenophon: To move on the next day of sitting—That the following bill be introduced: A Bill for an Act to amend the *Trade Practices Act 1974* to reduce predatory pricing by requiring corporations to offer and supply products at consistent prices across adjacent markets, and for related purposes. ***Trade Practices Amendment (Guaranteed Lowest Prices—Blacktown Amendment) Bill 2009.*** (*general business notice of motion no. 481*)

Senator Milne: To move on 25 June 2009—That the following legislative instruments be disallowed:

- (a) the Export Control (Fees) Amendment Orders 2009 (No. 1), made under regulation 3 of the Export Control (Orders) Regulations 1982;
- (b) the Australian Meat and Live-stock Industry (Export Licensing) Amendment Regulations 2009 (No. 1), as contained in Select Legislative Instrument 2009 No. 108 and made under the *Australian Meat and Live-stock Industry Act 1997*;
- (c) the Export Inspection (Establishment Registration Charges) Amendment Regulations 2009 (No. 1), as contained in Select Legislative Instrument 2009 No. 109 and made under the *Export Inspection (Establishment Registration Charges) Act 1985*; and
- (d) the Export Inspection (Quantity Charge) Amendment Regulations 2009 (No. 1), as contained in Select Legislative Instrument 2009 No. 110 and made under the *Export Inspection (Quantity Charge) Act 1985*.

Senator Siewert: To move on 25 June 2009—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. (*general business notice of motion no. 482*)

The Special Minister of State (Senator Ludwig): To move on the next day of sitting—That the provisions of paragraphs (5) to (8) of standing order 111 not apply to the Rural Adjustment Amendment Bill 2009, allowing it to be considered during this period of sittings.

Document: Senator Ludwig tabled the following document:

Consideration of legislation—Statement of reasons for introduction and passage of the Rural Adjustment Amendment Bill 2009 in the 2009 winter sittings.

Senator Milne: To move on the next day of sitting—That the Senate calls on the Government to task the Department of the Treasury with modelling the cost of achieving greenhouse gas emission cuts of 40 per cent below 1990 levels by 2020 and to present the information to the Senate by 11 August 2009. (*general business notice of motion no. 483*)

The Leader of the Australian Greens (Senator Bob Brown): To move on the next day of sitting—That the Senate calls on the Australian Government to make representations to the British Government to undertake the permanent return of the so-called ‘Elgin Marbles’ to the Greek Government and the people of Greece recognising that the marbles were part of the Parthenon at the Acropolis in Athens and should be returned to their historical home. (*general business notice of motion no. 484*)

Senator Hanson-Young: To move on the next day of sitting—That the following bill be introduced: A Bill for an Act to amend the *Marriage Act 1961* to create the opportunity for marriage equality for people regardless of their sex, sexuality or gender identity, and for related purposes. ***Marriage Equality Amendment Bill 2009.*** (*general business notice of motion no. 485*)

Senator Ludlam: To move on the next day of sitting—That the Senate—

(a) notes that:

- (i) it has been 2 years since the Minister for Broadband, Communications and the Digital Economy (Senator Conroy) attended Channel 31’s Antenna Awards and announced that ‘Community Television would not be left behind’ in Australia’s transition to digital television, and
- (ii) despite the Minister’s assurances, there was no funding to facilitate community television’s transition to digital broadcasting in the 2009-10 Budget; and

(b) calls on the Australian Government to:

- (i) immediately allocate available digital spectrum to the current community television licence holders, and
- (ii) provide funding to facilitate community television’s transition to digital broadcasting and inform the Senate of a timeline to achieve this. (*general business notice of motion no. 486*)

Notices of motion withdrawn: The Chairman of the Standing Committee on Regulations and Ordinances (Senator Wortley), pursuant to notice of intention given on 22 June 2009, withdrew business of the Senate notices of motion nos 1, 2 and 3 standing in her name for 5 sitting days after today for the disallowance of the following instruments:

ACIS Administration (Commonwealth Financial Assistance) Determination 2009, made under subsections 11(3) and (4) of the *ACIS Administration Act 1999*.

