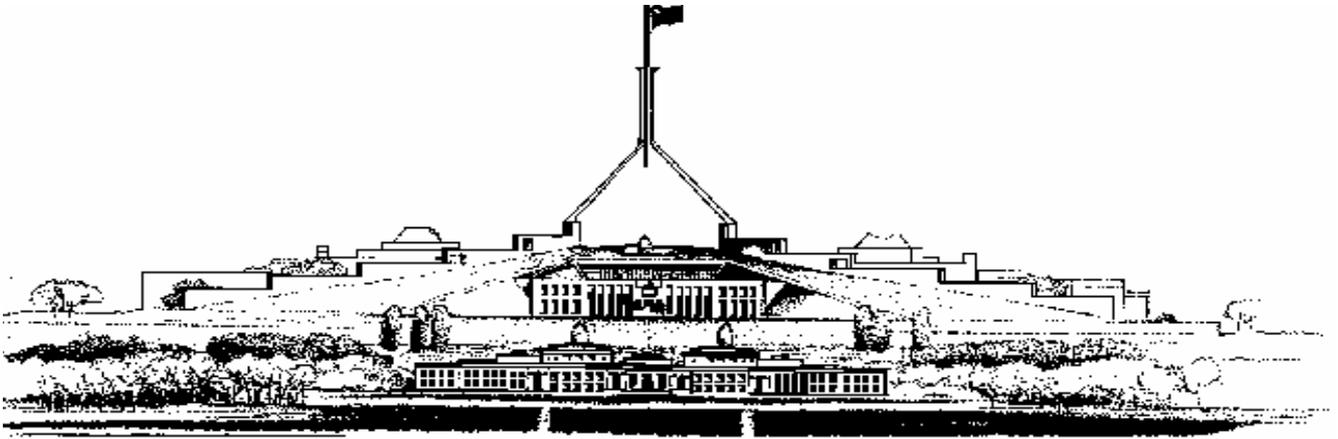




COMMONWEALTH OF AUSTRALIA

**PARLIAMENTARY DEBATES**



# House of Representatives

## Official Hansard

**No. 6, 2010**

**Tuesday, 11 May 2010**

FORTY-SECOND PARLIAMENT  
FIRST SESSION—EIGHTH PERIOD

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES



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### SITTING DAYS—2010

Month	Date
February	2, 3, 4, 8, 9, 10, 11, 22, 23, 24, 25
March	9, 10, 11, 15, 16, 17, 18
May	11, 12, 13, 24, 25, 26, 27, 31
June	1, 2, 3, 15, 16, 17, 21, 22, 23, 24
August	24, 25, 26, 30, 31
September	1, 2, 20, 21, 22, 23, 28, 29, 30
October	18, 19, 20, 21, 25, 26, 27, 28
November	15, 16, 17, 18, 22, 23, 24, 25

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

**Governor-General**

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

**House of Representatives Officeholders**

*Speaker*—Mr Harry Alfred Jenkins MP

*Deputy Speaker*—Ms Anna Elizabeth Burke MP

*Second Deputy Speaker*—Hon. Bruce Craig Scott MP

*Members of the Speaker's Panel*—Hon. Dick Godfrey Harry Adams MP, Hon. Archibald Ronald Bevis MP, Ms Sharon Leah Bird MP, Mr Steven Georganas MP, Mrs Margaret Ann May MP, Hon. Judith Eleanor Moylan MP, Mr Rowan Eric Ramsey MP, Ms Janelle Anne Safin MP, Mr Albert John Schultz MP, Mr Peter Sid Sidebottom MP, Hon. Peter Neil Slipper MP, Mr Kelvin John Thomson MP, Hon. Danna Sue Vale MP and Dr Malcolm James Washer MP

*Leader of the House*—Hon. Anthony Norman Albanese MP

*Deputy Leader of the House*—Hon. Stephen Francis Smith MP

*Manager of Opposition Business*—Hon. Christopher Maurice Pyne MP

*Deputy Manager of Opposition Business*—Mr Luke Hartsuyker MP

**Party Leaders and Whips**

Australian Labor Party

*Leader*—Hon. Kevin Michael Rudd MP

*Deputy Leader*—Hon. Julia Eileen Gillard MP

*Chief Government Whip*—Hon. Leo Roger Spurway Price MP

*Government Whips*—Ms Jill Griffiths Hall MP and Mr Christopher Patrick Hayes MP

Liberal Party of Australia

*Leader*—Hon. Anthony John Abbott MP

*Deputy Leader*—Hon. Julie Isabel Bishop MP

*Chief Opposition Whip*—Hon. Alexander Michael Somlyay MP

*Opposition Whips*—Mr Patrick Damien Secker MP and Ms Nola Bethwyn Marino MP

The Nationals

*Leader*—Hon. Warren Errol Truss MP

*Chief Whip*—Mrs Kay Elizabeth Hull MP

*Whip*—Mr Paul Christopher Neville MP

Printed by authority of the House of Representatives

### Members of the House of Representatives

Members	Division	Party
Abbott, Hon. Anthony John	Warringah, NSW	LP
Adams, Hon. Dick Godfrey Harry	Lyons, Tas	ALP
Albanese, Hon. Anthony Norman	Grayndler, NSW	ALP
Andrews, Hon. Kevin James	Menzies, Vic	LP
Bailey, Hon. Frances Esther	McEwen, Vic	LP
Baldwin, Hon. Robert Charles	Paterson, NSW	LP
Bevis, Hon. Archibald Ronald	Brisbane, Qld	ALP
Bidgood, James Mark	Dawson, Qld	ALP
Billson, Hon. Bruce Fredrick	Dunkley, Vic	LP
Bird, Sharon Leah	Cunningham, NSW	ALP
Bishop, Hon. Bronwyn Kathleen	Mackellar, NSW	LP
Bishop, Hon. Julie Isabel	Curtin, WA	LP
Bowen, Hon. Christopher Eyles	Prospect, NSW	ALP
Bradbury, David John	Lindsay, NSW	ALP
Briggs, Jamie Edward	Mayo SA	LP
Broadbent, Russell Evan	McMillan, Vic	LP
Burke, Anna Elizabeth	Chisholm, Vic	ALP
Burke, Hon. Anthony Stephen	Watson, NSW	ALP
Butler, Hon. Mark Christopher	Port Adelaide, SA	ALP
Byrne, Hon. Anthony Michael	Holt, Vic	ALP
Campbell, Jodie Louise	Bass, Tas	ALP
Champion, Nicholas David	Wakefield, SA	ALP
Cheeseman, Darren Leicester	Corangamite, Vic	ALP
Chester, Darren	Gippsland, Vic.	Nats
Ciobo, Steven Michele	Moncrieff, Qld	LP
Clare, Hon. Jason Dean	Blaxland, NSW	ALP
Cobb, Hon. John Kenneth	Calare, NSW	Nats
Collins, Julie Maree	Franklin, Tas	ALP
Combet, Hon. Gregory Ivan, AM	Charlton, NSW	ALP
Coulton, Mark Maclean	Parkes, NSW	Nats
Crean, Hon. Simon Findlay	Hotham, Vic	ALP
Danby, Michael David	Melbourne Ports, Vic	ALP
D'Ath, Yvette Maree	Petrie, Qld	ALP
Debus, Hon. Robert John	Macquarie, NSW	ALP
Dreyfus, Mark Alfred, QC	Isaacs, Vic	ALP
Dutton, Hon. Peter Craig	Dickson, Qld	LP
Elliot, Hon. Maria Justine	Richmond, NSW	ALP
Ellis, Annette Louise	Canberra, ACT	ALP
Ellis, Hon. Katherine Margaret	Adelaide, SA	ALP
Emerson, Hon. Craig Anthony	Rankin, Qld	ALP
Farmer, Hon. Patrick Francis	Macarthur, NSW	LP
Ferguson, Hon. Laurie Donald Thomas	Reid, NSW	ALP
Ferguson, Hon. Martin John, AM	Batman, Vic	ALP
Fitzgibbon, Hon. Joel Andrew	Hunter, NSW	ALP
Fletcher, Paul William	Bradfield, NSW	LP
Forrest, John Alexander	Mallee, Vic	Nats
Garrett, Hon. Peter Robert, AM	Kingsford Smith, NSW	ALP
Gash, Joanna	Gilmore, NSW	LP

### Members of the House of Representatives

Members	Division	Party
Georganas, Steven	Hindmarsh, SA	ALP
George, Jennie	Throsby, NSW	ALP
Georgiou, Petro	Kooyong, Vic	LP
Gibbons, Stephen William	Bendigo, Vic	ALP
Gillard, Hon. Julia Eileen	Lalor, Vic	ALP
Gray, Hon. Gary, AO	Brand, WA	ALP
Grierson, Sharon Joy	Newcastle, NSW	ALP
Griffin, Hon. Alan Peter	Bruce, Vic	ALP
Haase, Barry Wayne	Kalgoorlie, WA	LP
Hale, Damian Francis	Solomon, NT	ALP
Hall, Jill Griffiths	Shortland, NSW	ALP
Hartsuyker, Luke	Cowper, NSW	Nats
Hawke, Alexander George	Mitchell, NSW	LP
Hawker, Hon. David Peter Maxwell	Wannon, Vic	LP
Hayes, Christopher Patrick	Werriwa, NSW	ALP
Hockey, Hon. Joseph Benedict	North Sydney, NSW	LP
Hull, Kay Elizabeth	Riverina, NSW	Nats
Hunt, Hon. Gregory Andrew	Flinders, Vic	LP
Irons, Stephen James	Swan, WA	LP
Irwin, Julia Claire	Fowler, NSW	ALP
Jackson, Sharryn Maree	Hasluck, WA	ALP
Jenkins, Harry Alfred	Scullin, Vic	ALP
Jensen, Dennis Geoffrey	Tangney, WA	LP
Johnson, Michael Andrew	Ryan, Qld	LP
Katter, Hon. Robert Carl	Kennedy, Qld	Ind
Keenan, Michael Fayat	Stirling, WA	LP
Kelly, Hon. Michael Joseph, AM	Eden-Monaro, NSW	ALP
Kerr, Hon. Duncan James Colquhoun, SC	Denison, Tas	ALP
King, Catherine Fiona	Ballarat, Vic	ALP
Laming, Andrew Charles	Bowman, Qld	LP
Ley, Hon. Sussan Penelope	Farrer, NSW	LP
Lindsay, Hon. Peter John	Herbert, Qld	LP
Livermore, Kirsten Fiona	Capricornia, Qld	ALP
McClelland, Hon. Robert Bruce	Barton, NSW	ALP
Macfarlane, Hon. Ian Elgin	Groom, Qld	LP
McKew, Hon. Maxine Margaret	Bennelong, NSW	ALP
Macklin, Hon. Jennifer Louise	Jagajaga, Vic	ALP
McMullan, Hon. Robert Francis	Fraser, ACT	ALP
Marino, Nola Bethwyn	Forrest, WA	LP
Markus, Louise Elizabeth	Greenway, NSW	LP
Marles, Hon. Richard Donald	Corio, Vic	ALP
May, Margaret Ann	McPherson, Qld	LP
Melham, Daryl	Banks, NSW	ALP
Mirabella, Sophie	Indi, Vic	LP
Morrison, Scott John	Cook, NSW	LP
Moylan, Hon. Judith Eleanor	Pearce, WA	LP
Murphy, Hon. John Paul	Lowe, NSW	ALP
Neal, Belinda Jane	Robertson, NSW	ALP
Neumann, Shayne Kenneth	Blair, Qld	ALP

### Members of the House of Representatives

Members	Division	Party
Neville, Paul Christopher	Hinkler, Qld	Nats
Oakeshott, Robert James Murray	Lyne, NSW	Ind
O'Connor, Hon. Brendan Patrick John	Gorton, Vic	ALP
O'Dwyer, Kelly Megan	Higgins, Vic	LP
Owens, Julie Ann	Parramatta, NSW	ALP
Parke, Melissa	Fremantle, WA	ALP
Pearce, Hon. Christopher John	Aston, Vic	LP
Perrett, Graham Douglas	Moreton, Qld	ALP
Plibersek, Hon. Tanya Joan	Sydney, NSW	ALP
Price, Hon. Leo Roger Spurway	Chifley, NSW	ALP
Pyne, Hon. Christopher Maurice	Sturt, SA	LP
Raguse, Brett Blair	Forde, Qld	ALP
Ramsey, Rowan Eric	Grey, SA	LP
Randall, Don James	Canning, WA	LP
Rea, Kerry Marie	Bonner, Qld	ALP
Ripoll, Bernard Fernand	Oxley, Qld	ALP
Rishworth, Amanda Louise	Kingston, SA	ALP
Robb, Hon. Andrew John, AO	Goldstein, Vic	LP
Robert, Stuart Rowland	Fadden, Qld	LP
Roxon, Hon. Nicola Louise	Gellibrand, Vic	ALP
Rudd, Hon. Kevin Michael	Griffith, Qld	ALP
Ruddock, Hon. Philip Maxwell	Berowra, NSW	LP
Saffin, Janelle Anne	Page, NSW	ALP
Schultz, Albert John	Hume, NSW	LP
Scott, Hon. Bruce Craig	Maranoa, Qld	NP
Secker, Patrick Damien	Barker, SA	LP
Shorten, Hon. William Richard	Maribyrnong, Vic	ALP
Sidebottom, Peter Sid	Braddon, Tas	ALP
Simpkins, Luke Xavier Linton	Cowan, WA	LP
Slipper, Hon. Peter Neil	Fisher, Qld	LP
Smith, Hon. Anthony David Hawthorn	Casey, Vic	LP
Smith, Hon. Stephen Francis	Perth, WA	ALP
Snowdon, Hon. Warren Edward	Lingiari, NT	ALP
Somlyay, Hon. Alexander Michael	Fairfax, Qld	LP
Southcott, Andrew John	Boothby, SA	LP
Stone, Hon. Sharman Nancy	Murray, Vic	LP
Sullivan, Jonathan Harold	Longman, Qld	ALP
Swan, Hon. Wayne Maxwell	Lilley, Qld	ALP
Symon, Michael Stuart	Deakin, Vic	ALP
Tanner, Hon. Lindsay James	Melbourne, Vic	ALP
Thomson, Craig Robert	Dobell, NSW	ALP
Thomson, Kelvin John	Wills, Vic	ALP
Trevor, Chris Allan	Flynn, Qld	ALP
Truss, Hon. Warren Errol	Wide Bay, Qld	Nats
Tuckey, Hon. Charles Wilson	O'Connor, WA	LP
Turnbull, Hon. Malcolm Bligh	Wentworth, NSW	LP
Turnour, James Pearce	Leichhardt, Qld	ALP
Vale, Hon. Danna Sue	Hughes, NSW	LP
Vamvakinou, Maria	Calwell, Vic	ALP

### **Members of the House of Representatives**

<b>Members</b>	<b>Division</b>	<b>Party</b>
Washer, Malcolm James	Moore, WA	LP
Windsor, Anthony Harold Curties	New England, NSW	Ind
Wood, Jason Peter	La Trobe, Vic	LP
Zappia, Tony	Makin, SA	ALP

#### **PARTY ABBREVIATIONS**

ALP—Australian Labor Party; LP—Liberal Party of Australia;  
Nats—The Nationals; Ind—Independent

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

Clerk of the Senate—R Laing  
Clerk of the House of Representatives—B Wright  
Secretary, Department of Parliamentary Services—A Thompson

## **RUDD MINISTRY**

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

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

**RUDD MINISTRY—*continued***

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

## SHADOW MINISTRY

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

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

## **SHADOW MINISTRY—*continued***

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

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*Tuesday, 11 May 2010*

**The SPEAKER (Mr Harry Jenkins)** took the chair at 2 pm and read prayers.

#### CONDOLENCES

**Mr William Yates**

**Mrs Andrea Gail West**

**Mr Bernard Francis Kilgariff AM**

**The Speaker** (2.01 pm)—I inform the House of the deaths of William Yates and Andrea Gail West, former members of this House, and Bernard Francis Kilgariff AM, a former senator. William Yates died on 18 April 2010. He represented the division of Holt from 1975 to 1980. Andrea West died on 20 April 2010. She represented the division of Bowman from 1996 to 1998. Bernie Kilgariff died on Tuesday, 13 April 2010. He represented the Northern Territory from 1975 to 1987. As a mark of respect to the memory of the deceased I invite honourable members to rise in their places.

*Honourable members having stood in their places—*

**The SPEAKER**—I thank the House.

#### SHADOW MINISTERIAL ARRANGEMENTS

**Mr ABBOTT** (Warringah—Leader of the Opposition) (2.02 pm)—by leave—I table a revised shadow ministry list arising from the retirement of Senator Minchin.

#### QUESTIONS WITHOUT NOTICE

##### Budget

**Mr ABBOTT** (2.02 pm)—My question is the Prime Minister. I refer the Prime Minister to the announcement yesterday by Xstrata that it was suspending its \$30 million North Queensland regional exploration program because of the Prime Minister's great big new mining tax. In particular, I refer him to Xstrata's statement, which read:

... the proposed tax has introduced great uncertainty about the potential impact on the economics of developing resources into viable operations in Australia.

Will the Prime Minister guarantee that there will be no further loss of investment, projects and jobs in the mining and resources sector as a result of his great big new mining tax?

**Mr RUDD**—I thank the honourable member for his question, because it goes to the government's proposal to introduce a resource super profits tax. The reason the government is proposing to do that is that we need to do three things: (1) provide proper super for working families across Australia (2) provide tax cuts for all businesses in Australia and (3) properly fund the future infrastructure needs of Australia. These are the three reasons we are proposing this tax and doing so consistent with the advice provided by the Secretary of the Treasury in his review.

I say to the Leader of the Opposition that as he goes through project by project it would be useful for him to reflect on what others have said in the commentary in recent days about a fear campaign being run by those opposite and by some in the mining industry on the impact of this proposal. I draw his attention, for example, to the comments the other day by the former chief executive of the Minerals Council of Australia, David Buckingham, who described the current fear campaign as 'utterly baseless'. I also draw his attention to those comments today in the *Financial Review* from the Deputy Governor of the Reserve Bank of Australia.

It follows logically that, if you are going to impose a new tax to fund these three priorities of nation building for the future, you are going to have opposition from some of the mining companies concerned. We have outlined our tax proposal and we have out-

lined a consultation process with the mining industry which will go to detail, which will go to implementation and which will go to transition. We are embarked on that process and will continue it into the period ahead.

#### **Council of Australian Governments**

**Ms SAFFIN** (2.05 pm)—My question is to the Prime Minister. Will the Prime Minister please update the House on the latest COAG meeting?

**Mr RUDD**—When it comes to health and hospitals it seems that those opposite only have one response, which is to guffaw. But, bearing in mind that we face a Leader of the Opposition who gouged \$1 billion from the public hospital system, we do understand what they have to guffaw about.

I ask the Leader of the Opposition to suspend his cynicism for just one moment and reflect on the historical significance of the health and hospitals deal which was arrived at among the states and territories in Canberra on 20 April. This was a historic reform. This is the largest change to the health and hospital system since the introduction of Medicare. We know where those opposite stand in their commitment to Medicare, because in years past they tried in election after election after election to get rid of Medicare. This government introduced it and this government sustained it, despite their successive attempts to get rid of it.

The questions which are often asked are: ‘What is this reform about? Why are we doing it?’ Point number one is that this system of ours is at a tipping point, partly because our predecessors, when the Leader of the Opposition was health minister, ripped \$1 billion out of the system. The system was underfunded and under stress. But I go to the core element—

*Mr Pyne interjecting—*

**The SPEAKER**—Order! The Prime Minister will resume his seat. Amongst the 20 or 30 occasions that the Manager of Opposition Business has defied standing order 65(b), he has made remarks that are considered unparliamentary and I would ask that on this occasion he withdraw.

**Mr Pyne**—I withdraw.

**Mr RUDD**—The core of this reform, when it comes down to the nuts and bolts, is this: we are going to have 1,300 more hospital beds, we are going to have 2,500 additional aged-care places, we are going to have 6,000 additional doctors, we are going to progressively introduce a four-hour waiting time target at A&E and we are going to bring in a target for elective surgery to be delivered on time for 95 per cent of patients. Furthermore, if a patient cannot receive their elective surgery within the clinically recommended time, we have undertaken that they would receive free treatment at a public or private hospital to get that surgery done. Beyond that, for those suffering from mental health complaints, an additional 20,000 young people will get access to mental health services. This is the bread and butter of what we are putting forward to the Australian people.

At the level of structural reform, this is of fundamental importance. First of all, we have brought about a nationally funded system for the first time. The primary healthcare system of Australia will be funded exclusively by the Australian government, the Australia government will be the dominant funder of the acute hospital system, and the aged-care network will be funded exclusively by the Australian government. Having a system funded nationally is one thing; having it run locally is in fact equally critical. Under these reforms local hospital networks will take on the primary role for local decisions on the delivery of these improved

healthcare services for working Australians. This is an important national reform—funded nationally, run locally. For the first time the Australian government will be the dominant funder of the Australian hospital system.

On top of that, there will be new national standards. These standards will mean shorter waiting times in our hospitals. We have outlined with the states and the territories new arrangements for national access targets and elective surgery targets, and there will be additional investments to make these things happen on the ground. These are reforms which mean things to working families across the country. Of course, when we began this debate in this parliament some years ago, it was about ending the blame game between the states and the Commonwealth. Those opposite scoffed at the possibility of any such agreement ever being reached. This government has delivered that agreement. It goes to the heart of cost shift, blame shift between the two levels of government. With the Australian government now being the exclusive funder of the primary system, the dominant funder of the acute system and the exclusive funder of the aged-care system, the financial incentives which have existed for decades and decades to shift patients from one system to another are removed. That is why this is a historic reform.

However, the rubber hits the road when we talk about what happens for the individual communities around Australia—for the 764 local public hospitals of Australia—and what it means, for example, for the people of Blacktown, who already in their local hospital have had 19 additional subacute beds added since the announcement of the government's decision the other day. There is the addition of further investments for accident and emergency departments, the needs of Cairns Base Hospital and the new cancer treatment services at Townsville Base Hospi-

tal, Rockhampton, Gosford and Tamworth—all across the country. Also, there are the further investments that we are making in the expansion of services in hospitals in Darwin, Hobart and Launceston. These are not just structural reforms; they are bread and butter reforms. They are bread and butter reforms to make a difference for working families on the ground right across Australia—for pensioners and carers who have not been able to get decent access to the system so far. This is a fundamental reform. The Leader of the Opposition stood up four or five years ago as health minister and said it was time for the Commonwealth to bring about a fundamental reform to the system. For five years he failed to act; in two years this government has acted.

#### **Budget**

**Ms JULIE BISHOP** (2.12 pm)—My question is to the Prime Minister. I refer the Prime Minister to his statement on Perth radio last Wednesday that a mining superprofit is any return on investment over six per cent. Will the Prime Minister rule out a superprofit tax on other sectors making a return on investment greater than six per cent?

**Mr RUDD**—As the Deputy Leader of the Opposition would be aware, the resources regime in this country deals with non-renewable resources which are taxed separately, and it has been done so for more than 100 years, either through (a) the royalties regimes of states (b) the petroleum resource rent tax or (c) proposed with this resource rent tax for onshore resources as well. That is why it is taxed separately, and I would have thought the Leader of the Opposition and the deputy would have known that.

#### **Economy**

**Mr CRAIG THOMSON** (2.13 pm)—My question is to the Prime Minister. Will the Prime Minister update the House on developments in the global economy and the need

for reform to Australia's economy to convert our current strength into long-term prosperity?

**Mr RUDD**—I thank the honourable member for his question. I would draw the House's attention to developments in the international economy and specifically in global financial markets over the last several weeks, particularly as they have related to Greece and, most recently and more broadly, across Europe. These have been grave and concerning developments for all those concerned with the stability of our financial markets. Developments in Europe have been of great concern to the International Monetary Fund, they have been of concern to the World Bank and they have been of concern to the whole raft of financial institutions, not least of which are the European Central Bank and the European Union. The reason for that is always the risk of contagion from one financial market to another in times of great financial instability. That is why we have been watching developments in Europe particularly closely, including over the course of the last weekend.

The statement by European finance ministers under the chairmanship of the current chair of the European community was a critical statement containing a package of stabilisation measures which are of direct relevance to credit markets and financial markets in this country. It underlines the absolute importance, therefore, of maintaining Australia's position as one of the strongest economies in the advanced world. We have the strongest growth compared with all of the major advanced economies. We have the second-lowest unemployment, the lowest debt and the lowest deficit and we are the only country to have avoided recession—and all the time while maintaining this country's AAA credit rating. To build on this strength for the future, what we need to do is also deal with three core challenges for the future:

(1) the challenge to secure our recovery through the full implementation of stimulus (2) the challenge to keep our public finances strong through a responsible budget and (3) the challenge to reform our economy for the future by continuing a program of productivity based reform for the future.

When it comes to securing the recovery, I notice that those opposite call for an immediate abolition of all stimulus. This is completely contrary to the advice of any and every international financial institution. Their argument is that the global recovery is too insecure as of yet to pull the rug from underneath it. Treasury's advice is that the government stimulus package has protected more than 200,000 jobs. Secondly, our challenge for the future is to keep our public finances strong, and this, of course, is something of which turmoil in Europe has reminded us. The stimulus strategy that we have implemented peaked at the end of the second quarter last year. In the budget last year we articulated tough fiscal rules to guide and return this budget to surplus. Those rules have been adhered to meticulously since that time, and will be into the future. This budget will not be a pre-election Liberal Party style spend-a-thon; this budget will be a no-frills, fiscally responsible budget to demonstrate responsible economic leadership.

Also the challenge for the future is to continue the process of reform, and questions have already come in this place about the nature of taxation reform. I draw the attention of those opposite to the fundamental need to ensure that we have for Australia an adequate pool of retirement savings for the long-term future. One of the great enduring reforms of the previous Labor government was to introduce the superannuation guarantee. It rose, against the opposition of those opposite, from three per cent to six per cent to nine per cent, and for 12 years they did

nothing further about it. This government has resolved to raise the SGL from nine per cent to 12 per cent. This is not just a reform for working families; it is also a reform to boost our level of national savings.

In the midst of the most recent financial crisis, I remind those opposite of one core fact: the accumulation of our pool of national savings was absolutely critical for Australian companies to draw upon in their own capital raisings when capital markets froze around the world. My advice is that, during the course of last year, \$90 billion to \$100 billion was raised domestically onshore drawing from this pool of savings. These reforms will add up to an extra \$108,000 on retirement super for an average worker aged 30 now. Critically, in aggregate it adds a further \$85 billion to our pool of national savings.

Furthermore, the rationale for reform for the future is to bring down the company tax rate for the future as well, to make sure that our company tax rate is globally competitive, which is why the reforms we are putting forward on the basis of the tax plan advanced by the Treasurer is to bring the tax rate down to 28c with the object of heading further as public finance resources permit—an additional benefit for small business. This government has become the friend of small business. This government has put forward a tax package for small business, involving the immediate write-off—

*Opposition members interjecting—*

**Mr RUDD**—I thought that would get them going, and it did!—of the \$5,000 tax break affecting 2.4 million small businesses and, for the 30 per cent of small businesses that are incorporated, in addition to that the reduction of their rate to 28c. That is the second arm of reform.

The third is the long-term funding of infrastructure. Those opposite say: ‘Where do we fund our railroad and ports? Where do we

ensure that the key economic infrastructure of Australia is funded and laid out to underpin the next level of economic growth for Australia?’ What we are doing through this tax reform is building a \$5.6 billion national investment fund for the infrastructure needs of the states, in particular the resource states. So what we are proposing, to take the current strength of this economy further, is, first and foremost, bringing down the tax rate for all companies, in particular to provide a tax break for small business; second, boosting the retirement income savings of all working Australians; and, third, funding the future infrastructure needs for our roads, rail and ports for the future—building on the strength we currently have, setting up Australia for long-term strong economic growth.

#### **Budget**

**Mr IAN MACFARLANE** (2.21 pm)—My question is to the Prime Minister. It relates to the terms of reference for consultation with the resource industry through the resource tax consultative panel, which has been instructed by the government that it will not be consulting on the key parameters determined by the Australian government. I refer the Prime Minister to comments of his resources minister, who last week said the government’s great big new tax on mining would cause the resource companies to review their investment plans given that these projects were ‘finely balanced’. Will the Prime Minister continue to rule out any modifications to the parameters of his great big new resource tax?

**Mr RUDD**—I thank the Minister for Resources and Energy for his sterling work in recent days in working with a mining industry which is comprised of miners who want to get on with the business of their work. There are a number of them out there who have been making a range of public statements, some of which have been true and

others not. As I said in response to the question asked before on the implementation of the government's new proposed Resource Super Profits Tax, we are engaged in a process of consultation with the mining industry, as I said before, and as I have said before in Perth and elsewhere, on the detail of, the implementation of and the transition to these arrangements. That is what we intend to do. We are currently in the process, through the minister and through the Treasurer, of doing so with a large number of companies right across Australia.

I would also say to the member for Groom, who has just asked this question, that he should pay very close attention to the submission given to the Henry review by the head of the mining industry council himself when he recommended a resource rent tax for the future. It is interesting to see how things change once action is taken in order to bring about fundamental tax reform. I noticed in particular that the member for Groom has not referred to the measures contained in the government's tax reform proposal to assist the exploration industry—\$1.1 billion of additional assistance. I noticed also that the member for Groom did not draw attention to the fact that we are also assisting smaller to medium miners who may not be bringing in profits in their initial years of operation. I would draw the member for Groom's attention to the modelling done independently through Econtech for the Treasury in producing this set of reforms. For the mining industry it is projected that this will result in an overall growth in the industry of some 6.5 per cent. Those opposite do not care about these individual elements of reform. Consistent with so many other things they do in this place, they are first and foremost about a fear campaign devoid of fact. We intend to get on with the business of reform, and reform which does three things: provides super savings for working Australia—

all of them; secondly, provides tax breaks for corporate Australia, including small business; and, thirdly, provides support for investment in our long-term infrastructure needs. These are the three driving elements of the reform, broadening the base of the mining industry through a series of changes which we have reflected on carefully based on submissions from the mining industry as well. We intend to get on with it.

#### **Budget**

**Mr ZAPPIA** (2.24 pm)—My question is to the Minister for Resources and Energy and Minister for Tourism. Will the minister advise the House on the implications of the new tax plan for the resources sector and the nation?

**Mr MARTIN FERGUSON**—I thank the member for Makin for his question. Clearly from the Australian government's point of view, and I might say from the point of view of the non-renewables sector of the Australian economy, the time has come for fundamental reform of the Australian taxation system when it comes to the petroleum and mining industry in Australia. That is not just the view of the Australian government; it is also the view of the Minerals Council of Australia in its submission to the Henry review. When it comes to tough decisions and fundamental reform which goes to where Australia goes in the 21st century, the government is prepared to make the hard decisions. The opposition is never prepared to meet us halfway. Having said that, the Australian government understands that this is a complex issue. For those reasons we are committed to not only putting in place a genuine process of consultation but also in engaging in open consultation to make sure we get the system right.

**Ms Julie Bishop**—What? Open consultation?

**The SPEAKER**—The Deputy Leader of the Opposition!

**Mr MARTIN FERGUSON**—I remind the House that this proposal is no different from the controversy that surrounded the decision of the then government 25 years ago to introduce a national petroleum resource rent tax.

*Ms Julie Bishop interjecting—*

**The SPEAKER**—The Deputy Leader of the Opposition!

**Mr MARTIN FERGUSON**—That tax is now regarded as one of the most stable systems in the world.

*Ms Julie Bishop interjecting—*

**The SPEAKER**—The Deputy Leader of the Opposition is warned!

**Mr MARTIN FERGUSON**—Exploration and development in the oil and gas industries have flourished under that system. That is the very tax that brought to Australia the \$12 billion Pluto petroleum investment in 2007 and the \$43 billion petroleum investment in Gorgon by the joint venture partners in 2009. Compare that with the inconsistencies that exist at a state and territory level when it comes to mining and resources in Australia. There are complex arrangements with no consistency across state and territory boundaries. If you have any doubts about that, just think about the coal-mining industry in New South Wales and Queensland. The systems of coal royalties are different and complex. I also remind you, Mr Speaker, that both those state governments have increased coal royalties over the last 12 months. But that is no different from the state of Western Australia, where we have in place a coalition Premier and where we have yet another variable royalty system. We should also appreciate that in many ways the Western Australian Premier actually supports the endeavours of the Australian government to front up with some hard decisions when it comes to royalties. On 25 February

of this year the Western Australian Premier said:

I have to say that a few people who work around the mining industry came up to me over summer and said, 'By the way, Colin, the mining companies are getting away with murder; they're not paying enough'.

It is for that very reason that in the forthcoming Western Australian budget that will be brought down next week the Western Australian government is going to rip out of two major iron ore companies an increase in iron ore royalties of the order of \$300 million. We will put in place a new tax regime which creates certainty and a proper investment horizon for the resources sector in Australia. But, perhaps more importantly, we will be investing in things with part of the proceeds of that new tax regime that the previous government absolutely failed to invest in.

First, let us go to the issue of infrastructure. Over the previous decade, because of lack of action by the Howard government, we lived off the back of increases in resource commodity prices whilst we lost market share because the Howard government failed to invest in infrastructure. A key part of the Australian government's proposal will be to establish for the first time ever, through a budget process, a resource infrastructure fund aimed at working with state and territory governments and, I might say, the private sector to actually bring forward resource infrastructure investment, which has held back the expansion of the industry in the past. I would also say that the resources sector, like the rest of the Australian business community, will benefit from a reduction in corporate taxation.

But then we go to the issue of exploration, something that I am sure the member for Groom is vitally interested in because he, like other resources ministers, sought on a number of occasions, during the 12 long years of the Howard government, to put in

place resource exploration incentives to encourage brownfields and greenfields exploration in Australia. For the first time ever we will be putting in place a new resource exploration rebate that benefits small preprofit exploration companies.

*Opposition members interjecting—*

**Mr MARTIN FERGUSON**—Also, for the information for the member for Flinders, that will be extended to the geothermal industry from 1 July next year to also facilitate investment in renewable energy in Australia. I accept that our responsibility is to actually get the balance right between promoting investment in the mining sector and ensuring a fair return to the Australian community for the development of their resources. It is a privilege for these mining companies to actually be able to develop our resources. All the Australian community expects is a fair return for the development of those resources. We have consulted and we will continue to consult to actually get the finer detail of this proposal right for the purposes of guaranteeing Australia's economic future.

#### **Budget**

**Mr TRUSS** (2.31 pm)—My question is directed to the Prime Minister. I refer the Prime Minister to his rejection of concerns raised by the mining industry over the government's proposed great big new mining tax. Does the Prime Minister also reject the concerns of the Queensland Premier, Anna Bligh, and the South Australian Treasurer, Kevin Foley, who are both now loudly and vigorously urging the Prime Minister to rethink his ill-conceived tax grab?

**Mr RUDD**—On the question of tax reform for the mining industry, can I go to one core point as was elaborated on and advanced just then by the minister for resources. For the mining industry itself why are we doing this? To make sure that we

move from a regime which is based on volume to one which is based on profit.

*Opposition members interjecting—*

**Mr RUDD**—I know that the Leader of the Opposition has no interest in economics; he has said so. I know that the former Treasurer, Peter Costello, said he could never have him as a Treasurer because he has no interest in economics. But I will ask him to focus on one core concept, which is this: a tax based on volume in the resources sector penalises those firms which do not generate profits in their early years and throttles the long-term development of the industry. That is why we are moving to a profits based tax. That is why, for example, the work done a quarter of a century ago on the petroleum resource rent tax was right, because in the period since then we have seen the phenomenal growth of our offshore developments. That is the reason we have done this. It is good intrinsically for the long-term development of the industry because the tax regime changes the architecture to one which is profit based and not volume based. Secondly, as I said before in relation to companies, we will also of course be consulting the state governments on detail, on implementation and on transition and my advice from the Treasurer is that those consultations are proceeding well.

#### **Budget**

**Mr NEUMANN** (2.34 pm)—My question is to the Minister for Finance and Deregulation. Why is a resource superprofits tax necessary to deliver balanced economic growth for Australia's future?

**Mr TANNER**—I thank the member for Blair for his question. Members of the House would be well aware that global prices for Australia's commodities, Australia's resources, have soared in recent years and that, after a dip during the global financial crisis, those prices have returned to record levels and are expected to be at very high levels for

some years to come. As a result of that, the proportion of the returns that the Australian community, the owners of those resources, get from the sale of those resources has dropped significantly. It is critical to note that these resources are non-renewable; they can only be sold once. A tonne of coal or a tonne of iron ore, once it is extracted and sold, cannot be sold again. The mining boom has also been putting pressure on other sectors of the economy. It inevitably draws labour and capital from other sectors and increases prices for labour in particular, thereby generating higher costs for other sectors. It puts upward pressure on the Australian dollar, which in turn puts pressure on other sectors like tourism and manufacturing, and of course it increases the cost to governments, both state and federal, due to the provision costs of infrastructure and skills.

Last week the Australian government announced a new taxation regime with respect to resources, a resource superprofits tax. It is designed to impact on profits above a basic return on capital and is similar to the petroleum resource rent tax, which has been in place for 25 years. It is a more efficient regime than royalties which tax volume and which tax production. It is a more efficient regime of taxation because it taxes profits and therefore gets a genuine return to the Australian community, the owners of these resources, in return for the exploitation of these resources. Independent economic modelling by KPMG Econtech, which is up on their website, has indicated that in the long haul this change in taxation will improve Australia's output, it will improve investment, it will improve jobs in the sector and it will increase our GDP by 0.7 per cent in the longer term. But there is a critical point here that the opposition need to really understand before they embark on yet another sabotage effort, yet another attempt to block reform by this government.

The question is: where are the proceeds from this tax reform going? The proceeds of this tax are not going to reduce the deficit and they are not going towards social spending. They are going towards wealth creation overwhelmingly through cuts in business taxes, cuts in tax on small business and cuts in tax on business generally through greater investment in superannuation as a result of cuts in tax and through greater investment in infrastructure for resource states. That is where the proceeds of the government's Resource Super Profits Tax are headed.

The opposition—the party that says it is the party of small business—is proposing to stand in the way of a company tax cut for small business. It is proposing to stand right in the way of a big increase in the amount that small businesses can write off immediately for tax purposes from capital expenditures from \$1,000, where it is at the moment, to \$5,000. It is proposing to stand right in the way of major new investment in infrastructure in mining dominated states. It is proposing to stand right in the way of a big increase in Australia's superannuation system which, in turn, feeds into investment in Australia's economy.

**The SPEAKER**—The Minister for Finance and Deregulation will resume his seat. The member for Dunkley on a point of order.

**Mr Billson**—Mr Speaker, to assist the minister, the increase in employer funded superannuation is paid for by employers.

