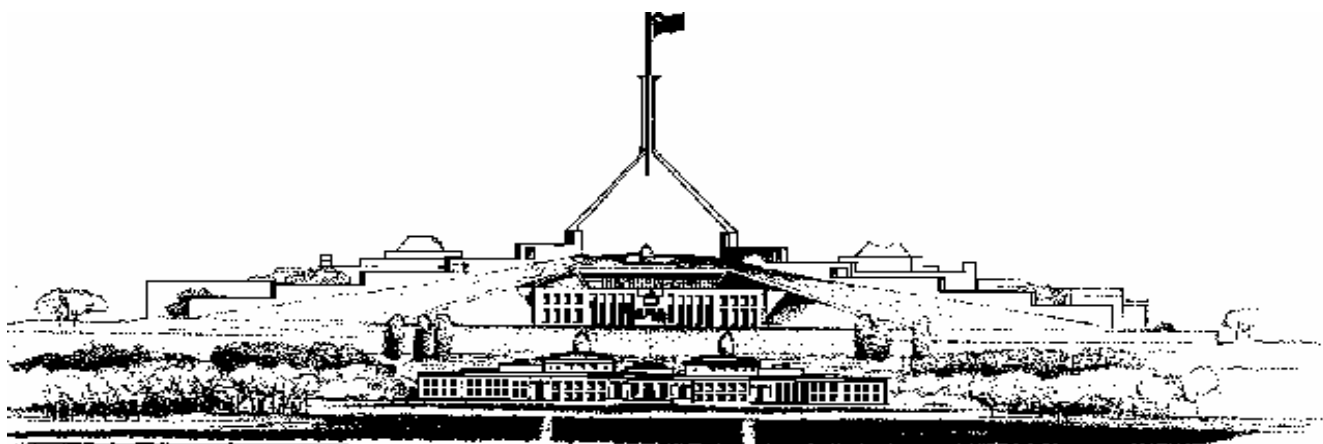




COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



House of Representatives

Official Hansard

No. 9, 2009

Monday, 15 June 2009

FORTY-SECOND PARLIAMENT
FIRST SESSION—FIFTH PERIOD

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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SITTING DAYS—2009

Month	Date
February	3, 4, 5, 9, 10, 11, 12, 23, 24, 25, 26
March	10, 11, 12, 16, 17, 18, 19
May	12, 13, 14, 25, 26, 27, 28
June	1, 2, 3, 4, 15, 16, 17, 18, 22, 23, 24, 25
August	11, 12, 13, 17, 18, 19, 20
September	7, 8, 9, 10, 14, 15, 16, 17
October	19, 20, 21, 22, 26, 27, 28, 29
November	16, 17, 18, 19, 23, 24, 25, 26

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**FORTY-SECOND PARLIAMENT
FIRST SESSION—FIFTH 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. Kevin James Andrews MP, Hon. Archibald Ronald Bevis MP, Ms Sharon Leah Bird MP, Mr Steven Georganas MP, Hon. Judith Eleanor Moylan MP, Ms Janelle Anne Saffin MP, Mr Albert John Schultz MP, Mr Patrick Damien Secker 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. Malcolm Bligh Turnbull MP

Deputy Leader—Hon. Julie Isabel Bishop MP

Chief Opposition Whip—Hon. Alex Somlyay MP

Opposition Whip—Mr Michael Andrew Johnson MP

Deputy Opposition Whip—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
Costello, Hon. Peter Howard	Higgins, Vic	LP
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
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, Christophher 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
Nelson, Hon. Brendan John	Bradfield, NSW	LP

Members of the House of Representatives

Members	Division	Party
Neumann, Shayne Kenneth	Blair, Qld	ALP
Neville, Paul Christopher	Hinkler, Qld	Nats
Oakeshott, Robert James Murray	Lyne, NSW	Ind
O'Connor, Hon. Brendan Patrick John	Gorton, Vic	ALP
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

Members	Division	Party
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—H Evans
Clerk of the House of Representatives—IC Harris AO
Secretary, Department of Parliamentary Services—A Thompson

RUDD MINISTRY

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

[The above ministers constitute the cabinet]