Banking (prudential standard) determination No. 3 of 2008, made under subsections 11AF(1) and (3) of the *Banking Act 1959*.

Social Security (Administration) (Schooling Requirement) Determination 2009 (No. 1), made under section 124C of the *Social Security (Administration) Act 1999*.

10 POSTPONEMENTS

The following items of business were postponed:

Government business notice of motion no. 1 standing in the name of the Minister for Defence (Senator Faulkner) for 24 June 2009, proposing the introduction of the National Security Legislation Monitor Bill 2009, postponed till 25 June 2009.

General business notice of motion no. 465 standing in the name of the Leader of the Family First Party (Senator Fielding) for today, proposing the introduction of the Banking Amendment (Keeping Banks Accountable) Bill 2009, postponed till 24 June 2009.

11 FOREIGN AFFAIRS, DEFENCE AND TRADE—JOINT STANDING COMMITTEE—LEAVE TO MEET DURING SITTING

Senator O'Brien, at the request of the Chair of the Joint Standing Committee on Foreign Affairs, Defence and Trade (Senator Forshaw) and pursuant to notice of motion not objected to as a formal motion, moved general business notice of motion no. 468—That the Joint Standing Committee on Foreign Affairs, Defence and Trade be authorised to hold a public meeting during the sitting of the Senate on Wednesday, 24 June 2009, from 11 am, to take evidence for the committee's inquiry into Australia's trade and investment relations with Asia, the Pacific and Latin America.

Question put and passed.

12 ENVIRONMENT, COMMUNICATIONS AND THE ARTS LEGISLATION COMMITTEE—EXTENSION OF TIME TO REPORT

Senator O'Brien, at the request of the Chair of the Environment, Communications and the Arts Legislation Committee (Senator McEwen) and pursuant to notice of motion not objected to as a formal motion, moved general business notice of motion no. 469—That the time for the presentation of the report of the Environment, Communications and the Arts Legislation Committee on the Environment Protection (Beverage Container Deposit and Recovery Scheme) Bill 2009 be extended to 17 September 2009.

Question put and passed.

13 COMMUNITY AFFAIRS LEGISLATION COMMITTEE—EXTENSION OF TIME TO REPORT

Senator O'Brien, at the request of the Chair of the Community Affairs Legislation Committee (Senator Moore) and pursuant to notice of motion not objected to as a formal motion, moved general business notice of motion no. 470—That the time for the presentation of the report of the Community Affairs Legislation Committee on the provisions of the Social Security and Other Legislation Amendment (Pension Reform and Other 2009 Budget Measures) Bill 2009 be extended to 24 June 2009.

Question put and passed.

14 CARBON POLLUTION REDUCTION SCHEME BILLS—CONSIDERATION

Senator Parry, at the request of Senator Abetz and pursuant to notice of motion not objected to as a formal motion, moved general business notice of motion no. 463—That the Senate—

(a) notes:

- (i) the bipartisan commitment to an unconditional reduction in CO₂ emissions of 5 per cent from 2000 levels by 2020, and a reduction of up to 25 per cent in the event of a comprehensive global agreement,
- (ii) the importance of ensuring that the Obama Administration's intentions on an emissions trading scheme are clarified before Australia implements any emissions trading scheme including the Government's proposed Carbon Pollution Reduction Scheme (CPRS), and
- (iii) the importance of awaiting the outcomes of the United Nations (UN) Climate Change Conference in Copenhagen in relation to targets before any scheme is legislated in Australia;

(b) calls on the Government to refer the proposed CPRS to the Productivity Commission so that it may conduct a 6-month review, and make public its findings, before the legislation is finalised, to:

- (i) assess the national, regional and industry sectoral impact of the CPRS in light of the global financial crisis,
- (ii) assess the economic impact of the CPRS in light of other countries either not imposing a price on carbon comparable to that proposed in Australia or imposing such a price after different assumed periods of delay, and
- (iii) conceptually and empirically examine the relative costs and benefits (including emissions reductions) of the key alternative scheme designs against the CPRS; and