**The SPEAKER**—Order! What is the member for Dunkley's point of order?

**Mr Billson**—I am just assisting the minister to be accurate in his statements.

**The SPEAKER**—The member for Dunkley will leave the chamber under standing order 94(a) for one hour.

*The member for Dunkley then left the chamber.*

**Mr TANNER**—Thank you, Mr Speaker. I can correct the observation made by the member for Dunkley. The increase in the superannuation guarantee from nine per cent to 12 per cent does, in fact, have a significant cost to the budget of lost revenue because of increased concessionality of superannuation contributions. And guess how that cost to the budget is going to be paid? From revenue from the Resource Super Profits Tax along with a cut in tax on small business, along with a cut in company tax generally and along with a greater investment in infrastructure for resource dominated states. That is where the money is going.

In conclusion, the Australian people deserve a better return from the resources that are exploited in their name and they deserve that return being dedicated to investment in wealth creation for the long-term sustainable growth of the Australian economy. That is precisely what this government is proposing to do, and that is precisely what the opposition is trying to stop.

#### Climate Change

**Mr ABBOTT** (2.40 pm)—My question is to the Prime Minister and I refer him to his repeated statement that climate change is the greatest moral challenge of our time and I ask: does he still believe that? Further, I refer the Prime Minister—

*Government members interjecting—*

**The SPEAKER**—Order! Those on my right! The Leader of the Opposition has the call. The member for Wakefield!

**Mr ABBOTT**—Mr Speaker, if I might begin again: I refer the Prime Minister to his statement that climate change is the greatest moral challenge of our time. Does he still believe that? Further, does the Prime Minister still believe that to defer action would be ‘absolute political cowardice and an absolute failure of leadership’?

*Mr Sidebottom interjecting—*

**The SPEAKER**—Order! The member for Braddon, again, is not assisting. The question has been asked and the Prime Minister now has the call.

**Mr RUDD**—I welcome any question from the Leader of the Opposition on climate change, any question whatsoever that he may wish to ask on climate change, particularly given his recent discussions in Sunday school with little children, telling them that it was hotter in Jesus’ time—and right on cue the guy up the back says, ‘It’s true.’

No credible scientist in the world believes that it was hotter in Jesus’ time than it is 2,000 years later after 250 years of the industrial revolution. You know those things called factories with smokestacks and things coming out of the top? That is what is making the world hotter. It is called climate change through global warming. What I find disturbing about all this—and the position of the government on previous statements remains unchanged—

*Honourable members interjecting—*

**Mrs Bronwyn Bishop**—Mr Speaker, I rise on a point of order. On the question of relevance, in anyone’s wildest dreams that answer is not relevant to the question that was asked, which was very specific and requires being answered.

**The SPEAKER**—Order! The member for Mackellar will resume her seat. The Prime Minister is responding to the question.

**Mr RUDD**—This new twist on the part of the Leader of the Opposition to substantiate his policy positions on religious beliefs I find interesting. There was a debate earlier on about homelessness—am I right?—where he said, in justifying his position, that they would not support our position to bring down homelessness. He again invoked Jesus of

Nazareth to say, 'The poor you have with you always.'

**The SPEAKER**—Order! The Prime Minister will resume his seat. The member for Sturt on a point of order which will be on relevance.

**Mr Pyne**—Mr Speaker, I rise on a point of order which is clearly on relevance. He was asked whether he still believed that climate change was the greatest moral challenge—

**The SPEAKER**—Order! The member for Sturt will resume his seat. The Prime Minister will return to responding to the question.

*Mr Pyne interjecting—*

**The SPEAKER**—Order! The member for Sturt is warned.

**Mr RUDD**—As I said in response to the question from the Leader of the Opposition before, on both of the matters he raised, neither my position nor that of the government has changed. Can I say in response, though—to the man who stood in this place and assassinated the member for Wentworth in order to obtain the leadership of the Liberal Party and then proceeded to vote down this government's emissions trading scheme and has the gall to stand at the dispatch box and provide a moral lecture on climate change—what moral planet does he live on? Having himself destroyed bipartisan consensus on emissions trading, having assassinated the member for Wentworth on the basis of that and having said just before that emissions trading must be passed before this parliament, he stands there as if he occupies a position of moral principle. I would suggest to the Leader of the Opposition he reflect again on climate conditions in Palestine in the year 32 AD.

*Honourable members interjecting—*

**The SPEAKER**—Order! The House will come to order.

### Superannuation

**Mr BRADBURY**—My question is to the Minister for Human Services, Financial Services, Superannuation and Corporate Law. How have the government's simpler and fairer superannuation reforms been received and what obstacles are there to these important reforms being rolled out?

**Mr BOWEN**—I thank the honourable member for Lindsay for his question. The government will deliver an historic boost to the retirement incomes of Australians to deal with the ageing population and to give Australians a chance for a more comfortable retirement. This is a big reform. These are the biggest reforms since the introduction of our national superannuation system in 1992—8.4 million Australians will benefit from an increase in their retirement incomes and 3.5 million Australians will pay little or no tax on their superannuation as the government effectively reduces the contributions tax for low-income earners to zero.

These are reforms of today to meet the challenges of tomorrow, and they have been very widely welcomed. The former Governor of the Reserve Bank and former Secretary to the Treasury, Bernie Fraser, had this to say. He said that he was very encouraged by that move because it will make a significant contribution to more Australians having the chance of a half decent retirement income. He said that, really, nine per cent is not sufficient for the vast majority of Australians; 12 per cent will be better. And the Combined Pensioners and Superannuants Association of New South Wales said that pensioners and superannuants welcome the Australian government's response to the Henry review as it will make the superannuation system fairer for low-income earners and will boost retirement incomes. They said that they call on all MPs to pass on these reforms. Bernie Fraser was a Labor mate—maybe the Combined

Pensioners and Superannuants Association are Labor mates too.

So we have had Bernie Fraser and we have had the superannuants. They said Bernie Fraser was a Labor mate. Let us see what that other well-known Labor mate John Brogden, the Chief Executive of the Investment and Financial Services Association, had to say about the reforms of this government. He said that the policy announced by the government eight days ago is good for Australia and good for Australians. He said that it will deliver an extraordinary benefit to the economy. He went on to say that this is a visionary policy, that it is visionary for Australians' retirement outcomes and it is visionary for the Australian economy. He said that they support this strongly and call on the opposition to join with the government in supporting this important policy. That is that well-known Labor mate John Brogden.

The reason why these reforms have been so well received is that ordinary Australians stand to benefit so much from these reforms. An employee aged 30 today, on average weekly earnings, will receive an extra \$108,000 when they come to retire. And a female aged 30 today, on average weekly earnings, who may have her working pattern interrupted by maternity leave and other issues, stands to gain \$78,000 when she comes to retire. But the opposition opposes these important reforms and opposes this boost to the retirement incomes of Australians.

I have seen the opposition, and saw it again a few moments ago, arguing that there is no link between the resources super profit tax and these reforms. The shadow minister for superannuation, the member for Cowper, who is now more accurately known as the shadow minister against superannuation, has issued a press release saying there is no link, and I saw the shadow Treasurer arguing this on *Insiders* on Sunday. Winter is coming to

Canberra and it is time to get your sloppy joe out once again—because there he was, arguing on *Insiders* that there is no link. He said there was no government money going into the superannuation guarantee. The opposition so lacks an understanding of basic economics and so lacks an understanding of public finance that it seems not to realise that superannuation in Australia attracts a tax concession, and when you increase the amount of money on superannuation you increase the cost of the tax concession. That is how it works and a half a percent increase in the superannuation guarantee sees the cost of the tax concession go up by \$500 million.

The opposition stands against improved superannuation in two ways: it opposes the increase in the superannuation guarantee and it opposes the super profits tax on the resources sector, which will fund the improved and increased tax concessions. Now, there is something deeper going on here because the opposition, the Liberal Party, hates superannuation. It opposed superannuation when the Keating government introduced it. It opposed the increase in the superannuation guarantee all through the Howard years. It stopped Australian working families getting an improved retirement income all through the Howard years.

This Leader of the Opposition particularly hates superannuation. This Leader of the Opposition argued in his book *Battlelines* that the tax concessions for superannuation should be abolished. He would put a wrecking ball through the retirement incomes of Australians—a wrecking ball. He would abolish the tax concessions for superannuation and make Australian workers pay tax on superannuation at their full marginal tax rate. The Australian people have a very clear choice at the next election: a government which believes in promoting and boosting the retirement incomes of Australians or an opposition which stands against boosting the

retirement incomes of Australians and stands against working Australians having a more comfortable retirement.

#### **Building the Education Revolution Program**

**Mr PYNE** (2.52 pm)—My question is to the Prime Minister. The *Rawlinsons Australian Construction Handbook* indicates that single-level primary school buildings should cost \$1,350 per square metre. The cost per square metre under the Prime Minister's school hall program for some buildings like canteens was as high as \$13,300. How does achieving potentially less than 10 per cent value in some cases fit with his promise to be a fiscal conservative? If the Prime Minister cannot be trusted to manage a \$16.2 billion program, how can he be trusted to deliver any of his promises?

**Mr RUDD**—A minister—finance minister, I recall—of the previous government, the highest taxing government in Australia's history, providing any lecture on fiscal conservatism is remarkable. The projects concerned formed part of the government's school modernisation program. I noticed from the tone of the question from the shadow minister for education that he is deeply disappointed by the contents of the APPA report. The APPA report has a number of observations within it, including the following: 97 per cent of principals said students would benefit from the Primary Schools for the 21st Century program; 96 per cent of students would benefit from the National School Pride Program; 90 per cent of principals agreed that the projects undertaken matched community needs; et cetera. This has been a remarkably successful program right across the country.

Only last week I was in the electorate of the member for Deakin, opening the new library at the School of St Luke the Evangelist. I listened very carefully to the teachers,

the local priest and others talking about them having something decent added to their school for the first time in decades and decades. I also went outside and looked at what had happened via the improvement program which had funded the astroturfing of an oval that had previously been completely unusable due to there not being enough water to have grass there. For the first time, the kids can go out there and not have their knees skinned if they fall over once. These stories are being repeated across the nation in the 24,000 projects that are underway under the Building the Education Revolution program.

This government is proud of the school modernisation program. This government is proud of the libraries that are being built across Australia. We are proud of the fact that we are adding science centres across Australia. We are proud of the fact that we are also assisting local school communities deal with needs that have been banking up year after year. The government has looked carefully at the Audit Office's report. The Deputy Prime Minister has taken note of its recommendations. The government will continue to implement these projects.

I would like to say something to the shadow minister for education and the Leader of the Opposition while they are together in this chamber. On the one hand, the Leader of the Opposition says that he will cancel all stimulus.

**Mr Pyne**—Nonsense.

**Mr RUDD**—Nonsense? I say that those opposite are walking two sides of the street. On the question of the Building the Education Revolution program, those opposite have one responsibility if they are being fair dinkum: in each electorate across the Australia, they must itemise each one of the schools at which they will cease the construction program. Otherwise, the Leader of the Opposition's statement about halting stimulus

payments across the country is revealed for what it is: a piece of utterly fraudulent politics. That is the challenge for those opposite. If you are going to say this in Canberra, do it at the local level. Every local newspaper editor will chase you down and ask which schools you will stop funding, which of those where construction has not started will you pull the plug on and how many tradies will you throw out of work.

I go back again to the School of St Luke the Evangelist. I spoke to the local builder, who said to me that, were it not for this program, he and so many other people who worked on it—up to 30 subbies on a given day—would have had no work last year. Why do you think that this country—unique among the major advanced economies—emerged from the global economic crisis with positive growth, as the only economy not to go into recession and as the only economy to continue to generate high levels of employment, with an unemployment level about half of what we see in Europe and the United States? The answer lies in getting on with the business of implementing stimulus projects on the ground, ones that have provided real and tangible returns for the kids of the 21st century. That is why the government unapologetically supports this program.

#### Infrastructure

**Mr GIBBONS** (2.57 pm)—My question is to the Minister for Infrastructure, Transport, Regional Development and Local Government. How will tax reform deliver better nation-building infrastructure? Why is this so very important for Australia?

**Mr ALBANESE**—I thank the member for Bendigo for his question. I acknowledge his interest in infrastructure issues, particularly in his regional community. Australia does indeed need world-class infrastructure, especially in our resource rich states. The Rudd government is determined to manage

the next resources boom better than the previous government managed the last one, making sure that we have long-lasting productivity and sustainable growth. Through the resources rent tax, we will be able to establish a \$5.6 billion state infrastructure fund aimed at doing just that. This will build better road and rail infrastructure and more efficient ports. It will tackle the capacity constraints that the Reserve Bank warned on 20 separate occasions during the last boom were holding back Australia's economic growth.

This fund is about boosting productivity across the economy. It will provide vital infrastructure reform for our economic future. It will deliver critical funds for infrastructure funding when they are most needed: as resource projects are built, not years down the track after production has come on line. But yet again we have those opposite opposing reform and opposing investment in infrastructure.

We know that public investment in infrastructure fell by 20 per cent as a proportion of national income during their term in office. Every time this government has attempted infrastructure reform, it has been opposed by those opposite. They opposed the establishment of Infrastructure Australia, they opposed the Building Australia Fund and they opposed the record spending through the Nation Building Program. It is not surprising when you look at what they say. The Leader of the Opposition has justified their opposition to spending when it comes to rail with this quote: 'But normally state governments can do all that.' That was their attitude during their period in office—it was someone else's problem. Under their watch, super profits went up by \$80 billion over the last decade, but there was a failure to invest in infrastructure. The way the government has structured this package will ensure that infrastructure is looked after, and that is in the interests of the national econ-

omy, just as Australians getting a fair share from their resources is in the interests of all Australians.

#### **Home Insulation Program**

**Mr HUNT** (3.00 pm)—My question is to the Prime Minister. I refer the Prime Minister to the collapsed Home Insulation Program. In particular, I refer to his promise in front of parliament on 24 February to Kelly Jackson to assist her and other small business operators by introducing a replacement insulation scheme—a promise he scrapped in just two months via a junior minister. Given this clearly broken promise to Ms Jackson, will he apologise, and why should any small business operator anywhere believe anything he says?

**Mr RUDD**—I thank the honourable member for his question. It goes to the government's arrangements to work with the industry arising from the Home Insulation Program. I refer the honourable member to the Hawke review, which produced its findings concerning the inadvisability of proceeding with a continuing program. They did so because they believed that the government's resources should be dedicated in the meantime to ensuring that all safety matters arising from the previous program were properly dealt with. Furthermore, the government has already provided, by way of assistance to firms within the industry, \$15 million in insulation industry assistance package support, together with arrangements with the Commissioner for Taxation on GST payment obligations for eligible insulation companies. In addition to that—

**Mr Hunt**—Mr Speaker, a point of order on relevance: the question was whether the Prime Minister would apologise to Ms Jackson.

**The SPEAKER**—The question was very wide by the time it was finished. The Prime Minister is responding to the question.

**Mr RUDD**—One of the three elements of the government's response is the \$56 million to assist insulation workers and companies affected by the closure of the Home Insulation Program. There are specific programs which affect workers, and they were detailed earlier by ministers in the House. For companies, I referred to the \$15 million industry assistance package, and of course there are the additional measures through the Australian Taxation Office.

These are difficult times for various parts of the industry. The government fully recognises that fact. A number of firms are already assisting with the Home Insulation Program inspection arrangements. I am advised by the minister that a number of those firms are obtaining further work as a consequence of that. The minister responsible, the Minister Assisting the Minister for Climate Change and Energy Efficiency, Mr Combet, will continue to keep the House informed on the progress of implementation of that program.

#### **DISTINGUISHED VISITORS**

**The SPEAKER** (3.03 pm)—I inform the House that we have in the gallery today Hon. Con Sciacca, a former member for Bowman and former Minister for Veterans' Affairs. To some he is known by the name Zulu Sciacca. On behalf of the House, I welcome him to the House.

**Honourable members**—Hear, hear!

#### **QUESTIONS WITHOUT NOTICE**

##### **Health**

**Mr RAGUSE** (3.04 pm)—My question is to the Minister for Health and Ageing. What are the government's plans to improve access to hospital services, and how is the government already committing to delivery of services to families in electorates like Forde?

**Ms ROXON**—I particularly thank the member for Forde for that question. Of course, we have already heard from the

Prime Minister about the historic COAG deal that was reached on 20 April. But the important backing-in of that agreement is made by the question asked by the member for Forde, because his electorate, which includes Logan Hospital, has already received \$44 million to upgrade its emergency department. It is one of the busiest hospitals in Queensland. This comes from the \$750 million that was already committed to taking pressure off emergency departments from the 2008 COAG agreement. Thirty-seven hospitals across the country are receiving upgrades. Many of them are already in fact operating. Royal Darwin Hospital, for example, is expanding its emergency department with a \$2.3 million upgrade. New medical assessment units have already opened across New South Wales in hospitals, including the Calvary Mater in Newcastle and in Mona Vale and Liverpool.

What we see with the recent agreement is a \$750 million additional investment in emergency departments to bring about our commitment that patients be seen, admitted or discharged within four hours—a new first-time target for the nation in emergency departments. We can look across the spectrum for this. We can look at our new investments in elective surgery—\$800 million extra, as the Prime Minister mentioned, with a new guarantee to provide elective surgeries within the clinically recommended time. But of course we already had made a \$600 million investment in elective surgery, which has already provided 62,000 additional elective surgeries, and more than 120 hospitals across the country have received new equipment or upgrades. Patients are already enjoying the benefits of this investment in hospitals such as Royal Brisbane and Women's Hospital, Frankston Hospital and Canberra Hospital.

In fact, I am disappointed that the member for Dunkley is not here, because I was fortu-

nate to be able to visit Frankston Hospital in just the last few weeks. They already have a new, dedicated elective surgery ward which is assisting them to deal with their throughput and the growing demand for elective surgery. I was told by the director of elective surgery at Frankston Hospital that since our investment was made and they opened that ward they have not had to cancel one elective surgery operation. This is a really important achievement for the people of Frankston, and this is going to be replicated across the country.

So we are very proud that the additional significant investments that will deliver for patients across the country are building on significant investments that have already been made and that are rolling out across the country. But what you can see from the new investment is not just the guarantee for elective surgery. It is not just the new access targets for emergency departments. It is more than 1,300 new subacute beds across the country. Our investments are going to support over a million extra emergency department services and more than 90,000 extra elective surgeries and will deliver an estimated 24,900 services just through the additional subacute beds. This is a lot of people. It is a lot of families. It is a lot of relief for people who are in pain and, often, suffering. We would invite those opposite to start representing their constituents. Encourage people—the member for Dunkley, I am sure, will be doing this about Frankston Hospital—to support these important investments that are delivering for patients across the country.

#### **Child Care**

**Dr STONE** (3.08 pm)—My question is addressed to the Prime Minister. I refer the Prime Minister to his 2007 promise to build 260 new childcare centres to, in his own words, 'end the dreaded double drop-off'.

Now that the Prime Minister has abandoned his commitment to build these childcare centres, why should Australian families struggling to find childcare places for their children believe he will ever deliver on any of his promises?

**Mr RUDD**—I thank the honourable member for her question. Can I also draw her attention to the fact, when it comes to the affordability of child care, that the government has increased the childcare rebate from 30 per cent to 50 per cent. This has been a huge boon to working families. We have some 77,000 families that have benefited from the government's policy to lift that, meaning up to a threshold of \$7,500 a year. Secondly, on the question of centres—

**Dr Stone**—Mr Speaker, I rise on a point of order. It is about relevance. The question was about abandoning the 260 places, not the cost.

**The SPEAKER**—Again, by the end of the question, the question was very wide. The Prime Minister is responding to the question.

**Mr RUDD**—I am advised that four years ago there were some 1,000 fewer long day care centres and child care was of course less affordable, for the reason I just referred to. Since then we have increased the childcare rebate, ABC Learning has collapsed and the government has helped re-establish the market by ensuring as many centres as possible kept their doors open. Following reassessment of the market, the data has indicated that supply is largely keeping pace with demand. The government, therefore, will remain attentive to any particular emergence of supply gaps in parts of the nation. We have, however, acted on the basis of close consultation with the industry.

The Child Care Vacancies Quarterly snapshot showed that 91 per cent of reporting long day care services recorded vacancies,

including 90 per cent in major cities and 98 per cent in very remote and remote areas. In light of this evidence, the government reached the decision that has been articulated by the minister in recent days. Again I would draw the honourable member's attention to the circumstances which the Deputy Prime Minister and others had to confront following the collapse of ABC Learning. My advice or recollection is that that was about one-quarter or one-third of centres right across the nation. The fact that the government stepped in and kept that network afloat in terms of making sure that so many families out there were not left in the lurch is an extraordinary achievement in itself. That, on top of the other factors I referred to, goes to the whole range of provision of centres across the country, the vacancy snapshots that we referred to—the basis, therefore, for the government's decision.

Finally, on the affordability question, I believe it speaks for itself—a 30 per cent to 50 per cent increase in the childcare rebate up to a threshold of \$7,500 per child per year, a significant pre-election commitment by this government which we have honoured in full because working families need access to affordable child care.

#### **Literacy and Numeracy**

**Mr SYMON** (3.12 pm)—My question is to the Minister for Education, Minister for Employment and Workplace Relations and Minister for Social Inclusion. Would the Deputy Prime Minister inform the House about the importance of the national literacy and numeracy tests taking place today?

*Mr Abbott interjecting—*

**Ms GILLARD**—Thank you very much, Mr Speaker, and I thank the Leader of the Opposition for his enthusiasm as well. The House may be pleased to hear that today in classrooms around the nation more than a million children are sitting down to do the

first day of the national tests—children in grades 3, 5, 7 and 9 right around the country starting today, the first day of national testing. Of course national testing continues today, tomorrow and the next day, and children will be tested in sequence on writing, on reading and on numeracy skills. This is important for the individual children involved because it will lead to them and their parents having an individual report card about how that child is going against the benchmarks of the nation and national standards. I understand—and indeed I have met with some schoolchildren today who sat the national test—that going to school and doing tests is not necessarily fun for kids. Some of the kids said the test was fun. A few of the kids said they were a little bit scared. But it is important that children sit these tests and get that report card for mum and dad.

It is also important that their teachers end up with the information from what is a world-leading diagnostic tool. It is a world-leading diagnostic tool that enables their teachers to then work through what it is that can be done to best promote that child's individual learning in areas that the test has examined in that child's education. This information is vital for the next version of the My School website, which will be available by the end of the year.

As members would know, and people listening would know, the Australian Education Union had at one point contemplated a boycott of the national tests. I am very pleased that the Australian Education Union did not pursue that boycott and the national tests are going ahead today without any threat of disruption. In terms of that threat of a boycott, can I assure members of the House that everything on the My School website will stay and it will be updated with the 2010 test information. We will also be adding additional information to My School including, importantly, the amount of funding going in per

school, and we will be able to add value-added measures. Because we are now in the third year of national testing, we will be able to show the journey of children in the two years of learning since they were last tested.

One would have thought that this was unambiguously a good news story that would be celebrated by all members of the House. But, of course, when we come to the question of education, there is always opposition from those across the chamber. In particular, let me direct the House's attention to the attitude of the member for Parkes. The member for Parkes, last month, said in the *Daily Liberal*:

I whole-heartedly support any teacher that decides to take a stand against this discrimination by refusing to oversee the NAPLAN tests ...

And, even when the Australian Education Union backed away from their plan to boycott the national tests, the member for Parkes was on 2DU, Dubbo radio, on Friday last week, saying he was disappointed that the union had called off the ban. We know that the Liberal Party does not support transparency. Barry O'Farrell has already proved that for us in New South Wales. Now we have it as a matter of record that members opposite do not support transparency.

This is a website that the shadow minister has referred to as a white elephant. Well, let me say very directly to members opposite: Australian parents believe you are wrong. This website has been visited by Australian parents in record numbers, recording over three million visitors. On this side of the House, we will get on with the job of delivering an education revolution, as parents want to see it after 12 long years of neglect. Over there they are opposed to My School, opposed to Building the Education Revolution, opposed to Computers in Schools, opposed to lifting teacher quality, opposed to literacy and numeracy, opposed to more

money for disadvantaged schools—actually, opposed to everything parents want in this country for their children’s education.

#### Asylum Seekers

**Mr MORRISON** (3.17 pm)—My question is to the Prime Minister. I refer the Prime Minister to his 2007 promise to be tougher on border protection. Since he made that commitment no boats have been turned around, there have been record numbers of illegal boat arrivals, the Christmas Island detention centre is full, people arriving illegally are now regularly transferred to the mainland and the Curtin detention centre is set to reopen. Given his broken promise, why should Australians concerned about the security of our borders believe any new promises he makes in this election year?

**Mr RUDD**—I welcome the contribution to the debate today by the member for Cook. Just a few facts: the three years with the largest number of asylum seekers over the last 15 years were under the Howard government—1999, 2000 and 2001. The highest number of boats in any one year arriving in Australia was under the Howard government, in 1999. The largest number of asylum seekers in one year was under the Howard government, in 2001. The single-largest vessel to arrive in Australia was under the Howard government, with 359 people. So let us just put all that into a bit of context.

Secondly, what I would say in response to the member for Cook is as follows. He referred to asylum seekers who are in various processing centres on the mainland. He has been contributing to this debate in recent days. In fact, he was on 2GB—I presume—where he said the following:

Now, it is not for the first time this has happened—

He is referring to people being processed onshore and being accommodated temporar-

ily in some form of hotel or motel accommodation. He said:

I should be upfront with the people about this, Ray—

I presume that is Ray Hadley—

when there was that massive surge of arrivals that occurred back in 1999, 2000 and 2001, we had to do that when we were in government for that very brief period of time.

The problem is, as he knows, they kept doing it. It did not stop in 1999; it did not stop in 2000. It went on to 2001. And here are the facts: in 2004-05—this is what the member for Cook neglected to tell Ray Hadley this morning—the Howard government budgeted \$1.8 million for community and hotel based detention. That was in 2004-05. Then in 2004 the Howard government was spending approximately \$80,000 a month to house two asylum seekers at the Arkaba Hotel in Adelaide. I hope it was a nice hotel! What the member for Cook neglected, I am sure, to tell 2GB this morning was that, in December 2006, under the Howard government there were something like 20 or 30 detainees living in private hotels and serviced apartments and 57 detainees living in residential housing. Hotels like the Comfort Asti Inn in Darwin, the Colonel in Brisbane—

**Mr Morrison**—Mr Speaker, I rise on a point of order. If the Prime Minister is to be relevant he should also mention that the number of boats reduced to zero—

**The SPEAKER**—Order! The member for Cook will resume his seat. The member for Dunkley was dealt with for less.

*Mr Albanese interjecting—*

**The SPEAKER**—A fine observation by the Leader of the House! I have been a little distracted by other things, but the member for Cook should consider himself very lucky.

*Mr Albanese interjecting—*

*Ms Gillard interjecting—*

**The SPEAKER**—Order! The Leader of the Opposition and the Deputy Prime Minister will come to order. The Prime Minister has the call. The Prime Minister will relate his material to the question.

**Mr RUDD**—The reason I refer to these matters is that the member for Cook asked in his question about the number of asylum seekers being processed within Australia. That goes to a debate in which he has also been participating, which is how they are being accommodated. This morning on national radio he did not tell the truth. That is the bottom line: he fundamentally misled the Australian public. He said that this practice was only in emergency times, finishing in 2001. He has been found out today to be an absolute political fraud, because this practice was pursued under the Howard government in 2004, 2005, 2006 and 2007.

**Mr Pyne**—Mr Speaker, I rise on a point of order. That phrase has been ruled on before and it has been asked that it be withdrawn. I ask you to ask the Prime Minister to withdraw it.

**The SPEAKER**—Order! The expression has been used and has been allowed. I would agree it has, from time to time, been asked that it be withdrawn. It falls within expressions where, if it was taken as a direct expression, not in a political debate, there could be offence, but I refer to practice which indicates that people in public life from time to time have comments made about them that in normal life we may not wish to hear. On this occasion I will allow the Prime Minister to continue.

*Honourable members interjecting—*

**The SPEAKER**—Order! At least the Manager of Opposition Business has risen to his feet. He is, perhaps, going to suggest I do other things, but the Manager of Opposition Business has the call.

**Mr Pyne**—On the point of order, with the greatest of respect, Mr Speaker, in the past if a remark has been made about a person in particular, and if this side has taken offence, you have asked for it to be withdrawn. If it has been made in general about the opposition then you have allowed it. But, as it was specifically about the member for Cook, I ask you respectfully to ask the Prime Minister to assist the House by withdrawing it.

**The SPEAKER**—Order! As I have said before, often, regrettably, the justification for these things is that they are taken in context. The context of this question time is that it has been fairly robust.

The member for Cook will resume his seat. I am not persuaded at this stage by the member for Sturt's learned submission to me to change my mind.

*Opposition members interjecting—*

**The SPEAKER**—Order! The member for Cook should be a bit careful.

**Mr Morrison**—On the point of order, although I am not often considered delicate, I did find offensive the suggestion that I did not tell the truth. I did tell the truth and he should withdraw.

*Honourable members interjecting—*

**The SPEAKER**—Order! The House will come to order! I, perhaps in vain, hope that people will have got a lot of things out of their systems and will, by 7.30, be a lot quieter. On the basis that the member for Cook has indicated that he is aggrieved, to assist the House I ask the Prime Minister to withdraw.

**Mr RUDD**—Thank you very much, Mr Speaker. To assist the House I will withdraw. The member for Cook just said in his remarks then, 'I told the truth.' Can I ask the House to form their own independent judgement of the following. This morning on radio he said: 'I should be upfront with people

about that, Ray. When there was that massive surge of arrivals that occurred back in 1999, 2000 and 2001 we had to do that—that is, accommodate people in hotels—‘when we were in government, for a brief period of time.’ What we now know from the facts is that this practice continued extensively in 2004, 2005 2006 and 2007. I would submit to the House that on any reasonable person’s reading this, in fact, was not a truthful statement.

The reason I highlight this point in this debate on asylum seekers is that it goes to the heart of the truthfulness in which they engage in this debate around the country right now, which is entirely fear based—a debate around the country which is designed to instil fear and intimidation in the community.

**Mr Morrison**—Mr Speaker, I rise on a point of order. If the Prime Minister is going to be truthful in his response, to be relevant—

**The SPEAKER**—The member for Cook is not making a point of order. If he has a point of order he can make it but I am not as tolerant as I was the last time.

**Mr Morrison**—My point of order is on a matter of relevance. He has, again, in this place indicated that I have not spoken the truth. He is saying it is untruthful. If it is untruthful—

**The SPEAKER**—That is not a point of order. The member for Cook will leave the chamber under 94(a) for one hour.

*The member for Cook then left the chamber.*

*Mr Ruddock interjecting—*

**The SPEAKER**—The member for Berowra knows, more than anybody else in this place, that there are other ways in which somebody who is aggrieved can, to use his words, defend themselves. Certainly, for the

father of the House to show the example of ignoring the standing orders by way of an interjection that is a reflection against the chair is not helpful.

**Mr RUDD**—The reason I have dwelt on this matter for some time is that it goes to the core question of whether those opposite are being truthful in this debate on asylum seekers. What we had this morning was a deliberate attempt by the member for Cook to engage in this debate and not to extend to the Australian public the full benefit of the truth concerning their time in office.

I noticed that the member for Berowra was just mentioned by you, Mr Speaker. The member for Berowra was, of course, immigration minister when this practice of accommodating asylum seekers onshore in hotel and motel accommodation occurred under him and under the member for Menzies—I am so advised—as well. Let us therefore reflect carefully on what this says about the truthfulness with which those opposite are engaging in the debate about asylum seekers. On this—

**Ms Julie Bishop**—Mr Speaker, on a point of order: this was a question about the government’s broken promise in relation to asylum seekers. The Prime Minister is not being relevant to that question and has not answered that question.

**The SPEAKER**—The Prime Minister will relate his material to the question.

**Mr RUDD**—If we are looking for a member with integrity on this question, we should look to the former member for Cook who said this morning:

... I certainly do not support the fear mongering that we see in those ads. I’ve spoken to my successor in Cook, Scott Morrison, and expressed my views to him.

There stands an honourable Liberal, unlike those who sit opposite.

**Mr Farmer**—Mr Speaker, as you know, I do not normally stand on points of order in relation to comments made by the Prime Minister. However, that last blanket statement was against everybody on this side of the House, and I ask him to withdraw it.

**The SPEAKER**—I am not asking the Prime Minister to withdraw. I call the member for Moreton.

### Soccer World Cup

**Mr PERRETT** (3.31 pm)—My question is to the Minister for Early Childhood Education, Childcare and Youth and the Minister for Sport. Will the minister update the House on the progress of Australia's bid to host the FIFA World Cup?

**Ms KATE ELLIS**—I take this opportunity to thank the member for Moreton for his question. I also note that the member for Moreton's five-year-old son, Stan, has just started playing soccer, and we certainly hope that, if all goes to plan, little Stan might have the chance to play in the big league on home soil in days to come.

I am really pleased to advise the House that we now find ourselves at crunch time in terms of Australia's efforts to host the 2018 or 2022 FIFA World Cup, with our bid being formalised this week. On Friday in Zurich, Australia will not only lodge the official World Cup bid book but also have the opportunity to provide our first presentation to the FIFA executive committee on the case for why Australia is the best place in the world to host this enormous sporting event.

I can inform the House of another milestone in the bidding process, where just recently we have seen the successful completion of a memorandum of understanding between the Australian government, the AFL, Cricket Australia, the ARU, the NRL and the FFA in respect of this bid. This agreement covers a number of areas and includes costs associated with any code displacement, a

guarantee for seasons continuity and an agreement to minimise the disruption to any other of our Australian codes.

It has previously been noted internationally that one of the real strengths of the Australian bid has been the bipartisan political support and the support at the level of the Australian government as well as from our state and territory governments. But, on top of this, the completion of the MOU in the past week is a clear indication that this bid is also supported by a united sporting community. I would like to acknowledge the efforts and contributions of all those who were involved in the negotiations and thank the leaders of Australian sport for getting behind this important bid.

Whilst now the very hard work begins, this is a pivotal time in the bid process, and it shows that a huge amount has already been achieved. The bid has been finalised, our pitch has been prepared, negotiations have been conducted between the state and territory governments, understandings have been reached with the major Australian sports and the case has been finalised for bringing the World Cup to Australia. I have noted the opposition's support, and I note the Leader of the Opposition once more in stating that we are very clearly saying to the international community that both sides of Australian politics are very much behind that.

All this would not have been achieved if it were not for the hard work and determination of Frank Lowy and the FFA, the cooperation of other sports, commitments from our state and territory governments and also the dedicated efforts of people like Jeff Dixon and Ron Harvey, who have been assisting in negotiations. I take this opportunity to thank our tireless World Cup task force led by Richard Eccles, all of whom I commend to the House, because now we get to the business end of this: the lobbying and convincing

the world that there is no better place than right here in Australia. We are absolutely in this to win it, and that is the message that Australia will send very clearly both when we present in Zurich on Friday and also constantly until the decision is made in December.

Whilst on the topic of the bid, I would like to very quickly congratulate the boys who were named earlier today in the Soccerroos team to play in South Africa in just a few weeks time. This, of course, is an enormous honour, and I know that we all wish them all very best for a strong preparation. I would like to reiterate to all sports lovers in Australia and the international football movement that Australia is very, very serious in this endeavour. We are in it to win it. We know that there is no better place on the planet to host major sporting events, and we will absolutely be going all out to convince the rest of the world of that.

**Mr CIOBO** (Moncrieff) (3.35 pm)—Mr Speaker, on indulgence: I associate the opposition with the remarks of the Minister for Sport. We are certainly supportive of the hard work done by Richard Eccles, Frank Lowy and the FFA for the 2018 and 2022 bids, and we wish them all the very best.

#### **Terrorism**

**Mr BALDWIN** (3.36 pm)—My question is to the Prime Minister. I refer the Prime Minister to the member for Warringah's Assisting the Victims of International Terrorism Bill 2009, which seeks to provide help to Australian victims of overseas terrorism. I further refer the Prime Minister to his promise to consult on ways to provide assistance to the victims of terrorism, particularly the Newcastle victims of the Bali bombing. When will the Prime Minister undertake the consultations as promised?

**Mr RUDD**—I thank the honourable member for his question and the spirit in

which it was asked. I cannot give him a detailed answer to that here in the parliament, but I will seek to give him an answer to that by the end of this week.

#### **Plague Locusts**

**Ms LIVERMORE** (3.37 pm)—My question is to the Minister for Agriculture, Fisheries and Forestry and Minister for Population. Will the minister advise the House of the recent impact of locusts on the farming sector?

**Mr BURKE**—All honourable members would be familiar with the impact of drought. Many members would not be familiar with some of the impacts which happen following welcomed rain. Many of our farmers throughout Australia have been dealing with that in previous months. When I was given this job, one of my first visits was to the Plague Locust Commission at Broken Hill, where I was told that the locust problem was not so much of a problem because of the extent of drought that we had at the time but that, once rains came, it would provide a breeding ground and we could well find ourselves hit by a particularly severe plague of locusts throughout the agricultural areas along the east coast. That is precisely what happened.

In March the Plague Locust Commission was involved in aerial spraying in an area around Tibooburra—some 200,000 hectares in all. Notwithstanding that fairly major effort, there was breeding to capacity in an area around Balranald which then followed the warm weather systems, through the Riverina and into South Australia and Victoria. We are looking at damage in the order of—and there are different estimates of this—\$40 million. I want to acknowledge the members of parliament from each side of the House who have been in contact with me over the break to provide me with information as to what was happening on the ground and to

make sure that their concerns were being fed back to the Plague Locust Commission and its work.

For those not familiar, we are talking about something like a dark storm cloud hovering about four metres above a paddock that takes out absolutely everything. The challenge that we have had may well be nothing to the challenge that is ahead of us. The plague that we have seen has now largely left its eggs in the ground. You get a very brief window in the nymph stage when spraying can do something about the next infestation. It is expected that the nymph stage will arrive in late September to mid-October, precisely the time that many of these areas will be looking at harvest, and then we will be faced with very real problems if they do undergo spraying: what that means to the value of crops and whether the residue limits are hit.

With that in mind, we are expecting to increase our funding by around 15 per cent at our end—that is, for the joint funding for the Plague Locust Commission. The first line of defence, when it comes to spraying at the

nymph stage later this year, will be the farmers themselves, as is always the case. I would encourage any farmers to make contact with the Australian Plague Locust Commission on the toll-free number: 1800635962. While droughts, floods and fires always receive the most publicity, in terms of economic damage there is a very real risk to the harvest later this year as a result of the eggs already in the ground. I would encourage members of parliament to continue to be in touch with producers in their regions to try to make sure that the targeted effort required later this year takes place.

**Mr Rudd**—Mr Speaker, I ask that further questions be placed on the *Notice Paper*.

#### MINISTERIAL ARRANGEMENTS

**Mr RUDD** (Griffith—Prime Minister) (3.41 pm)—I table for the information of the House the revised ministry list reflecting changes to the ministry made in April 2010. I seek leave to have the document incorporated into the *Hansard*.

Leave granted.