RUDD MINISTRY—*continued*

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

SHADOW MINISTRY

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

[The above constitute the shadow cabinet]

SHADOW MINISTRY—*continued*

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

CONTENTS

MONDAY, 15 JUNE

Chamber

Main Committee—	
Private Members' Motions	5851
Employment and Workplace Relations Amendment Bill 2009—	
Assent	5851
Committees—	
Membership	5851
Social Security and Other Legislation Amendment (Pension Reform and Other 2009 Budget Measures) Bill 2009—	
First Reading	5851
Second Reading	5851
International Monetary Agreements Amendment (Financial Assistance) Bill 2009—	
Second Reading	5857
Third Reading	5860
Health Insurance Amendment (Extended Medicare Safety Net) Bill 2009—	
Second Reading	5860
Ministerial Arrangements	5877
Member for Higgins	5879
Questions Without Notice—	
Interest Rates	5882
Distinguished Visitors	5885
Questions Without Notice—	
Economy	5885
Budget	5886
Building the Education Revolution Program	5888
OzCar	5890
Economy	5891
OzCar	5892
Economy	5892
Building the Education Revolution Program	5894
Infrastructure	5895
Building the Education Revolution Program	5896
Solar Energy	5898
National School Pride Program	5899
Climate Change	5900
North West Queensland Mineral Province	5902
Swine Influenza	5904
Nation Building and Jobs Plan	5905
FIFA World Cup Bid	5906
Questions Without Notice: Additional Answers—	
Building the Education Revolution Program	5907
Personal Explanations	5908
Documents	5909
Ministerial Statements—	
Piracy and Armed Robbery at Sea	5909
Tax Laws Amendment (Medicare Levy and Medicare Levy Surcharge) Bill 2009, Nation-building Funds Amendment Bill 2009 and Higher Education Support Amendment (Vet Fee-Help and Providers) Bill 2009—	
Returned from the Senate	5914

CONTENTS—*continued*

Health Insurance Amendment (Extended Medicare Safety Net) Bill 2009—	
Second Reading	5914
Third Reading	5923
Social Security Amendment (Training Incentives) Bill 2009—	
Second Reading	5923
Third Reading	5941
Social Security Legislation Amendment (Improved Support for Carers) (Consequential and Transitional) Bill 2009—	
Second Reading	5941
Third Reading	5950
Social Security and Other Legislation Amendment (Australian Apprentices) Bill 2009—	
Second Reading	5950
Petitions—	
Responses—	
Mr Farzad Kamangar	5964
Education Funding	5965
Statements	5965
Committees—	
Intelligence and Security Committee—Report	5967
Treaties Committee—Report	5969
Legal and Constitutional Affairs Committee—Report	5971
Legal and Constitutional Affairs Committee—Report: Referral to Main Committee	5973
Private Members' Business—	
Urban Planning	5973
Adjournment—	
Rural Fire Service Awards	5980
Delegation to Dharamsala	5981
Hinkler Electorate: Hervey Bay	5983
Petition: Coral Sea Heritage Park	5984
Coral Sea Heritage Park	5985
Herbert Electorate	5985
Mr Herbert Morton Olm	5987
Main Committee	
Defence Legislation Amendment Bill (No. 1) 2009—	
Second Reading	5989
Appropriation Bill (No. 1) 2009-2010,	
Appropriation Bill (No. 2) 2009-2010 and	
Appropriation (Parliamentary Departments) Bill (No. 1) 2009-2010—	
Second Reading	5996
Consideration in Detail	6005
Education, Employment and Workplace Relations Portfolio	6006
Statements by Members—	
Type 2 Diabetes	6021
Mr Steve Gianola	6022
Maternity Services	6022
Iran	6023
Health Services	6023
Rt Hon. John Curtin	6024
Budget	6024
Hasluck Electorate: Biggest Morning Tea	6025