(c) therefore calls on the Government to defer further consideration of the following bills until after the conclusion of the UN Climate Change Conference in Copenhagen:

Carbon Pollution Reduction Scheme Bill 2009

Carbon Pollution Reduction Scheme (Consequential Amendments) Bill 2009

Australian Climate Change Regulatory Authority Bill 2009

Carbon Pollution Reduction Scheme (Charges—Customs) Bill 2009

Carbon Pollution Reduction Scheme (Charges—Excise) Bill 2009

Carbon Pollution Reduction Scheme (Charges—General) Bill 2009

Carbon Pollution Reduction Scheme (CPRS Fuel Credits) Bill 2009

Carbon Pollution Reduction Scheme (CPRS Fuel Credits) (Consequential Amendments) Bill 2009

Excise Tariff Amendment (Carbon Pollution Reduction Scheme) Bill 2009

Customs Tariff Amendment (Carbon Pollution Reduction Scheme) Bill 2009

Carbon Pollution Reduction Scheme Amendment (Household Assistance) Bill 2009

or any other related bill or bills to implement the proposed CPRS.

Question put.

The Senate divided—

AYES, 33

Senators—

| | | | |
|----------------|-------------------|-----------|-----------|
| Abetz | Colbeck | Heffernan | Parry |
| Adams (Teller) | Coonan | Humphries | Ronaldson |
| Back | Cormann | Johnston | Ryan |
| Bernardi | Eggleston | Joyce | Troeth |
| Birmingham | Ferguson | Kroger | Trood |
| Boswell | Fielding | Macdonald | Williams |
| Boyce | Fierravanti-Wells | Mason | |
| Bushby | Fifield | Minchin | |
| Cash | Fisher | Nash | |

NOES, 33

Senators—

| | | | |
|--------------|--------------|------------------|----------|
| Arbib | Faulkner | Ludwig | Sherry |
| Bilyk | Feeney | Marshall | Siewert |
| Bishop | Forshaw | McEwen | Sterle |
| Brown, Bob | Furner | McLucas | Wong |
| Brown, Carol | Hanson-Young | Milne | Wortley |
| Cameron | Hogg | Moore | Xenophon |
| Collins | Hurley | O'Brien (Teller) | |
| Crossin | Hutchins | Polley | |
| Farrell | Ludlam | Pratt | |

The ayes and noes were equal and so the question was negatived.

15 FOREIGN AFFAIRS—IRAN

The Leader of the Australian Greens (Senator Bob Brown), pursuant to notice of motion not objected to as a formal motion, moved general business notice of motion no. 474—That the Senate—

- (a) expresses its support for all Iranian citizens who embrace the values of freedom, human rights, civil liberties and rule of law;
- (b) condemns the ongoing violence against demonstrators by the Government of Iran and pro-government militias, as well as the ongoing government suppression of independent electronic communication through interference with the Internet and cell phones; and
- (c) affirms the universality of individual rights and the importance of democratic and fair elections.

Question put and passed.

16 ANTI-TERRORISM LAWS REFORM BILL 2009

Senator Ludlam, pursuant to notice of motion not objected to as a formal motion, moved general business notice of motion no. 473—That the following bill be introduced:

A Bill for an Act to reform anti-terrorism laws, and for related purposes.

Question put and passed.

Senator Ludlam presented the bill and moved—That this bill may proceed without formalities and be now read a first time.

Question put and passed.

Bill read a first time.

Senator Ludlam moved—That this bill be now read a second time.

Explanatory memorandum: Senator Ludlam, by leave, tabled an explanatory memorandum relating to the bill.

Debate adjourned till the next day of sitting, Senator Ludlam in continuation.