#### RUDD MINISTRY

14 April 2010

Title	Minister	Other Chamber
<b>Prime Minister</b>	The Hon Kevin Rudd MP	Senator the Hon Chris Evans
<b>Cabinet Secretary</b> (Manager of Government Business in the Senate)	Senator the Hon Joe Ludwig	The Hon Lindsay Tanner MP
<i>Minister Assisting the Prime Minister for Government Service Delivery</i>	<i>Senator the Hon Mark Arbib</i>	
<i>Parliamentary Secretary</i>	<i>The Hon Anthony Byrne MP</i>	
<b>Minister for Education</b>	The Hon Julia Gillard MP	Senator the Hon Kim Carr
<b>Minister for Employment and Workplace Relations</b>	The Hon Julia Gillard MP	Senator the Hon Mark Arbib
<b>Minister for Social Inclusion</b> (Deputy Prime Minister)	The Hon Julia Gillard MP	Senator the Hon Mark Arbib
Minister for Early Childhood Education, Childcare and Youth	The Hon Kate Ellis MP	Senator the Hon Mark Arbib
Minister for Employment Participation	Senator the Hon Mark Arbib	The Hon Julia Gillard MP
<i>Parliamentary Secretary for Social Inclusion</i>	<i>Senator the Hon Ursula Stephens</i>	
<i>Parliamentary Secretary for Employment</i>	<i>The Hon Jason Clare MP</i>	
<b>Treasurer</b>	The Hon Wayne Swan MP	Senator the Hon Nick Sherry
Minister for Population	The Hon Tony Burke MP	Senator the Hon Nick Sherry

CHAMBER

Title	Minister	Other Chamber
Minister for Financial Services, Superannuation and Corporate Law	The Hon Chris Bowen MP	Senator the Hon Nick Sherry
Minister for Competition Policy and Consumer Affairs	The Hon Dr Craig Emerson MP	Senator the Hon Nick Sherry
Assistant Treasurer	Senator the Hon Nick Sherry	The Hon Wayne Swan MP
<b>Minister for Immigration and Citizenship</b> (Leader of the Government in the Senate)	Senator the Hon Chris Evans	The Hon Robert McClelland MP
<i>Parliamentary Secretary for Multicultural Affairs and Settlement Services</i>	<i>The Hon Laurie Ferguson MP</i>	
<b>Minister for Defence</b> (Vice President of the Executive Council)	Senator the Hon John Faulkner	The Hon Greg Combet AM MP
Minister for Veterans' Affairs	The Hon Alan Griffin MP	Senator the Hon John Faulkner
Minister for Defence Personnel	The Hon Alan Griffin MP	Senator the Hon John Faulkner
Minister for Defence Materiel and Science	The Hon Greg Combet AM MP	Senator the Hon John Faulkner
<i>Parliamentary Secretary for Defence Support</i>	<i>The Hon Dr Mike Kelly AM MP</i>	
<b>Minister for Trade</b> <i>Parliamentary Secretary for Trade</i>	The Hon Simon Crean MP <i>The Hon Anthony Byrne MP</i>	Senator the Hon Kim Carr
<b>Minister for Foreign Affairs</b> <i>Parliamentary Secretary for International Development Assistance</i>	The Hon Stephen Smith MP <i>The Hon Bob McMullan MP</i>	Senator the Hon John Faulkner
<b>Minister for Health and Ageing</b>	The Hon Nicola Roxon MP	Senator the Hon Joe Ludwig
Minister for Indigenous Health, Rural and Regional Health and Regional Services Delivery	The Hon Warren Snowdon MP	Senator the Hon Joe Ludwig
Minister for Ageing	The Hon Justine Elliot MP	Senator the Hon Joe Ludwig
Minister for Sport	The Hon Kate Ellis MP	Senator the Hon Mark Arbib
<i>Parliamentary Secretary for Health</i>	<i>The Hon Mark Butler MP</i>	
<b>Minister for Families, Housing, Community Services and Indigenous Affairs</b>	The Hon Jenny Macklin MP	Senator the Hon Chris Evans
Minister for Housing	The Hon Tanya Plibersek MP	Senator the Hon Chris Evans
Minister for the Status of Women	The Hon Tanya Plibersek MP	Senator the Hon Penny Wong
<i>Parliamentary Secretary for Disabilities and Children's Services</i>	<i>The Hon Bill Shorten MP</i>	
<i>Parliamentary Secretary for Victorian Bush-fire Reconstruction</i>	<i>The Hon Bill Shorten MP</i>	
<i>Parliamentary Secretary for the Voluntary Sector</i>	<i>Senator the Hon Ursula Stephens</i>	
<b>Minister for Finance and Deregulation</b>	The Hon Lindsay Tanner MP	Senator the Hon Stephen Conroy
<b>Special Minister of State</b> <i>Minister Assisting the Finance Minister on Deregulation</i>	Senator the Hon Joe Ludwig <i>The Hon Dr Craig Emerson MP</i>	The Hon Lindsay Tanner MP
<b>Minister for Infrastructure, Transport, Regional Development and Local Government</b> (Leader of the House)	The Hon Anthony Albanese MP	Senator the Hon Stephen Conroy
<i>Parliamentary Secretary for Infrastructure, Transport, Regional Development and Local Government</i>	<i>The Hon Maxine McKew MP</i>	
<i>Parliamentary Secretary for Western and Northern Australia</i>	<i>The Hon Gary Gray AO MP</i>	
<b>Minister for Broadband, Communications and the Digital Economy</b> (Deputy Leader of the Government in the Senate)	Senator the Hon Stephen Conroy	The Hon Anthony Albanese MP
Minister for Innovation, Industry, Science and Research	Senator the Hon Kim Carr	The Hon Dr Craig Emerson MP The Hon Julia Gillard MP (Research)

Title	Minister	Other Chamber
Minister for Small Business, Independent Contractors and the Service Economy <i>Parliamentary Secretary for Innovation and Industry</i>	The Hon Dr Craig Emerson MP <i>The Hon Richard Marles MP</i>	Senator the Hon Kim Carr
<b>Minister for Climate Change, Energy Efficiency and Water</b> <i>Minister Assisting the Minister for Climate Change and Energy Efficiency</i>	Senator the Hon Penny Wong <i>The Hon Greg Combet AM MP</i>	The Hon Greg Combet AM MP The Hon Peter Garrett AM MP (Water)
<b>Minister for Environment Protection, Heritage and the Arts</b> <i>Parliamentary Secretary for Water</i>	The Hon Peter Garrett AM MP <i>The Hon Dr Mike Kelly AM MP</i>	Senator the Hon Penny Wong
<b>Attorney-General</b> Minister for Home Affairs	The Hon Robert McClelland MP The Hon Brendan O'Connor MP	Senator the Hon Penny Wong Senator the Hon Penny Wong
<b>Minister for Agriculture, Fisheries and Forestry</b>	The Hon Tony Burke MP	Senator the Hon Nick Sherry
<b>Minister for Resources and Energy</b>	The Hon Martin Ferguson AM MP	Senator the Hon Kim Carr
<b>Minister for Tourism</b>	The Hon Martin Ferguson AM MP	Senator the Hon Penny Wong
<b>Minister for Human Services</b>	The Hon Chris Bowen MP	Senator the Hon Joe Ludwig

Each box represents a portfolio. **Cabinet Ministers are shown in bold type.** As a general rule, there is one department in each portfolio. However, there is a Department of Veterans' Affairs in the Defence portfolio. The title of a department does not necessarily reflect the title of a minister in all cases.

## AUDITOR-GENERAL'S REPORTS

### Report Nos 25 to 33 of 2009-10

The **SPEAKER** (3.41 pm)—I present the Auditor-General's Audit reports Nos 25 to 33 of 2009-10 entitled No. 25, *Performance audit – Security awareness and training*, No. 26, *Performance audit – administration of climate change programs—Department of the Environment, Water, Heritage and the Arts, Department of Climate Change and Energy Efficiency, Department of Resources, Energy and Tourism*, No. 27, *Performance audit – coordination and reporting of Australia's climate change measures—Department of Climate Change and Energy Efficiency, Department of Innovation, Industry, Science and Research*, No. 28, *Performance audit – the Australian Electoral Commission's preparation for and conduct of the 2007 federal general election*, No. 29, *Performance audit – Attorney-General's Department arrangement for the National Identity Security Strategy*, No. 30, *Performance audit – man-*

*agement of the Strategic Regional Program/Off-Network Program—Department of Infrastructure, Transport, Regional Development and Local Government*, No. 31, *Performance audit – management of the AusLink Roads to Recovery Program—Department of Infrastructure, Transport, Regional Development and Local Government*, No. 32, *Performance audit – management of the overseas owned estate—Department of Foreign Affairs and Trade* and No. 33, *Performance audit – Building the Education Revolution – Primary Schools for the 21st Century—Department of Education, Employment and Workplace Relations.*

Ordered that the reports be made parliamentary papers.

## DOCUMENTS

**Mr ALBANESE** (Grayndler—Leader of the House) (3.42 pm)—Documents are presented as listed in the schedule circulated to honourable members. Details of the docu-

ments will be recorded in the *Votes and Proceedings* and I move:

That the House take note of the following documents:

Australia's future tax system—Report to the Treasurer—

Part one—Overview, December 2009.

Part two—Detailed analysis, volumes 1 and 2, December 2009.

Tax policy statement—Stronger, fairer, simpler: A tax plan for our future.

Australian Communications and Media Authority—National Relay Service—Report for 2008-09.

*Broadcasting Services Act 1992*—Digital television transmission and reception—Report, May 2010.

Defence Act—Section 51X—Utilisation of the Defence Force in relation to proposed visit by the President of the United States of America—Operation Mustang—Report, 30 March 2010 and orders, 10 and 18 March 2010.

Department of Finance and Deregulation—Campaign advertising by Australian Government departments and agencies—Half yearly report for the period 1 July to 31 December 2009.

Department of the Treasury—Car dealership financing special purpose vehicle—Report for the period 1 September 2009 to 31 December 2009.

Home Insulation Program—Review of the administration of the Home Insulation Program—Report by Dr Allan Hawke, 6 April 2010.

Foreign Affairs, Defence and Trade—Joint Standing Committee—Review of the Defence annual report, 2006-07—Government response to recommendation 3.

Foreign Investment Review Board—Report for 2008-09.

Government 2.0 Taskforce—Report—Engage: Getting on with government 2.0—Government response, May 2010.

Government advertising—Independent review of government advertising arrangements—Report by Dr Allan Hawke, 26 February 2010.

Office of the Inspector of Transport Security—International piracy and armed robbery at sea security inquiry report, April 2010.

*Superannuation (Government Co-contribution for Low Income Earners) Act 2003*—Quarterly report on the operation of the Act for the period 1 April to 30 June 2009, together with the report for 2008-09.

I wish to make some brief remarks about item 16 of the list of documents to be tabled, the *International piracy and armed robbery at sea security inquiry report*. I made a statement to the House in June 2009 to advise members that I asked the Inspector of Transport Security, Mr Mick Palmer, to undertake a comprehensive inquiry into maritime piracy and armed robbery at sea as it affects Australia and to identify ways in which security arrangements could be further improved. The inspector has completed his report, which he formally presented to me on 22 April 2010. During the course of the inquiry the inspector developed counterpiracy and armed robbery at sea security advisory guidelines for the Australian shipping industry which I launched at the International Maritime Organisation General Assembly in London in December 2009. The guidelines detail preventative measures recommended to help detect, deter and prevent piracy and armed robbery at sea.

The final report contains five recommendations. The first recommendation is that the preventative measures contained in the advisory guidelines should be considered for adoption by ship operators, masters and owners. The second recommendation is that Australian security regulated ships undertaking international voyages as part of normal business activity should re-evaluate current security plans. The third recommendation is that consideration should be given to identifying a federal government agency to be the single or primary coordination point between the shipping industry and government on piracy.

The fourth recommendation is that the government work with the shipping industry and maritime unions to facilitate a review of current seafarer welfare support practices and arrangements. The final recommendation is that current ship security planning arrangements should be reviewed to ensure that both safety and security issues are jointly applied to the security planning process. The continuing threat of piracy and armed robbery at sea will require shipping owners and operators to maintain a constant level of preparedness and awareness of the threat posed to them and to consistently update their knowledge of appropriate preventative measures and industry best practice.

The piracy inquiry report will assist industry in this process and I congratulate the Inspector of Transport Security, Mr Mick Palmer, and his team for the hard work they have done on this report, which has been internationally recognised as being groundbreaking in its depth, in its research and in its recommendations. Indeed, members of Mr Palmer's team travelled to Nairobi in Kenya and have provided practical on-the-ground assistance, which I am sure every member of this parliament would agree has given great credit to us as a nation. I commend the report to the House.

Question agreed to.

### BUSINESS

#### Suspension of Standing and Sessional Orders

**Mr ALBANESE** (Grayndler—Minister for Infrastructure, Transport, Regional Development and Local Government) (3.45 pm)—by leave—I move:

That standing order 31 (automatic adjournment of the House) be suspended for this sitting.

For the benefit of members, this is in order to deal with the budget process tonight. It is a procedural resolution. A similar resolution will be moved on Thursday.

**The DEPUTY SPEAKER (Ms AE Burke)**—For everyone's edification, this is the normal practice of every budget week.

Question agreed to.

### MATTERS OF PUBLIC IMPORTANCE

#### Budget

**The DEPUTY SPEAKER**—The Speaker has received a letter from the honourable member for Groom proposing that a definite matter of public importance be submitted to the House for discussion, namely:

The effect of the Resources Super Tax on the future jobs and economic security of Australia.

I call upon those members who approve of the proposed discussion to rise in their places.

*More than the number of members required by the standing orders having risen in their places—*

**Mr IAN MACFARLANE** (Groom) (3.47 pm)—This resource super tax will hurt all Australians. It will not just hurt those who work in the mining industry; it will not just hurt those who work in the industries that support the mining industry; it will not just hurt those people who rely on income from the mining industry through shares or superannuation. Its tentacles reach into every household in Australia. It will produce higher power bills. It will produce higher house prices because bricks and mortar and sand and gravel will all be affected by this tax. It will increase fertiliser prices for farmers who grow the food for this nation and earn export income. As observed by a journalist in one of this morning's newspapers, 'The RSPT actually stands for a really stupid political tax.' And that is what this is: this is a stupid political tax grab by a government that has lost complete control of its budget, has lost complete control of its debt and has completely lost its vision for the future of this country. The mining industry has been delivered a

sledgehammer blow by a government that only thinks in 24-hour spin media cycles and does not think of the impact that this tax is going to have on the future investment in Australian mining, the jobs that that creates and the impact of making Australia's mining industry so uncompetitive that miners will simply base their new operations overseas.

I am not suggesting there are going to be widespread mine closures in Australia. There is going to be a continuation of those mines, but as most people who understand the mining industry know—and probably the only two people in the government who do are sitting opposite me: the minister for resources and the member for Brand—mines have finite lives. Mines close; other mines open. Miners move from one mine to the next, often only a few kilometres, sometimes hundreds of kilometres, sometimes interstate. The new mines that replace the old mines will, under this tax, be located in Canada, in Brazil, in Peru, in Chile, in Indonesia and in Africa—everywhere else has a lower tax on its mining than Australia as a result of this tax.

The resource industry in Australia has protected us and our economy through many ups and downs and it is Australia's largest export earner. This year it is estimated it will earn \$150 billion in export earnings. It is already paying above the norm in terms of taxes. It is paying somewhere between 37 and 43 per cent—about 40 per cent—in government taxes already. It represents eight per cent of the economy over the last decade and yet pays 18 per cent of the company tax. Yet we have a Prime Minister who has the audacity to say that these people are raping the profits out of Australia and taking them back to their homelands. Most of the companies that operate in Australia either have Australian shareholders or have in fact in the last five years invested more money here than they have taken away. This just highlights the fact that

the Prime Minister knows nothing about this industry. He certainly does not understand that Australia was built on a philosophy that, if you invested money and took a risk, you did not ever get an assurance that you would get a return, but if you did then you were entitled to make a profit. This Prime Minister belittles people who make profits. He belittles people who are successful in their own right. He belittles people who are millionaires, and on one or two occasions billionaires, as a result of their own risks and their own efforts.

We have a Prime Minister who demonises foreign ownership, who pulls out the racist card against foreign companies and says that they are not welcome here. That is xenophobia. Foreign investment built this country—it made this country what it is today, along with the blood, sweat and toil of farmers, miners and people in the city going about their day-to-day work. Yet this government, this Prime Minister, has chosen to single out one industry and say, 'You are already paying 40 per cent tax when the company tax rate is 30 per cent, but we are going to make you pay 57 per cent tax'. In some cases it will be 80 per cent of their profits because the parameters of this super tax are not the same as they are for the petroleum resource rent tax; they are not based on allowing companies to deduct all their costs, particularly in terms of how they deal with those costs. It is a super super tax—a tax that will simply drive investment overseas.

This issue is not just about the future of the mining industry; it is about the future of the jobs of the people who work in it. It is not just about the future of the miners, the men and women who go down these dark holes and drive heavy machinery in open cuts; it is about the men and women who work in the fabrication shops, in the engineering works, in the air-conditioned offices across this country, in Sydney, in Melbourne,

in Perth and in Brisbane—the people whose livelihood is linked directly and quite unashamedly to the mining industry and the risks it takes. And it is about the people that they employ—the gardener who works in their gardens when they are at work or the cleaner who assists them in cleaning up the office after work. All these people will be affected by this super tax. It will flow through and affect every city and town in Australia, and particularly it will hurt the regional towns—country towns like Cloncurry, which had a \$30 million project cancelled yesterday; Karratha, which in time could see the investment that is going on there at the moment suddenly shift to a new focus; and Ballarat and Parkes. These are towns that rely on significant income from their mining industries. One in eight Queenslanders is employed by the mining industry. We wonder about their future in regional Australia.

This is also about people who have already done their toil for this country and have invested their retirement moneys in stocks and shares or in superannuation funds that are now being decimated by the news of this super tax and the effect that it will potentially have on the country's resource industry. We saw figures released this week that around 9.3 per cent of Australia's superannuation is invested in resource industry stock. At the close of trading on Monday, 10 May, yesterday, Australians had lost around \$13.4 billion in superannuation earnings and capital in superannuation funds as a result of the fall in stocks.

Abraham Lincoln, that fantastic American statesman and leader—the Prime Minister should look to him at times to see what a leader is—said that you cannot strengthen the weak by weakening the strong. Yet this government is happy to weaken the strong. It is happy to do anything that will prop up its excessive spending, its excessive debt and its

inability to manage money. I want to quote from people who do not have a political interest in this debate. The *Globe*, a Canadian publication, has said that as a result of this tax:

Mining company shares, particularly those with operations in Australia, were roundly pumelled ...

Another quote pertinent to this debate states:

Slowing down the development of Australia's mining and energy resource industries would be a scandalous wasted opportunity to lock in future prosperity and achieve social and environmental goals such as supporting school students in disadvantaged communities, Australians with disabilities, those with mental illnesses and others who are too sick to work, and preserving Australia's unique biological diversity.

Who said that? A member of the government—a minister, the member for Rankin, said that not very long ago. I wonder what he says today. I wonder whether he has had that thought purged from his mind. Let us go back to what this is doing to Australia. A Southern Cross Equities publication states:

This economic thinking runs counter to everything that made Australia rich over the last three decades: namely, the embrace of competition and capitalism, which rewards high risk with high returns.

The member for Rankin, Craig Emerson, agrees with that. But I bet he is not allowed to say it anymore. Going back overseas, the *Wall Street Journal* says:

It's a new day Down Under when a government starts setting rates of return for private industry in a nominally capitalist economy.

That is government interference in the economy in a way which is sending shock waves through the industry.

Let us go to a Labor source. What does the Premier of Queensland think of this? She says:

You can't expect international companies to make those investment decisions unless they've

got absolute certainty about the costs of doing business.

I could not agree more. There is no certainty anymore—everything changes every day. Again, it is said that Anna Bligh ‘fears the Rudd government’s Resource Super Profits Tax will undermine her election pledge to create 100,000 new jobs’. She says:

... it will not only impact on jobs in Queensland, but jobs around the country.

Let us move to South Australia. This is a quote by Kevin Foley, the Deputy Premier and Treasurer:

... but there are clearly desired issues that need to be rectified to ensure that it—

the resource rent tax—

is not as impacting as it would appear to be on particularly some of the new mines coming on stream.

Kevin Foley can see the damage coming. I have here a transcript that is too long to read. It is about the Prime Minister, who tried to explain this tax on 6PR in Perth last week. I will seek to table that transcript because it is a public document. Clearly the Prime Minister does not understand that tax. He says it is the same as the petroleum resource rent tax. It is not. The red crosses on the document that I am holding up are the things that are not similar.

We have to do something about this tax. We on this side of the House are going to stop this tax, not for our political gain but because of what is in this document I am holding: this is Australia, second only to America at the moment; we are going to move to here, 58 per cent. What has our largest competitor, Canada, got in terms of company taxes and resource taxes? Twenty three per cent. It is any wonder that the Canadian minister could hardly wait to get on the radio to tell Australia what he believes: ‘If you don’t want them there, send them over here.’ Brad Trost says:

Well money goes where the biggest profits are and when you raise taxes profits tend to go down. So I’m sending out the message—Canada wants Australian business.

The final document I have here is by Moody’s, the people who make credit ratings around Australia. They are not a political organisation. They are not stockbrokers. They are an organisation which rates risk. They say:

If enacted, the so-called ‘Resources Super Profits Tax’ would have a negative credit impact on Australia’s resource sector ...

This government has gone berserk with this tax. This government has lost complete control of the economic agenda. This government wants to take the money now. It wants to kill the golden goose, take the golden eggs and not worry about what happens in five years time when there is no golden goose, there are no more golden eggs and no more mines being opened. (*Time expired*)

**The DEPUTY SPEAKER (Ms AE Burke)**—Is leave granted for the document to be tabled?

Leave not granted.

**Mr MARTIN FERGUSON** (Batman—Minister for Resources and Energy and Minister for Tourism) (4.02 pm)—Firstly, I welcome the member for Groom back to the portfolio. I must say he was very disappointed at being moved out of the portfolio after backing the wrong horse in the leadership challenge of last December. Seriously, I appreciate the opportunity to address what are very serious issues before the chair. I note that the letter from the member for Groom which led to this matter of public importance debate goes to, namely:

The effect of the resources super tax on the future jobs and economic security of Australia.

For that reason, let me go firstly to a page of the government document which was released last Sunday week and is entitled *Tax*

*policy statement: Stronger. Fairer. Simpler. A tax plan for the future.* I take the member for Groom directly to page 13. I will quote from it, because this is important as it goes to the heart of the very issue raised by the member for Groom. It says:

Independent modelling by KPMG Econtech estimates that cutting the company tax rate to 28 per cent and introducing the RSPT—

the Resource Super Profits Tax—

combined with the removal of the impact of royalties will expand mining output by 6.6 per cent in the long run (considered by KPMG Econtech to be 5 to 10 years).

It then goes on to say:

All other industries are expected to expand by 0.3 per cent in the long run.

On the same page, the report says:

The combined effect of introducing the RSPT—

the Resource Super Profits Tax—

which effectively removes royalties and cutting the company tax rate by 2 percentage points, is a long run improvement to GDP of 0.7 per cent.

That goes to the crux of this debate. I also appreciate that it is going to be a long, tough tax debate because reform in Australia has never come easy to the Australian community or to this parliament. I have been through a number of very tough debates—some of which are still part of the proposal before the House today—be they on tax, superannuation, infrastructure or a variety of issues in a variety of forms throughout my political and industrial careers.

For those reasons I also remind the House that the Minerals Council of Australia has actually argued itself:

There is a strong argument to reform the basis of determining royalty payments to a profits based criteria from a revenue one.

I could not agree more with the Minerals Council of Australia. But I also appreciate that the devil is in the detail, and that is

where we are really at at the moment. The Commonwealth government has announced its intentions with respect to its headline commitment, which is what it believes is a fair return to the Australian community for the opportunity by companies to actually develop our natural resources and, in doing so, gain a fair return for shareholders who invest in those companies. For those reasons we have established a proper public process to enable the individual companies who employ people in Australia to model the government proposal and to open their books to enable us to assess some of the implementation difficulties announced by the Treasurer only last Sunday week. The resources tax consultation panel is led by David Parker of Treasury. I am also aware that since we announced it a number of companies have been—not once but on a number of occasions—to Treasury and to those involved in that consultation process to go through the detail of the government's proposal. I also note, for the interest of the House, that some companies who have criticised the tax plan have done so before they have actually modelled it themselves, which they have admitted in private discussions with me, and before they have even registered for the consultation process. So I simply say to those companies that you cannot negotiate through the media, that tax is not easy and that they should take the time and do the modelling and sit down with the tax consultation panel for the purposes of informing both themselves and us about any complications arising from this proposal. I say that because in every reform proposal there is actually room for negotiations around the detail. I also say that for those reasons the panel has been told in no uncertain terms that its responsibility is to run the ruler over the new proposal project by project to assess, through a proper consultation process, how you actually get the finer detail right.

I also want to make it very clear that, from the government's point of view, it is time for tax reform in the non-renewable sector of the Australian resources industry. Yes, the resources sector is part of our future and a vital part of our economy, but resources are also owned by the whole of the Australian community. The responsibility of government is to attract investment and also to make sure that the Australian community gets a fair return for the development of its resources. That is what this debate is about. It is not a debate confined to the Commonwealth government; it is also a debate that is ongoing before state and territory governments on a regular basis.

Just think about what is going on at a state level at this very moment. Last week we saw the Northern Territory Treasurer in the Northern Territory budget bring down an increase in royalties of two per cent because that government considered that the people of the Northern Territory were not getting a fair return on the development of their resources. We also appreciate—and it is public knowledge—that there is going to be a change by the Western Australian government in the iron ore royalty regime for two major companies as of budget day in Western Australia. That has been suggested as being an outcome of the order of \$300 million from two companies just through one hit as a result of the Western Australian budget, which will be brought down in the very near future and imposed on two major companies.

Having spent a fair amount of time in Western Australia over recent weeks I can assure you that there are a number of other royalty proposals in the pipeline, which were known to individual companies and sections of the Western Australian mining industry. By way of interest I note that the Premier gave an undertaking only a matter of a week to 10 days ago that, on this occasion, he would not be acting on the gold royalty for

this budget but made no undertakings beyond the forthcoming Western Australian budget.

That takes us to why we actually have to front up to reform. I accept that there is a lot of fear in the Australian community about the process of tax reform. That same fear and scaremongering was very much part of the initiatives of the Hawke and Keating governments when they brought in the petroleum resource rent tax 25 years ago. At that time we went through a process to actually get the detail right. That petroleum resource rent tax has proven to be one of the most stable tax regimes in the world. If you have any doubts about that, as I said in question time today, just think about recent investment decisions. In 2007 there was the Pluto Woodside project of \$12 billion, and then the biggest ever single investment in Australia's history by the Gorgon joint venture partners in 2009 of \$43 billion.

I remind you that under that system Esso and BHP have extended the life of the Bass Strait for decades. That is because we actually made sensible changes. I also say that the introduction of that tax regime has—the Prime Minister said today in question time, 'What we do in this sector is different to other sectors of the Australian economy'—meant for the petroleum industry a reduction in compliance costs, the removal of inconsistencies and the establishment of a consistent, simple and effective tax regime. Compare that to what I have already touched on—the inconsistencies and differences that currently exist at the state and territory level.

I dealt with some of these issues in question time today. Why should there be different royalty regimes between New South Wales and Queensland on the issue of coal-mining? There is no good reason. Why should there be different royalty regimes amongst the states with respect to the issue

of iron ore mining, which extends across a number of state and territory boundaries? The time has come for the Australian government to actually do something about rationalising the nature of the tax system relating to the non-renewable resources sector in the Australian community and, in doing so, to put in place a consistent outcome which not only gives the Australian community a fair return on the development of its resources but also creates an opportunity for the government to plough financial resources back into resolving some of the pressures that the mineral sector is creating in the broader Australian community at this very point in time.

As far as I am concerned, we will get through this difficult dispute around the appropriate tax take in the development of the resources sector in the Australian community. On the way through we are also setting up our future. It is not just about a short-term change in the taxation regime; it is also about creating the opportunity for the long-term development of the industry associated with ongoing private sector investment in a key part of the Australian economy.

That takes me to some of the Australian government initiatives. I start by reminding the member for Groom of his desire, on a number of occasions as the previous minister, to put in place an incentive regime to encourage exploration in Australia. We might have a disagreement about the nature of the exploration incentive, but what we have in place, despite the failure of the previous government on three occasions to create such an incentive, is what I consider to be a major breakthrough for the smaller companies who face a competitive disadvantage in terms of exploration in Australia. I say that because, with respect to those smaller companies, the losses they generate from exploration often cannot be used to offset other taxable income. We actually had a debate about the

appropriate form to developing an exploration incentive for that sector of the Australian community. Our intention is simply to rebate with significant benefits the exploration investment of small preprofit exploration companies at the company tax rate.

The proposal we have on the table with effect from 1 July of next year will also apply to the geothermal sector of the renewable energy industry in Australia. They need some assistance because, to my own way of thinking, that is where we will make one of the breakthroughs in renewable energy. That is akin to a baseload coal fired power station in Australia—reliable energy—which is so important to the future of Australia. We also not only put in place an exploration incentive but extended it to the geothermal industry as part of our energy security debate in the future. The proposal, to my way of thinking, is simpler and more effective and will promote investment, more so, I believe, than a flow-through share scheme. The fact is that small exploration companies do not receive a tax benefit from their deductible exploration expenses until they have become profitable. This is of considerable assistance to the small end of town.

That also takes me to why we have to do this. I remind the House that the number of exploration meters drilled in 2009 fell 25 per cent, to just over seven million meters. Brownfield drilling in 2009, the year of the global financial crisis, represented 67 per cent—which is a real problem for Australia—of all exploration drilling, up from 61 per cent in 2008. That is why I hope, as a result of this incentive, we will not be putting in any rules as to how the incentive will be applied. I hope and encourage some of those exploration companies to trend away from brownfield exploration to invest in greenfield exploration because that exploration has the capacity to establish the opportunities for the big projects in 20 and 30 years time. A simi-

lar exploration, years ago, led to the discoveries of such important resources as Olympic Dam, the new Prominent Hill and the Mount Isa opportunities that Australia is benefiting from now.

I also want to go to the issue of infrastructure. For a long time we have underestimated the need for investment in infrastructure, in the resources sector, at Commonwealth level. The states have not been up to the task. In some ways, some of the difficulties we now confront in infrastructure represent the negligence by both state and territory governments and the Commonwealth government of investment in resource sector infrastructure. We are about making sure—through a \$5.6 billion package over the next decade—that we have the capacity, federally, to work with state and territory governments and the resources sector to fund the roads, railways, ports and utilities so necessary to unlock Australia's resource wealth. If you have any doubts about that you should go to the Pilbara. They have major infrastructure issues, and difficulties for the local people in that the cost of a house up there is \$1.2 million because of a failure to put more land on the market for the purpose of residential subdivisions.

In conclusion, there are a variety of other benefits to small business, including facilitating investment in superannuation in Australia. This is a complex debate. The government is committed to getting it right through proper consultation. It is not an easy debate—in the mind of the opposition it clearly is an easy political target which is going to achieve huge political donations out of a particular sector. I commend the consultation process to the House. (*Time expired*)

**Mr NEVILLE** (Hinkler) (4.17 pm)—Once again, we are presented with a big new tax. This tax purports to be a resources superprofits tax, with the emphasis, no doubt,

on profits. By so doing, it sounds good, safe and acceptable to attack the big, rich mining companies, and for good measure we throw in the fact that many of these companies are no longer in majority Australian ownership—a touch of xenophobia, as the shadow minister just put it.

I wonder what the Prime Minister's motivation might be for this tax. Maybe he wants to be seen as a tough guy. Maybe he wants to show the unions he can slap down the big miners. But I suspect, above all, he wants to create yet another distraction from his broken promises, his woeful performances on such matters as health, the BER, the pink batts, the CPRS, GroceryWatch, Fuelwatch and other debacles—it goes on and on.

But this particular move is so inept that its downside effects and its implementation are creating lives of their own. Let me explain how. As the economist Tim Hughes said in the opening paragraph of his article in the *Courier Mail* yesterday:

The Prime Minister's resources super profits tax is, without a doubt, the worst tax decision ever made by an Australian government. And the day after announcing it he could not even explain how it worked.

I just pose a rhetorical question: if John Hewson's fumble on the application of the GST to a cake—to a cake, mind you—became the flashpoint for the 1993 election, how much worse is this tax, striking at the heart of Australia's currently most successful industry, as a flashpoint for the 2010 election? Worse still, it is an attack on our international reputation as a secure home for investment. It raises important questions of sovereign risk as well as capital investment leaving our shores.

One example is Queensland's gas resources and the effect of this tax on the development of Gladstone, which I represented for 14 years. The port city of Gladstone was

born of industry and its future is industry, but this government has condemned it to the scrap heap. In recent years, investors have poured millions of dollars into the city on the back of the LNG boom which is about to occur. Families have moved there for work and people have set up businesses on the back of the anticipated growth. Because of the uncertainty arising from the government's actions, we see at least one company, Santos, putting its plans for Gladstone on hold. If it had escaped the Prime Minister's notice, there are \$50 billion worth of coal seam gas to LNG projects in Queensland alone that are now at risk, in varying degrees. I have been told that that is the equivalent of 18,000 jobs a year, and we need every single one of those jobs for our towns, our state and our country.

Further afield, we hear Xstrata is ceasing exploration activities in the great North West Queensland Mineral Province. What does that mean for Mount Isa, Cloncurry and Townsville? Already, the Western Australian miner Cape Lambert Resources has cancelled exploration projects in Australia in favour of Africa. And no doubt, as we are debating this issue in parliament today, more examples of mining companies going cold on this government are emerging. Ironically, just last week we had the ministers of the Bligh government tripping all over Queensland with their new plans for regionalisation. What a cruel irony—when the federal government has effectively put regional Australia, particularly Queensland, South Australia and Western Australia, on the chopping block.

Is this government deliberately setting out to kill regional communities and economies with this tax? I ask the question. One would have to seriously wonder about it. Even the premiers of the states cannot hide their disbelief and anger—and two of those premiers are Labor premiers. Honourable members

will also be aware of pending coal developments throughout Central Queensland and the Surat Basin. Not only are expanding communities like Dalby, Chinchilla, Roma and Wandoan involved but new infrastructure such as railway lines is depending on these projects going ahead.

The trickle-down effect is even more insidious. Not only do we have miners and tradesmen working in the industry directly on site but we have another cohort of minors who fly in and fly out of Queensland's provincial cities and towns. They support a vast array of shops and services not only on the coalfields but in expanding provincial cities like Bundaberg, Hervey Bay, Rockhampton and Mackay. The mining industry also depends on an expert supply chain of dragline scoops, dozers, heavy trucks, loaders and so on. Engineering firms service equipment. Technicians maintain generators. Small businesses benefit by providing fuel, transport, food and other everyday living items. Health services and education should not be forgotten.

This is a pervasive tax that strikes at the heart of resource based states and—I repeat—particularly Queensland and Western Australia. But it does not even stop there. In the same way that mining is not confined to iron ore, coal and bauxite, this tax affects other forms of mining, such as quarrying and fertiliser extraction. We cry out for better roads and highways, but this tax will vastly increase the costs of gravels and screenings necessary for those roads and highways. Cement for the construction industry will be affected by the tax on the mining of limestone. Here we might reflect again on Gladstone. Not only is it the home of a limestone mine but it has the largest cement works in Australia.

This insidious tax invades the commercial and home construction industries, because

not only do we need copious quantities of cement and concrete blocks but we also need bricks, and that involves the mining of clay. Therefore, expect dearer building supplies. Fertiliser is crucial for productive farming and in many instances also for exports. Phosphates are also mined in this country, so there will be a downstream effect on the cost of agricultural and horticultural products.

Some might say, 'Oh, well: this is the price of progress in and around the mining sector.' But it does not stop there, either. Let us have a look at the effect on the average investor. It is said that BHP has 400,000 small investors, many of whom would be mums and dads, and even kids, who have extensive or modest holdings in the Big Australian. In less than a fortnight, \$90 billion has been written off the value of mining shares and, as such, off the investments of these Australians.

Even more insidious still is the impact on the superannuation sector. The retirement savings of every self-funded retiree and worker in this nation have been struck down by this new tax on mining. At the end of last year, Australian superannuation funds held approximately \$1.2 trillion in assets. Around 30 per cent of large Australian superannuation funds were invested in shares. That is the equivalent of \$370 billion. Mining shares account for around 30 per cent of our stock market. From that you can extrapolate that about 10 per cent of the assets of superannuation funds are invested in mining shares. This tax will have a profound effect on part-pensioners and self-funded retirees. In electorates like mine, the communities of Hervey Bay, Bundaberg and Bargara will suffer. Why? Because they have one of the highest retirement profiles in Australia. And a lot of the retirees there are self-funded retirees. This tax move will impact severely on them. Since the government's announcement of this new tax, more than \$14 billion has been

wiped off the value of the superannuation savings of Australians.

In summary, it is not just a tax—as it has been characterised and as, no doubt, the ALP will continue to present it to their union mates—on ugly mining companies. It is worse than that. It is a slap at national wealth and opportunity and the remarkable industry that has driven this country for so long. It will affect myriads of ordinary Australians, starting from those working in the mining companies—many of which are likely to move their investments to more welcoming environments overseas. It will affect miners and all those working in the downstream industries that flow from mining. It will also affect the regional communities, especially those in Queensland, Western Australia, South Australia and the Northern Territory. *(Time expired)*

**Mr GRAY** (Brand—Parliamentary Secretary for Western and Northern Australia) (4.27 pm)—The tax proposal to which we are referring today is the superprofit tax on resources companies. We are having this debate because the government has determined that it would be appropriate to discuss and propose an arrangement for an increased tax on our resources sector. Many years ago—30 years ago—I was a student at the Australian National University doing economics. I first heard of the idea of rent taxes—pure profit taxes—in the late 1970s and early 1980s when I was a student. The idea is simple: you tax the economic rent from a project or an entity and in doing so you do not compromise optimal economic decision making by that entity. It is very simple and it is very straightforward. Normal returns are preserved.

In the mid 1980s, the then Labor government proposed the petroleum resource rent tax. It came in with a long-term bond rate and a five per cent uplift factor on produc-

tion and with a long-term bond rate plus 15 per cent uplift on exploration. It is a tax that has operated quietly for 25 years. It is wrong to think that its quiet and successful operation was not controversial. At the time of its introduction, we had had a move to global oil pricing in Australia—so-called world parity pricing. We had had the debate among states about their own excise regimes and royalty rates and about what we would do in the face of increased global energy prices. The inefficiencies in the oil taxation system in our country were significant.

At that time the resources minister sat down with his adviser—now a minister in this government, Craig Emerson—under the advice of Professor Ross Garnaut and discussed the proposal for a resource rent tax on the petroleum sector. It was not an easy discussion. The minister at that time has since told me of the reaction of the oil industry. It is true, as the shadow minister reflects, that BHP—nowadays BHP Petroleum but in those days BHP—understood the arithmetic that underpinned the idea of a rent tax, but not everyone did. He tells me of the oil entrepreneurs who would call him to their offices to receive their own corporate view of how damaging this new oil tax would be. He told me of how he as the Minister for Resources would refuse to go to their offices and would ask them to come to his. They came to his office and they received both a lesson in politics and a lesson in economics.

I do not think anyone these days, despite the 25 years of successful operation, seriously contends that the resource rent tax on the petroleum sector is not a good tax. But let me make you aware of this: no-one in the oil industry likes it; everyone in the oil and gas industry hates it. When I was an executive in Australia's largest exploration and production company we would regularly face tirades from senior executives or board members who wished to get rid of that tax,

who spent a lot of money doing research on how to get rid of that tax and who would argue that that tax must constrain the development of projects. But in a decade it was not possible to identify one project—not one project—that would have gone ahead if that tax had been removed.

Of course, the Minister for Resources and Energy has told us today of the investment decision by Woodside to go ahead with the Pluto project in a resource rent tax regime and the decision by Chevron and its partners to go ahead with the Gorgon project, a \$40 billion plus investment in a resource rent tax regime. We know that the particular form of taxation that we are proposing here is not an exact replica of the resource rent tax. It is not. It contains a number of elements that are in many ways substantial improvements on the resource rent tax. It allows portability of expenses. It allows for incentives for projects into the future. But, most importantly, I was reminded just 24 hours ago of the review of taxation being conducted for those opposite—the opposition—by Henry Ergas, formerly, as I understand it, a department of finance officer. For 15 months or more the coalition has sat on its own tax review. We are told via media reports—one published in February of this year—that the Ergas report recommends a resource rent tax. We are told—and this is the quote: 'There are significant benefits to the Resource Rent Tax approach because it tries to quarantine tax to economic rents.' You would only tax above a normal rate of return.

What does that tell you? It tells you that the coalition's own economic adviser and author of its own tax review has championed the idea of a resource rent tax. We also know that, of the 25 years of quiet operation of the resource rent tax, 12 were under opposition—coalition—governments. And we know that the tax was not dismantled, removed or taken away. We know that the gov-

ernment appreciated the integrity of that tax and we know that the government enjoyed the revenues from it. How do we know that? We simply look at the record.

I remind people again of the quote from Henry Ergas that there are significant benefits to the resource rent tax approach. What does that mean? The tax is structured so that it does not change any of the fundamental project economics behind an investment or an operation. We know that the Minerals Council of Australia supports the tax model, and we know that the Minerals Council of Australia has supported this tax proposal because it creates harmony of the taxation system between the states. We know that bauxite mining in Queensland, the Northern Territory and Western Australia face different taxation regimes. If you are a resource owner looking at tenements in any of those three states, you know that you face different taxation regimes and charges across the board. For iron ore in Queensland, the Northern Territory, Western Australia and South Australia, different royalty regimes operate. For coal in Queensland, New South Wales and Western Australia, again substantially different rates of taxation apply. So it is not surprising that the bosses of the mining industry associations in Queensland, in South Australia, in Western Australia and elsewhere have asked for certainty in the fiscal arrangements and not for political squabbling. They have asked for certainty in the way in which the taxation regime works.

In the course of the last seven or eight days since the announcement of these proposals we have also had substantial industry interaction with the government to negotiate, to understand, to get it right—to engage in dialogue to get the taxation system right. I sometimes wonder if members opposite are at all interested in getting the taxation system right. I have thought that for a long time. Sometimes they will find a good tax and just

stay with it because it is a good idea, as they did with the resource rent tax in the petroleum sector. But sometimes they just see a good earner and they lock onto it. Sometimes they see a good idea for party fundraising and they get in behind it with both paws. I quote from a story in today's *Australian*:

Senior Liberal Party sources said it would be helpful if mining companies changed their rules to allow political donations to bolster the Coalition's campaign.

Here we go: we are supposed to be having a debate here about taxes. We are supposed to be having a debate around resource taxes. We are supposed to be having a debate around a resource super tax. But no, what we actually have here is an opportunity to fundraise. Let us not kid ourselves. The debate here is not about a resource tax; the debate here was appropriately pinged in the *Australian* this morning. The angry miners said they were unlikely to tip a bucket of money to the coalition's war chest. Do you blame them? They said it would be unwise. Of course it is unwise. It is unwise because the miners fundamentally are most interested in getting a taxation system right. They have been wound up into fever pitch sometimes by their own supporters—fever pitch designed to create less serious consideration around the proposition for a tax. If they can, they will knock it out and not pay it. As I said, I worked for a company that worked very hard to try to get this tax ameliorated, changed or removed because companies—guess what?—just do not like paying tax. The other thing we learn from the newspaper today is that they just do not like making donations to the Liberal Party either. (*Time expired*)

**Mr IRONS** (Swan) (4.37 pm)—It is good to be able to follow the member for Groom and the member for Hinkler. But I fear for the member for Brand because he talks about fundraising. I have seen the fundraising let-

ters that go out from the member for Brand. We have seen those go out asking for donations of up to \$10,000 because they do not have to be declared. So do not let the member for Brand bring on the fundraising stuff. I fear for him because I know how many fly-in fly-out residents he has in the electorate of Brand. You have a lot, and they are hopping mad.

Make no mistake: the resources supertax is already impacting negatively on the lives and the futures of all Australians, and in particular Western Australians. It is real. We heard last week that Western Australian iron ore miner Cape Lambert Resources will pull out of exploration projects in WA and move to Africa. I fear there will be more to follow. What we should ask is: who is next? This government or this Prime Minister decided that any profit above six per cent is a superprofit. How can someone who has been in business—and I know the member for Brand has been in business—arbitrarily say that above six per cent is a superprofit? How can you say that?

*Mr Gray interjecting—*

**Mr IRONS**—Did he say ‘six per cent’? The member for Brand interjects. Does he say ‘six per cent’?

**Mr Gray**—It is normal.

**Mr IRONS**—Yes, normal! I say to every business in Australia: beware. If you earn more than six per cent, watch out in the future. This government cannot be trusted to stop at the mining industry to support their superspending program. Big and small businesses in WA have condemned the tax. Large mining companies have also expressed major concerns. It seems the only people not concerned are the government. In this House today the PM refused to rule out further industries being taxed by this government that considers profit above six per cent as super.

As a representative for the people of Swan I am urging the government not to ignore the thousands of people, many within my electorate, asking the government not to bring in this supertax. They are worried about their jobs. This will affect the residents of Swan regardless of whether they are connected to the resource industry. There will be job losses in Swan—and, I am sure, also in Brand—which the Rudd Labor government will be held responsible for. Seniors in particular over the last week have contacted my office about the damage of the Rudd Labor government announcement on their superannuation and about the pain they will feel. The residents of Swan expect real action from their government, real action on border protection, real action on reducing the debt and real action on insulation compensation for homes affected by airport noise—not just a new tax to cover up their superspending program. This is not a tax on superprofits; this is a supertax.

According to the statistics in the WA government Department of Mines and Petroleum website, close to 70,000 people are employed in the local mining sector, and the flow-on effect of many people’s future being in doubt will reverberate not only through the WA economy but through the national economy. Before the 2007 election Kevin Rudd promised WA a fairer share of the take and a \$100 million infrastructure fund. To all WA people: we have not got them, and we now only get 68c in the dollar for every dollar we contribute in the GST system from our great state. The member for Batman also talked about a fairer system. This is why they want to introduce this tax: a fairer system. Where is the fairness in Western Australia only getting 68c in the GST system?

This is just a grab by the government to nationalise and to centralise funding out of the mining sector. The PM said WA would get more through this new infrastructure

fund from this supertax. Well, Mr Rudd, we in WA do not believe you. You cannot be trusted. I have read through the recently completed Radar Group study commissioned by the Minerals Council of Australia, *Institutional investor perception study: impact of the proposed resource super profits tax*. All the institutional investors surveyed believe the government's adoption of this tax was ill-conceived and will have a highly detrimental effect on the Australian economy. We are talking about an industry that over the last 10 years has paid \$80 billion in royalties and company tax. The Prime Minister talks about \$9 billion a year. Multiply that by 10 and that is \$90 billion a year he wants to take out of an industry that has only paid \$80 billion over the last decade. This is just a government that has lost control of everything it is involved with.

Even in Redcliffe there is something that you would know about. Here is a picture of a sign there that says: 'Miners in. Rudd out.' They are getting it there. They are getting it all about this Prime Minister. They know what it is all about. It is all about him.

**Mr Byrne**—How long did it take you to put up?

**Mr IRONS**—If you want to go down to Redcliffe, you should ask the people in Redcliffe how long it took them to get it up. This industry was built on sheer hard work. (*Time expired*)

**Mr BRADBURY** (Lindsay) (4.42 pm)—I rise to speak in support of the initiatives that the government has handed down as part of its tax package. It is a tax package that will strengthen the economy and a package that will make our tax system both simpler and fairer. I want to address some of the issues that were raised earlier in this debate, but I think to give this some context we have to remember that the two competing sides in this argument—the parties that come to this

debate—have been engaged in this struggle before. There are the builders, those who are committed to securing and sharing the national wealth in the national interest, and there are those who are prepared to preserve sectional interests and to oppose changes that are in the national interest.

Let us have a look at the petroleum resource rent tax, which even those on the other side now seem to acknowledge is a fair tax that ensures Australians are able to capture a fair share of the mineral resources being exploited by companies. Let us go back to when that tax was introduced. No-one wants to talk about the fact that those on the other side, in the same way as they are now running around saying the whole world will fall in, opposed that tax. If I can quote a Liberal Party frontbencher at the time, Alexander Downer—someone, I know, a lot of people on that side of the House have a lot of respect for—he said:

The resource rent tax which will be introduced by this Government will only make matters considerably worse because it will impose a new burden upon those people who are prepared to put money up front and to go out and explore for oil. It will put a new burden on the risk takers in the oil industry, apparently because the Government, for reasons of its own, resents and despises these people.

Sounds familiar. The National Party leader at the time, Ian Sinclair, said:

With the proposed resource rent tax on 40 per cent, very few high risk exploration prospects will be capable of proceeding or are likely to proceed. Indeed, they are likely to be most unattractive.

That is what they said, back when the petroleum resource rent tax was being introduced. What have we seen since then? We no longer see the opposition from those on the other side. In fact, whilst in government they were prepared to take advantage of some of the benefits of having collected that resource rent tax over time. And we see that we have

had projects such as the Pluto project, worth \$12 billion, and the Gorgon project, the biggest single project in Australian history, worth \$43 billion, proceed and progress under this set of tax arrangements. So, when they talk about a resource rent tax or the resource superprofits tax stifling investment, let's have a look at the record of what actually occurred and was achieved under the petroleum resource rent tax.

One of the big fallacies that is brought forward by those on the other side is where they come in and say, 'This big scary tax, this big supertax on everything.' It is not a tax on everything. But 'this big tax', they say, has depleted the superannuation savings of poor pensioners, superannuants and retirees all around this country. It is interesting that they should say that, because those who actually know something about superannuation, the Industry Super Network, released a report yesterday dismissing the opposition's claims. Their research indicates that for a member with a super balance of \$50,000, which is the average super balance for members of an industry fund, last week's volatility in mining shares on the ASX—which they all attribute to the suggestion that we are going to introduce a resource superprofits tax—would amount, for someone with an average balance, to a variation to the fund balance of \$57. That is the impact: \$57. Most observers would suggest that the impact we have seen on mining shares in the last week is not going to be an ongoing thing and is a temporary reaction to what has occurred.

**The DEPUTY SPEAKER (Hon. BC Scott)**—Order! The time allotted for this discussion has now expired.

#### PERSONAL EXPLANATIONS

**Ms COLLINS** (Franklin) (4.47 pm)—Mr Speaker, I wish to make a personal explanation.

**The DEPUTY SPEAKER (Hon. BC Scott)**—Does the honourable member claim to have been misrepresented?

**Ms COLLINS**—Yes.

**The DEPUTY SPEAKER**—Please proceed.

**Ms COLLINS**—In the Hobart *Mercury* dated 11 May, in an article by journalist Sue Neales, comments were attributed to me as follows:

Franklin Labor member Julie Collins said she had not pitched specific ideas to federal treasury about funding, nor heard about any targeted benefits for the state.

I did not speak to this journalist, either on or off the record, on this issue and the statement is completely untrue. I have and will continue to fight for the people of Franklin.

#### SOCIAL SECURITY AND OTHER LEGISLATION AMENDMENT (INCOME SUPPORT FOR STUDENTS) BILL 2009

#### AUSTRALIAN CENTRE FOR RENEWABLE ENERGY BILL 2010

#### TAX LAWS AMENDMENT (2009 MEASURES No. 6) BILL 2010

#### TAX LAWS AMENDMENT (2009 GST ADMINISTRATION MEASURES) BILL 2010

#### TAX LAWS AMENDMENT (2010 GST ADMINISTRATION MEASURES No. 1) BILL 2010

#### HEALTH INSURANCE AMENDMENT (DIAGNOSTIC IMAGING ACCREDITATION) BILL 2010

#### ANTARCTIC TREATY (ENVIRONMENT PROTECTION) AMENDMENT BILL 2010

#### APPROPRIATION BILL (No. 3) 2009-2010

#### APPROPRIATION BILL (No. 4) 2009-2010

**CORPORATIONS AMENDMENT  
(FINANCIAL MARKET SUPERVISION)  
BILL 2010**

**CORPORATIONS (FEES)  
AMENDMENT BILL 2010**

**CRIMES AMENDMENT (WORKING  
WITH CHILDREN—CRIMINAL  
HISTORY) BILL 2009**

**HEALTH LEGISLATION  
AMENDMENT (MIDWIVES AND  
NURSE PRACTITIONERS) BILL 2010**

**MIDWIFE PROFESSIONAL  
INDEMNITY (COMMONWEALTH  
CONTRIBUTION) SCHEME BILL 2010**

**MIDWIFE PROFESSIONAL  
INDEMNITY (RUN-OFF COVER  
SUPPORT PAYMENT) BILL 2010**

**INDEPENDENT NATIONAL SECURITY  
LEGISLATION MONITOR BILL 2010**

**FAMILIES, HOUSING, COMMUNITY  
SERVICES AND INDIGENOUS  
AFFAIRS AND OTHER LEGISLATION  
AMENDMENT (MISCELLANEOUS  
MEASURES) BILL 2010**

**FAMILY ASSISTANCE LEGISLATION  
AMENDMENT (CHILD CARE)  
BILL 2010**

**TRANS-TASMAN PROCEEDINGS  
BILL 2010**

**TRANS-TASMAN PROCEEDINGS  
(TRANSITIONAL AND  
CONSEQUENTIAL PROVISIONS)  
BILL 2010**

**CRIMES LEGISLATION AMENDMENT  
(TORTURE PROHIBITION AND  
DEATH PENALTY ABOLITION)  
BILL 2010**

**FAMILIES, HOUSING, COMMUNITY  
SERVICES AND INDIGENOUS  
AFFAIRS AND OTHER LEGISLATION  
AMENDMENT (2009 MEASURES)  
BILL 2010**

**FISHERIES LEGISLATION  
AMENDMENT BILL 2010**

**PRIVATE HEALTH INSURANCE  
LEGISLATION AMENDMENT BILL  
(No. 1) 2010**

**AVIATION TRANSPORT SECURITY  
AMENDMENT (2009 MEASURES No. 1)  
BILL 2010**

**CRIMES LEGISLATION AMENDMENT  
(SEXUAL OFFENCES AGAINST  
CHILDREN) BILL 2010**

**TEXTILE, CLOTHING AND  
FOOTWEAR STRATEGIC  
INVESTMENT PROGRAM  
AMENDMENT (BUILDING  
INNOVATIVE CAPABILITY) BILL 2010**

**TRADE PRACTICES AMENDMENT  
(AUSTRALIAN CONSUMER LAW)  
BILL (No. 1) 2010**

**SOCIAL SECURITY AND FAMILY  
ASSISTANCE LEGISLATION  
AMENDMENT (WEEKLY PAYMENTS)  
BILL 2010**

**Assent**

Messages from the Governor-General reported informing the House of assent to the bills.

**COMMITTEES**

**Cyber-Safety Committee**

**Membership**

The **DEPUTY SPEAKER (Hon. BC Scott)** (4.48 pm)—I have received a message from the Senate informing the House that Senator Barnett and Senator Bushby have been appointed members of the Joint Select Committee on Cyber-Safety.

**Aboriginal and Torres Strait Islander  
Affairs Committee**

**Membership**

The **DEPUTY SPEAKER (Hon. BC Scott)** (4.48 pm)—I have received advice from the Chief Opposition Whip nominating

a member to be a member of the Standing Committee on Aboriginal and Torres Strait Islander Affairs.

**Mr BYRNE** (Holt—Parliamentary Secretary to the Prime Minister and Parliamentary Secretary for Trade) (4.48 pm)—by leave—I move:

That Mr Oakeshott be appointed a member of the Standing Committee on Aboriginal and Torres Strait Islander Affairs.

Question agreed to.

**CUSTOMS TARIFF AMENDMENT  
BILL (No. 1) 2010**

**PERSONAL PROPERTY SECURITIES  
(CORPORATIONS AND OTHER  
AMENDMENTS) BILL 2010**

**TAX LAWS AMENDMENT (2010 GST  
ADMINISTRATION MEASURES No. 2)  
BILL 2010**

**TAX LAWS AMENDMENT (TRANSFER  
OF PROVISIONS) BILL 2010**

**TRANSPORT SECURITY  
LEGISLATION AMENDMENT (2010  
MEASURES No. 1) BILL 2010**

**VETERANS' ENTITLEMENTS  
AMENDMENT (INCOME SUPPORT  
MEASURES) BILL 2010**

**Referred to Main Committee**

**Mr PRICE** (Chifley) (4.49 pm)—by leave—I move:

That the bills be referred to the Main Committee for further consideration.

Can I inform all honourable members that this motion enjoys the support of the Chief Opposition Whip, the honourable member for Fairfax.

Question agreed to.

**COMMITTEES**

**Public Accounts and Audit Committee**

**Statement**

**Ms GRIERSON** (Newcastle) (4.50 pm)—by leave—The Public Accounts and Audit Committee Act requires the committee to consider draft estimates for the Audit Office, with the chair ultimately making a statement to the House on budget day on whether, in our opinion, the Auditor-General has been given sufficient funding to carry out his duties. In support of this process the Auditor-General is empowered under his act to disclose to the committee his budget proposals, which we then consider and use to make representations to government as necessary. This process reflects both the committee's status as the parliament's audit committee and the Auditor-General's status as an independent officer of the parliament.

The committee met with the Auditor-General in February to review the Audit Office's budget proposals for the coming financial year. The Auditor-General advised that he would be seeking additional funding of \$5.6 million, over five years, in this year's budget. The additional funding was to be applied in three main areas. First, the Audit Office sought \$5.3 million for audit work required following the establishment and projected expansion of the National Broadband Network Company Ltd. This additional audit work is mandatory under section 13 of the Commonwealth Authorities and Companies Act, which requires the Audit Office to audit the financial statements of Commonwealth companies and their subsidiaries. The additional expense will be offset in full by audit fee revenue, although in this context it is important to note that such revenue is returned to the budget rather than being available to the Audit Office.

As I said in my corresponding statement last year, the committee believes that the Au-

dit Office should be fully funded for any new obligations that government places upon it, particularly where new agencies are established. The committee is therefore pleased that the Audit Office will receive the additional funding it sought in this year's budget in relation to the NBN Company Ltd. The committee also notes that the recent transfer of the office of Indigenous evaluation and audit from the Department of Finance to the Audit Office has been properly accompanied by ongoing funding of approximately \$4 million per year.

The Auditor-General advised the committee in February that he would also be seeking an additional \$1.5 million over five years in support of his reviews of compliance of proposed government advertising campaigns with guidelines for agencies issued in July 2008. This funding request was withdrawn late in the budget process when, following a review of the guidelines by Dr Allan Hawke, the Auditor-General's role in providing review reports on proposed advertising campaigns was abolished, on 31 March.

Finally, the Audit Office sought \$5.3 million for the period 2009-10 to 2013-14, partially offset by audit fees of approximately \$1.2 million, to meet the workload associated with the full revision to the Australian auditing and assurance standards, which reflects changes to international auditing standards. As a result of these changes some 41 revised auditing standards become effective in 2010-11. The changes result in an increase of about a third in mandatory auditing procedures, with the extent of new requirements exceeding 20 per cent. The changes therefore increase financial statement audit efforts significantly and require updates to audit methodology and related training.

The Audit Office has not been successful in its bid for funding this year for this additional workload. While this is disappointing,

the committee acknowledges that in last year's budget the Audit Office, with the committee's strong support, received an additional \$20.1 million over four years. This enabled the Audit Office to restore its target number of performance audits to the traditional level of around 50 audits per year, following a reduction to 45 for the 2008-09 financial year. The Audit Office's total revenue from government is estimated at \$73 million in 2010-11. The Auditor-General has advised that the appropriation for the year ahead will allow him to meet his obligations, including maintaining his targets for production of performance audit reports and public sector better practice guides. The committee therefore endorses the budget proposed for the Audit Office for 2010-11.

However, the committee is concerned by the lack of new funding in support of the revision to the auditing and assurance standards. While the new standards should enhance public confidence in the quality and relevance of all its services, the committee is of the view that they will significantly increase the effort required to audit the financial statements of public sector entities. Based on its internal analysis and external assessments—most notably from the United Kingdom—the Audit Office estimates that the new requirements will result in an average increase of five per cent in financial statement audit effort, based on its auditee profile of 275 small entities and 34 material entities.

Given that the financial statement audits and the associated professional standards are mandatory obligations for the Audit Office, there is a risk that ongoing budget pressure in this important area of audit activity may in time force the Auditor-General to, again, reduce his program of performance audits and better practice guides. The committee continues to assert that any such downgrade would be a false economy and not in the in-

terests of either the parliament or the people it serves. The committee notes that the Auditor-General made a similarly unsuccessful request in last year's budget for additional funding to meet the costs of the revision to the auditing and assurance standards, and previously received only partial funding for the substantial increase in audit workload arising from the introduction, from 2008-09, of the general government sector financial statement. The committee therefore flags its support for any request by the Auditor-General in next year's budget process for additional funding to meet the costs of the revised auditing standards.

In the longer term, the committee also notes that the Auditor-General has previously suggested that it would be desirable to have in place arrangements that allow the Audit Office's funding to be adjusted in line with changes in the scale of the public sector. We agree that this matter requires further consideration to ensure that the Audit Office is properly funded into the future and able to discharge its responsibilities to the parliament. I present a copy of my statement on behalf of the Joint Committee of Public Accounts and Audit.

#### **National Capital and External Territories Committee**

##### **Reports**

**Ms ANNETTE ELLIS** (Canberra) (4.57 pm)—On behalf of the Joint Standing Committee on the National Capital and External Territories, I present the committee's reports, together with the minutes of proceedings, entitled *Inquiry into the changing economic environment in the Indian Ocean Territories* and *An advisory report on the Territories Law Reform Bill*.

Ordered that the reports be made parliamentary papers.

**Ms ANNETTE ELLIS** (Canberra) (4.57 pm)—I move:

That the House take note of the report titled *An advisory report on the Territories Law Reform Bill 2010*.

**The SPEAKER**—In accordance with standing order 39, the debate is adjourned. The resumption of the debate will be made an order of the day for the next sitting.

##### **Report: Referral to Main Committee**

**Ms ANNETTE ELLIS** (Canberra) (4.57 pm)—I move:

That the order of the day be referred to the Main Committee for debate.

Question agreed to.

#### **INFORMATION COMMISSIONER BILL 2009**

#### **FREEDOM OF INFORMATION AMENDMENT (REFORM) BILL 2009**

##### **Second Reading**

Debate resumed from 26 November, on motion by **Mr Byrne**:

That this bill be now read a second time.

**Mr KEENAN** (Stirling) (4.58 pm)—I rise to speak on the Information Commissioner Bill 2009 and the Freedom of Information Amendment (Reform) Bill 2009. Freedom of information, the statutory right of access to government documents, is justified on the grounds that it encourages transparency and political accountability and discourages corruption and other forms of wrongdoing. At the federal level, it was the Fraser government that first introduced freedom of information into Australia in 1982 through the Freedom of Information Act of the same year. This formed part of a broader package of administrative law reforms promulgated during the 1970s and 1980s, and this made Australia the first country with a Westminster system of government to legislate for freedom of information. In subsequent years, following the Commonwealth's taking the lead, similar legislation was passed in all Australian states and territories.

As noted in the *Bills Digest* for the FOI Amendment (Reform) Bill 2009, these FOI acts have certain major features in common. First, government is obliged to publish information about its activities in general and about whether it holds certain kinds of documents. Second, every person has a legal right to obtain access to information in documentary form, subject to the operation of specific exemptions and exclusions, which is in the possession of ministers or government agencies. Exemptions can apply to specified agencies—for example, our domestic or international intelligence agencies or the police forces of the state jurisdictions—or to categories of documents, such as documents that deal with international relations or international security. A third feature of FOI acts is the personal privacy dimension, which enables a person who has gained access to a document held by government that relates to his or her personal affairs to request that the document be amended in some respect, to appeal against a refusal to amend the document and—even if the appeal is unsuccessful—to request that an annotation be attached to accompany the record when it is shown to any other person. The last feature common to all the FOI regimes is a right of review in relation to most decisions made under the acts—that is, internal review within the agency and further review by a body external to the decision maker.

The Rudd government's position on freedom of information, like so much of what we see from this government, mirrors its failings in other policy areas. Prior to the 2007 federal election the Rudd government was very heavy on rhetoric, but after it was elected FOI was added to its list of comprehensive policy failures and broken promises. When in opposition, Rudd Labor stated:

A Rudd Labor Government will restore trust and integrity in the use of Commonwealth Government information, promoting a pro-disclosure

culture and protecting the public interest through genuine reform.

The Labor Party when in opposition described its approach to making information more accessible to the general public with the colourful phrase Operation Sunlight. However, although the government is very good at sloganeering, it is very bad at follow-through. The Labor Party's election policy document was entitled *Government information: restoring trust and integrity in government information*. This document foreshadowed significant changes to freedom of information legislation. It stated that a Labor government would abolish conclusive certificates and implement the recommendations of the *Open government: a review of the federal Freedom of Information Act 1982* report. It is interesting to note that the government promised a pro-disclosure policy and cultural change when it came to freedom of information requests, but its own figures, quietly released three days before Christmas last year, show that its rhetoric on FOI has failed to match that reality. Doesn't the fact that the government released the report on its failure to adhere to its Operation Sunlight promises three days before Christmas say everything about how this government operates?

The *2008-09 Freedom of information annual report* shows that the Labor government have refused more FOI requests than did the previous coalition government. The government's own figures show there is less freedom of information under the Rudd government than there was under the Howard government. The Rudd government's heroic pro-disclosure rhetoric from opposition stands in stark contrast to the cold, hard statistical reality that they have implemented since they have been in government. The annual report is dated 31 October 2009, but the Rudd government waited until 22 December, a time when the political cycle is at a pretty low

ebb, to quietly release it because it contained a litany of their failures in this area. The timing of the report's release alone demonstrates the reality of the Rudd government's attitude to disclosure. My colleague, the shadow Attorney-General, Senator George Brandis, was quoted in the *Australian* on 30 December 2009:

A reduction in the number of successful FOI applications of 10 per cent, and an increase in the number of outright refusals of almost 1 1/2 times, is certainly evidence of a change of culture within the government towards the release of information. Unfortunately, it demonstrates that the trend is in the opposite direction from that promised by Faulkner.

Far from bringing about the dawn of a new age of access to government information, the Rudd government has done the very opposite. As Senator Brandis also noted:

The exemptions in the FOI Act were invoked to block disclosure in 6.1 per cent of cases. By comparison, in the last full year of the Howard government, only 4.4 per cent of FOI applications were refused outright. The number of applications granted in part only was 22.9 per cent. The comparable figure in the last year of the Howard government was 15 per cent. In all, only 71 per cent of applications were granted in full; the comparable figure in the last year of the Howard government was 80.6 per cent.

As noted by the coalition senators in the Senate Standing Committee on Finance and Public Administration's report, the cost of facilitating FOI requests has also increased substantially under the Rudd Labor government. From the last full financial year of the Howard government until the first full financial year of the Rudd government, the cost of FOI increased from just under \$25 million to over \$30 million—an increase of over 21 per cent. Given the increasing cost of facilitating FOI requests and the decline in the number of FOI access requests, in the two years between 2006-07 and 2008-09 there has been an extraordinary increase in the average cost

per FOI request. In 2006-07 the average cost per FOI request was \$642, whereas in 2008-09 the cost per request was \$1,101—an increase of 71 per cent over two years. These facts contradict Labor's purported commitment to 'promoting a pro-disclosure culture and protecting the public interest'. The government's commitment to a pro-disclosure culture was put to the test last year. The behaviour of public servants in the Department of Climate Change and Energy Efficiency in their response to an FOI request from Dr Richard Denniss from the Australia Institute was reported in the *Australian* on 30 January 2010. The article read:

Even though the department rang Denniss to confirm that he wanted advice to the minister, and the department's lawyers said this was covered by the request, it was excluded on the instruction of departmental head ... and his deputy ...

Not easily deterred, Denniss fired in another request asking for documents prepared to help inform Wong—

that is, Senator Wong—

and her advisers of the details, merits, limitations and criticisms of the ETS. The response: he may be able to get what he wants if he hands over \$256,586.98—

over a quarter of a million dollars—

although, catch-22, if he proceeds with his request, the department may decide it involves an unreasonable diversion of resources.

It is not clear what else the department of climate change actually have to do, but clearly they were not keen under this minister to facilitate Operation Sunlight, so proudly announced by Labor in opposition and so woefully adhered to in government. This example about a prominent public policy issue further illustrates that the Labor government is not honouring its election commitment to create a pro-disclosure culture and that Labor's rhetoric on FOI does not match the reality of continued denial of access to information.

I move to some of the specifics. The Freedom of Information Amendment (Reform) Bill 2009 contains key amendments: (1) introducing an information publication scheme which would require agencies to proactively disclose more information to the public (2) changing the time periods for access under the Archives Act, from 30 years to 20 years for all documents and from 50 years to 30 years for cabinet notebooks (3) abolishing FOI application fees, abolishing all charges for a person seeking access to their own information, making the first hour of decision-making time charge free for all FOI requests and allowing a five-hour charge free period for journalists and not-for-profit organisations (4) a single public interest test for disclosure (5) extending the FOI Act to cover documents held by service providers to the government and (6) introducing an objects clause to emphasise that the aim of the act is to give the Australian community access to information held by the government.

The bill that we are debating concurrently, the Information Commissioner Bill 2009, establishes the Office of the Information Commissioner, which was part of the reform of the FOI regime announced in March 2009. The functions of this office will be threefold: the FOI functions, which are about giving the Australian community access to information held by the government in accordance with the FOI Act; the privacy functions, which are about protecting the privacy of individuals in accordance with the Privacy Act and other acts; and the Information Commissioner functions, which are strategic functions concerning advice to government on information management.

As noted in the bill's explanatory memorandum, the Information Commissioner, which is a new position, will be head of the office. The Information Commissioner will be able to perform all of the functions of that office. To ensure a workable governance ar-

range, the Information Commissioner will be head of the office both strategically and administratively. Provision is made in the bill to ensure that no duplication arises in carrying out functions between the three commissioners and to ensure that no disagreement arises in the discharge of those functions.

The FOI Commissioner, which is also a new position, will mainly perform the FOI functions. For flexibility, the FOI Commissioner will also be able to perform the privacy functions. The Privacy Commissioner is an existing position established under the Privacy Act; however, the Privacy Commissioner will be appointed under this bill. The Privacy Commissioner will mainly perform the privacy functions. For flexibility, the Privacy Commissioner will also be able to perform the FOI functions. It is proposed in the bill that the existing Office of the Privacy Commissioner be amalgamated into the Office of the Information Commissioner.

The FOI functions of the Information Commissioner include: promoting an understanding of the FOI Act; assisting agencies to publish information in accordance with the publication scheme; providing guidelines, advice and training to agencies; and conducting investigations and reviews of decisions. In effect, it will perform an ombudsman's role in relation to information matters.

I understand that discussions are underway between the opposition and the government regarding the onus of proof provision. Whilst the coalition supports these bills in principle, further amendments will be made in the Senate. I trust that the government and the opposition, with a bit of goodwill on both sides, will be able to find common ground on these two bills. As mentioned in the *Bills Digest* regarding the FOI Amendment (Reform) Bill 2009, there is an argument that in a number of areas the reforms do not go far

enough. A common theme in submissions to the Senate inquiry was that, while the bill repeals a small number of exemptions, it retains an almost entirely untouched list of excluded agencies and documents held by certain agencies listed in schedule 2 of the FOI Act.

The two bills are not the end of the story. In relation to two key aspects of the FOI Act—namely, access to and amendment of one's own personal information and the imposition of processing charges for FOI requests—the government has promised further reform. However, by the government's own reckoning, access to government information is much less free today than it was prior to the change of government. The coalition have consistently stated support for any reforms to the freedom of information regime that would result in improved public access to information. So, whilst we commend this bill and support it in principle, it is on the basis that in the past two years freedom of information has gone substantially backwards under Kevin Rudd and his Labor government.

**Mr DREYFUS** (Isaacs) (5.13 pm)—I am proud to support the two bills before the House: the Freedom of Information Amendment (Reform) Bill 2009 and the Information Commissioner Bill 2009. These bills represent the most substantial reforms to the Freedom of Information Act 1982 since it was enacted by this parliament. It is somewhat regrettable, perhaps even laughable, to hear from an opposition spokesman claiming that the coalition has a commitment to open and responsible government and indeed, by the selection of a handful of statistics or a handful of anecdotes, seeking to ignore the major nature of the reforms that are contained in this legislation.

There has already been very substantial reform contained in legislation considered by

this House, namely the Freedom of Information (Removal of Conclusive Certificates and Other Measures) Bill 2008, which was debated last year. That marked the first stage of amendments to the freedom of information regime. Really, the removal of conclusive certificates and what the conclusive certificates represented tells all the story that one needs to know about the true or actual commitment of the coalition to open government. Conclusive certificates, of course, were what lay at the heart of the former government's resistance to the release of information, notably in a case where the former government went all the way to the High Court. It was a case brought by Michael McKinnon, a very senior News Ltd journalist, who was requesting documents that were concerned with bracket creep and material relating to the first home owners scheme—precisely the kind of material one might expect to see being requested under freedom of information legislation. The former government's attitude to FOI was revealed by the way in which that request was refused and then fought at every single level all the way to the High Court of Australia.

This government's first legislative act in relation to the freedom of information regime was to abolish those conclusive certificates provisions, and as was foreshadowed by the former Special Minister of State, Senator Faulkner, we now have before the House the substantial set of reforms contained in these two bills. They are a set of reforms that have been long awaited because they are based not merely on more recent reviews and reviews by the Attorney-General's Department and not merely on what has been very longstanding Australian Labor Party policy. They are based on a review that was finalised by a joint report by the Administrative Review Council and the Australian Law Reform Commission in 1996. It contained a very large number of

recommendations. It was itself, at that point, the most substantial review that had been conducted of the Commonwealth freedom of information legislation. As was commented on at the very start of that joint report of the ALRC and the Administrative Review Council, at that point—some 13 years since the act had come into operation—it was long enough for the shortcomings of the legislation to have been uncovered and for some very coherent work to be done on what changes were appropriate to make the freedom of information regime work better.

But that extensive report, the Open Government report of those two bodies, was ignored by the former government for the whole of its term of office. The very substantial reforms, which were carefully thought through and were the subject of very many submissions that were considered by those two bodies in their substantial report, were all ignored by the former government, and that is where we see the true commitment of the coalition parties to open government and to freedom of information—which is, of course, no commitment at all. We had to wait for the Rudd Labor government to come to office, bringing with it very detailed commitments for amendments to the freedom of information regime, for there to be an enactment and legislation presented in this House, first abolishing conclusive certificates and followed up by this set of comprehensive reforms to the whole regime, which will change the system. That is why the complaints voiced by the member for Stirling should be seen as the laughable complaints that they are. Rather than talk about the substantial reforms contained in this legislation, we had reference only to a handful of statistics—pretty much the same approach that was taken by the coalition senators participating in the Senate Finance and Public Administration Legislation Committee which looked at this legislation. The coalition sena-

tors participating in the report—Senators Brandis, Ryan and Kroger—commenced their dissenting report with the risible claim:

The Coalition is committed to responsible and open government.

As I have said, the record of the former government speaks for itself. It had before it this extraordinarily detailed report by the two bodies—the ALRC and the Administrative Review Council—and chose to ignore all of those recommendations. There was no action to reform the freedom of information system and from that report—indicating that at that point some 13 years had passed since the act had been passed—we have had to wait another 14 or 15 years to get to this legislation before the House of Representatives in order to have substantial reform.

It is the case that freedom of information legislation deals only with one form of release of government information. Government information is released by this parliament collectively, it is released and made available to the public by members of this parliament individually, it is made available by ministers and it is made available by government departments. It should not be thought that the Freedom of Information Act is in any sense a code which fully describes the means by which government information is to be made available. What it does is to provide an additional means by which government information can be made available, and it does so because it is recognised, or at least recognised in democracies throughout the world, that the provision of information empowers citizens; that the provision of government information in every sense creates better government and in every sense makes it possible for citizens to participate more fully in the processes of government and for those engaged in the process of government, being members of this parliament, government ministers and officers of departments, to govern better.

I wish to comment briefly on the creation of the new offices, which is the purpose of the Information Commissioner Bill. The bill adds to the existing office of Privacy Commissioner the office of FOI Commissioner and the office of Information Commissioner, and it uses those newly created offices to set up a structure by which, for the first time in our freedom of information system, there will be a champion of FOI. There will also be a simpler means for review of freedom of information decisions, and there will also be, through the Information Commissioner, the possibility of review of all of the processes of FOI within the government, which will go a great distance towards what should be the true aim of a freedom of information regime, which is to create a culture in which governments and government departments and agencies are encouraged to release information. It should not be thought that freedom of information can ever be left completely to some code which lists in a prescriptive way the means and opportunities for obtaining information; rather, there should be a vibrant culture of release of information, where at all possible—a proactive culture of making information available—and it should not be left for citizens to make requests in order for information to be made available.