17 INDUSTRIAL RELATIONS—AUSTRALIAN BUILDING AND CONSTRUCTION COMMISSIONER—ORDER FOR PRODUCTION OF DOCUMENTS

Senator Fisher, pursuant to notice of motion not objected to as a formal motion, moved general business notice of motion no. 472—That there be laid on the table by the Minister representing the Minister for Employment and Workplace Relations, no later than 5 pm on Wednesday, 24 June 2009:

- (a) a copy of any documentation provided to the Government by the Australian Building and Construction Commissioner, the Honourable John Lloyd (or by the Department of Education, Employment and Workplace Relations), reflecting his views on the report by the Honourable Justice Murray Wilcox, *Transition to Fair Work Australia for the Building and Construction Industry*; and
- (b) the Ministerial Directions referred to by the Deputy Prime Minister (Ms Gillard) in her second reading speech of 17 June 2009 on the Building and Construction Industry Improvement Amendment (Transition to Fair Work) Bill 2009 and issued by her (whether on 17 June 2009 or otherwise) to the Australian Building and Construction Commissioner (ABCC):
 - (i) under section 12 of the *Building and Construction Industry Improvement Act 2005*, to provide a report outlining ‘the ABCC’s resources allocation and placement compared to locations with high levels of unlawfulness as evidenced by allegations, investigations, prosecutions, audits and the like’, and
 - (ii) under the Act to the ABCC, concerning the application of coercive powers and the conduct of compulsory interviews.

Question put and passed.

18 ECONOMICS REFERENCES COMMITTEE—REFERENCES

Senator Parry, at the request of Senator Bushby and pursuant to notice of motion not objected to as a formal motion, moved business of the Senate notice of motion no. 1—That the following matters be referred to the Economics References Committee for inquiry and report by 15 September 2009:

- (a) the circumstances and basis of the decision to introduce an unlimited bank deposit guarantee and of subsequent decisions to change or define the guarantee;
- (b) the circumstances and basis of the decision to introduce an unlimited wholesale bank funding guarantee and of subsequent decisions to change or define the guarantee;
- (c) the effect that the initial announcement of, and subsequent changes to, an unlimited bank deposit guarantee had on operations of the Australian financial sector, including for entities not regulated by the Australian Prudential Regulation Authority (APRA);

- (d) the effect that the initial announcement of, and subsequent changes to, an unlimited wholesale bank funding guarantee had on the operations of the Australian financial sector, including for entities not regulated by APRA;
- (e) the estimated effect of the bank deposit and wholesale funding guarantees on interest rates in Australia;
- (f) how Australia's deposit guarantee and wholesale funding guarantee schemes compare with guarantees offered in other countries and the way in which these schemes were introduced and changed in major overseas countries;
- (g) the interaction between the deposit guarantee scheme and other recent measures implemented by the Government since September 2008, including the wholesale funding guarantee and the purchases of residential mortgage backed securities;
- (h) the nature of the financial and economic distortions that the unlimited deposit guarantee scheme has created vis-a-vis savings products that are not covered by the guarantee scheme;
- (i) the optimal cap, if any, for the deposit guarantee in the light of international experience;
- (j) recommendations for ameliorating the moral hazard associated with the deposit guarantee and wholesale funding guarantees;
- (k) recommendations for timelines and for policies to credibly remove the wholesale funding guarantee and to reduce the deposit guarantee to any recommended optimal cap;
- (l) the effects of the bank deposit guarantee and wholesale funding guarantee on competition within the financial sector;
- (m) the effects of the announcement of the unlimited bank deposit guarantee and unlimited wholesale funding guarantee on consumer and business confidence;
- (n) the broader economic and social consequences of these distortions;
- (o) the size and nature of the contingent liability that the unlimited deposit guarantee has created for Australian taxpayers; and
- (p) other matters relevant to the bank deposit guarantee and wholesale funding guarantee that the committee considers appropriate.

Question put and passed.

Statement by leave: Senator O'Brien, by leave, made a statement relating to the motion.

Senator Coonan, pursuant to notice of motion not objected to as a formal motion, moved business of the Senate notice of motion no. 2—That the following matter be referred to the Economics References Committee for inquiry and report by 17 August 2009:

The operation of employee share schemes in Australia, including:

- (a) the structure and operation of employee share schemes;
- (b) the benefits of employee share schemes;
- (c) the taxation issues relating to compliance of employers and employees participating in employee share schemes;
- (d) the recent announcement of proposed changes to the treatment of employee share schemes, the background to these changes, consultation undertaken to develop these changes and the anticipated impact of these changes on employees, employers and Australian business generally;

- (e) the rules governing employee share schemes in other countries; and
- (f) any other related matters.