The Freedom of Information Amendment (Reform) Bill starts with what I would suggest is a very, very substantial reform, and that is to replace the objects of the Freedom of Information Act with a new provision. It is a very important provision because it makes clear that access to information is a right and makes clear that there are requirements on agencies to publish information. It makes clear that this parliament intends to promote representative democracy by increasing public participation in government processes by increasing scrutiny, discussion, comment and review of the government's activities and, as well, by increasing recognition that informa-

tion held by the government is to be managed for public purposes and is a national resource. It is important that that kind of object be stated right at the outset of legislation like this so as to put beyond doubt any suggestion that the Freedom of Information Act is intended to be in some sense restrictive or in any way intended to fully describe the opportunities that are provided for access to government information. Rather, it needs to be understood that an FOI regime, and in particular the freedom of information regime of this Commonwealth, is a tool—it is something that is there to assist in better government and assist citizens to participate in the government of the Commonwealth.

The specific other provisions I would comment on, apart from the objects clause, include the tidying up, if I can call it that, of the exemption provisions, which is important because anything that can assist in making this legislation easier to read and simpler to use is to be commended. There is a set of provisions which will now require the publication of a range of information, as well as provisions which specify how and when information is to be published by agencies of the Commonwealth and encourage the provision of such access.

There are further amendments in relation to the form of public interest test which is weighted towards disclosure. This is something that will, again, assist in ensuring that proper consideration is given to requests for information. The Victorian freedom of information legislation has for many years contained reference to public interest, which operates in that legislation as a form of override or reason why, despite an exemption having been made out, documents ought to be released because the public interest requires such access. The Commonwealth legislation will through these amendments now include clear public interest provisions which include a set of factors that will favour ac-

cess, including promoting the objects of the act, to which I have already referred, informing debate about matters of public importance, promoting effective oversight of public expenditure or allowing a person to access his or her own personal information.

What is also important is that this public interest test makes clear that a range of matters are not to be taken into account in a public interest assessment. They include whether or not access to a document would result in embarrassment to the Commonwealth government or cause a loss of confidence in the government. I repeat: that is a factor not to be taken into account in a public interest assessment. Further, and this is a matter that has been sometimes raised by government agencies in resisting disclosure, it puts to rest the suggestion that access to the document resulting in any person misinterpreting or misunderstanding the document could ever be a relevant factor. That too will not be something that is taken into account in public interest considerations. There are two more factors which are not to be taken into account in the public interest evaluation. The first is that the author of the document is or was of high seniority in the agency to which the request for access is made. That is ruled out as something that might be taken into account in a public interest matter. Secondly, ruled out from consideration in the public interest evaluation is the proposition that access to the document could result in confusion or unnecessary debate.

This is a piece of legislation which puts trust in the citizens of Australia. It rests on the proposition that political debate in this country and the participation of citizens in the government of this country will be assisted by the provision of information—and the more the better. That is why we see this sort of provision, which says no-one in future will be allowed to go and suggest in the review processes, to the Administrative Ap-

peals Tribunal or before the Information Commissioner or to the Federal Court of Australia, that simply because the release of the document might result in confusion or unnecessary debate that would be a reason in the public interest for it not to be released—and so it should be, because that judgment, as to whether or not the release of a document might result in confusion or unnecessary debate, is an extraordinarily subjective judgment. I, as someone who has participated in more freedom of information cases than I care to remember, can say that I am very pleased to see that argument, as a reason for not allowing the release of a document, put to rest.

It is, of course, the case that the public interest underlies many of the exemptions. We have a clear public interest in refusing to release national security documents. We have a clear public interest in refusing to release documents that are sourced from the intelligence community. The way in which the new public interest provisions work recognises that there are competing public interests and that there are public interests which favour nondisclosure as well as public interests which favour disclosure. This proposed act contains a rebalancing of the provisions which were there before in a clearer way and will lead—and this is what the coalition has failed to recognise—to a system that promotes disclosure and a system in which information will be more accessible.

I end by again referring to the claims that have been repeatedly made—the ones that were recently made in the Senate committee process by Senator Brandis and other coalition senators and were made throughout last year by Senator Brandis—about the coalition's supposed commitment to open and responsible government. They are laughable claims. Their failure to implement the recommendations of the Australian Law Reform Commission and the Administrative Review

Council's recommendations from 1996 speak for themselves. That failure shows the true commitment. (*Time expired*)

**Mr LINDSAY** (Herbert) (5.33 pm)—I thank you, Madam Deputy Speaker Bird, for the call—a busy day in the parliament and we are looking forward to another session of the parliament later this evening. I recognise that the members of the Left Right Think-Tank, Australia's first think tank for young Australians, are here in parliament today for the budget. They will, of course, be interested in the bill on freedom of information that we are discussing. That certainly interests young people as well as interesting the rest of the Australian population. To the member for Isaacs: I could not agree more with your contribution. I think we will probably hear more of the same from the member for Moreton in due course—a very fine Queenslander, I might add.

**Mr Perrett**—Hear, hear!

**Mr LINDSAY**—People do not understand that there can be good friendships with those on the other side of the parliament. I remain a little bit cynical, though, I am afraid, about this particular bill and I am going to go through it and outline why I remain cynical. I will challenge the member for Isaacs over his comments about Senator Brandis and reflect on what is currently the situation within the Australian government.

I think we all agree with the purpose of the Freedom of Information Amendment (Reform) Bill 2009. It is to amend the FOI Act 1982 to 'usher in a new regime for access to government information'. How could you disagree with that? It is an absolutely laudable object. The second object of the bill is to 'promote a pro-disclosure attitude'. I hope that the bureaucracy of the government departments out there hears this loud and strong and clear, because that is what we need. This bill is intended to deliver more

effective and efficient access to government information and promote a culture of disclosure across government. But let us have a look at what is happening at the moment, and I will give you a case study: the Department of Defence. Never have I seen a more paranoid department. It does not matter what you ask of the department as the answer is, 'No, we can't tell you.' Their attitude goes completely against the grain of the philosophy of this bill and it has got to change.

I will give the parliament a specific example. Defence is normally considered a bipartisan operation and all of us are very mindful of the work that the members of the ADF do for our country. We are all supportive of the Defence Force. I am particularly supportive because, within Australia, I have the largest defence concentration in my electorate in Townsville with the Army at Lavarack Barracks and the Air Force at RAAF Townsville. It is a very, very significant base and Australia's most modern base. I take a keen interest in defence. I look after the people in the Defence Force.

When issues arise in Afghanistan and the media finds something and blows it up out of all proportion and you know that what they are saying is wrong, you want to stand up for the men and women of the ADF in your electorate and you want to give the media information that is correct. So what do you do? You ring the media ops section of Defence at Russell in Canberra. There are probably 100 employees in media ops. It is called Defence public affairs as well. You say, 'This is what the papers are saying. I know this not to be true. Give me a couple of lines that I can use in the media to defend the Australian Defence Force in Townsville.' Their answer is, 'Look, I'm sorry, we can't talk to you.' They know that I am not going to misuse any information and that I need information for the right reasons. I explain that carefully and the answer is no, we cannot tell you. Then they

say, 'You have to ask the minister.' I have been down that process a number of times. What happens when you ask the minister, effectively, is that you put a request in writing to the minister's office for information. It will take days if not weeks to get a response. And by the time it comes through the issue has long gone.

In the last instance I said to Defence public affairs, 'You're there to look after the public, to provide information, that is your role. Here I am. I'm a member of parliament but I'm also a member of the public and I want to stand up for the Defence Force. Give me information and give me information that won't embarrass anybody.' But the answer keeps coming back—no. In this particular instance when I was defending the men and women from Townsville who had been to Afghanistan and were accused of drug related issues in Afghanistan and I knew it to be wrong I said to Defence, 'In half an hour I've got to front the television cameras and I've got to give an explanation. Give me a couple of lines. I want to support the Defence Force.' The answer was no. I said, 'Are you saying that you're going to just turn me loose and I could be wrong in what I say?' They said, 'Yep, we can't do anything about it.'

It is that kind of paranoia that Defence has. People want to do good things for the Defence Force and need correct information that Defence has and could give them but does not. It is that kind of culture that departments have to take notice of. It cannot go on being a secret society, particularly when we are all trying to do the right thing. It is wrong that that should happen. How can you have a Defence public affairs unit of 100 people who will not give you information? That kind of culture has to be addressed. I call on the Minister for Defence to have a look at that in relation to the object and phi-

losophy of the bills that we are talking about tonight.

In the information commissioner bill there are three information commissioner appointments. There is the Information Commissioner, the FOI Commissioner and the Privacy Commissioner. I note that the Information Commissioner has the ultimate decision power should there be a disagreement. That is fine. The bill also gives the Information Commissioner a discrete function of advising the government on information management policy.

The Information Commissioner is to be assisted by an information advisory committee. That committee will be chaired by the Information Commissioner and will comprise senior executives from key agencies and other persons outside the government who have suitable experience or qualifications. That is a good thing. The advisory committee and hence the Information Commissioner's advice to government will not be truly independent if the appointments of the advisory committee are not picked with balance in mind. That is my view. That is not in the bill, but I think it is self-explanatory. I hope that, in making appointments, the government is mindful of the need for balance.

In the freedom of information bill the member for Isaacs talked about some of the tests that will be applied to more exemption categories than is currently the case. That is a good thing. He talked about the public interest test to be added to the economy, research and personal information exceptions. I think that on both sides of the parliament we are pleased that you will no longer be able to use arguments to prevent the release of information like, for example, disclosure of documents could cause a loss of confidence in the government or cause embarrassment to the government. Well, three cheers. That is a very good step forward.

I am pleased to see the bill also gives weighting to the FOI applicant. Should there be a disagreement between the three commissioners then the FOI applicant wins. That is interesting, though, as it contradicts the philosophy that the Information Commissioner has the ultimate say over the FOI and privacy commissioners.

I would like to turn to the history of FOI in Queensland, and the member for Moreton will be interested in this as well. This is where I get a bit cynical. Back in the Fitzgerald days, around 1989, Queensland suffered a lot of corruption in the police force, and there were people like Don 'Shady' Lane and Brian Austin who got themselves into a bit of strife. There was a fellow called Jack Herbert—I am the member for Herbert, but there is no relation—and there were some goings-on that were looked at. The inquiry handed its report to the government in Queensland in 1989. The report said:

A Government can deliberately obscure the processes of public administration and hide or disguise its motives. If not discovered there are no constraints on the exercise of political power. The rejection of constraints is likely to add to power of the Government and its leader, and perhaps lead to an increased tendency to misuse of power.

I say hooray to that—it is dead right. In this context, from what the report said, it is easy to see the fundamental importance of proper record keeping by public servants so that the activities and decisions of government can be scrutinised by the public. Importantly, Fitzgerald saw that effective FOI laws were one of the accountability mechanisms necessary for a robust democracy, and we are recognising that in this bill in the parliament tonight.

The recent history in Queensland is fascinating because in September 2007, within days of Anna Bligh becoming the Premier, cabinet approved the terms of reference for a

broad-ranging review of FOI, and the independent panel that resulted from that delivered its report in Queensland in June 2008. In answer to the question—this is a general finding—of whether FOI in Queensland had brought about a 'major philosophical and cultural shift in the institutions of government and the democratisation of information in the last 15 years', the review said no. I think we all suspected that.

Since that review, Queensland has gone down the track of what we are doing here in the Australian parliament tonight. The Queensland government made a commitment to provide access to information held by the government unless, on balance, it is contrary to the public interest to provide that information. The review on Queensland's Freedom of Information Act found that a new approach was needed from the government, putting forward 141 recommendations for reform. The Queensland government then proceeded to enact those changes.

But what is the result of that? This is where, I guess, we all get cynical. A media release from the Leader of the Opposition in Queensland dated 25 November 2009 is headed 'Accountability a joke under Bligh'—and this is what I have feared. It says:

Premier Bligh is living in a fool's paradise if she thinks her government is setting the national agenda for accountability.

The Leader of the Opposition said:

... Premier Bligh's claim in state parliament this morning that Queensland's Right to Information legislation made her government more accountable was laughable. Anyone who has attempted to extract information from this government using RTI processes is confronted with bureaucratic obfuscation ...

"Under Bligh's self-flaunted legislation, departments are required to respond 25 days but are either unable or unwilling to do so."

“The most recent request from the opposition office seeking information regarding the Bligh Labor Government’s negotiations with AIGP was met with a reciprocal request for an extension until 11 March 2010, more than three months after the designated due date.”

These are the kinds of things that, as members of parliament, on both sides, we have to be very careful about. FOI has to mean FOI. After this bill goes through the parliament, if we see what is happening in Queensland continue to happen in the Australian departments, it will be a sad day for Australia. It will be a sad day for the aspirations that the member for Isaacs articulated so well in the parliament this evening. I accept that he is genuine in what he feels, and I think that all of us would want to see these kinds of aspirations delivered on by the Australian government and by the departments and bureaucracy in the Australian government so that Australia can be a better place and the people of Australia can be better informed.

Finally, I would just like to thank Alec Zeglis, who is with us tonight, for helping me prepare this contribution to the parliament. Alec is another fine young Australian who, one day, will be one of Australia’s leaders. Well done, Alec. Thank you.

**Mr PERRETT** (Moreton) (5.49 pm)—I thank the member for Herbert for those kind words at the start of his speech and for his contribution. In a spirit of good democracy and open and accountable government, I rise to voice my strong support for the Information Commissioner Bill 2009 and Freedom of Information Amendment (Reform) Bill 2009. Australian democracy, like all democracy, relies on government being transparent to our people and institutions like the media to hold us accountable. Without this vital transparency, even historical and substantial democracies can breed secrecy and corruption. Without daylight, good government festers. We are lucky to have a history of

continuous democracy. Nearly every country around the world has had blights on their democratic processes. We can look at the fascism that has arisen in Europe, the coups d’etat of Africa and the revolutions of South America, and even the United States has had civil wars, McCarthyism and other blights on its democratic processes. In Chris Wallace-Crabbe’s poem *Terra Australis*, he says of Australia:

We are the final children of the earth  
Whom knowledge has not scarred—

not ‘scared’ but ‘scarred’. Looking back to my darker days under the Bjelke-Petersen government, as mentioned by the member for Herbert, this was the reality for Queenslanders. It was not just in the police service; it also infected the democratic process and the elected officials. Thankfully, a few good men and women on both sides of politics had the courage to stand against corruption. Since the Fitzgerald inquiry in 1989 Queensland has thrived under progressive, open and accountable governments, and, as the member for Herbert mentioned, more can be done.

In July last year, 20 years on from the Fitzgerald report, Tony Fitzgerald gave a lecture at the Inaugural Griffith University Tony Fitzgerald Lecture. He stressed that a lot more could be done. I am going to take you to some of the comments he made. Before I do, I particularly want to commend some of those people involved—not only AJ Brown at Griffith University but people from 20 years earlier, such as Mike Ahern, a National Party minister and later Premier. I commend Mike Ahern for his courage and commitment to good government. He let the Fitzgerald inquiry take place. Mike Ahern is well known as a fundamentally decent man. Consequently, the Queensland that I grew up in completely changed. We have wonderful police officers now that are able to shine—

people like Commissioner Bob Atkinson, who leads the police service in Queensland. He is surely one of the most honourable men I have ever met, an inspiration to all young police officers and young Queenslanders.

In his lecture last year, at the Inaugural Tony Fitzgerald Lecture, Tony Fitzgerald said that every generation has a duty to historical truth. He warned us in that lecture that, tacitly at least, Queenslanders were encouraged to forget the repression and corruption which had occurred and the social upheaval that had been involved in eradicating those injustices. Younger Queenslanders know little of that era, the Bjelke-Petersen era, and are largely ignorant of the possibility that history might be repeated. It is a salutary warning. He said that ethics are always tested by incumbency. As a Queensland in the Commonwealth parliament, I look to what has happened in my Queensland at the state government level and some of the tests that are put in front of elected officials.

The last point from the Fitzgerald lecture that I will make is the following quote:

Unfortunately, cynical, short-sighted political attitudes adopted for the benefit of particular politicians and their parties commonly have adverse consequences for the general community.

Those sentiments from Tony Fitzgerald, while particularly pointed, have a particular relevance for the Rudd government, peopled as it is by so many Queenslanders. That has informed the legislation that is before the House. Government cover-up and secrecy breed cynicism in the community, and obviously the last thing that we need is more cynicism about politics. We have to work hard to protect the integrity of our democracy. It is an often used quote, but the price of democracy is eternal vigilance.

That is why the Rudd government made an election commitment to restore trust and integrity to our political system, not only in

the area of political donations and gifts but also by improving laws concerning freedom of information. We have already removed the power of ministers to issue conclusive certificates to refuse access to certain documents through FOI. Instead, all decisions to claim exemptions will be subject to a review by the Administrative Appeals Tribunal.

The bills before the House represent the biggest change to FOI since it was introduced way back in 1982, 29 years ago. That was back when Malcolm Fraser was the Prime Minister, back when Malcolm Fraser was a liberal with a capital 'I' rather than the liberal with a small 'i' that he seems to be now. To take you back—and I know that you are too young to remember this, Deputy Speaker Bird—*Eye of the Tiger* was No. 1 for about six weeks and Channel 9's *Today Show* had its very first airing back in 1982, and it is still going strong. *Chariots of Fire* had won the Oscar for best picture and Michael Jackson's *Thriller* had just been released. That contextualises the time in which FOI came about. We need to revisit the motives behind that legislation.

Through the bills before the chamber, we are further reforming the FOI Act to ensure that the right of access to documents is only limited where a stronger public interest lies in withholding access to those documents. Specifically, the public interest test states:

The agency or Minister must give the person access to the document if it is conditionally exempt at a particular time unless (in the circumstances) access to the document at that time would, on balance be contrary to the public interest.

This legislation also lists the factors which must not be taken into account in deciding the public interest test. These include whether: access to the document could embarrass the Commonwealth, the document could be misinterpreted or misunderstood, the author of the document is of high senior-

ity within the agency and the document could result in confusion or unnecessary debate. Some of the factors which would favour disclosure under the act include where the document would: inform debate on a matter of public importance; promote effective oversight of public expenditure, which is always important; and allow a person to access his or her own personal information.

As well as providing greater freedom of access to requested documents, the legislation heralds a new era of proactive disclosure. There is a term that people probably will not be rushing to have tattooed on their shoulders—‘proactive disclosure’ is probably not as catchy as ‘detailed programmatic specificity’, but it is an important term. Australian government agencies will have new obligations to proactively publish information, including: details of statutory appointments, information an agency routinely gives access to in response to requests under part 3 of FOI, information that is routinely provided to the parliament and certain operational information about an agency’s functions or powers in making decisions affecting members of the public.

While the overall intent of these bills is to provide greater access to government information, it does include two necessary and completely understandable exclusions relating to intelligence information. Intelligence agencies are already wholly excluded from the FOI Act. However, under this legislation extracts or summaries from intelligence agency documents such as ministerial briefings will also be excluded. Nevertheless, the Department of Defence ministers and agencies will be excluded only for information relating to the collection, reporting or analysis of operational intelligence. There is a general appreciation throughout the community that there is some government information that, for the sake of Australia’s security and safety, is better off under lock and key.

Next, fees for lodging FOI applications will also be abolished. Applicants will not pay for any charges for accessing their own personal information. Journalists and not-for-profit groups will not pay for the first five hours of decision making and all other applications will be charged after the first hour of decision making. This will ensure that as many people as possible can access information at the lowest possible cost. This legislation also brings forward the open access period for most records under the Archives Act from 30 years to 20 years and for cabinet notebooks from 50 years to 30 years. I look forward to 2040.

The Information Commissioner Bill 2009 will establish the Office of the Information Commissioner. This new Commonwealth agency will be headed by a new statutory officer called the Time Lord—sorry; just fooling with *Doctor Who* fans! The officer will be called the Information Commissioner. The commissioner will be responsible for all the functions and powers under the FOI Act and the Privacy Act, bringing these together under the one office for the first time. The Privacy Commissioner and the new FOI Commissioner will support the Information Commissioner. They will be responsible for: issuing guidelines on the administration of the FOI Act, because anybody who has ever been tangled up in red tape knows that the devil is always in the detail; investigating government agency compliance with the FOI Act; reporting on compliance with and operation of the FOI Act; administrating the training of staff; and reviewing decisions by agencies and ministers who refuse access to documents. This will include a new two-step review process. The first review will be conducted by the Information Commissioner. If not resolved, a second review will be done by the Administrative Appeals Tribunal.

As I said, these bills implement the biggest reform to FOI since it was introduced

nearly 30 years ago. We are doing this because we want to make it easier for people to access information and to promote greater openness and transparency in government. For governments, freedom of information is a bit like going to the dentist. It might be a little bit painful, but you know that you are better off for it in the long run. We know that our democracy will be better for these changes. Unfortunately, under the coalition some people's experience in trying to gain access to documents through freedom of information was a little bit like pulling teeth. We in the Rudd government believe that our achievements and our shortcomings should be on the record for all to see so that people can make an informed decision about our administration. We also believe that open government is better government. The singer Paul Kelly said, 'I was born in a luck country and every day I hear the warning bells.' This legislation before the chamber will help us all to hear the bells long before they toll for democracy. I commend the bills to the House.

Debate (on motion by **Mr Clare**) adjourned.

**Sitting suspended from 6.02 pm to  
7.30 pm**

**APPROPRIATION BILL (No. 1)  
2010-2011**

Message from the Governor-General transmitting particulars of proposed expenditure and recommending appropriation announced.

**First Reading**

Bill and explanatory memorandum presented by **Mr Swan**.

Bill read a first time.

**A position of strength**

Of Australia's 18 years of continuous economic expansion, Australians can be proudest of the one just passed.

Not just because together we avoided recession when almost all other advanced economies did not.

Not just because together we created 225,000 jobs when many other advanced economies were shedding hundreds of thousands of jobs.

But because our shared successes put us in a position of strength from which we will build growth and opportunity, and secure the future.

A position of strength from which we will build a modern tax and retirement incomes system, invest in renewable energy, and deliver historic health and hospital reform.

A position of strength from which we will build the skills base and capital stock we need for a generation of prosperity.

Tonight we meet the highest standards of responsible economic management.

Every dollar of new policy in this budget has been offset across the forward estimates, as we meet the strict rules of our responsible fiscal strategy.

A strategy that will see the budget return to surplus in three years time, three years ahead of schedule, and ahead of every major advanced economy.

A strategy that will pay off debt three years sooner—again, ahead of every major advanced economy—without increasing taxes as a share of the economy beyond the level we inherited from our predecessors.

This is a budget that moves from supporting the economy through the slowdown to bringing us back to surplus now that we are recovering strongly.

A budget that produces an economic and fiscal position the envy of the developed world, and a stronger, more secure future for all Australians.

**Economic outlook**

We do not easily forget this time last year, when we faced the grimmest set of global economic conditions since the Great Depression.

Last year, around \$60 billion was stripped from our export earnings and company profits fell more sharply than in the 1990s recession.

Our two-stage strategy was to support jobs, then lay down a framework to bring the budget back to surplus as the economy recovered.

Tonight I am proud to announce this strategy is working, ensuring our economy has far outperformed the rest of the developed world.

Advanced economies contracted by over three per cent in 2009, while Australia grew by 1.4 per cent. Without stimulus, we would have gone backwards by 0.7 per cent that year.

Last budget we expected our economy to contract in 2009-10 by half a per cent. Instead it will grow by around two per cent.

Last budget the unemployment rate was rising and forecast to peak at 8½ per cent. Instead it peaked at 5.8 per cent and is now on its way down to 4¾ per cent.

Last budget projected a return to surplus in 2015-16. We now expect a surplus in three years, three years ahead of schedule.

Together, Australians have defied global economic gravity; not by accident but by choice.

Together, we have avoided the destruction of skills and capital by keeping people in jobs and the economy ticking over.

Fiscal stimulus, monetary policy, a well-supervised banking system and our close ties with Asia all served to protect our country.

But events in Greece remind us risks in the global economy do stubbornly endure.

Aftershocks from the crisis continue to reverberate around parts of the world.

The robustness of this budget forms a solid buffer against the troubles of Europe.

Our economy and fiscal position remain among the strongest in the world. We have more robust growth, lower unemployment and lower debt than our peers.

Our economy is expected to rebound powerfully, with forecast real GDP growth of 3¼ per cent in 2010-11 and four per cent in 2011-12.

Best of all, the unemployment rate is expected to fall further from 5.3 per cent today to 4¾ per cent by mid-2012, around the level consistent with full employment.

The Australian economy is today in an important transition phase.

Fiscal stimulus is winding back as planned.

Business profits are recovering.

The private sector is re-emerging as a driver of growth.

And we are taking steps now to maximise our opportunities for the future.

**An agenda for the future**

While economic circumstances have changed significantly over the past year, the magnitude of our policy challenges has not.

Our goal is to manage the years ahead as decisively and successfully as in the year just passed.

So this budget targets three key challenges: the return to full capacity in a two-speed economy; climate change; and the fiscal pressures of an ageing population.

Tonight I am outlining a reform agenda to help tackle these challenges.

A reform agenda which will create jobs and encourage investment; boost renewable energy; build capacity; save for the future; and fund better health and hospitals.

All part of a fiscal strategy that allows us to ease the cost of living for working families while still getting back to surplus three years ahead of schedule.

Those looking for a big-spending pre-election budget won't find one.

Instead we are maximising our opportunities—keeping Australia ahead of the pack, just as we were ahead of the pack in dealing with the global recession.

#### **Growing the whole economy**

The resources boom presents enormous opportunities and challenges.

Booms are not a permanent part of the economic landscape even if they might be expected to run for a decade or more.

That is why we need to manage our resource wealth sustainably—capturing a fairer share for all Australians and turning it into other forms of wealth that last.

That is why we are introducing a Resource Super Profits Tax from 1 July 2012.

This will reduce the tax burden on less profitable resource projects and projects in their early stages, supporting greater resource sector investment and more production.

It will also ensure our community charges a fairer price for our finite resources.

The revenue we raise will be directed to strengthen and broaden the whole economy, to invest in our productive capacity, and to boost our national savings.

Taxing mining super profits fairly means we can afford to cut the company tax rate to 29 per cent in 2013-14 and 28 per cent in 2014-15.

This will boost our competitiveness, expand investment and job opportunities, and spread the benefits of the boom more broadly, to more working families.

Our focus in this budget is on helping small business, financial services, and the renewable energy sectors thrive.

From 2012-13, small businesses will receive a head start on the 28 per cent company tax rate. They will enjoy an instant write-off for assets costing less than \$5,000, and a simple but generous depreciation pool for other assets.

Tonight's budget also delivers on our commitment to position Australia as a leading financial services hub in our region.

A phase-down in interest withholding tax, reforms to promote a deep and liquid corporate bond market, arrangements to promote cross-border marketing of managed funds, and a new Centre for International Finance and Regulation will all help us capitalise on the strengths of our financial services sector.

#### **Investing in renewable energy**

Climate change remains a core challenge for the future—for this nation, and for all nations.

This government accepts the science of climate change and the need for combined global and domestic action.

That's why we have accepted a target range of reducing greenhouse gas emissions by between five and 25 per cent by 2020.

We sought to pass our Carbon Pollution Reduction Scheme through this parliament this year because it is the cheapest and most effective way of tackling climate change.

As we continue to work to build the necessary domestic and international consensus for carbon markets, we will roll out the most substantial renewable energy plan this country has seen—consistent with our decision to

increase the renewable energy target to 20 per cent by 2020.

We have already committed support for energy efficiency, renewable technologies and clean coal of over \$10 billion.

Tonight I announce the next step—a new \$652 million Renewable Energy Future Fund, which will be part of an expanded \$5.1 billion Clean Energy Initiative.

This fund will leverage private sector investment to support renewable energy projects, and the development and deployment of low-emissions technologies.

It will also be used to enhance Australia's take-up of energy efficiency, including helping households and businesses reduce their energy consumption.

#### **Building skills and infrastructure**

We are also taking the necessary steps to expand our productive capacity, so we can grow sustainably with low inflation into the future.

Our main priority has shifted from soaking up idle capacity in the economy to building new capacity for the future.

Not long ago the Australian economy was facing skills shortages that were constraining growth and contributing to wage and price pressures.

Now, with some industry sectors and regions growing faster than others, labour demand will grow faster in some areas than others as our recovery gathers pace.

That is why I announce tonight a new Skills for Sustainable Growth strategy.

A strategy that will invest \$661 million in the skills of our workforce and ensure our education and training systems are flexible and responsive to our economic needs.

A strategy that will deliver up to 70,000 new training places over the next four years, and support 22,500 young apprentices.

This includes critical investments in emerging skills hot spots, like infrastructure projects, the resources sector, and renewable energy.

In partnership with the states, it will deliver a guaranteed training place to people under 25 for their first qualification, or to raise their qualifications.

It will improve the quality and accessibility of training—strengthening the link between training and business needs.

And it will provide greater access to training in core foundation skills such as literacy and numeracy.

Infrastructure investment is a key driver of productivity.

This government is already more than doubling real expenditure on major transport infrastructure over the six years to 2013-14, compared to the six years before that.

But we know the resource rich states, in particular, have substantial infrastructure needs for their more rapidly growing economies.

That is why proceeds from the RSPT will create a new infrastructure fund.

The fund will grow over time, with estimated inflows of more than \$5.6 billion over the next decade, beginning with \$700 million in 2012-13.

In addition, I am announcing an equity investment of \$1 billion in the Australian Rail Track Corporation to fund productivity-enhancing rail freight works across Australia.

The government has also committed \$71 million towards the development of an intermodal terminal precinct at Moorebank in Sydney.

The terminal will improve the flow of international and domestic trade, expanding freight handling capacity in Sydney and alleviating congestion around Port Botany.

The National Broadband Network represents a quantum leap in the way Australia communicates, works, and does business.

The government has made appropriate provision in the budget for the roll-out of NBN, subject to a final response to the implementation study.

The investments we are making in infrastructure and our changes to the tax system will create a stronger economy.

The RSPT, including the effective removal of royalties, and a lower company tax rate will strengthen the business case for new investment, including in the mining sector.

Independent modelling indicates economy-wide investment will be boosted by 2.1 per cent in the long run.

Our role as the government is also to provide an efficient and certain regulatory framework under which the private sector can invest with confidence.

That is why we asked Infrastructure Australia to develop a National Infrastructure Pipeline that helps give major investors, like super funds, the certainty they need to commit resources to infrastructure investment.

#### **Saving for the future**

Our superannuation changes will boost national savings, support investment and help give Australians the financial security they deserve in retirement.

The staged increase in the super guarantee and our equity measures for low-income earners are major investments in the long-term adequacy of retirement savings.

Tonight, I am announcing additional measures that will help boost savings outside of the superannuation system.

We recognise bank deposits are a preferred savings vehicle for many Australians.

Right now, there is considerable variation in the taxation treatment of alternative savings vehicles.

While interest is taxed at the saver's marginal rate without any discount, capital gains on assets held longer than a year receive a 50 per cent discount.

We know this particularly disadvantages lower-wealth and older savers who are more likely to hold their non-superannuation savings in interest-bearing products.

So from 1 July 2011 Australians will be able to obtain a 50 per cent tax discount for the first \$1,000 of interest they earn, including interest earned on deposits held in banks, building societies and credit unions, and on bonds, debentures and annuity products.

This change is expected to make interest-bearing products more attractive to savers, which will have positive flow-on effects for competition in our financial system.

#### **Better health and hospitals**

The ageing of our population and rising health costs pose a long-term challenge for our nation.

Total healthcare expenditure is projected to more than double as a share of the economy over the next 40 years.

That is why this government is putting so much effort into reforming our health and hospital system.

This budget builds on our National Health and Hospitals Network—a major economic reform with the simple goal of better hospitals and better health for every Australian.

Tonight I am announcing a further \$2.2 billion investment in the health system.

This takes our new investment to \$7.3 billion over five years, and \$23 billion over the rest of the decade.

We make these investments because we believe Australians deserve high quality, accessible health care.

We believe Australians deserve to be able to see a GP whenever they need one, particularly late at night or on a weekend.

That is why I am announcing a \$772 million investment in our GPs and primary care services.

This will provide better access to GPs after hours and establish Medicare Locals—ensuring every Australian has the access and advice they need locally.

It will fund upgrades to around 425 GP and primary care clinics across the nation and deliver 23 new GP superclinics.

We believe nurses play a vital role in our hospitals and our communities and we have listened to their concerns.

That is why I am announcing \$523 million to train and support our nurses, including in aged care and in our rural and regional communities.

We believe the delivery of healthcare services should be transformed.

So tonight I am announcing \$467 million to modernise our health system by providing a personally controlled electronic health record for every Australian who wants one.

This will mean patients and their doctors will have their health records at their fingertips—improving patient safety and health care delivery.

We believe in better planning of our aged care workforce.

That is why we have asked the Productivity Commission to inquire into aged care, and why we will undertake more research into staffing levels, skills and resident care needs.

Combined with the agreement reached at COAG, our investments will deliver better

health care, better hospitals, more doctors, more nurses and more beds.

These are landmark reforms—the biggest since the introduction of Medicare—and they are fully funded over the forward estimates.

We have taken responsibility for our health and hospital system and we are delivering our improvements in a financially responsible way in this budget.

### **Easing the cost of living**

In safeguarding the economy and jobs during the global downturn I am proud we also delivered greater financial security for families, pensioners and carers.

Infrastructure investments across the country, and direct payments under our stimulus packages, boosted confidence and helped keep the economy ticking over.

We are also delivering other significant initiatives to help Australians make ends meet.

With the new tranche of personal tax cuts from 1 July, we will have delivered \$47 billion in tax relief over four years, targeted squarely at working families.

We will have increased the effective tax-free threshold from \$11,000 in 2007-08 to \$16,000 in 2010-11 through increases in the low-income tax offset.

Working families have also benefited substantially from the increase in the child-care rebate, the education tax refund, and the Teen Dental Plan.

We are improving the first home saver accounts to help address the housing affordability challenge faced by so many young Australians.

For age pensioners we have delivered an historic increase in pensions and benefits.

Our key business tax reforms will increase real wages by around 1.1 per cent in the long

run, putting an extra \$450 a year into the pockets of workers on average earnings.

The tax cuts and other initiatives in this budget continue to ease the cost-of-living burden carried by working families.

But the families I speak to right around the country do not just want more financial security; they also want more time with each other.

So the government has decided to provide taxpayers the choice of a standard deduction instead of the hassle of shoeboxes full of receipts and the costs of professional assistance.

This means less time with the Tax Pack, more time with the loved ones, and for 6.4 million Australians it means a bigger tax refund.

The standard deduction will be phased in over two years so that \$500 will be available from 1 July 2012, increasing to \$1,000 from 1 July 2013.

This is a key step towards a 'tick and flick' system of pre-filled tax returns that will make life easier for working families at tax time.

#### **Responsible fiscal strategy**

Tonight we deliver all of these initiatives and still achieve the most rapid fiscal consolidation since at least the 1960s.

Our strategy will see us return to surplus in three years, three years ahead of schedule.

The budget deficit of \$40.8 billion for 2010-11 is almost \$6 billion less than the forecast at MYEFO and \$16 billion less than expected one year ago.

We are meeting our commitment to restrain growth in real spending to two per cent in above-trend growth terms.

We have offset all new spending over the forward estimates, including an extra \$1.5

billion for defence operations, and significant funding for border security.

Our increase in the tobacco excise is not popular; but it helps us fund our health commitments.

And our reforms to medicines pricing under the Pharmaceutical Benefits Scheme, and a new community pharmacy agreement, will deliver \$2.5 billion in net savings over five years from 2010-11 and provide better value for money for taxpayers.

Not one single pre-election budget of the former government delivered net savings over the forward estimates. This one does.

I also announce tonight an extension of our fiscal strategy. A new phase, focused on building even stronger surpluses and paying off debt even quicker.

The government will maintain the two per cent annual cap on real spending growth, on average, until the surplus reaches one per cent of GDP.

On current projections, this would be achieved in 2015-16.

We will pay off debt three years ahead of schedule, after reaching a peak of just 6.1 per cent of GDP in 2011-12, or \$93.7 billion in 2012-13 in dollar terms.

This is half what we expected a year ago and less than one-tenth of the average peak expected across the major advanced economies.

#### **Facing the future with confidence**

It is a tribute to every Australian that, tonight, we face our challenges from a position of strength, and not sifting through the rubble of recession.

Were it not for our shared successes we could not afford to boost national savings or invest in skills, infrastructure, renewable energy and hospitals.

To all Australians I say our job now is to convert the economic achievements of the past year into enduring gains for our economy and for our people.

We have great advantages, and we also have a spring in our step.

We face the future with confidence but not with complacency.

We can maximise our opportunities if we dedicate ourselves to the reform task as diligently as we dedicated ourselves to the task of saving jobs during the downturn.

If we do, there is no reason we cannot be the envy of the world over the coming years, just as we have been during the year just passed.

I commend the bill to the House.

Debate (on motion by **Mr Abbott**) adjourned.

#### **MINISTERIAL STATEMENTS**

**Mr SWAN** (Lilley—Treasurer) (7.59 pm)—I present ministerial statements as listed in the document now being circulated to honourable members in the chamber. Details of the statements will be recorded in the *Votes and Proceedings*.

#### **BUDGET DOCUMENTS 2010-11**

**Mr SWAN** (Lilley—Treasurer) (7.59 pm)—For the information of honourable members I present the following papers in connection with the budget of 2010-11:

Budget strategy and outlook 2010-11

Budget measures 2010-11

Australia's federal relations 2010-11

Agency resourcing 2010-11

Ordered that the documents be made parliamentary papers.

#### **APPROPRIATION BILL (No. 2) 2010-2011**

Message from the Governor-General transmitting particulars of proposed expendi-

ture and recommending appropriation announced.

#### **First Reading**

Bill and explanatory memorandum presented by **Mr Tanner**.

Bill read a first time.

#### **Second Reading**

**Mr TANNER** (Melbourne—Minister for Finance and Deregulation) (8.01 pm)—I move:

That this bill be now read a second time.

Appropriation Bill (No. 2) 2010-2011 seeks approval for appropriations from the Consolidated Revenue Fund totalling \$9.54 billion.

The budget appropriation bills reflect changes to the appropriations framework introduced by the government under Operation Sunlight. These changes are outlined in the introduction to Budget Paper No. 4 and the explanatory memoranda.

Details of the proposed appropriations are set out in schedule 2 to the bill, the main features of which were outlined in the Budget Speech delivered by my colleague, the Treasurer, earlier this evening.

I commend the bill to the House.

Debate (on motion by **Mr Pyne**) adjourned.

#### **APPROPRIATION (PARLIAMENTARY DEPARTMENTS) BILL (No. 1) 2010-2011**

Message from the Governor-General transmitting particulars of proposed expenditure and recommending appropriation announced.

#### **First Reading**

Bill and explanatory memorandum presented by **Mr Tanner**.

Bill read a first time.

### Second Reading

**Mr TANNER** (Melbourne—Minister for Finance and Deregulation) (8.02 pm)—I move:

That this bill be now read a second time.

The total appropriation sought through the Appropriation (Parliamentary Departments) Bill (No. 1) 2010-2011 is \$222.1 million.

An additional appropriation of \$46.8 million is proposed to fund asset replacement in 2010-11 and an additional \$18.3 million is provided to improve the security of Parliament House, including changes to the main public car park.