Question put and passed.

Statement by leave: Senator O'Brien, by leave, made a statement relating to the motion.

19 DISCUSSION OF MATTER OF PUBLIC IMPORTANCE—ENVIRONMENT—RENEWABLE ENERGY

The Deputy President (Senator Ferguson) informed the Senate that the Leader of The Nationals in the Senate (Senator Joyce) had proposed that the following matter of public importance be submitted to the Senate for discussion:

The Rudd Government's hypocrisy on renewable energy and the recent closure of the Renewable Remote Power Generation Program that has been supporting remote Australian homes, communities and businesses since its introduction by the Howard Government in 2001.

The proposal was supported by four senators and the matter was discussed.

20 SPORT—LOCAL SPORTING CHAMPIONS—MINISTERIAL STATEMENT—DOCUMENT

The Assistant Treasurer (Senator Sherry) tabled the following document:

Sport—Local sporting champions—Ministerial statement by the Minister for Sport (Ms Ellis), dated 23 June 2009.

21 AUDITOR-GENERAL—AUDIT REPORTS NOS 43 AND 44 OF 2008-09—DOCUMENTS

The Acting Deputy President (Senator Hurley) tabled the following documents:

Auditor-General—Audit reports for 2008-09—

No. 43—Performance audit—Construction of the Christmas Island immigration detention centre—Department of Finance and Deregulation.

No. 44—Performance audit—Security risk management.

22 ELECTORAL MATTERS—JOINT STANDING COMMITTEE—REPORTS

Senator Carol Brown, on behalf of the Joint Standing Committee on Electoral Matters, tabled the following reports:

Electoral Matters—Joint Standing Committee—

Commonwealth Electoral (Above-the-Line Voting) Amendment Bill 2008—Advisory report, dated June 2009.

Report on conduct of the 2007 federal election and matters related thereto—Report, dated June 2009.

Senator Carol Brown, by leave, moved—That the Senate take note of the reports.

Debate adjourned till the next day of sitting, Senator Birmingham in continuation.

23 PUBLIC WORKS—JOINT STATUTORY COMMITTEE—3RD REPORT OF 2009

Senator Troeth, on behalf of the Parliamentary Standing Committee on Public Works, tabled the following report:

Public Works—Joint Statutory Committee—Third report of 2009—Referrals made February and March 2009: Fit-out of new leased premises for the Australian Securities and Investments Commission in Sydney, NSW; and Construction of housing for Defence at Yamanto Hills, Ipswich, Queensland, dated June 2009.

Senator Troeth, by leave, moved—That the Senate take note of the report.

Question put and passed.

24 DOCUMENTS

The following documents were tabled by the Clerk:

[Legislative instruments are identified by a Federal Register of Legislative Instruments (FRLI) number]

Airports Act—Select Legislative Instrument 2009 No. 118—Airports (Building Control) Amendment Regulations 2009 (No. 1) [F2009L02393]*.

Appropriation Act (No. 1) 2008-2009—Advance to the Finance Minister—

No. 5 of 2008-2009 [F2009L02450]*.

No. 6 of 2008-2009 [F2009L02491]*.

Australian Prudential Regulation Authority Act—Instrument Fixing Charges Nos—

1 of 2009—Internal models-based method for determining the minimum capital requirement for general insurers [F2009L02488]*.

2 of 2009—Models-based capital adequacy requirements for ADIs: 2008 - 09 [F2009L02467]*.

Civil Aviation Act—

Civil Aviation Regulations—

Civil Aviation Order 20.18 Amendment Order (No. 2) 2009 [F2009L02176]*.

Instrument No. CASA 251/09—Direction – number of cabin attendants [F2009L02275]*.

Civil Aviation Safety Regulations—

Airworthiness Directives—Part—

105—

AD/FA-200/4—Main Fuel Tank Vent – Modification [F2009L02271]*.

AD/FA-200/10—Oil Cooler Lines – Modification [F2009L02272]*.

AD/R44/19—Main Rotor Clutch Drive Shafts [F2009L02354]*.

AD/SC7/2—Flying Controls – Inspection and Modification [F2009L02237]*.

AD/SM-205/26—Engine Air Induction Valve – Replacement [F2009L02351]*.

AD/TB10/13—Aircraft Wiring/Support Bracket Clearance [F2009L02352]*.

106—

AD/ARTOUSTE/2—Oil and Fuel Lines – Replacement and Support [F2009L02250]*.

AD/ARTOUSTE/4—Micropump Valve Rod – Modification [F2009L02251]*.

Instrument No. CASA EX49/09—Exemption – firefighting vehicle colour [F2009L02312]*.

Classification (Publications, Films and Computer Games) Act—

Classification (Advertising of Unclassified Films and Computer Games Scheme) Determination 2009 [F2009L02479]*.

Classification (Markings for Films and Computer Games) Amendment Determination 2009 (No. 1) [F2009L02480]*.

Commonwealth Authorities and Companies Act—Notice under section 45—Telstra Sale Company Limited.

Crimes (Overseas) Act—Select Legislative Instrument 2009 No. 111—Crimes (Overseas) (Declared Foreign Countries) Amendment Regulations 2009 (No. 1) [F2009L02430]*.

Defence Act—Determinations under section 58B—Defence Determinations—
 2009/37—Post indexes – price review.
 2009/38—Australian Defence Force Academy textbooks and storage of furniture and effects – amendment.
 2009/39—International campaign allowance – amendment.
 2009/40—Annual review of transitional rent ceilings.

Fair Work Act—Select Legislative Instrument 2009 No. 112—Fair Work Regulations 2009 [F2009L02356]*.

Family Law Act—Family Law (Superannuation) Regulations—Family Law (Superannuation) (Interest Rate for Adjustment Period) Determination 2009 [F2009L02414]*.

Food Standards Australia New Zealand Act—Australia New Zealand Food Standards Code – Amendment No. 109 – 2009 [F2009L02295]*.

Health Insurance Act—Select Legislative Instrument 2009 No. 114—Health Insurance (Pathology Services Table) Amendment Regulations 2009 (No. 2) [F2009L01726]*.

Migration Act—
 Migration Regulations—Instrument IMMI 09/053—Access to movement records [F2009L02146]*.
 Select Legislative Instrument 2009 No. 115—Migration Amendment Regulations 2009 (No. 5) [F2009L02373]*.

Military Rehabilitation and Compensation Act—Military Rehabilitation and Compensation (Warlike Service) Determination 2009/2 [F2009L02439]*.

National Health Act—Instrument No. PB 58 of 2009—Amendment Special Arrangements—Botulinum Toxin Program [F2009L02408]*.

Social Security (Administration) Act—Social Security (Administration) (Declared relevant Northern Territory areas — Various) Determination 2009 (No. 6) [F2009L02446]*.

Veterans' Entitlements Act—Determination of Warlike Service—Operation RIVERBANK, dated 2 June 2009 [F2009L02442]*.

Governor-General's Proclamation—Commencement of provisions of an Act

Migration Legislation Amendment (Worker Protection) Act 2008—Schedules 1 and 2—14 September 2009 [F2009L02375].*

* Explanatory statement tabled with legislative instrument.

25 APPROPRIATION (PARLIAMENTARY DEPARTMENTS) BILL (NO. 1) 2009-2010

APPROPRIATION BILL (NO. 1) 2009-2010

APPROPRIATION BILL (NO. 2) 2009-2010

Messages from the House of Representatives were reported transmitting for the concurrence of the Senate the following bills:

Message no. 365, dated 22 June 2009—A Bill for an Act to appropriate money out of the Consolidated Revenue Fund for expenditure in relation to the Parliamentary Departments, and for related purposes.