Details of the proposed expenditure are set out in the schedule to the bill.

I commend the bill to the House.

Debate (on motion by **Mrs Bronwyn Bishop**) adjourned.

**House adjourned at 8.04 pm**

### NOTICES

The following notices were given:

**Ms Roxon** to present a Bill for an Act to amend the National Health Act 1953 and the Private Health Insurance Act 2007, and for related purposes.

**Mr Albanese** to present a Bill for an Act to amend the *Interstate Road Transport Charge Act 1985*, and for related purposes.

**Mr Albanese** to present a Bill for an Act to provide certainty about the validity of certain airport matters, and for related purposes.

**Ms Macklin** to present a Bill for an Act to provide for the payment of parental leave pay, and for related purposes.

**Ms Gillard** to present a Bill for an Act to amend the *Higher Education Support Act 2003*, and for related purposes.

**Mrs Elliot** to present a Bill for an Act to amend the law relating to health, and for related purposes.

**Mr Albanese** to move:

That standing order 31 (automatic adjournment of the House) be suspended for the sitting on Thursday, 13 May 2010 and at that sitting, after the Leader of the Opposition completes his reply to the Budget speech, the House automatically stand adjourned until 12 noon on Monday 24 May 2010 unless the Speaker or, in the event of the Speaker being unavailable, the Deputy Speaker, fixes an alternative day or hour of meeting.

**Mr Abbott** to move:

That the House:

- (1) notes the recent announcement by the Prime Minister in relation to public hospitals;
- (2) recognises that:
  - (a) the Australian Healthcare Agreements finalised under the Howard Government delivered a \$10.3 billion funding increase in Commonwealth funding to public hospitals; and
  - (b) successive Labor state governments have not delivered the reforms necessary to cut the waste, bureaucracy and lack of funding that is crippling so many public hospitals across Australia, but in particular, in NSW and Queensland; and
- (3) expresses concern that the:
  - (a) Government's plan for public hospitals does not provide sufficient detail or the immediate funding and outcomes needed to help patients now; and
  - (b) Prime Minister's announcement looks more like a new election pitch rather than a policy to honour his last election promise to fix public hospitals, or take them over.

**Mr Abbott** to move:

That the House:

- (1) notes the Prime Minister's claim to have saved Australia from a recession by forcing Australians to borrow and spend money;
- (2) realises that as a result of this reckless and wasteful spending the budget is expected to be in deficit this year to the level of 4.7 per cent of national income, which will be the biggest deficit for more than 50 years;

- (3) notes that despite such excessive borrowing and spending (the third highest in the OECD), Australia's unemployment rate rose by more than 18 other OECD countries, many of which engaged in little or no 'stimulus' at all;
- (4) realises that Reserve Bank board member, Professor Warwick McKibbin, believes the Government's spending and borrowing would 'detract from GDP' in 2010;
- (5) recognises that the president emeritus of the National Bureau of Economic Research, Professor Martin Feldstein, said in 2002 that 'there is now widespread agreement in the economics profession that deliberate 'countercyclical' discretionary policy has not contributed to economic stability and may have actually been destabilizing';
- (6) understands that the United States of America's 'stimulus' spending has been far less successful than its proponents anticipated;
- (7) notes that the Howard Government faced potential economic downturns in 1997 and 2000 and did not engage in this type of borrowing and spending;
- (8) appreciates that the Howard Government had a much better understanding of economics, knowing that a fall in interest rates, the oil price, and the value of Australia's currency together give a boost to Australia's economy that obviates the need to engage in rampant borrowing;
- (9) acknowledges that the Howard Government inherited \$96 billion of Labor debt in 1996, ran budget surpluses every year but one between then and 2007, and paid down Labor's debt; and
- (10) remembers that economic growth surged and unemployment fell from 8.4 per cent to 4.3 per cent during the term of the former Government.

**Mr Georganas to move:**

That the House:

- (1) acknowledges the important contributions of Australian, New Zealand, British and Greek soldiers and Greek civilians in the defence of Crete against the 20 May 1941 German invasion;
- (2) calls for the annual commemoration of the Battle for Crete within Australia as an event of national significance; and
- (3) encourages reflection on the shared experiences of Australian and Greek nationals through the Battle for Crete, the bond forged between our two nations in a time of war, and the evolution of Australian-Greek relations within the post-war period.

**Mr Oakeshott to move:**

That the House:

- (1) should consider increasing the Military Superannuation Pension twice annually by the greatest of either the Consumer Price Index, the Pensioner and Beneficiary Living Cost Index or the Male Total Average Weekly Earnings; and
- (2) should do this in recognition of the unique circumstances of military service compared to all others within the public service.

**Mr Hale to move:**

That the House:

- (1) congratulates the Rudd Government on reaching its historic COAG agreement on health and hospital reform;
- (2) acknowledges the massive investment by the Government in training more doctors and health professionals, cutting waiting list, improving services in emergency departments and providing cancer care and services throughout Australia; and
- (3) notes that the Leader of the Opposition, when Health Minister, reduced funding for public hospitals by \$1 billion.

**Ms Hall to move:**

That the House:

- (1) is made aware that Juvenile Idiopathic Arthritis (JIA) affects as many as 1 in 250 Australian children, and that its associated eye disease is the leading cause of childhood blindness in Australia today;

- (2) recognises the physical, emotional, and financial burden that this chronic disease places upon the family unit;
- (3) calls for the establishment of:
- (a) a national database for JIA, so that early diagnosis and professional support can be given to these families through the Australian Paediatric Rheumatology Group; and
  - (b) the implementation of specialised clinics with Visiting Medical Officers at major regional hospitals throughout Australia.
- Mr Katter** to present a Bill for an Act to provide that government acquisition of any property rights, or restrictions on the exercise of property rights can only be undertaken after the provision of compensation on just terms.
- Mrs Gash** to move:
- That the House:
- (1) acknowledges:
    - (a) that the safety of our children should be of paramount concern for all governments;
    - (b) the irrefutable evidence from studies conducted both in Australia and overseas, that the use of lap/sash seatbelts on buses will save lives and reduce injuries in the case of accidents or sudden braking incidents;
    - (c) that currently, hundreds of thousands of Australian school children in non-urban areas, travel daily to school on buses that are not fitted with seatbelts; and
    - (d) the urgent need to provide increased safety for bus passengers travelling on non-urban roads in Australia;
  - (2) seeks the amendment of Australian Design Rule (ADR) 68/00:
    - (a) so that the only exemption is for route service buses operating on urban roads;
    - (b) to remove the current exemption for any bus with a seat height of less than one metre; and
    - (c) to read: 'all buses operating on non-urban roads and highways must meet the requirements in this rule' ensuring lap/sash seatbelt protection and all safety features within ADR 68/00, presently afforded to coach passengers, apply to any bus travelling on any high speed road, highway or dirt road;
  - (3) calls on the State and Territory Governments to support mandating the use of seatbelts on buses;
  - (4) directs the Government to legislate the above amendments to ADR 68/00 by January 2011 and ensure compliance on all affected routes by January 2020, beginning with all new and replacement buses; and
  - (5) directs the Minister for Infrastructure, Transport, Regional Development and Local Government to place lap/sash seatbelts for non-urban bus travel on the agenda at each and every Australian Transport Council meeting until certification of all buses used on non-urban roads in Australia meet the safety standards of ADR 68/00.

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**QUESTIONS IN WRITING**
**Home Insulation Program**
**(Question No. 1115)**

**Mr Hunt** asked the Minister Assisting the Minister for Climate Change and Energy Efficiency, in writing, on 23 November 2009:

In respect of the Home Insulation Program:

- (1) As at 23 November 2009,
  - (a) how many households had received the rebate,
  - (b) what were the installation dates and electorates, and
  - (c) what was the total expenditure of the program.
- (2) What was the average cost of the rebate paid in the period
  - (a) from the commencement of the program to 1 November 2009, and
  - (b) between 1 November and 23 November 2009.
- (3) What are the monthly totals of
  - (a) the number of rebates, and
  - (b) total monies, paid from the commencement of the program to 23 November 2009.

**Mr Combet**—The answer to the honourable member's question is as follows:

- (1) I am advised that, as at 23 November 2009:
  - (a) 718,513 households had received assistance under the Home Insulation Program, including the Low Emission Assistance Plan for Renters (LEAPR).
  - (b) Due to the significant number of claims for assistance that were received under the Program, the Department of Climate Change and Energy Efficiency (DCCEE) has provided the data requested in a weekly breakdown (Attachment A).  
The Program's objectives were measured in terms of the number of houses insulated and not categorised into electorates automatically. DCCEE is not able to provide the installations by electorate as it would require a manual process requiring a dedication of significant resources.
  - (c) \$904,095,440 had been paid in assistance for claims made under the Program.
- (2) I am advised that the average rebate:
  - (a) from the commencement of the Program to 31 October 2009 was \$1,348.42.
  - (b) from 1 November 2009 to 23 November 2009 was \$1,023.55. This figure does not include the manual top up payments required for claims lodged in the transitional period for the installation payment changing from \$1,600 to \$1,200.
- (3) The table below shows the total number of claims lodged per month and the total amount of assistance paid in respect of these claims.

Month	Total number of claims received for the month	Total amount of assistance paid
March	3,321	-
April	7,917	\$750,432
May	18,175	\$8,614,095
June	23,642	\$29,478,182

Month	Total number of claims received for the month	Total amount of assistance paid
July	78,375	\$105,627,876
August	108,169	\$165,952,481
September	136,838	\$191,052,755
October	165,104	\$228,747,191
November	176,972	\$173,872,426
(as at 23 November 2009)		
<b>TOTAL</b>	<b>718,513</b>	<b>\$904,095,438</b>

**Attachment A**

Week ending	No. of claims received
Sunday, March 22, 2009	1,951
Sunday, March 29, 2009	1,370
Sunday, April 5, 2009	1,701
Sunday, April 12, 2009	1,624
Sunday, April 19, 2009	1,862
Sunday, April 26, 2009	2,730
Sunday, May 3, 2009	2,932
Sunday, May 10, 2009	3,363
Sunday, May 17, 2009	3,831
Sunday, May 24, 2009	3,936
Sunday, May 31, 2009	4,113
Sunday, June 7, 2009	6,130
Sunday, June 14, 2009	5,395
Sunday, June 21, 2009	6,543
Sunday, June 28, 2009	5,574
Sunday, July 5, 2009	10,912
Sunday, July 12, 2009	14,691
Sunday, July 19, 2009	19,819
Sunday, July 26, 2009	20,877
Sunday, August 2, 2009	21,973
Sunday, August 9, 2009	24,405
Sunday, August 16, 2009	25,063
Sunday, August 23, 2009	27,395
Sunday, August 30, 2009	26,543
Sunday, September 6, 2009	27,719
Sunday, September 13, 2009	31,086
Sunday, September 20, 2009	32,055
Sunday, September 27, 2009	34,366
Sunday, October 4, 2009	31,686
Sunday, October 11, 2009	31,268
Sunday, October 18, 2009	35,792
Sunday, October 25, 2009	42,946
Sunday, November 1, 2009	45,638
Sunday, November 8, 2009	49,739
Sunday, November 15, 2009	60,948
Sunday, November 22, 2009	41,479

Week ending	No. of claims received
Claims received Monday, November 23, 2009	9,058
Total	718,513

**Low Emission Assistance Plan for Renters and Home Insulation Program  
(Question No. 1116)**

**Mr Hunt** asked the Minister Assisting the Minister for Climate Change and Energy Efficiency, in writing, on 23 November 2009:

How many rental properties received the insulation rebate under the original Low Emission Assistance Plan for Renters in the period:

- (a) leading up to when the program was merged with the Home Insulation Program, and
- (b) subsequent to the merge, and what was the monetary value of the rebates paid in (a) and (b).

**Mr Combet**—The answer to the honourable member's question is as follows:

The Low Emission Assistance Plan for Renters, and from 1 September 2009, the Home Insulation Program, provided assistance to landlords for rental and other properties they own, including dwellings where they do not receive rental payments and untenanted properties, for example holiday homes.

I am advised that:

- (a) as at 31 August 2009, 17,048 properties received assistance under the Low Emission Assistance Plan for Renters for installations that occurred during the period 3 February 2009 to 31 August 2009, totalling \$15,889,876.40.
- (b) from 1 September 2009 to 23 November 2009, 2,369 properties received assistance under the Low Emission Assistance Plan for Renters for installations that occurred during the period 3 February 2009 to 31 August 2009, totalling \$2,529,389.81.

As at 23 November 2009, 77,169 properties owned by a landlord or tenanted had received assistance under the Home Insulation Program for installations that occurred during the period 1 September 2009 to 23 November 2009, totalling \$101,552,334.75.

**Whale Envoy  
(Question No. 1120)**

**Mr Hunt** asked the Minister for Environment Protection, Heritage and the Arts, in writing, on 23 November 2009:

In respect of the Government's whale envoy: as at 23 November 2009, (a) what are the terms of his latest contract, (b) has the contract been extended; if so, to what date, (c) what sum of money has and will be paid for his services, and (d) what are the full details of his travel since being appointed, including flights, dates, accommodation and costs.

**Mr Garrett**—The answer to the honourable member's question is as follows:

- (a) Mr Hollway receives a fee of \$1800 per day (exclusive of GST) plus superannuation contributions of 9%.

The contract provides for the Commonwealth, through the Department of Foreign Affairs and Trade, to pay Mr Hollway's expenses when delivering services under the contract. Between 20 March 2009 and 31 December 2009 Mr Hollway's contract provided for these expenses to be paid directly by the Commonwealth (such as accommodation) or reimbursed to Mr Hollway when he

invoiced the Commonwealth and presented receipts. Under administrative arrangements operational from 1 July 2009 onwards, DEWHA has agreed to reimburse DFAT fifty per cent of the expenses incurred by Mr Hollway.

- (b) As at 23 November 2009, the termination date of Mr Hollway's contract was 31 December 2009. On 30 December 2009, the Government decided to extend Mr Hollway's contract until 30 June 2010.
- (c) As at 27 November 2009, the total cost of fees incurred for the Special Envoy's services, including GST and superannuation, is \$148,680. An invoice for services in December, for the amount of \$10,395, has been received and is being processed.
- (d) See table on following page. This table contains details of travel undertaken by Mr Hollway since being appointed, including flights, dates, accommodation and costs up to and including invoiced and acquitted costs to 27 November 2009.

Trip	Country/s visited and other travel	Flights	Accommodation	Other (\$)	TOTAL
5-12 October 2008	Japan, USA	\$17,728.51	\$2,441.42	\$501.06	\$20,670.99
14-15 October 2008	Canberra		\$325.81	\$73.73	\$399.54
21-23 October 2008	Canberra	\$623.19	\$520.50	\$175.66	\$1,319.35
28-30 October 2008	Japan	\$6,797.57	\$505.18	\$106.01	\$7,408.76
31 October 2008	Canberra	\$501.01		\$183.80	\$684.81
7 November 2008	Canberra	\$40.59		\$122.13	\$162.72
14 November 2008	Sydney			\$26.99	\$26.99
25 November 2008	Canberra			\$49.02	\$49.02
9-10 December 2008	Melbourne	\$635.24	\$174.50	\$202.52	\$1,012.26
14-15 December 2008	New Zealand	\$2,646.80	\$190.81	\$190.82	\$3,028.4
13 February - 3 March 2009	South Africa, Kenya, UK, Germany, Czech Republic, Spain, Portugal, Sweden, Japan	\$19,410.00	\$7,399.77	\$3,847.77	\$30,657.54
31 March - 6 April 2009	USA	\$11,082.55	\$3,342.81	\$105.45	\$14,530.81
6 May 2009	Sydney			\$43.00	\$43.00
2 June 2009	Sydney			\$58.00	\$58.00
30 June 2009	Sydney			\$58.00	\$58.00
2 July 2009	Sydney			\$43.00	\$43.00
10 July 2009	Canberra	\$397.51		\$116.40	\$513.91
30-31 July 2009	New Zealand	\$2,192.72	\$226.16	\$114.33	\$2,533.21
5 August 2009	Sydney			\$39.00	\$39.00
12 August 2009	Canberra	\$415.02		\$109.62	\$524.64
26 August 2009	Sydney			\$27.64	\$27.64
26 August - 4 September 2009	Germany, Iceland, USA, Mexico	\$25,950.40	\$2,290.04	\$401.34	\$28,641.78
4-18 October 2009	Chile	\$6,285.60	\$3,160.36	\$252.65	\$9,698.61
19 October 2009	Sydney			\$38.00	\$38.00
20 October 2009	Sydney			\$68.00	\$68.00
4 November 2009	Sydney			\$23.00	\$23.00

Trip	Country/s visited and other travel	Flights	Accommodation	Other (\$)	TOTAL
19 - 24 November 2009	USA	\$8,677.07	\$1,165.10	\$445.83	\$10,288.00
27 November 2009	Canberra	\$228.82		\$135.77	\$364.59
<b>TOTAL</b>		<b>\$103,612.60</b>	<b>\$21,742.46</b>	<b>\$7,558.54</b>	<b>\$132,913.60</b>

\* NOTE: An invoice for expenses for December for the amount of \$1,086.92 is currently being processed.

### Broadcasting Services

#### (Question No. 1173)

**Mr Windsor** asked the Minister representing the Minister for Broadband, Communications and the Digital Economy, in writing, on 2 February 2010:

In light of digital technology advances, will the Government amend the *Broadcasting Services Act 1992* to deregulate radio and television broadcasting services to many diversified service providers, and when will consumers benefit from many digital free to air radio and television services in every market, especially in regional locations.

**Mr Albanese**—The Minister for Broadband, Communications and the Digital Economy has provided the following answer to the honourable member's question:

#### Radio broadcasting

During May and June of 2009 the radio industry switched on digital radio services in Adelaide, Brisbane, Melbourne, Perth and Sydney. Consideration of the complex policy and planning issues involved in the regional rollout of digital radio is underway and engineering advice on spectrum requirements is being developed by the Australian Communications and Media Authority (ACMA).

The Government will conduct a review, by 2011, into alternative terrestrial and satellite digital radio technologies that may be appropriate for regional areas. This review will address the fact that the digital radio technology being used in metropolitan areas (known as Digital Audio Broadcasting Plus, DAB+) is unlikely to be able to replicate the extensive broadcast coverage of some regional AM services.

#### Digital television

On 5 January 2010, the Government announced that it would fund a new satellite service to provide digital television to viewers in remote licence areas and those in metropolitan and regional licence areas who are unable to receive the terrestrially-delivered digital television services provided by commercial broadcasters licensed for their area.

In addition to the full range of ABC and SBS digital television services, the satellite service will feature a range of commercial services equivalent to those available in metropolitan areas—this includes three core channels feature content from the Seven, Nine and Ten Networks plus digital multi-channels such as GO!, 7TWO and ONE HD. The satellite service will also provide eligible viewers with access to the local news and information regional commercial broadcasters provide their terrestrial licence areas.

On 18 March 2010, the Broadcasting Legislation Amendment (Digital Television) Bill 2010 (the Bill) was introduced into the House of Representatives. The Bill establishes the legislative framework for the commercial broadcasting digital television services that will be delivered as part of the new satellite service.

The Bill also introduces measures to allow all commercial free-to-air digital television services, including digital multi-channels such as GO!, 7TWO and ONE HD, to be provided terrestrially to a small number of licence areas where historically there were fewer than two commercial broadcasters.

The Bill amends the *Broadcasting Services Act 1992* to allow commercial broadcasters in regional South Australia, Griffith and Broken Hill to apply for a third, digital-only commercial licence giving them the opportunity to provide a full suite of digital television services in their licence area.

### **Convergence**

Australians living in remote and rural areas are already able to access radio and television services on the Internet. Examples of such services could be online radio, Internet Protocol Television (IPTV) and video-on-demand services. These services are delivered by traditional broadcasters as well as new providers, and may be viewable on traditional platforms such as television sets as well as convergent devices such as smart phones and tablet PCs. The range of services available to consumers will increase consistent with improvements to broadband infrastructure from technology advancements and ongoing investment.

A key trend in the broadcasting sector is convergence, which refers to the merging of different forms of technology to provide the same services. The Government has flagged its intention to consider in 2011 whether to look again at its overall approach to regulation in a convergent environment in the *National Broadband Network: Regulatory Reform for 21st Century Broadband Discussion Paper* and the *Digital Economy: Future Directions* paper. A key theme in these considerations will be the scope for winding back industry-specific regulation once the National Broadband Network is firmly established as an open access, wholesale-only, national network. The Government has also indicated that it will look at a range of issues in this review such as media diversity, ownership controls, audience reach rules and local content obligations.

### **Prime Minister (Question No. 1180)**

**Mr Briggs** asked the Prime Minister, in writing, on 3 February 2010:

- (1) How many nights did he and his family spend at Kirribilli House in (a) December 2009, and (b) January 2010.
- (2) Did he attend the Boxing Day Test Match in Melbourne in 2009; if so, did he use a Government VIP aircraft to travel to the match; if so, (a) from which airport did he depart, (b) how many guests, family or otherwise travelled with him, and (c) what was the total cost to the taxpayer.

**Mr Rudd**—The answer to the honourable member's question is as follows:

- (1) (a) and (b) Detailed information on residency patterns of the Prime Minister and his family cannot be provided for security reasons.
- (2) (a) to (c) The Prime Minister did attend the Boxing Day Test Match in Melbourne in 2009. Detailed information on Special Purpose Aircraft flights is recorded by the Department of Defence and is tabled in parliament on a six-monthly basis.

### **Australian Embassy United States of America: Purchases (Question No. 1183)**

**Mr Robert** asked the Minister for Defence Personnel, Materiel and Science, in writing, on 3 February 2010:

For the 2008 and 2009 calendar years, (a) how much equipment did the Australian Embassy in the United States of America purchase on behalf of the Australian Government, including all equipment and spare parts, items purchased and their price, and (b) what was the rationale for using the Embassy rather than competitive tender or buying from Australian companies?

**Mr Combet**—The answer to the honourable member's question is as follows:

An overview of the calendar years 2008 and 2009 Direct Commercial Sales purchases undertaken by the Embassy reflects that there were approximately 3000 individual purchases from several hundred vendors, with a total value of approximately US\$400 Million over this period. I am not prepared to provide specific details on the grounds that the workload would be excessive and the accuracy of the detail may not be verifiable within the required timeframes.

**RAAF Base Williamtown: Defence Housing**

**(Question No. 1188)**

**Mr Baldwin** asked the Minister for Defence Personnel, Materiel and Science, in writing, on 4 February 2010:

- (1) How many Defence Housing Australia (DHA) properties are located within noise affected areas surrounding the Royal Australian Air Force (RAAF) Base Williamtown and the Port Stephens Shire (PSSC) Council region according to the (a) 2012, and (b) 2025, Australian Noise Exposure Forecast (ANEF).
- (2) How many DHA property Development Applications for houses within (a) 2012, and (b) 2025, ANEF, noise affected areas surrounding RAAF Base Williamtown were approved in (a) 1, (b) 3, (c) 6, (d) 12, (e) 18, and (f) 24, months, prior to the public release of the 2025 ANEF.
- (3) How many DHA property Development Applications for noise affected areas surrounding RAAF Base Williamtown have been approved since the release of the 2025 ANEF, and on what dates were those approvals made.
- (4) Will DHA be required to retrofit DHA owned houses in areas identified in the 2025 ANEF as being noise affected.

**Mr Combet**—The answer to the honourable member's question is as follows:

- (1) (a) Under the 2012 ANEF, no DHA properties\* are within noise affected areas.  
(b) Under the 2025 ANEF, 42 DHA properties\* are between the 20 and 25 ANEF contours.  
\*Note: Only DHA owned properties are encompassed by this response on the grounds that lease expiries will take many of the DHA leased properties out of the portfolio by the time the 2025 ANEF is effective.
- (2) (a) There have been no Development Applications for DHA houses within 2012 ANEF noise affected areas.  
(b) (i) and (vi) There have been 10 Development Applications for DHA houses within 2025 ANEF noise affected areas. Six of these were approved six months before the public release of the 2025 ANEF (October 2009) and four were approved 18 months before the public release of the 2025 ANEF.
- (3) None.
- (4) DHA is not required by legislation to retrofit noise attenuation measures to existing houses that might be affected under the 2025 ANEF. However, DHA on its own initiative may retrofit noise attenuation measures, but no decision will be made on such action until the 2025 noise contours are finalised by Defence.

**Livestock Exports**  
**(Question No. 1190)**

**Mr Oakeshott** asked the Minister for Agriculture, Fisheries and Forestry, in writing, on 4 February 2010:

How many livestock die annually as a result of the live export process, and what number of live stock deaths per annum is acceptable by Government standards.

**Mr Burke**—The answer to the honourable member's question is as follows:

The six monthly report to parliament, which is tabled in both houses of parliament, contains details of the outcome of livestock exported by sea. The report to parliament is also publicly available on the department's website at:

<http://www.daff.gov.au/animal-plant-health/welfare/export-trade/mortalities#reports>

I am advised that mortalities for livestock exported by air are negligible.

It is the aim of both industry and the government to achieve the lowest possible mortalities for livestock exports. The Australian Standards for the Export of Livestock details reportable levels of livestock export mortalities. If these levels are exceeded, a mortality investigation is triggered.

**Healthy Community Initiative Pilot**  
**(Question No. 1195)**

**Mr Oakeshott** asked the Minister for Health and Ageing, in writing, on 4 February 2010:

- (1) What criteria are Local Government Areas (LGAs) required to meet to be eligible for the Healthy Community Initiative pilot phase commencing in April 2010.
- (2) What 42 LGAs were invited to apply for the funding under the pilot phase of this initiative.
- (3) Why were the Port Macquarie-Hastings Council, Kempsey Shire Council and the Greater Taree City Council not eligible to apply for funding under the pilot phase given they are in one of the specified Job Priority Areas.

**Ms Roxon**—The answer to the honourable member's question is as follows:

- (1) To be eligible for the Healthy Communities Initiative Local Government Area (LGA) Grants pilot phase, LGAs were required to meet a number of targeting criteria. These criteria included: socio economic status and rates of overweight and obesity. To help ensure pilot LGAs had the optimum chance of being successful, additional factors were taken into consideration including capacity to undertake the project. During the selection process the Department was also mindful of the Government's Social Inclusion agenda and Priority Employment Regions. Where possible, the Department sought to align the invited LGAs with these regions whilst still having regard to the need to ensure the pilot phase had a diverse range of implementation models across a range of population sub groups and geographic locations. In addition, the selected LGAs incorporated the recommendations put forward by the states and territories. As only 12 grants are available in the pilot phase a small group of LGAs meeting the targeting and capacity criteria were invited to apply.
- (2) A list of the 42 LGAs invited to apply during the Healthy Communities - LGA Grants pilot phase is at **Attachment A**.
- (3) The first phase of the Healthy Communities Initiative LGA Grants is a pilot and not all potentially eligible LGAs such as Port Macquarie-Hastings, Kempsey and Greater Taree, could have feasibly been invited. The Department of Health and Ageing is keen to ensure the pilot phase trials a diverse range of implementation models across a range of population sub groups and geographic locations.

In this context, the Department applied a number of targeting criteria (as outlined above) and then invited a small group of geographically and socially diverse LGAs to apply under the pilot phase.

Phase 2 and Phase 3 will be a competitive process open to all LGAs. It is anticipated Phase 2 will be advertised nationally in mid 2010. A total of 92 grants will be provided across all three phases.

#### **Attachment A**

#### **LGAs invited to apply for funding under the Local Government Area (LGA) Grants Pilot Phase of the Healthy Communities Initiative**

State	LGA	
ACT	Canberra	
NSW	Parkes Shire Council	
	Walgett Shire Council	
	Narrandera Shire Council	
	Warrumbungle Shire Council	
	Canterbury City Council	
	Bankstown City Council	
	Fairfield City Council	
	Liverpool City Council	
	Tenterfield Shire Council	
	Richmond Valley Council	
	Coffs Harbour City Council	
	Nambucca Shire Council	
	Cessnock City Council	
	NT	Palmerston City Council
Qld		Torres Strait Island Regional Council
		Maranoa / Roma Regional Council
		Moreton Bay Regional Council
		Whitsunday Regional Council
Brisbane City Council		
Townsville City Council		
SA	City of Playford	
	City of Salisbury	
	City of Onkaparinga	
	City of Marion	
	City of Port Augusta	
Tas	Cradle Coast Authority	
	9 LGAs – Latrobe, Devonport City, Kentish, Central Coast, Burnie City, Waratah-Wynyard, West Coast, Circular Head, King Island.	
	Vic	Central Goldfields Shire Council
		Wyndham City Council
		Hume City Council
Pyrenees Shire Council		
Hepburn Shire Council		
Benalla Rural City Council		
Greater Shepparton City Council		

State	LGA
	Moira Shire Council
WA	City of Kwinana
	Shire of Derby / West Kimberley
	City of Mandurah
	NEWROC Shires (Koorda, Mt Marshall, Mukinbudin, Nun- garin, Trayning, Westonia, Wyalkatchem.
	City of Stirling and City of Wanneroo (as joint LGA)
	City of Armadale
	Shire of Collie

### Securency International Pty Ltd

#### (Question No. 1202)

**Ms Julie Bishop** asked the Minister for Foreign Affairs, in writing, on 8 February 2010:

- (1) Did he promote the technology used by Securency International Pty Ltd on a visit to New Delhi as well as lobby the Brazilian and Mexican governments.
- (2) In respect of representations he has made on behalf of Securency International Pty Ltd: (a) how many times has he made them, and on whose instruction; (b) when and where did he make them; (c) who was present each time he made them; (d) what was the nature of his representations; and (e) how were his representations received.
- (3) When did he first become aware of allegations of impropriety by anyone associated with Securency International Pty Ltd, and has he made any representations on the company's behalf thereafter.
- (4) What did he do to establish the bona fides of Securency International Pty Ltd before making representations on the company's behalf.
- (5) What advice did he receive about the bona fides of Securency International Pty Ltd before and after becoming aware of allegations of impropriety, by whom was it given, on what date(s) and of what nature.
- (6) What Australian diplomatic assistance was provided to Securency International Pty Ltd, on what date(s), by whom and at what cost.
- (7) What Austrade assistance was provided to Securency International Pty Ltd, on what date(s) and at what cost.
- (8) Has he met with staff of Securency International Pty Ltd during his tenure as the Minister for Foreign Affairs; if so, what are their names, on what date(s) and where did he meet them, and what was the nature of the meetings.

**Mr Stephen Smith**—The answer to the honourable member's question is as follows:

- (1) (2) and (8) As Minister for Foreign Affairs, I have had some engagement with representatives of Securency International Pty Ltd on the following occasions:

Securency Managing Director Mr Myles Curtis attended a dinner hosted by me on 26 August 2008 during a visit to Canberra by Brazilian Foreign Minister Amorim. There were 21 attendees at the dinner including members of Minister Amorim's party, Brazilian and Australian officials, and representatives of Australia's business and other interests engaged with Brazil. Dinner guests were asked to speak briefly about their organisations' engagement with Brazil and Mr Curtis spoke about Securency in that context.

I raised Securency with Indian Finance Minister Mr Chidambaram in New Delhi on 12 September 2008. Also present at the meeting were Australian and Indian officials. During the meeting, I asked

about a possible trial of Securrency polymer notes by the Indian Government. Mr Chidambaram responded that the Indian Government was considering whether a trial would proceed.

During a visit to Mexico, I attended a lunch hosted by the Australian Ambassador in Mexico City on 18 November 2008. At the lunch, I was introduced to a representative of Securrency in Mexico, Dr Jaime Pacreu. There were some 25 people at the lunch, including Mexican Government officials, representatives of the private sector, including Australian companies active in Mexico, and members of the diplomatic corps.

During a visit to Santiago de Chile, on 27 August 2009 I attended an Australian Business Club reception at which I was introduced to a representative of Securrency in Chile, Mr Guillermo Montt. Present at the reception were some 40 to 50 guests, including representatives of Australian companies active in Chile, other private sector representatives and government officials.

There may have been other occasions that I have attended business-related functions at which representatives of Securrency have been present.

I do not regard the attendance of business-related functions at which Securrency representatives have been present as comprising the “making of representations” or “lobbying” on behalf of Securrency.

- (3) I became aware of the allegations against Securrency on 23 May 2009. I have made no representations on behalf of Securrency since 23 May 2009.
- (4) and (5) Long-established portfolio procedure has been applied to establishing the bona fides of, and providing assistance to, Securrency.

For a business to receive the support of the Australian Government, the business must be an Australian business that contributes to the Australian economy; and/or have a reasonable proportion of its workforce employed in Australia. Heads of Mission or posts are asked to judge whether a company meets these criteria when assisting companies overseas.

Advice from Austrade assists this assessment, including information Austrade may hold in respect of Australian business registration details, the proportion of Australian ownership, and an assessment of the significance of the net return to Australia from the proposed activity.

Securrency’s bona fides as an Australian company seeking support for its activities overseas had been established for some time. Ministers and officials of the Australian Government have been making representations on behalf of Securrency since the mid-1990s. For example:

- during a visit to Pakistan from 6 to 10 February 1998, former Minister for Foreign Affairs Mr Downer raised Securrency’s interest in selling polymer banknotes with the Pakistani Minister of Finance and the Governor of the State Bank;
- during a visit to Chile from 5 to 7 September 2001, former Minister for Trade Mr Vaile discussed Securrency with Central Bank President Massad;
- during a visit to Mexico from 7 to 9 September 2002, former Treasurer Mr Costello participated in the media launch of Mexico’s 20 peso polymer note produced with Securrency; and
- during a visit to India from 18 to 19 February 2003, former Minister for Trade Mr Vaile promoted Securrency’s polymer banknote technology to then Indian Minister of Finance Singh.

- (6) and (7) Consistent with the portfolio’s long-established practices, Ministers and officials of the Australian Government, including officers of the Department of Foreign Affairs and Trade and Austrade, have provided advice and assistance to Securrency since the mid-1990s.

The advice and assistance has been provided in Canberra and at multiple posts. It is not possible to provide a list of every instance of contact between DFAT and Austrade officers and Securrency dating back to the mid-1990s, or of the associated cost.

The portfolio undertakes advocacy on behalf of Australian commercial interests overseas in a number of ways including:

- making government to government representations on behalf of the business or industry where:
  - Australian interest is served; and/or
  - barriers to trade exist;
- facilitating contact between Australian businesses and the host country government and business interests, including through functions, promotional activities and participating in trade missions.

Austrade provides services to Securrency in line with the agency's role as the Government's trade and investment development agency.

Securrency has contracted Austrade to arrange independent background checks on its network of agents. These checks are typically sourced through local third party service providers. Austrade also has a number of client service agreements to provide general information and marketing support in selected overseas markets, as requested by Securrency.

The services provided by Austrade to Securrency have been in line with those available to all Australian exporters and the majority have been on a fee-for-service basis.

#### **Iran: Baha'i Detainees**

#### **(Question No. 1203)**

**Ms Julie Bishop** asked the Minister for Foreign Affairs, in writing, on 8 February 2010: What representations has the Government made to the Iranian Embassy about imprisoned Baha'is in Iran.

**Mr Stephen Smith**—The answer to the honourable member's question is as follows:

The Australian Government has raised concerns about the treatment of Baha'is with the Iranian Government on numerous occasions.

I (Mr Smith) raised these concerns with Iran's Ambassador HE Mr Mahmoud Movahhedi on 11 February 2010. I also discussed the treatment of Baha'is with Iran's Foreign Minister HE Mr Manuchehr Mottaki in Tokyo on 17 April 2009.

Senior officers have raised Australia's concerns with Ambassador Movahhedi on several occasions, most recently in a meeting on 11 February. Australia's Ambassador in Tehran has also raised the issue with the Iranian Government at senior officials level on multiple occasions over the past two years.

Australia co-sponsored a Canadian resolution on the human rights situation in Iran, which was adopted by a vote in the Third Committee of the United National General Assembly in November 2009, and which specifically addressed Iran's treatment of Baha'is. Australia raised concerns about human rights in Iran, including treatment of Baha'is, in our National Statement on Human Rights delivered in the UN General Assembly in October 2009.

Officials from the Australian Permanent Mission to the United Nations delivered a statement on the human rights situation in Iran during Iran's appearance before the UN Human Rights Council's Universal Periodic Review Working Group in Geneva on 15 February 2010. In its statement, Australia recommended Iran ensure that the trials of seven Baha'i community leaders currently in detention were fair and transparent and conducted in accordance with international standards and that Iran amend all legislation that discriminated against minorities. Australia also raised the human rights situation in Iran in our 'item 4' statements on country-specific situations of serious concern at each of the three UN Human Rights Council sessions in 2009, referring to Iran's treatment of Baha'is as a specific concern.

**Botswana Delegation****(Question No. 1204)**

**Ms Julie Bishop** asked the Prime Minister, in writing, on 8 February 2010:

In respect of the visit by the Botswana Minister for Foreign Affairs and International Cooperation in June 2009:

- (1) What was the total number of delegates.
- (2) What were the arrival and departure dates for each delegate.
- (3) What are the names and positions of all officials, including support staff.
- (4) What States and/or Territories did each delegate visit, and what is the name of every hotel used by each delegate.
- (5) What was the cost to the Australian Government for: (a) international and domestic airfares, including the class of travel, for each flight; (b) meals, (c) layovers in other countries, (d) hospitality, (e) internal transport, (f) ceremonies, (g) accommodation per night, (h) travel allowances, (i) gifts, (j) functions, (k) travel insurance, and (l) other expenses.
- (6) What was the total cost to the Australian Government of the visit, including all of the items listed in part (5).

**Mr Rudd**—I am advised that the answer to the honourable member's question is as follows:

- (1) Four.
- (2) The Delegation arrived together on 16 June 2009 and departed together on 18 June 2009.
- (3) The Hon Phandu Skelemani, Minister for Foreign Affairs and International Cooperation; Ambassador Sasara C. George, Deputy Permanent Secretary, Ministry of Foreign Affairs and International Cooperation; Ambassador Zinani J. Ntakhwana, Director, Africa and Asia Department, Ministry of Foreign Affairs and International Cooperation; Mr Charles Masole, Private Secretary to the Minister.
- (4) The Delegation travelled to the Australian Capital Territory and New South Wales. The Delegation stayed at the Hyatt Hotel Canberra.
- (5) (a) Domestic flights—\$1,882.92, business class, (b) \$70.90 (see also (d)), (c) not applicable, (d) Official dinner hosted by Minister for Foreign Affairs—\$2,066.82, (e) Comcar—\$7,220.15, (f) not applicable, (g) Hyatt Canberra, Minister for Foreign Affairs and International Cooperation suite—\$1,172.72 total (\$586.36 per night for two nights), Director, Africa and Asia Department, Ministry of Foreign Affairs and International Cooperation room—\$681.82 total (\$340.91 per night for two nights) (h) not applicable, (i) nil, (j) see (d), (k) not applicable, (l) \$390.59.
- (6) \$13,485.92.