Message no. 363, dated 22 June 2009—A Bill for an Act to appropriate money out of the Consolidated Revenue Fund for the ordinary annual services of the Government, and for related purposes.

Message no. 364, dated 22 June 2009—A Bill for an Act to appropriate money out of the Consolidated Revenue Fund for certain expenditure, and for related purposes.

The Minister for Climate Change and Water (Senator Wong) moved—That these bills may proceed without formalities, may be taken together and be now read a first time.

Question put and passed.

Bills read a first time.

Senator Wong moved—That these bills be now read a second time.

On the motion of Senator Wong the debate was adjourned till the next day of sitting.

**26 EXCISE TARIFF AMENDMENT (2009 MEASURES NO. 1) BILL 2009 [No. 2]
CUSTOMS TARIFF AMENDMENT (2009 MEASURES NO. 1) BILL 2009 [No. 2]**

Messages from the House of Representatives were reported transmitting for the concurrence of the Senate the following bills:

Message no. 366, dated 22 June 2009—A Bill for an Act to amend the *Excise Tariff Act 1921*, and for related purposes.

Message no. 367, dated 22 June 2009—A Bill for an Act to amend the *Customs Tariff Act 1995*, and for related purposes.

The Minister for Climate Change and Water (Senator Wong) moved—That these bills may proceed without formalities, may be taken together and be now read a first time.

Question put and passed.

Bills read a first time.

Senator Wong moved—That these bills be now read a second time.

On the motion of Senator Wong the debate was adjourned till the next day of sitting.

27 LEGISLATION COMMITTEES—REPORTS—BUDGET ESTIMATES 2009-10

Pursuant to order, Senator Farrell, at the request of the chairs of the respective committees, tabled the following reports, dated June 2009, and documents:

Budget estimates 2009-10—

Community Affairs Legislation Committee—Report and Hansard record of proceedings.

Education, Employment and Workplace Relations Legislation Committee—Report, Hansard record of proceedings and documents presented to the committee.

Environment, Communications and the Arts Legislation Committee—Report, Hansard record of proceedings and documents presented to the committee.

Finance and Public Administration Legislation Committee—Report, Hansard record of proceedings and documents presented to the committee.

Foreign Affairs, Defence and Trade Legislation Committee—Report and Hansard record of proceedings.

Legal and Constitutional Affairs Legislation Committee—Report and Hansard record of proceedings.

Rural and Regional Affairs and Transport Legislation Committee—Report, Hansard record of proceedings and documents presented to the committee.

Reports ordered to be printed on the motion of Senator Farrell.

Senator Cormann, by leave, moved—That the Senate take note of the reports.

Debate adjourned till the next day of sitting, Senator Cormann in continuation.

28 ECONOMICS LEGISLATION COMMITTEE—REPORT—CAR DEALERSHIP FINANCING GUARANTEE APPROPRIATION BILL 2009

Pursuant to order, Senator Farrell, at the request of the Chair of the Economics Legislation Committee (Senator Hurley), tabled the following report and documents:

Economics Legislation Committee—Car Dealership Financing Guarantee Appropriation Bill 2009—Report, dated June 2009, Hansard record of proceedings, documents presented to the committee and submission.

Report ordered to be printed on the motion of Senator Farrell.

29 CARBON POLLUTION REDUCTION SCHEME BILL 2009

CARBON POLLUTION REDUCTION SCHEME (CONSEQUENTIAL AMENDMENTS) BILL 2009

AUSTRALIAN CLIMATE CHANGE REGULATORY AUTHORITY BILL 2009

CARBON POLLUTION REDUCTION SCHEME (CHARGES—CUSTOMS) BILL 2009

CARBON POLLUTION REDUCTION SCHEME (CHARGES—EXCISE) BILL 2009

CARBON POLLUTION REDUCTION SCHEME (CHARGES—GENERAL) BILL 2009

CARBON POLLUTION REDUCTION SCHEME (CPRS FUEL CREDITS) BILL 2009

CARBON POLLUTION REDUCTION SCHEME (CPRS FUEL CREDITS)

(CONSEQUENTIAL AMENDMENTS) BILL 2009

EXCISE TARIFF AMENDMENT (CARBON POLLUTION REDUCTION SCHEME)

BILL 2009

CUSTOMS TARIFF AMENDMENT (CARBON POLLUTION REDUCTION SCHEME)

BILL 2009

CARBON POLLUTION REDUCTION SCHEME AMENDMENT (HOUSEHOLD ASSISTANCE) BILL 2009

Order of the day read for the adjourned debate on the motion of the Minister for Defence (Senator Faulkner)—That these bills be now read a second time—and on the amendment moved by Senator Milne in respect of the Carbon Pollution Reduction Scheme Bill 2009 (see entry no. 5).

Debate resumed.

On the motion of the Minister for Climate Change and Water (Senator Wong) the debate was adjourned and the resumption of the debate made an order of the day for a later hour.

30 PRIVILEGES—STANDING COMMITTEE—STATEMENT BY PRESIDENT—PROPOSED REFERENCE

The President made a statement relating to a matter of privilege raised by Senator Heffernan concerning alleged threatening and intimidation of a witness who gave evidence at a public hearing of the Economics Legislation Committee.

The President informed the Senate that, pursuant to the procedures provided by standing order 81 and resolutions of the Senate of 25 February 1988, he had determined that a motion relating to the matter may have precedence of all other business on the day for which the notice is given.

Notice of motion: Senator Heffernan gave a notice of motion as follows: To move on the next day of sitting—That the following matter be referred to the Committee of Privileges:

Whether any adverse action was taken against Mr Godwin Grech in consequence of his evidence before the Economics Legislation Committee on 19 June 2009, and, if so, whether any contempt of the Senate was committed in that regard.

31 CARBON POLLUTION REDUCTION SCHEME BILL 2009

CARBON POLLUTION REDUCTION SCHEME (CONSEQUENTIAL AMENDMENTS) BILL 2009

AUSTRALIAN CLIMATE CHANGE REGULATORY AUTHORITY BILL 2009

CARBON POLLUTION REDUCTION SCHEME (CHARGES—CUSTOMS) BILL 2009

CARBON POLLUTION REDUCTION SCHEME (CHARGES—EXCISE) BILL 2009

CARBON POLLUTION REDUCTION SCHEME (CHARGES—GENERAL) BILL 2009

CARBON POLLUTION REDUCTION SCHEME (CPRS FUEL CREDITS) BILL 2009

CARBON POLLUTION REDUCTION SCHEME (CPRS FUEL CREDITS)

(CONSEQUENTIAL AMENDMENTS) BILL 2009

EXCISE TARIFF AMENDMENT (CARBON POLLUTION REDUCTION SCHEME)

BILL 2009

CUSTOMS TARIFF AMENDMENT (CARBON POLLUTION REDUCTION SCHEME)

BILL 2009

CARBON POLLUTION REDUCTION SCHEME AMENDMENT (HOUSEHOLD ASSISTANCE) BILL 2009

Order of the day read for the adjourned debate on the motion of the Minister for Defence (Senator Faulkner)—That these bills be now read a second time—*and on the amendment moved by Senator Milne in respect of the Carbon Pollution Reduction Scheme Bill 2009 (see entry no. 5).*

Debate resumed.

At 6.50 pm: Debate was interrupted while Senator Williams was speaking.

32 GOVERNMENT DOCUMENTS—CONSIDERATION

The government documents tabled earlier today (*see entry no. 2*) were called on but no motion was moved.

33 ADJOURNMENT

The Acting Deputy President (Senator Bernardi) proposed the question—That the Senate do now adjourn.

Debate ensued.

The Senate adjourned at 7.28 pm till Wednesday, 24 June 2009 at 9.30 am.

34 ATTENDANCE

Present, all senators except Senators Barnett*, Brandis*, Lundy*, McGauran* and Stephens* (* on leave).

HARRY EVANS
Clerk of the Senate