**Burma****(Question No. 1205)**

**Ms Julie Bishop** asked the Minister for Foreign Affairs, in writing, on 8 February 2010:

In respect of Australia's targeted autonomous sanctions against members of the Burmese regime and their associates and supporters, implemented from 24 October 2007: (a) is Myanmar Oil and Gas Enterprise (MOGE) on the sanction list; if not, why not; and has it been or will it be considered for inclusion; if so, when; (b) can he indicate whether MOGE is under the direct control of Burma's military dictatorship and a part of the Ministry of Energy; (c) is it a fact that all oil and gas projects in Burma must be in partnership with MOGE; (d) when was the sanction list last reviewed; and (e) when will the sanction list next be reviewed.

**Mr Stephen Smith**—The answer to the honourable member's question is as follows:

Myanmar Oil and Gas Enterprise (MOGE) is under the direct control of the Burmese regime and is a part of the Ministry of Energy. Details of the arrangements for individual oil and gas projects in Burma are not readily available. Based on the information available, I am advised that in oil and gas projects initiated by foreign companies, MOGE plays a role in representing the Burmese authorities.

Australia's autonomous targeted financial sanctions list in relation to Burma is comprised of named individuals, not entities. I indicated in my Ministerial Statement of 8 February 2010 that the Burma sanctions list announced in October 2008 will remain in operation for the present.

Consistent with past practice, any update to the sanctions list will take into account personnel movements in the regime and further information about members of the State Peace and Development Council, ministers, senior military officers, prominent business associates of the regime, and immediate family members of these individuals.

**Defence: Operational Employment Information Website  
(Question No. 1210)**

**Mr Robert** asked the Minister representing the Minister for Defence, in writing, on 9 February 2010:

How many Army Reserve Officers have accessed the 'Hot Ops Jobs' website on the Defence Restricted Network and how many have been deployed as a result of accessing this website.

**Mr Combet**—The Minister for Defence has provided the following answer to the honourable member's question:

The 'Hot Ops Jobs' website no longer exists on the Defence Restricted Network or the Army Internet website.

A webpage titled 'Operational Employment Information' has replaced the 'Hot Ops Jobs' website. It provides guidance to Australian Regular Army members on operational deployments via the Defence Restricted Network. Although Army Reserve Officers are able to view the website, the number of Army Reserve Officers who have accessed the website cannot be determined, as the metrics in place do not provide this particular information. It is also not possible to determine how many Army Reserve members have been deployed as a result of accessing the 'Operational Employment Information' website, since the webpage directs members to their individual career managers to discuss their deployment interests.

**Army Reserve Forces: Audit Report  
(Question No. 1211)**

**Mr Robert** asked the Minister representing the Minister for Defence, in writing, on 9 February 2010:

- (1) What progress has been made on implementing the recommendations of Audit Report No. 31 2009-09 'Army Reserve Forces' (The Auditor General, Australian National Audit Office, Canberra, 8 May 2009).
- (2) What barriers exist to ease movement between the Australian Regular Army and the Army Reserve (paragraphs 2.34 and 2.35 of the report in part (1)), and what is being done to remove them.

**Mr Combet**—The Minister for Defence has provided the following answer to the honourable member's question:

- (1) The Australian National Audit Office Audit Report No. 31 2008-09 Performance Audit Army Reserve Forces was released on 14 September 2009 and detailed the findings of an audit into Army

Reserve Forces. The audit's four recommendations and Defence's progress in responding to these are as follows:

Considering the Army Reserve's current role and the existing work being undertaken towards developing its 2016 Approved Future Force structure, the ANAO recommends the Army reviews its policies related to the location of Army Reserve units to take into account the cost of operating a dispersed organisation against the capability offered and the desire to maintain a public presence.

Defence status:

Army has completed the Army Reserve Approved Future Force and has grouped it under the 'Re-balancing Army' (RBA) initiative. The implementation plan for the RBA initiative is currently being developed and has not yet been provided to Government. Upon completion and approval of the RBA initiative, changes will be implemented supported by a comprehensive change management and communication strategy.

The ANAO recommends that Defence uses a periodic assessment of costs to bring together appropriate cost information related to the Army Reserve, to inform longer term decision making.

Defence status:

Cadet, Reserve and Employer Support Division, in consultation with the Services and Chief Finance Officer Group, is currently developing a baseline data set to determine appropriate cost information of the Reserves to inform longer term decision making. This data set will be the standard for future assessments as a means of calculating the cost of Reserves. It is expected to be finalised by 31 December, 2010.

The ANAO recommends that the Army:

- (a) request current Reservists to provide relevant information relating to their civilian qualifications and skills;
- (b) where this information is provided, record it on Defence's existing personnel management database, PMKeyS; and
- (c) streamline the approval processes for the recognition of civilian skills and qualifications.

Defence status:

- (a) This recommendation was included in the Defence Budget Audit and Defence White Paper 2009. VCDF Group (specifically Cadet, Reserve and Employer Support Division) is the lead agency and is developing a PMKeyS solution on behalf of Defence. Data entry is expected to occur in late 2010, and the project is expected to be complete by 31 December 2011.
- (b) As per (a)
- (c) This recommendation is being considered on a limited basis as part of the civil skills database project. However, the Army has commenced reviewing the most appropriate means for recognition and verification of civil skills. Due to the complexities and variations in skill sets, determination on the process for recognition of civilian skills is not expected to be complete before 31 December 2010.

Recognising the increased reliance on technology for communication, and the importance of accurate records, the ANAO recommends that:

- (a) Defence ensures all Army Reservists have adequate access to the Defence Restricted Network; and
- (b) Defence considers developing an internet portal or similar facility for Army Reservists to facilitate individual's update of their personnel data.

Defence status:

- (a) Reserve access to the Defence Restricted Internet is currently subject to projects being coordinated by the Information Communication Technology Stream of the Strategic Reform Program. Reserve access to the Defence Restricted Internet will be significantly enhanced during the second half of 2010, with the procurement and release of additional Defence Remote Electronic Access and Mobility Services (DREAMS) tokens as an interim measure.
- (b) As per (a).
- (2) The barriers identified by the ANAO largely relate to the differences in conditions of service and entitlements between Australian Regular Army and Army Reserve members, which are reviewed periodically. The Army does not perceive these issues as impediments to movement between different categories of service for all members. However, it may influence the decisions of a small number of personnel.

### Australian Defence Force: Reserves

#### (Question No. 1216)

**Mr Robert** asked the Minister for Defence Personnel, Materiel and Science, in writing, on 11 February 2010:

What proportion of members of the (a) Australian Regular Army discharge and transfer to the Active Reserve, (b) Royal Australian Navy discharge and transfer to the Royal Australian Naval Reserve, and (c) Royal Australian Air Force discharge and transfer to the Air Force Reserve, and what measures has the Government taken to increase the proportions in parts (a) to (c).

**Mr Combat**—The answer to the honourable member's question is as follows:

For transfer rates of permanent Australian Defence Force (ADF) personnel to the Reserve component for the past three financial years please refer to the tables below.

The honourable member's question asks specifically of Australian Regular Army discharges and transfers to the 'Active Reserve', whereas for the other two Services the honourable members asks of the discharge and transfer to the two Services respective 'Reserves', for consistency, additional information has been provided concerning other 'Reserve' components of the Australian Army.

ARMY		Transfer Type					
Financial Year	Total Separations From Full-time Service	Regular to Active Reserve	Proportion of Separations to Active Reserve Service	Regular to Standby Reserve	Proportion of Separations to Reserve Service	Discharge – No Re-serve Service	Active Reserve to Standby Reserve
2006/07	2967	924	31%	827	59%	1216	1785
2007/08	2742	860	31%	721	58%	1161	1652
2008/09	2767	962	35%	640	58%	1165	1426

NAVY		Transfer Type					
Financial Year	Total Separations From Full-time Service	Regular to Active Reserve	Proportion of Separations to Active Reserve Service	Regular to Standby Reserve	Proportion of Separations to Reserve Service	Discharge – No Re-serve Service	Active Reserve to Standby Reserve
2006/07	1600	555	34%	280	52%	765	52
2007/08	1395	560	40%	155	51%	680	107

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NAVY		Transfer Type					
Financial Year	Total Separations From Full-time Service	Regular to Active Reserve	Proportion of Separations to Active Reserve Service	Regular to Standby Reserve	Proportion of Separations to Reserve Service	Discharge – No Reserve Service	Active Reserve to Standby Reserve
2008/09	1383	575	41%	123	50%	685	718

AIR FORCE		Transfer Type					
Financial Year	Total Separations From Full-time Service	Regular to Active Reserve	Proportion of Separations to Active Reserve Service	Regular to Standby Reserve	Proportion of Separations to Reserve Service	Discharge – No Reserve Service	Active Reserve to Standby Reserve
2006/07	1199	7	0.6%	820	69%	372	220
2007/08	982	16	1.6%	662	69%	304	162
2008/09	893	34	3.8%	592	70%	267	217

The *Defence White Paper 2009* detailed the Government's intent to make better use of ex-Regular ADF personnel and enhance the use of the Reserve including the High Readiness Reserves (HRR). The extension of the Graded Officer Pay Scale (GOPS) and Graded Other Rank Pay Scale (GORPS) to Reservists has increased the attractiveness of Active Reserve service to members separating from permanent service. Reserve conditions of service and employment will be reviewed as part of the Strategic Reform Program 'Reserves Reform Stream'. The intended outcome is to maximise the transfer of separating full time ADF members to Reserves, lengthen the tenure of already trained Reserve members, and attract fresh Reserve members with required core or niche skill sets.

### High Readiness Reserve

#### (Question No. 1219)

**Mr Robert** asked the Minister for Defence Personnel, Materiel and Science, in writing, on 22 February 2010:

In respect of the planned workforce allocation in the 2009-10 budget and forward estimates (Department of Defence, *Defence Portfolio Budget Statements*, Canberra, Table 18, page 33), (a) what budget has been allocated to achieve a High Readiness Reserve recruitment target of (i) 1080 for the Army, and (ii) 600 for the Air Force, and (b) as at 22 February 2010, how many HRR (i) Army, and (ii) Air Force, reservists have been recruited.

**Mr Combet**—The answer to the honourable member's question is as follows:

(a) (i) and (ii) None, as High Readiness Reserve targets are filled using in-Service personnel only.

(b) (i) Army does not directly recruit into the High Readiness Reserve.

As at 22 February 2010, 1170 currently serving members of the Active Reserve were contracted to the High Readiness Reserve.

(ii) Air Force does not directly recruit into the High Readiness Reserve.

As at 22 February 2010, 596 currently serving members of the Active Reserve and 44 members of the Specialist Reservist were serving in the High Readiness Reserve.

**Army Reserves****(Question No. 1220)**

**Mr Robert** asked the Minister for Defence Personnel, Materiel and Science, in writing, on 22 February 2010:

In respect of the response to question on notice W15 'Restructure of the Army Reserves' (Senate Foreign Affairs, Defence and Trade Legislation Committee, *Budget supplementary estimates* 2009-2010, 21 October 2009, page 23), has the implementation plan for the Review been completed and provided to the Government; if so, is it publicly available; if so, from where.

**Mr Combet**—The answer to the honourable member's question is as follows:

The implementation plan has not been completed or provided to Government.

**Defence Indigenous Development Program****(Question No. 1222)**

**Mr Robert** asked the Minister for Defence Personnel in writing, on 22 February 2010:

- (1) In respect of the Defence Indigenous Development Program in the 2009-10 budget and forward estimates (Department of Defence, Defence Portfolio Budget Statements, Canberra, page 96), (a) was the pilot course developed by the Army, through Norforce, and run in Katherine in 2009, (b) was the pilot course successfully completed; if so, what are the results of the assessment, (c) will the program be run by Norforce and commence in April 2010 in Katherine; if so, how many Indigenous people are enrolled; if not, by whom will it be run, and when and where will it commence, and (d) when and where will the 2011 program begin, and how many Indigenous people does he anticipate will enrol.
- (2) What is the breakdown of the \$3.308 million budgeted for this program in 2009-10, including the total sum allocated to (a) Norforce, and (b) administration, and the balance remaining for (a) and (b) as at 22 February 2010.

**Mr Griffin**—The answer to the honourable member's question is as follows:

- (1) In respect of the Defence Indigenous Development Program in the 2009-10 budget and forward estimates (Department of Defence, Defence Portfolio Budget Statements, Canberra, page 96):
  - (a) Yes.
  - (b) Yes, with the following results:
    - (i) 20 trainees participated on the course and 10 trainees graduated on 16 December 2009.
    - (ii) Five graduates achieved the Certificate II in General Education for Adults. The remaining five achieved Certificate I.
    - (iii) All 10 graduates achieved the Certificate II in Rural Operations.
    - (iv) Job placements were identified for the majority of the trainees prior to graduation.
  - (c) The program will be delivered on behalf of Army by NORFORCE, in 2010. Currently 29 trainees are undergoing an orientation program at the Katherine Rural College.
  - (d) It is intended that the 2011 programs will commence in April 2011 in Katherine and Cairns providing places for a similar number of trainees.
- (2) The \$3.308 million budgeted for this program in 2009-10 was broken down by Defence's Chief Financial Officer Group as follows:
  - (a) The total sum budgeted by Army for NORFORCE to run the pilot course was \$1.187 million. This amount only includes the direct costs of the program. Defence did not track the specific

cost of a range of support such as clothing and meals provided during the military training components of the course.

- (b) The balance of funds allocated to Defence Groups for the ongoing delivery of the Army and Navy components of the program is \$1.576 million. As at 22 February 2010 the notional balance is \$0.657 million. Defence does not routinely track the specific costs of administrative support across the Groups.

### **Military Superannuation Pensions**

#### **(Question No. 1223)**

**Mr Windsor** asked the Minister for Finance and Deregulation, in writing, on 23 February 2010:

What measures will he take, and when, to address the ongoing concerns within the veteran community that (a) the indexation of military superannuation pensions against the Consumer Price Index is not an accurate measure of the cost of living, and (b) inequality exists between the indexing of military superannuation pensions and other pensions such as age and welfare; and will he consider introducing a fairer indexation method for military superannuation pensions in line with that used to calculate age and welfare pensions.

**Mr Tanner**—The answer to the honourable member's question is as follows:

- (a) The Government recognises the concerns expressed by the veteran community regarding the indexation of military superannuation pensions. In acknowledgement of these concerns the Government commissioned an independent expert review—the Review of Pension Indexation Arrangements in Australian Government Civilian and Military Superannuation Schemes, conducted by Mr Trevor Matthews.

The review considered whether the current Consumer Price Index (CPI) indexation methodology for pensions for Australian Government civilian and military defined benefit superannuation schemes should be changed.

The report of the review, released on 21 August 2009, recommended no change to the indexation arrangements.

Mr Matthews recommended that pensions from the Australian Government civilian and military superannuation schemes continue to be indexed by the CPI as it is the most suitable index to protect pensions against inflationary price increases.

The Government fully supports the findings and recommendations of the report.

- (b) Mr Matthews did not consider it inequitable or unfair that civilian and military superannuation pensions are increased on a different basis to the Age or Service Pensions. He considered that they are different benefits provided for different purposes and therefore can be increased on a different basis.

That is, Mr Matthews is drawing a distinction between the obligation of the State to provide an income support safety net to its more disadvantaged citizens and the obligation of the State (as an employer) to provide superannuation to its employees and former employees.

Mr Matthews considered that the CPI should be retained as the basis for indexation of civilian and military superannuation pensions, unless a better measure of changes in the cost of living for superannuants becomes available.

**Defence Materiel Organisation: Mortimer Review**  
**(Question No. 1224)**

**Mr Oakeshott** asked the Minister for Defence Personnel, Materiel and Science, in writing, on 23 February 2010:

Further to his answer to question No. 1063 (*Hansard*, 3 February 2010, page 135), in respect of the estimate of costs to implement the Mortimer Review recommendations: can he (a) detail the basis of the proposed expenditure of (i) \$69 million over the decade, and (ii) \$28 million over the forward estimates; (b) detail the outcomes to date of the expended \$0.5 million; and (c) provide an estimate of any savings from the proposed expenditure of \$69 million.

**Mr Combet**—The answer to the honourable member's question is as follows:

- (1) (a) (i) and (ii) The proposed expenditure of \$28 million over the forward estimates and \$69 million over the decade provide for the ongoing implementation of the Mortimer reforms. Examples of specific funding requirements include funding the General Manager Commercial position recommended by the Review, the recruitment of a specialist team to provide expert analysis of cost, schedule and risk implications of major project proposals and strengthening the customer supplier agreements between the Department of Defence and the Defence Materiel Organisation.
- (b) Salary and other personnel-related expenses have accounted for the majority of expenditure to date. For example, the specialist team providing the analysis of cost, schedule and risk implications of major project proposals has been established.
- (c) The Mortimer (Procurement and Sustainment) stream is one of the 'non-savings streams' of the Strategic Reform Program. While direct cost savings are not anticipated, the blueprint document entitled "Strategic Reform Program: Delivering Force 2030" released by Defence on 4 June 2009 notes that the non-savings streams "will help to keep costs down through better quality planning, cost estimation and control". The Mortimer reforms are a critical enabler of efficiencies in major Defence capital equipment acquisitions and in the through-life support of that equipment.

**Defence Technical Scholarships**  
**(Question No. 1227)**

**Mr Robert** asked the Minister for Defence Personnel, Materiel and Science, in writing, on 23 February 2010:

- (1) In respect of Defence Technical Scholarships, (a) have cadets been given priority access to the initiative (as agreed to by the former Minister in the Defence response to the recommendations of the cadet review, November 2008), if so, why; and (b) how many cadets have (i) applied for, and (ii) been awarded, a scholarship.
- (2) Do cadets have priority access to other Defence developed, nationally-accredited programs; if so, what are the names of these programs, and how many Australian cadets have (a) applied to enter, and (b) been accepted.

**Mr Combet**—The answer to the honourable member's questions are as follows:

- (1) (a) No. While the cadet review 2008 recommended that Australian Defence Force Cadets receive priority access to Defence Technical Scholarships (DTS) and similar Defence programs, subsequent advice is that such preferential treatment would undermine the merit basis for the scheme and adversely impact upon the credibility of the scheme within the education sector.

- (b) and (i), (ii) In light of the above response, and the fact that the application process does not include any requirement for the applicant to identify as a cadet, this question cannot be answered.
- (2) (a) and (b) Cadets do not have priority access to other Defence developed, nationally-accredited programs beyond those that may have been developed by a cadet organisation for application within that cadet organisation.

**Defence Materiel Organisation: Tender Process**

**(Question No. 1228)**

**Mr Oakeshott** asked the Minister for Defence Personnel, Materiel and Science, in writing, on 24 February 2010:

- (1) In respect of the tender process within the Defence Materiel Organisation (DMO) for sourcing uniform material from overseas, can he explain (a) when (i) he, and (ii) the Chief Executive Officer (CEO) of DMO, first knew that tenders had been accepted from outside Australia, and (b) why it appears that it took a newspaper article on the issue in the *Daily Telegraph* to prompt CEO and ministerial action.
- (2) Why were long-established principles and practices not adhered to during the tender process in part (1).
- (3) What action is (a) he, and (b) the CEO of DMO, taking to restore checks and balances within the departmental processes for material procurement in the future.

**Mr Combet**—The answer to the honourable member's question is as follows:

- (1) (a) and (b) The premise of the Honourable Member's question is incorrect. No tender was accepted from outside Australia.
- (2) Refer to (1) above.
- (3) Refer to (1) above.

**Hawker Britton**

**(Question Nos 1230 to 1232, 1262 and 1266)**

**Mr Briggs** asked the Minister for Education, the Minister for Employment and Workplace Relations, the Minister for Social Inclusion, the Minister for Early Childhood Education, Child Care and Youth, and the Minister for Employment Participation, in writing, on 24 February 2010:

- (1) Have you and/or your departmental officials met with representatives of Hawker Britton this Parliament; if so, (a) on what dates and at what addresses, and (b) who attended each meeting.
- (2) Has Hawker Britton arranged meetings with other organisations and you and/or your departmental officials this Parliament; if so, (a) on what dates and at what addresses, and (b) who attended each meeting.

**Ms Gillard**—The answer to the honourable member's question is as follows:

Responding to this question would require Departmental officials to review calendar and diary entries since December 2007 to identify information about meetings with, or arranged by Hawker Britton. This would require the manual examination of a large number of diary and meeting records, which is an unreasonable diversion of government resources.

**Hawker Britton****(Question No. 1242)**

**Mr Briggs** asked the Minister representing the Minister for Broadband, Communications and the Digital Economy, in writing, on 24 February 2010:

- (1) Have you and/or your departmental officials met with representatives of Hawker Britton this Parliament; if so, (a) on what dates and what addresses, and (b) who attended each meeting.
- (2) Has Hawker Britton arranged meetings with other organisations and you and/or your departmental officials this Parliament; if so (a) on what dates and what addresses, and (b) who attended each meeting.

**Mr Albanese**—The Minister for Broadband, Communications and the Digital Economy has provided the following answer to the honourable member's question:

Responding to this question would require departmental and ministerial officials to review calendar and diary entries since December 2007 to identify information about meetings with, or arranged by Hawker Britton. This would require the manual examination of a large number of diary and meeting records, which is an unreasonable diversion of government resources.

**Hawker Britton****(Question No. 1243)**

**Mr Briggs** asked the Minister representing the Minister for Innovation, Industry, Science and Research, in writing, on 24 February 2010:

- (1) Have you and/or your departmental officials met with representatives of Hawker Britton this Parliament; if so, (a) on what dates and at what addresses, and (b) who attended each meeting.
- (2) Has Hawker Britton arranged meetings with other organisations and you and/or your departmental officials this Parliament; if so, (a) on what dates and at what addresses, and (b) who attended each meeting.

**Dr Emerson**—The Minister for Innovation, Science and Research has provided the following answer to the honourable member's question:

Please refer to Senate Parliamentary Question on Notice 2613.

**Hawker Britton****(Question No. 1246)**

**Mr Briggs** asked the Attorney-General, in writing, on 24 February 2010:

- (1) Have you and/or your departmental officials met with representatives of Hawker Britton this Parliament; if so, (a) on what dates and at what addresses, and (b) who attended each meeting.
- (2) Has Hawker Britton arranged meetings with other organisations and you and/or your departmental officials this Parliament; if so, (a) on what dates and at what addresses, and (b) who attended each meeting.

**Mr McClelland**—The answer to the honourable member's question is as follows:

Responding to this question would require Departmental officials to review calendar and diary entries since December 2007 to identify information about meetings with, or arranged by Hawker Britton. This would require the manual examination of a large number of diary and meeting records, which is an unreasonable diversion of government resources.

**Hawker Britton****(Question No. 1248)**

**Mr Briggs** asked the Minister for Agriculture, Fisheries and Forestry, in writing, on 24 February 2010:

- (1) Have you and/or your departmental officials met with representatives of Hawker Britton this Parliament; if so, (a) on what dates and at what addresses, and (b) who attended each meeting.
- (2) Has Hawker Britton arranged meetings with other organisations and you and/or your departmental officials this Parliament; if so, (a) on what dates and at what addresses, and (b) who attended each meeting.

**Mr Burke**—The answer to the honourable member's question is as follows:

Responding to this question would require Ministerial staff and Departmental officials to review calendar and diary entries since December 2007 to identify information about meetings with, or arranged by Hawker Britton. This would require the manual examination of a large number of diary and meeting records, which is an unreasonable diversion of government resources.

**Hawker Britton****(Question No. 1251)**

**Mr Briggs** asked the Minister for Human Services, in writing, on 24 February 2010

- (1) Have you and/or your departmental officials met with representatives of Hawker Britton this Parliament; if so:
  - (a) on what dates and at what addresses; and
  - (b) who attended each meeting.
- (2) Has Hawker Britton arranged meetings with other organisations and you and/or your departmental officials this Parliament; if so:
  - (a) on what dates and at what addresses; and
  - (b) who attended each meeting.

**Mr Bowen**—The answer to the honourable member's question is as follows:

Responding to this question would require Departmental officials to review calendar and diary entries since December 2007 to identify information about meetings with, or arranged by Hawker Britton. This would require the manual examination of a large number of diary and meeting records, which is an unreasonable diversion of government resources.

**Hawker Britton****(Question No. 1256)**

**Mr Briggs** asked the Minister for Home Affairs, in writing, on 24 February 2010:

- (1) Have you and/or your departmental officials met with representatives of Hawker Britton this Parliament; if so, (a) on what dates and at what addresses, and (b) who attended each meeting.
- (2) Has Hawker Britton arranged meetings with other organisations and you and/or your departmental officials this Parliament; if so, (a) on what dates and at what addresses, and (b) who attended each meeting.

**Mr Brendan O'Connor**—The answer to the honourable member's question is as follows:

Responding to this question would require Departmental officials to review calendar and diary entries since December 2007 to identify information about meetings with, or arranged by Hawker Britton. This

would require the manual examination of a large number of diary and meeting records, which is an unreasonable diversion of government resources.

**Hawker Britton**

**(Question No. 1259)**

**Mr Briggs** asked the Minister for Small Business, Independent Contractors and the Service Economy, in writing, on 24 February 2010:

- (1) Have you and/or your departmental officials met with representatives of Hawker Britton this Parliament; if so, (a) on what dates and at what addresses, and (b) who attended each meeting.
- (2) Has Hawker Britton arranged meetings with other organisations and you and/or your departmental officials this Parliament; if so, (a) on what dates and at what addresses, and (b) who attended each meeting.

**Dr Emerson**—The answer to the honourable member's question is as follows:  
Please refer to Senate Parliamentary Question on Notice 2613.

**Protection Visas**

**(Question No. 1269)**

**Mr Morrison** asked the Attorney-General, in writing, on 25 February 2010:

In respect of people smuggling, have any charges been laid against permanent protection visa holders concerning (a) the provision of false or misleading statements to Commonwealth officials, and/or (b) obstruction of Commonwealth officials in relation to their inquiries; if so, can he indicate the specific charges and associated outcomes, including penalties.

**Mr McClelland**—The answer to the honourable member's question is as follows:

Database records indicate that, up to 1 March 2010, seven permanent protection visa recipients and two humanitarian visa recipients were proven to have committed offences under section 234 *Migration Act 1958* for providing forged, false or misleading documents or false or misleading information to Commonwealth officials in connection with immigration or visa application procedures. In each case, criminal penalties were applied but visas were not revoked.

There is no offence in the *Migration Act 1958* of obstructing a Commonwealth official in their duties. Database records relating to offences contained in other legislation for obstruction of a Commonwealth official do not always indicate whether the charge was related to immigration procedures or people smuggling. Identifying links between general charges for obstruction of a Commonwealth official and immigration or people smuggling is not feasible as it would require manual examination of a large number of prosecution files spanning a number of years.

**Criminal penalties for the nine protection or humanitarian visa recipients proven to have committed offences under section 234 of the *Migration Act 1958*:**

	Sentence Date	Charged Under section	No. of Counts	Plea	Outcome	Penalty	Amount
Person 1	8/12/1997	234(1)(a)	1	Guilty	Proven	3 months imprisonment	
Person 2	8/10/1999	234(1)(a)	2	Guilty	Proven	Good behaviour bond, 2 years Pecuniary penalty order	\$600

	Sentence Date	Charged Under section	No. of Counts	Plea	Outcome	Penalty	Amount
						Order to pay court costs	\$52
						Recognisance order	\$5000
Person 3	02/05/2003	234(1)(b)	2	Guilty	Proven	Fine	\$7,000
						Order to pay court fees	\$88.40
						Order to pay prosecution disbursements	\$50.60
						Order to pay prosecution professional costs	\$400
Person 4	20/08/2004	234(1)(a)	1	Guilty	Proven	12 months good behaviour bond	
						Recognisance order	\$500
Person 5	09/09/2004	234(1)(c)	1	Guilty	Proven but no conviction recorded	12 months good behaviour bond	
						Order to pay prosecution disbursements	\$145
						Recognisance order	\$500
Person 6	10/02/2005	234(1)(c)	1	Guilty	Proven	3 months imprisonment suspended	
						12 months good behaviour	
						Recognisance order	\$500
Person 7	16/02/2005	234(1)(c)	6	Guilty	Proven	Fine	\$20,000
						Order to pay prosecution disbursements	\$135.30
						Order to pay prosecution professional costs	\$300
Person 8	17/05/2005	234(1)(a)	1	No plea entered	Proven	Fine	\$2,000
						Order to pay court fees	\$63
						Fingerprint order	

	Sentence Date	Charged Under section	No. of Counts	Plea	Outcome	Penalty	Amount
Person 9	14/02/2008	234(1)(b)	1	Not guilty	Proven Note: Conviction and penalty quashed on appeal 9/7/08	18 months imprisonment to be released after 6 months imprisonment  12 months good behaviour bond upon release Recognisance order	\$100

### Army Reserves Training Days

#### (Question No. 1272)

**Mr Robert** asked the Minister for Defence Personnel, Materiel and Science, in writing, on 25 February 2010:

For the periods 2004-05, 2005-06, 2006-07, 2007-08, 2008-09, and 1 July to 31 December 2009 (or by calendar year from 1 January 2005 to 31 December 2009, if more appropriate), how many ARES training days were (a) funded, and (b) actually used, (i) in total, and (ii) by Army Reserve Unit.

**Mr Combet**—The answer to the honourable member's question is as follows:

- (1) (a) and (b) (i) Army Reserves Training Days are not allocated to Units and instead Army Reserves Training Salaries are allocated.
- 2004/05 financial year: the data is no longer readily available in the Defence reserve pay system.
  - 2005/06 financial year: \$84.2 million was allocated and \$77.4 million used to fund approximately 752 000 Army Reserves Training Days.
  - 2006/07 financial year: \$90.1 million was allocated and \$86 million used to fund approximately 759 000 Army Reserves Training Days.
  - 2007/08 financial year: \$92.5 million was allocated and \$100.7 million used to fund approximately 771 000 Army Reserves Training Days.
  - 2008/09 financial year: \$116.1 million was allocated and \$115.3 million used to fund approximately 806 000 Army Reserves Training Days.
  - 2009/10 financial year: the allocation is \$125.1 million. As at 31 December 2009, \$65.6 million had been used to fund 403 000 Army Reserves Training Days.
- (a) and (b) (ii) Given that there are approximately 17 000 Army reservists spread across a substantial number of Army Reserve units both within and outside of the Army group, the unit level detail requested in the question is not readily available. I am not prepared to authorise the commitment of resources required to provide a detailed response.

**Health and Ageing: Voice Over IP Project**  
**(Question No. 1274)**

**Mr Dutton** asked the Minister for Health and Ageing, in writing, on 25 February 2010:

In respect of her department's Voice Over IP project at the Sirius building at Woden, ACT:

- (1) What was the total cost of the contract for the project.
- (2) How many sites and how many handsets were included.
- (3) What purchasing process was used.
- (4) Was the project market tested; if not, why not.
- (5) Did the purchasing process for this contract comply with the *Financial Management and Accountability Act 1997*.
- (6) Which entities submitted tenders or quotations for the contract, and what was the monetary value of these tenders or quotations.
- (7) Was any verbal or written advice received by her department from any entities or individuals that the market value of the project differed from the contracted price; if so:
  - (a) what was that advice,
  - (b) when was it received, and
  - (c) what response, verbal or written, was provided by the relevant Assistant Secretary and Chief Operating Officer, and on what dates.
- (8) Did any individual with an interest in the contracted provider for the project act on behalf of her department in the purchase of the contract; if so:
  - (a) what was/is the nature of that interest,
  - (b) when did her department first become aware of it, and
  - (c) what action on this matter has been taken by her department.

**Ms Roxon**—The answer to the honourable member's question is as follows:

- (1) The total cost of the contract for the project is \$5,020,091.
- (2) 3 sites in the Woden precinct and 4,400 handsets were included.
- (3) The procurement was undertaken as a direct source arrangement in accordance with the Commonwealth Procurement Guidelines.
- (4) The project was not market tested. Gartner, an independent information technology research and advisory company, advised that there are a very limited number of suppliers of Voice Over IP (VoIP) equipment and systems. These suppliers and other ICT service providers to the Department were approached to provide an indicative proposal which allowed the Department to assess the indicative market costs of a VoIP solution.
- (5) Yes.
- (6) IBM, NEC, AVAYA and Optus submitted proposals.  
IBM, whose offer was accepted, provided a quotation of \$5,074,369.  
The quotations from NEC, AVAYA and Optus were provided on a Commercial-In-Confidence basis.
- (7) An additional proposal was received post contract signature from CDM Australia on 2 September 2009. The proposal was a broad solution and did not give sufficient technical detail to provide assurance to the Department that the solution offered would deliver the Department's requirements.

The value of the proposal was \$3.911m in Capital, and did not provide costs for ongoing management support and operational costs. The solution provided connectivity for only 3200 staff, 1,100 handsets below the Department's requirement.

The Department did not respond to the vendor.

- (8) The Department sought appropriate advice in relation to the development of the technical requirements, with decisions around the procurement being undertaken on the basis of that advice by departmental officers. The departmental officers involved in the decision making process do not have any conflicting interests, real or perceived, in relation to the decision outcomes.

#### **Medicare Chronic Disease Dental Scheme**

##### **(Question No. 1276)**

**Mr Dutton** asked the Minister for Health and Ageing, in writing, on 25 February 2010:

What does her department project the growth rate will be each year over the forward estimates for Medicare dental benefits paid under the Medicare Chronic Disease Dental Scheme.

**Ms Roxon**—The answer to the honourable member's question is as follows:

Growth of the previous government's Chronic Disease Dental Scheme is not projected over the 4 years of the forward estimates. The Government's policy is to close the scheme as soon as possible in order to implement the Commonwealth Dental Health Program.

#### **Private Health Insurance**

##### **(Question No. 1279)**

**Mr Dutton** asked the Minister for Health and Ageing, in writing, on 25 February 2010:

What assumptions are used to calculate private health insurance growth rates (a) over the forward estimates, (b) over the next 10 years, and (c) for the period to 2047.

**Ms Roxon**—The answer to the honourable member's question is as follows:

- (a) The Department of Health and Ageing does not project growth rates in private health insurance membership.
- (b) See (a).
- (c) See (a).

#### **Private Health Insurance**

##### **(Question No. 1280)**

**Mr Dutton** asked the Minister for Health and Ageing, in writing, on 25 February 2010:

What number and proportion of individuals are covered by private health insurance by Federal Electorate each quarter from December 2007 to 25 February 2010 for both

- (a) general, and
- (b) hospital, cover.

**Ms Roxon**—The answer to the honourable member's question is as follows:

- (a) and (b) The Department does not collect private health insurance data by electorate. The most recent publicly available data on private health insurance participation by electorate is as at 30 June 2001 and was tabled in Parliament in February 2003:

[www.apf.gov.au/senate/committee/clac\\_ctte/estimates/bud\\_0203/vol7doha\\_feb03.pdf](http://www.apf.gov.au/senate/committee/clac_ctte/estimates/bud_0203/vol7doha_feb03.pdf)

The Private Health Insurance Administration Council (PHIAC) collects data at the state level, which cannot be used to derive electorate level information about private health insurance participation rates.

Medicare Australia collects information at the postcode level, however the quality of the data produces unreliable statistics on private health insurance participation, as individuals do not always update their addresses with Medicare when they move.

### Hospitals

#### (Question No. 1283)

**Mr Dutton** asked the Minister for Health and Ageing, in writing, on 25 February 2010:

What was the real and nominal expenditure on public hospitals by the Government each financial year from 1985-86 to 2008-09.

**Ms Roxon**—The answer to the honourable member's question is as follows:

The information requested is publicly available on the Australian Institute of Health and Welfare website using the public hospital recurrent expenditure data cubes. Tables can be selected for Australian Government Public Hospital recurrent expenditure in real (constant) and nominal (current) terms. The information can be accessed using the URLs provided below.

1985-86 to 2002-03:

[http://d01.aihw.gov.au/cognos/cgi-bin/ppdscgi.exe?DC=Q&E=/expenditure/hex\\_aust1\\_2009](http://d01.aihw.gov.au/cognos/cgi-bin/ppdscgi.exe?DC=Q&E=/expenditure/hex_aust1_2009).

2003-04 to 2007-08:

[http://d01.aihw.gov.au/cognos/cgi-bin/ppdscgi.exe?DC=Q&E=/expenditure/hex\\_aust2\\_2009](http://d01.aihw.gov.au/cognos/cgi-bin/ppdscgi.exe?DC=Q&E=/expenditure/hex_aust2_2009).

2008-09 data is not available until later this year.

### Medical Students

#### (Question No. 1285)

**Mr Dutton** asked the Minister for Education, in writing, on 25 February 2010:

How many Commonwealth-supported medical school university places have been announced by the Government, excluding the additional places agreed at the Council of Australian Governments in April and July 2006.

**Ms Gillard**—The answer to the honourable member's question is as follows:

The Government has announced a total of 200 new commencing Commonwealth-supported medical places. This includes 30 new places allocated to the University of Notre Dame's Fremantle medical school for commencement in 2009, and 160 replacement commencing Commonwealth-supported medical places in 2009 as part of the phase out of domestic fee paying students (rising to 170 commencing places in 2011).

#### Allocation of commencing replacement Commonwealth supported medical places for the phase out of domestic fee paying students

Provider	2009
Deakin University	10
Monash University*	60
The Flinders University of South Australia	11
The University of Melbourne	6
The University of New South Wales	12
The University of Newcastle	10
The University of Queensland	25
The University of Sydney	25
The University of Western Sydney	1
Grand Total	160

These allocations of new places will grow to 834 medical places as students continue in their courses.

In the 2009-10 Budget, the Government announced that from 2012, public universities (and the Batchelor Institute of Indigenous Tertiary Education) will be funded on the basis of student demand.

Transitional arrangements for 2010 and 2011 are preceding the introduction of the demand driven funding system, with over-enrolment that is funded being lifted from five to ten per cent. During this period the current control on the number of medical places that universities can offer will continue.

It is likely that controls on Commonwealth-supported medical places will remain under the new funding system from 2012. However, the demand driven funding system will give the Government the ability to increase the number of medical places universities can offer without introducing new budget measures.

The Government's decisions about Commonwealth-supported medical places will be informed by Health Workforce Australia advice on workforce demand and the capacity for clinical and postgraduate training.

### **Private Health Insurance**

#### **(Question No. 1286)**

**Mr Dutton** asked the Minister for Health and Ageing, in writing, on 25 February 2010:

What was the average annual increase in private health insurance premiums each calendar year from 1995 to 25 February 2010.

**Ms Roxon**—The answer to the honourable member's question is as follows:

1995—6.00%.

1996—7.00%.

1997—7.00%.

1998—5.00%.

1999—5.00%.

2000—1.80%.

2001—0.01%.

2002—6.88%.

2003—7.40%.

2004—7.58%.

2005—7.96%.

2006—5.68%.

2007—4.52%.

2008—4.94%.

2009—6.02%.

2010—5.78% (note that this increase will generally take effect from 1 April 2010).

### **Health and Ageing: Conferences, Seminars and Training**

#### **(Question No. 1288)**

**Mr Dutton** asked the Minister for Health and Ageing, in writing, on 25 February 2010:

Have any staff members or her department cancelled attendance at any conferences, seminars and training events on or after the 21 February 2010; if so, for each conference, seminar and training event cancellation,

- (a) what was the title, purpose and planned agenda,
- (b) how many staff were to attend and what was the position title of each staff member,
- (c) what were the costs to attend per staff member,
- (d) what were the estimated travel costs,
- (e) what were the estimated travel costs per staff member,
- (f) why was attendance cancelled, and
- (g) what is the itemisation of the total costs incurred by her department

**Ms Roxon**—The answer to the honourable member's question is as follows:

The Department is unable to provide this level of detail as it is not in an aggregated format. Its compilation would involve a significant diversion of resources from other departmental operations, which I am not prepared to authorise.

### **Xenotropic Murine Leukemia**

#### **(Question No. 1289)**

**Mr Dutton** asked the Minister for Health and Ageing, in writing, on 25 February 2010:

In respect of xenotropic murine leukemia virus-related virus (XMRV):

- (a) what information can her department provide on XMRV and any nexus to other health conditions,
- (b) are there any tests available in Australia for XMRV, and
- (c) has her department considered facilitating testing for XMRV in Australia; if so, what was the outcome.

**Ms Roxon**—The answer to the honourable member's question is as follows:

- (a) Xenotropic murine leukemia virus-related virus (XMRV) is a human virus that has been found in tumour tissue of patients with prostate cancer and the blood of people with chronic fatigue syndrome. The medical research literature on the topic is equivocal as to whether the virus may play a causative role in these conditions.
- (b) The Department is not aware of any pathology laboratory that offers testing for this virus in Australia.
- (c) If such a test were generally considered by the medical profession as necessary to the appropriate treatment of patients then a Medicare benefit would be payable under item 69494 of the Medicare Benefits Schedule.

### **Mr Gao Zhisheng**

#### **(Question No. 1290)**

**Mr Danby** asked the Minister for Foreign Affairs, in writing, on 9 March 2010:

In respect of the three year jail sentence, suspended for five years, of Chinese human rights lawyer Mr Gao Zhisheng who in 2006 was found guilty in a Chinese court of 'inciting subversion': (a) is he aware of reports that Mr Zhisheng was taken into custody in February 2008 and that his family has had no contact with him since; and (b) has he or the Australian Embassy in Beijing raised the issue of Mr Zhisheng's detention with Chinese authorities, as the Embassy of the United States in Beijing has done; if so, what was the outcome; if not, will the Australian authorities raise the issue at the next Australia-China Human Rights Dialogue.

**Mr Stephen Smith**—The answer to the honourable member's question is as follows:

- (a) The Government is aware of reports of Mr Gao Zhisheng's situation.
- (b) The Australian Embassy in Beijing raised Mr Gao's situation with Chinese authorities on 13 May 2009, 16 June 2009, 29 September 2009 and most recently on 3 March 2010. The Chinese Ministry of Foreign Affairs has not provided clear advice publicly or privately on Gao Zhisheng's whereabouts. The Government will continue to raise Mr Gao's situation directly with Chinese authorities, including in the context of the Australia-China Human Rights Dialogue.

**Mr Dhondup Wangchen**

**(Question No. 1291)**

**Mr Danby** asked the Minister for Foreign Affairs, in writing, on 9 March 2010:

In respect of filmmaker Mr Dhondup Wangchen who was arrested in China in March 2008 and later charged with 'inciting separatism': (a) can he confirm a Radio Free Asia report of 6 January 2010, that on 28 December 2009, the Xining Intermediate People's Court found Mr Wangchen guilty of 'splitting the motherland' and handed him a six year sentence; (b) will his department seek to clarify the status of Mr Wangchen with the Chinese Government; and (c) can he explain the Australian Government's position on this issue, and indicate whether the Australian Government will raise the matter with the Chinese Government.

**Mr Stephen Smith**—The answer to the honourable member's question is as follows:

- (a) The Government is aware of media reports that on 28 December 2009, the Xining Intermediate People's Court found Mr Dhondup Wangchen guilty of "splitting the motherland" and sentenced him to six years in prison. However, the Government has not been able to confirm Mr Dhondup Wangchen's situation with Chinese authorities.
- (b) On 3 March 2010, the Australian Embassy in Beijing made representations to the Chinese Ministry of Foreign Affairs on individual cases of concern, including Mr Dhondup Wangchen and sought information on his status, location and condition.
- (c) While recognising that China has made some progress in human rights over the last 30 years, the Government remains concerned about human rights issues in China, including freedom of speech, freedom of media, freedom of religious worship, open and transparent trials, and the use of the death penalty. The Australian Government raises its concerns with China, including raising individual cases of concern, through bilateral exchanges with senior political leaders and officials, diplomatic channels, and the Australia-China Human Rights Dialogue. We will continue to raise Mr Dhondup Wangchen's situation with the Chinese Government.

**Weather Watch Radar**

**(Question No. 1296)**

**Mr Tuckey** asked the Minister for Environment Protection, Heritage and the Arts, in writing, on 11 March 2010:

By what date does the Government propose to install a weather-watch radar to cover the Busselton-Albany stretch of coastline in WA.

**Mr Garrett**—The answer to the honourable member's question is as follows:

Commissioning of the recently installed weather radar at Serpentine and refurbishment of the Albany radar in 2010/11 will improve coverage of the Busselton-Albany coastline. No additional radars are currently planned for that region.

**Burma****(Question No. 1297)**

**Mr Oakeshott** asked the Minister representing the Minister for Defence, in writing, on 11 March 2010:

In respect of Australia's relationship with Burma, (a) since 1 January 2009, has the (i) Australian Navy participated in military exercises with the Burmese Government Navy, and (ii) Australian Government trained military personnel from Burma, if so, does the Minister recognise that such participation in military exercises could be interpreted as training exercises, and (b) does the Australian Government still support the call for a universal arms embargo against Burma.

**Mr Combet**—The Minister for Defence has provided the following answer to the honourable member's question:

(a) Since 1 January 2009:

- (i) the Royal Australian Navy has participated in two multilateral naval exercises to which Burma was also invited. From 4–8 February 2010, Burma and Australia, along with eleven other countries, participated in Exercise MILAN. This is an Indian-hosted biennial multinational activity that aims to foster cooperation between regional navies on counter piracy and humanitarian assistance and disaster relief.

In October 2009, the Royal Australian Navy participated in Exercise BERSAMA LIMA under the auspices of the Five Power Defence Arrangement (FPDA). This exercise focuses on the interoperability of the military forces of Australia, New Zealand, United Kingdom, Malaysia and Singapore. Singapore invited all ASEAN members to observe, including Burma. Burmese officials were not permitted to visit ADF ships or aircraft.

- (ii) no training was provided to Burma by the Royal Australian Navy as part of these exercises.

(b) Yes.

**Australian Wine Sales****(Question No. 1298)**

**Ms Marino** asked the Minister for Agriculture, Fisheries and Forestry, in writing, on 11 March 2010:

What Government programs exist to promote the sale of Australian produced wine.

**Mr Burke**—The answer to the honourable member's question is as follows:

The Australian Wine and Brandy Corporation (AWBC) is an Australian government statutory authority established to provide strategic support to the Australian wine sector. Its responsibilities include international and domestic marketing of Australian wine; export regulation and compliance; and maintaining the integrity of Australia's wine labels and winemaking practices.

The AWBC takes the lead role in strategic marketing of Australian wine overseas including the implementation of strategies and activities in key markets and identification of new markets. It operates as Wine Australia in overseas markets and maintains offices in the United Kingdom, the United States of America, Canada, Ireland, Japan and China.

In addition, the Austrade administered Export Market Development Grants (EMDG) scheme provides financial assistance to aspiring and current exporters. The scheme supports small and medium sized business across a wide range of industry sectors by reimbursing up to 50 per cent of expenses incurred on eligible export promotion (above a \$10,000 threshold).

For the 2007-08 grant year (2008-09FY), EMDG grants totalling \$10.3 million were paid to 249 wine companies that reported exports of \$216.5 million.

The Winemakers' Federation of Australia was awarded \$77, 000 (GST exclusive) under round one of the Promoting Australian Produce program to implement the Australian Fortified Wines Strategy.

The South Australian Wine Industry Association received \$56, 896 (GST exclusive) under the Promoting Australian Produce (Major Events) program to stage the 5th Australian Wine Industry Environment Conference and Technical Tour held in Adelaide from 23-24 September 2009.

### **Griffin Coal**

#### **(Question No. 1299)**

**Ms Marino** asked the Minister for Resources and Energy, in writing, on 11 March 2010:

As at 11 March 2010, what action has the Government taken with the WA Government, the administrators and unions in relation to the collapse of Griffin Coal; and how will the Government assist affected workers, contractors and business.

**Mr Martin Ferguson**—The answer to the honourable member's question is as follows:

The Government recognises that Griffin Coal is a significant regional employer in the South West of Western Australia and that any potential closure of its operations would have an adverse impact on not only the employees and their families but the region as well. The Government has been and will continue to closely monitor developments with Griffin Coal. It should be noted that Griffin Coal is in administration and its current operations continue until there is an outcome from the administration process.

In the event that a company goes into liquidation, employees of Griffin Coal will be able to seek assistance from the General Employee Entitlements and Redundancy Scheme (GEERS). The GEERS assists employees who have lost their jobs and are owed certain employee entitlements when a liquidator or trustee in bankruptcy has been appointed to their employer. Entitlements under GEERS include up to three months unpaid wages for the period prior to the appointment of the insolvency practitioner, unpaid annual leave, unpaid long service leave, up to a maximum of five weeks unpaid payment in lieu of notice and up to a maximum of sixteen weeks unpaid redundancy entitlement. The Department of Education, Employment and Workplace Relations administers GEERS.

### **Healthcare Identifiers**

#### **(Question No. 1301)**

**Ms Marino** asked the Minister for Health and Ageing, in writing, on 11 March 2010:

Will the Government categorically guarantee the security of every patient's information under the proposed e-health system?

**Ms Roxon**—The answer to the honourable member's question is as follows:

The Commonwealth and State Territory Governments have worked with the National E-Health Transition Authority to put in place robust and rigorous security measures to limit as far as possible any potential security risks and to impose significant penalties for unauthorised or inappropriate use of healthcare identifiers held by the Healthcare Identifiers Service.

These measures are being implemented through a number of strict security and privacy protections—both in the legislation and the technical design of the HI Service.

These include:

- The Federal Privacy Commissioner's role has been extended in the HI legislation so that she has the authority to conduct investigations into the inappropriate use of healthcare identifiers.
- The information maintained by the HI Service has been strictly limited to Name, Date of Birth, Sex, and Healthcare Identifier number in most instances, with other information such as Address and Birth Order only recorded when necessary to administrators and the Service. Individuals who

wish to use anonymous healthcare will still be able to continue to do so and pseudonyms may be issued by the HI Service in special circumstances.

- The system design does not allow for an identified healthcare provider, that is, an individual provider that has been assigned a HPI-I or an organisation assigned a HPI-O to “browse” the records held by the Service Operator. A request by an identified healthcare provider for a patient’s identifier will only reveal an IHI when there is an exact match with patient information provided by the healthcare provider.
- Each time a record held by the Service Operator is accessed by an identified healthcare provider, the details of who has accessed the record and when, will be recorded in an audit log.

Medicare Australia will be the initial operator of the HI Service. As a trusted government authority, Medicare has the national infrastructure, as well as the industry and community relationships needed to securely deliver and maintain the healthcare identifiers. As a statutory agency, Medicare Australia is governed by national legislation that sets out the scope of the functions it can perform and the privacy and security it must maintain for the personal information it holds.

Medicare Australia has established additional preventative measures including education and training for all Medicare Australia staff members, a proactive audit program, and having a range of actions in place (including fines and dismissal) for handling privacy and security breaches.

#### **Defence Site: Maribyrnong**

#### **(Question No. 1303)**

**Mr Robert** asked the Minister representing the Minister for Defence, in writing, on 11 March 2010:

In respect of the former Maribyrnong Defence Site: (a) what chemicals were used in the making of Defence armaments at the site; (b) where will the contaminated soil from the site be disposed of; (c) what is the estimated cost of remedying the site; and (d) what future land development projects will be undertaken on the site after it has been decontaminated.

**Mr Combet**—The Minister for Defence has provided the following answer to the honourable member’s question:

- (a) The following chemicals were used in the making of Defence armaments at the Maribyrnong site: Soda ash, Phenols, Sulphate, Sulphite, Hydrochloric acid, Ferrocyanides, Calcium chloride, Sodium fluoride, Methyl orange (acid-base indicator), Hydrogen peroxide, Sodium hydroxide, Nitric acid (weak), Iodine, Nitric acid (strong), Tetrachloromethane, Mercury, Sodium carbonate, Sulphuric acid (weak), Pyridine, Sulphuric acid (strong), Carbon tetrachloride, Thiocyanates, Glycerine/Glycerol, Ethyl alcohol, Ammonium carbonate, Sodium chlorate, Calcium carbonate, Calcium nitrate, Caustic soda, Hydroxylamine, Gun Cotton Mixed Acid, Acetic acid, Mixed acid, Ethanol, Acetaldehydes, cotton, paper, additives, Nitroglycerine, Nitrocellulose, Acetone, Candelilla wax, Potassium cryolite, Lead salicylate, Potassium nitrate, Carbamate, Benzene, Mononitrotoluene, Toluene, Mononitrobiuret, Sodium sulphite, Methylated spirit, Magnesium carbonate, sulphur, iron filings, Trinitrotoluene (TNT), Aluminium powder, Amatol, Baratol, “Research Department” explosive (RDX), Minol, Tetryl, beeswax, Ammonium nitrate, paint, Toluene diisocyanate, Trioctylphosphinic oxide, lubricants and corrosion preventatives, plastics and rubbers, varnishes and lacquers, insulants, Cellulose acetate, Lead salts, Polyurethane, Solventless cordite, Cast composite propellant, Cast double base propellant, Extruded double base propellant, Plastic propellant, explosives and explosive compositions, Polybutadiene, inhibitors, Ammonium styphnate, Ammonium perchlorate, alcohol, Wet fulminate, Mercury nitrate, Fulminate, Lead nitrate, Styphnic acid, Sodium azide, Lead acetate, Dextrin, 4:6 Dinitroresorcinol, Industrial methylated spirit, Sodium nitrate, Azide acid, Sodium carboxyl-methyl cellulose, Mercury fulminate, Lead azide, Lead 2:4 Dinitroresorcinol, Silver azide, Barium styphnate, Tetrazene, shellac, Magnesium styphnate, Lead

styphnate, Diethylene glycol, Potassium chlorate, Strontium carbonate, linseed oil, Accroid resin, charcoal, Calomel, Solvent naphtha, epoxy resins, Trichloroethylene, Magnesium powder, Methyl Ethyl Ketone, Strontium carbonate, paraffin wax, Nitrate of Soda, Methyl alcohol, Aniline, Aniline hydrochloride, Ethyl aniline, Phosgene, Dimethyl aniline.

- (b) A decision has not yet been made in regard to this issue. The remediation project is in the process of developing remediation strategies for the contaminated soil. The project will apply sustainability and waste hierarchy principles in developing the remediation and disposal strategies.
- (c) The project is in the process of determining the nature and extent of the contamination at the site and is developing remediation strategies. At the conclusion of these development works, a cost plan will be developed.
- (d) The development of the land post-remediation will be the responsibility of the Victorian Government, which is the purchaser of the land. The Victorian Government has publicly indicated the land will be developed for a range of purposes, including housing, community facilities, and open space.

### **Immigration: Health Assessments**

#### **(Question No. 1306)**

**Mr Morrison** asked the Minister representing the Minister for Immigration and Citizenship, in writing, on 15 March 2010:

In respect of health tests for visa applicants, (a) what mandatory disease testing is undertaken for each class of visa granted, and (b) are tests undertaken for Hepatitis B and C; if so, for what visa classes; if not, why not.

**Mr McClelland**—The Minister for Immigration and Citizenship has provided the following answer to the honourable member's question:

#### **Background.**

The health assessments carried out for visa applicants are designed to support the purposes of the visa health requirement, which are to:

- protect the Australian community from public health and safety risks;
- contain public expenditure on health care and community services; and
- safeguard the access of Australian citizens to health care and community services that are in short supply.

Active tuberculosis (TB) is the only condition that in itself will prevent the grant of a visa to Australia as it is specifically mentioned in the regulations and is also considered to be a "threat to public health".

The minimum health assessments required for each class of visa are set out below. The Department can request further formal health assessments for any individual visa applicant where there is also a good reason to do so.

Persons seeking to come to Australia can apply for either a Permanent or a Temporary visa.

#### **Required tests: Permanent visas.**

All applicants for a Permanent visa (including those seeking a Humanitarian or refugee visa), are required to undertake as a minimum, a medical examination, a chest X-ray (if 11 years or older) and an HIV test (if 15 years or older).

If there are clinical indications of other diseases or conditions or the applicant declares they have a condition or disease then a Medical Officer of the Commonwealth may request additional tests. This could include testing for Hepatitis B and/or C.

For children under 11 years old or for pregnant applicants from low or medium risk countries a medical examination may be undertaken in place of the chest x-ray.

**Required tests: temporary visas**

The types of medical tests required for an applicant for a temporary visa depend on three factors:

- (1) Their country of Citizenship and the level of TB risk associated with that country.
- (2) The length of time they intend to stay in Australia.
- (3) The activities they intend to undertake while in Australia.

The requirements can range from no testing, to only a chest X-ray, to a chest X-ray and medical examination.

If there are clinical indications of other diseases or conditions or the applicant declares they have a condition or disease then a Medical Officer of the Commonwealth may request additional tests.

**Country of Citizenship.**

The Department uses a Health Assessment Matrix that places all countries into one of three risk categories for TB; lower, medium, higher. The placement of countries is determined by their TB prevalence rates as provided by the World Health Organisation and is reviewed annually.

**Length of Stay**

The longer the intended stay in Australia the more likely an applicant will need to do additional medical tests. For example an applicant from a higher risk country for a stay of less than 3 months generally will not require any health assessment. However, if the applicant wishes to stay more than 3 months a chest x-ray will be required

**Intended activities in Australia**

There are a number of activities that are deemed to be of 'special significance' in terms of the potential risk an applicant may pose. In general, unless there are clinical indications of other diseases or conditions or the applicant declares they have a condition or disease, applicants may undertake a chest X-ray, or chest X-ray and medical examination and/or blood testing.

Those intending to study, work or train to be a doctor, dentist, paramedic or nurse must undergo HIV, Hepatitis B and C blood testing in addition to a medical and chest x-ray. This is regardless of their country of citizenship or intended period of stay.

Pregnant applicants who are intending to give birth in Australia are required to undertake a Hepatitis B test. Pregnant applicants from medium or higher risk countries intending to give birth in Australia are required to undertake a chest x-ray. Pregnant visa applicants from lower risk countries would be required to undertake a chest x-ray if they intended to work in a health care facility or child care centre.

However as the Australian Government does not recommend the taking of chest x-rays during pregnancy, applicants from lower or medium risk countries are able to undergo a medical examination in lieu of the chest x-ray. Higher risk pregnant visa applicants (both onshore and offshore) are generally required to defer the chest x-ray – and therefore finalisation of the visa – until after the child's birth.

**Mandatory Hepatitis B and C Testing**

The Department does not routinely test all visa applicants for Hepatitis B or C as this would not be practical nor is it considered necessary to achieve the aims of the health requirement.

The Department obtains advice from and works with the Department of Health and Ageing to determine which visa applicants require mandatory Hepatitis B and C testing. The table below lists visa applicants who are required to undertake Hepatitis B or C testing (or both).

Type of Applicant	Hepatitis B surface antigen test	Hepatitis C antibody test
Pregnant women	Yes	No
Children for adoption	Yes	No
Children who have been, or are to be, adopted by Australian residents.		
Unaccompanied minor refugee children	Yes	No
High-risk applicants	Yes	Yes
any person whom the panel doctor considers to be at high risk of hepatitis B or C infection.		
persons with a history of hepatitis, jaundice or blood transfusions,		
persons showing clinical evidence of hepatitis B or C infection,		
persons with tattoos if extensive or suspected as having been done in un-sterile conditions.		
Hospital and health care workers	Yes	Yes
All temporary visa applicants intending to work as, or study to be a doctor, nurse, paramedic or dentist.		

Pregnant visa applicants intending to deliver in Australia are tested for Hepatitis B. This is because Hepatitis B is a potentially serious viral infection that a mother may transmit to her baby at, or around the time of birth. Infants who are infected during birth are at high risk of becoming chronic carriers of the disease. This significantly increases their risk of developing chronic liver disease, which may cause premature death.

If the mother is diagnosed with Hepatitis B before the baby is born, the newly born infant can receive appropriate immunisation in the delivery room.

Doctors, dentists, nurses and paramedics are required to be tested for Hepatitis B and C as well as HIV. All health care workers who have Hepatitis B or C or HIV are asked to confirm whether they will be performing certain procedures known as exposure prone procedures (EPPs). If their duties will include EPPs, the applicants will not meet health for the grant of a visa as they are considered a risk to public health.

### Port Macquarie Centrelink Call Centre

#### (Question No. 1307)

**Mr Oakeshott** asked the Minister for Human Services, in writing, on 15 March 2010.

How many staff were employed by the Port Macquarie Centrelink Call Centre in the (a) 2007, (b) 2008, and (c) 2009 calendar years, and what are the anticipated job vacancies for the 2010 calendar year.

**Mr Bowen**—The answer to the honourable member's question is as follows:

Staffing numbers for the Port Macquarie Centrelink Call Centre are as follows. These are taken at the midpoint of the calendar year.

- (a) 30 June 2007—166.
- (b) 30 June 2008—143.
- (c) 30 June 2009—191.

Centrelink Call operates as a virtual network across 25 call centres across Australia. As such, this makes it difficult to provide precise numbers of job vacancies for any one call centre. At this stage, up to 30 job vacancies for Port Macquarie Call are anticipated for 2010.

**Sea Shepherd Conservation Society****(Question No. 1309)**

**Mr Wood** asked the Minister for Home Affairs, in writing, on 16 March 2010:

- (1) In respect of the recent Australian Federal Police (AFP) raids on the Sea Shepherd Conservation Society: (a) what alleged offences are under investigation; (b) did the Government or one of its departments request the investigation; and (c) who, within the AFP, authorised the investigation.
- (2) Is the AFP investigating the activities of the Japanese whaling fleet for possible offences.

**Mr Brendan O'Connor**—The answer to the honourable member's question is as follows:

- (1) (a) In accordance with Australia's obligations under the *Convention for the Suppression of Unlawful Acts Against the Safety of Maritime Navigation 1993 (SUA Convention)*, the Australian Federal Police (AFP) has commenced preliminary inquiries relating to the following alleged offences referred by Japanese authorities:

On 17 December 2009, members of the Sea Shepherd Conservation Society (SSCS) on board the marine vessel (MV) *Steve Irwin* allegedly intentionally used a laser device on the crew of the Japanese whaling vessel, MV *Shonan Maru no.2*, contrary to Section 5 of the *Prohibited Weapons Act 1996 (ACT)* by virtue of Section 6 of the *Crimes at Sea Act 2000 (Cth)*.

On 22 December 2009, members of the SSCS onboard the MV *Steve Irwin* allegedly threw a corrosive substance, namely butyric acid, in circumstances dangerous to the health, safety and wellbeing of the crew of the MV *Shonan Maru no.2*, contrary to Section 28(b) *Crimes Act 1900 (ACT)* by virtue of Section 6 of the *Crimes at Sea Act 2000 (Cth)*.

On 22 December 2009, members of the SSCS onboard the MV *Steve Irwin* allegedly intentionally used a laser device on the crew of the MV *Shonan Maru no.2*, contrary to Section 5 of the *Prohibited Weapons Act 1996 (ACT)* by virtue of Section 6 of the *Crimes at Sea Act 2000 (Cth)*.

On 23 December 2009, members of the SSCS onboard the MV *Ady Gil* allegedly intentionally threatened to endanger the safe navigation of the MV *Shonan Maru no.2* by deploying a 'propeller entanglement device' contrary to Section 17 of the *Crimes (Ships and Fixed Platforms) Act 1992 (Cth)*.

On 23 December 2009, members of the SSCS onboard the MV *Ady Gil* allegedly intentionally used a laser device on the crew of the MV *Shonan Maru no.2*, contrary to Section 5 of the *Prohibited Weapons Act 1996 (ACT)* by virtue of Section 6 of the *Crimes at Sea Act 2000 (Cth)*.

On 23 December 2009, members of the SSCS on board the MV *Ady Gil* allegedly intentionally used a firearm against the MV *Shonan Maru no.2* in a manner likely to endanger the safety of another person, contrary to Section 223 of the *Firearms Act 1996 (ACT)* by virtue of Section 6 of the *Crimes at Sea Act 2000 (Cth)*.

On 6 January 2010, members of the SSCS onboard the MV *Ady Gil* allegedly intentionally threatened to endanger the safe navigation of the Japanese whaling vessel MV *Nisshin Maru* by repeatedly deploying a 'propeller entanglement system' and by towing a 'Hawser' rope whilst travelling immediately in front of the MV *Nisshin Maru*, contrary to Section 17 of the *Crimes (Ships and Fixed Platforms) Act 1992 (Cth)*.

On 6 January 2010, members of the SSCS onboard the MV *Ady Gil* allegedly intentionally used a laser device on the crew of the MV *Nisshin Maru*, contrary to Section 5 of the *Prohibited Weapons Act 1996 (ACT)* by virtue of Section 6 of the *Crimes at Sea Act 2000 (Cth)*.

On 6 January 2010, members of the SSCS onboard the MV *Ady Gil* allegedly intentionally used a firearm against the MV *Nisshin Maru* in a manner likely to endanger the safety of another person, contrary to Section 223 of the *Firearms Act 1996* (ACT) by virtue of Section 6 of the *Crimes at Sea Act 2000* (Cth).

On 15 January 2010, members of the SSCS onboard the MV *Bob Barker* allegedly intentionally threatened to endanger the safe navigation of the MV *Shonan Maru no.2*, by repeatedly deploying a 'propeller entanglement system' from a Rigid Hull Inflatable Boat (RHIB) launched from and belonging to the MV *Bob Barker*, contrary to Section 17 of the *Crimes (Ships and Fixed Platforms) Act 1992* (Cth).

On 6 February 2010, members of the SSCS onboard the MV *Bob Barker* allegedly intentionally used a laser device on the crew of the MV *Nisshin Maru*, contrary to Section 5 of the *Prohibited Weapons Act 1996* (ACT) by virtue of Section 6 of the *Crimes at Sea Act 2000* (Cth).

On 9 February 2010, members of the SSCS onboard the MV *Steve Irwin* allegedly intentionally used a laser device on the crew of the MV *Nisshin Maru*, contrary to Section 5 of the *Prohibited Weapons Act 1996* (ACT) by virtue of Section 6 of the *Crimes at Sea Act 2000* (Cth).

On 11 February 2010, members of the SSCS onboard a RHIB launched from and belonging to the MV *Steve Irwin* allegedly intentionally used a firearm against the MV *Nisshin Maru* in a manner likely to endanger the safety of another person, contrary to Section 223 of the *Firearms Act 1996* (ACT) by virtue of Section 6 of the *Crimes at Sea Act 2000* (Cth).

On 11 February 2010, members of the SSCS onboard the MV *Bob Barker* allegedly intentionally threatened to endanger the safe navigation the MV *Nisshin Maru* by towing a 'Hawser' rope whilst travelling immediately in front of the MV *Nisshin Maru*, contrary to Section 17 of the *Crimes (Ships and Fixed Platforms) Act 1992* (Cth).

On 13 February 2010, members of the SSCS onboard the MV *Bob Barker* allegedly intentionally used a laser device on the crew of the MV *Nisshin Maru*, contrary to Section 5 of the *Prohibited Weapons Act 1996* (ACT) by virtue of Section 6 of the *Crimes at Sea Act 2000* (Cth).

On 14 February 2010, members of the SSCS onboard a RHIB launched from and belonging to the MV *Steve Irwin* allegedly intentionally used a firearm against the MV *Nisshin Maru*, in a manner likely to endanger the safety of another person, contrary to Section 223 of the *Firearms Act 1996* (ACT) by virtue of Section 6 of the *Crimes at Sea Act 2000* (Cth).

On 14 February 2010, members of the SSCS onboard the MV *Bob Barker* allegedly intentionally used a laser device on the crew of the MV *Nisshin Maru*, contrary to Section 5 of the *Prohibited Weapons Act 1996* by virtue of Section 6 of the *Crimes at Sea Act 2000* (Cth).

On 17 February 2010, members of the SSCS onboard the MV *Steve Irwin* allegedly intentionally threatened to endanger the safe navigation of the a Japanese whaling vessel by towing a 'Hawser' rope whilst travelling immediately in front of the MV *Nisshin Maru*, contrary to Section 17 of the *Crimes (Ships and Fixed Platforms) Act 1992* (Cth).

On 17 February 2010, members of the SSCS onboard a RHIB launched from and belonging to the MV *Steve Irwin* allegedly intentionally used a firearm against the crew of the MV *Nisshin Maru*, in a manner likely to endanger the safety of another person, contrary to Section 223 of the *Firearms Act 1996* (ACT) by virtue of Section 6 of the *Crimes at Sea Act 2000* (Cth).

On 21 February 2010, members of the SSCS onboard the MV *Bob Barker* allegedly intentionally used a laser device on the crew of the MV *Nisshin Maru*, contrary to Section 5 of the *Prohibited Weapons Act 1996* (ACT) by virtue of Section 6 of the *Crimes at Sea Act 2000* (Cth).

- (b) No. The Australian Government does not direct the AFP to investigate matters. The AFP is an independent statutory body of government and the decision on whether to investigate an allegation is a matter for the AFP.

On 29 January 2010, Japanese authorities referred a number of incidents between SSCS marine vessels and Japanese whaling vessels to the AFP which allegedly occurred during the current whaling season. The AFP commenced preliminary inquiries into these allegations in accordance with Australia's obligations under the SUA Convention. Australia was bound to undertake those inquiries when the MV *Steve Irwin* and the MV *Bob Barker* docked in Hobart on 6 March 2010.

- (c) AFP Manager Special Operations authorised the investigation. The execution of search warrants upon the MV *Steve Irwin* and MV *Bob Barker* on 6 March 2010 was an operational decision of the AFP.
- (2) No. As the Japanese whaling vessels have not entered Australia's jurisdiction international obligations do not exist. Consequently, the AFP has no basis upon which it can undertake preliminary inquiries in accordance with our domestic responsibilities.

### Bradfield Electorate: New Dwellings

#### (Question No. 1314)

**Mr Fletcher** asked the Treasurer, in writing, on 18 March 2010:

In the calendar years 2006, 2007, 2008, and 2009, and from 1 January to 17 March 2010, how many applications were (a) made to, and (b) approved by, the Foreign Investment Review Board for the purchase of off-the-plan properties (new dwellings) in: (i) Asquith NSW 2077, (ii) Chatswood West NSW 2067, (iii) Chatswood NSW 2067, (iv) East Killara NSW 2071, (v) East Lindfield NSW 2070, (vi) Gordon NSW 2072, (vii) Hornsby NSW 2077, (viii) Killara NSW 2071, (ix) Lindfield NSW 2070, (x) Mount Colah NSW 2079, (xi) Normanhurst NSW 2076, (xii) North Turrumurra NSW 2074, (xiii) North Wahroonga NSW 2076, (xiv) Pymble NSW 2073, (xv) Roseville Chase NSW 2069, (xvi) Roseville NSW 2069, (xvii) South Turrumurra NSW 2074, (xviii) St Ives Chase NSW 2075, (xix) St Ives NSW 2075, (xx) Thornleigh NSW 2120, (xxi) Turrumurra NSW 2074, (xxii) Wahroonga NSW 2076, (xxiii) Waitara NSW 2077, (xxiv) Warrawee NSW 2074, (xxv) West Pymble NSW 2073, (xxvi) Lane Cove North NSW 2066, (xxvii) North Willoughby NSW 2068, (xxviii) Middle Cove NSW 2068, and (xxix) Willoughby NSW 2068.

**Mr Swan**—The answer to parts (a) and (b) of the honourable member's question is as follows:

	2006	2007	2008	2009	1 January – 17 March 2010
Asquith NSW 2077	NIL	NIL	NIL	NIL	NIL
Chatswood West NSW 2067	1	NIL	NIL	NIL	NIL
Chatswood NSW 2067	NIL	NIL	NIL	4	1
East Killara NSW 2071	NIL	NIL	NIL	NIL	NIL
East Lindfield NSW 2070	NIL	NIL	NIL	NIL	NIL
Gordon NSW 2072	NIL	4	3	4	2
Hornsby NSW 2077	NIL	NIL	NIL	NIL	NIL
Killara NSW 2071	NIL	NIL	NIL	3	3
Lindfield NSW 2070	NIL	1	1	1	NIL
Mount Colah NSW 2079	NIL	NIL	NIL	NIL	NIL
Normanhurst NSW 2076	NIL	NIL	NIL	NIL	NIL
North Turrumurra NSW 2074	1	1	1	NIL	NIL
North Wahroonga NSW 2076	NIL	NIL	NIL	NIL	NIL
Pymble NSW 2073	1	1	NIL	3	1
Roseville Chase NSW 2069	NIL	NIL	NIL	NIL	NIL

	2006	2007	2008	2009	1 January – 17 March 2010
Roseville NSW 2069	1	2	2	1	NIL
South Turrumurra NSW 2074	NIL	NIL	NIL	NIL	NIL
St Ives Chase NSW 2075	NIL	NIL	NIL	NIL	NIL
St Ives NSW 2075	1	NIL	NIL	4	NIL
Thornleigh NSW 2120	NIL	NIL	NIL	NIL	NIL
Turrumurra NSW 2074	NIL	NIL	NIL	3	1
Wahroonga NSW 2076	NIL	5	3	4	NIL
Waitara NSW 2077	1	3	3	NIL	1
Warrawee NSW 2074	NIL	NIL	NIL	4	NIL
West Pymble NSW 2073	NIL	NIL	NIL	NIL	NIL
Lane Cove North NSW 2066	NIL	NIL	NIL	NIL	NIL
North Willoughby NSW 2068	1	NIL	NIL	NIL	NIL
Middle Cove NSW 2068	NIL	NIL	NIL	NIL	NIL
Willoughby NSW 2068	NIL	NIL	NIL	NIL	1

### Computers in Schools Program

#### (Question No. 1320)

**Mr Baldwin** asked the Minister for Education, in writing, on 18 March 2010:

In respect of (a) Anna Bay Public School, (b) Barrington Public School, (c) Bobs Farm Public School, (d) Bolwarra Public School, (e) Booral Public School, (f) Bulahdelah Central School, (g) Bungwahl Public School, (h) Clarence Town Public School, (i) Coolongolook Public School, (j) Dungog High School, (k) Dungog Public School, (l) Forster Public School, (m) Glen William Public School, (n) Gloucester High School, (o) Gloucester Public School, (p) Grahamstown Public School, (q) Great Lakes College Forster Campus, (r) Great Lakes College, (s) Tuncurry Junior Campus, (t) Great Lakes College Tuncurry Senior Campus, (u) Gresford Public School, (v) Hinton Public School, (w) Iona Public School, (x) Irrawang High School, (y) Irrawang Public School, (z) Karuah Public School, (aa) Largs Public School, (ab) Maitland Grossmann High School, (ac) Maitland High School, (ad) Martins Creek Public School, (ae) Medowie Public School, (af) Metford Public School, (ag) Millers Forest Public School, (ah) Morpeth Public School, (ai) Mount Kanway Public School, (aj) Nahiack Public School, (ak) Nillo Infants School, (al) Pacific Palms Public School, (am) Paterson Public School, (an) Raymond Terrace Public School, (ao) Rookhurst Public School, (ap) Salt Ash Public School, (aq) Seaham Public School, (ar) Shoal Bay Public School, (as) Soldiers Point Public School, (at) Stratford Public School, (au) Stroud Public School, (av) Stroud Road Public School, (aw) Tanilba Bay Public School, (ax) Tea Gardens Public School, (ay) Tenambit Public School, (az) Tomaree High School, (ba) Tomaree Public School, (bb) Tuncurry Public School, (bc) Vacy Public School, (bd) Wirreanda Public School, (be) Holy Name Primary School, (bf) Linuwel School Ltd, (bg) Maitland Christian School, (bh) Medowie Christian School, (bi) St Brigid's Primary School, (bj) St Joseph's Primary School, Gloucester (bk) St Joseph's Primary School, Bulahdelah (bl) St Joseph's Primary School, Dungog (bm) St Michael's Primary School, and (bn) St Philip's Christian College, of Port Stephens in the Paterson electorate, as at 17 March 2010:

- (1) Which of these schools have received laptops under the Computers in Schools program, how many has each school received, and at what total cost.
- (2) When is the program scheduled for completion.

**Ms Gillard**—The answer to the honourable member's question is as follows:

- (1) As you are aware, a key element of the Government's \$2.2 billion investment in the Digital Education Revolution (DER) is \$2.1 billion for the National Secondary School Computer Fund (the Fund). The Fund will assist schools to provide for new ICT for secondary students in Years 9 to 12. The overall aim of the Fund is to achieve a 1:1 computer to student ratio for students in Years 9 to 12 in Australian secondary schools by 2011.

Of the schools you requested information about, 14 currently enrol students in Years 9 to 12 and are eligible for assistance under the Fund. The table below provides information about the school, the number of computers approved through the application rounds of the Fund and the number of computers installed as at 15 March 2010.

**Installation of computers under the National Secondary School Computer Fund for the electorate of Paterson**

School	Round One		Round Two		Round 2.1	
	Funded	Installed	Funded	Installed	Funded	Installed
Bulahdelah Central School	78	78				
Dungog High School	188	144				
Gloucester High School	78	81				
Great Lakes College Forster Campus	129	129				
Great Lakes College Tuncurry Junior Campus	112	112				
Great Lakes College Tuncurry Senior Campus					139	71
Irrawang High School	50	50				
Maitland Grossmann High School	250	250				
Maitland High School	205	189				
Tomaree High School	322	261				
Linuwel School Ltd	10	10				
Maitland Christian School	48	48				
Medowie Christian School					15	17
St Philip's Christian College			41	41		
Total Computers Funded under the Rounds for Paterson					1665	
Total Computers Installed under the Rounds for Paterson					1481	89%

Education authorities were provided funding of \$1000 per computer required to reach a 1:2 computer to student ratio under the application rounds. In some instances schools were able to negotiate bulk purchasing arrangements with computer providers and were able to purchase more computers than the number for which they were allocated funding.

Funding to reach a 1:1 ratio by December 2011 is now being provided on a per capita basis through a National Partnership with the Government sector and through Funding Agreements with the non-government sector.

- (2) The DER is a six year program, with funding from 2007-08 to 2012-13.