CONTENTS—*continued*

Cowan Electorate: Flaming Evangelical Ministry.....	6025
Parliamentary Delegation to India.....	6025
Private Members' Business—	
Powers of Intervention	6026
Foot-and-Mouth Disease	6031
Private Members' Business—	
Water Safety	6040
Grievance Debate—	
Area Consultative Committees	6049
Broadband	6052
Building the Education Revolution Program.....	6054
National Rugby League	6057
Queensland and New South Wales Floods	6059
Attacks on Indian Students	6062
Questions In Writing	
Small Business—(Question No. 663).....	6065
Small Business—(Question No. 670).....	6065
Immigration and Citizenship: Moncrieff Electorate—(Question No. 686)	6066
Climate Change: Moncrieff Electorate—(Question No. 691)	6066
Computers in Schools Program—(Question No. 696)	6067
National Action Plan on Literacy and Numeracy—(Question No. 697)	6067
Building the Education Revolution Program—(Question No. 699).....	6068
Building the Education Revolution Program—(Question No. 700).....	6069
Quarry Park—(Question No. 705)	6070
Australian Vertebrate Animals—(Question No. 712)	6070
Roe Highway—(Question No. 713)	6071
Business Enterprise Centres—(Question No. 723)	6071
Mr Keith Mortimer—(Question No. 755)	6072

Monday, 15 June 2009

The SPEAKER (Mr Harry Jenkins) took the chair at 12 pm and read prayers.

MAIN COMMITTEE

Private Members' Motions

The SPEAKER—In accordance with standing order 41(h), and the recommendations of the whips adopted by the House on 3 June 2009, I present copies of the terms of motions for which notice has been given by the members for Murray, Maranoa and Blair. These matters will be considered in the Main Committee later today.

EMPLOYMENT AND WORKPLACE RELATIONS AMENDMENT BILL 2009

Assent

Message from the Governor-General reported informing the House of assent to the bill.

COMMITTEES

Membership

Mrs ELLIOT (Richmond—Minister for Ageing) (12.01 pm)—by leave—I move:

That members be discharged and appointed as members of certain committees in accordance with the list which has been placed on the table. As the list is a lengthy one, I do not propose to read the list to the House. Details will be recorded in the *Votes and Proceedings*.

SOCIAL SECURITY AND OTHER LEGISLATION AMENDMENT (PENSION REFORM AND OTHER 2009 BUDGET MEASURES) BILL 2009

First Reading

Bill and explanatory memorandum—by leave—presented by **Ms Macklin**.

Bill read a first time.

Second Reading

Ms MACKLIN (Jagajaga—Minister for Families, Housing, Community Services and Indigenous Affairs) (12.03 pm)—I move:

That this bill be now read a second time.

This bill implements key elements of the government's secure and sustainable pension reform package announced in the 2009 budget.

This reform package addresses the adequacy of the pension, makes its operation simpler and more responsive to pensioner needs, and secures its long-term sustainability.

It prepares Australia to meet future challenges, including the ageing population, through amendments to social security, family assistance, veterans' affairs and aged-care legislation.

In addition to providing significant increases in pensions, the reforms will make the pension system simpler, fairer and more flexible.

Australia's 3.3 million age pensioners, disability pensioners, carers, wife and widow B pensioners, bereavement allowance, special needs pension and veteran income support recipients will benefit from increases in their pension payments.

The pension reform measures in this bill implement the reforms to social security and aged-care laws. A further bill, to be introduced at a later date, will deliver the pension reform measures for veterans and their dependants.

Most of the pension reforms, including the important pension increases, will be introduced from 20 September 2009. Other measures will commence on the dates as specified.

Increased pension payments

From 20 September 2009, the secure and sustainable pension reforms will deliver total increases of \$32.49 a week for singles who receive the maximum rate of pension, and \$10.14 a week combined for couples on the maximum rate.

These increases are on top of regular indexation due in September. The total increase will comprise a rise in the base rate for single pensioners and a new, and increased, pension supplement for all pensioners. This increase brings the single rate of the pension up to two-thirds of the combined couple rate.

The maximum base rate of the pension payable to single people will be increased by \$30 a week. In addition, singles will receive an increase of \$2.49 a week in the new pension supplement, bringing their total increase to \$32.49 a week. The \$10.14 a week increase for couples combined will be provided through the new pension supplement. These increases are on top of all existing pensions and allowances.

Following these reforms, the new total weekly pension plus supplement will be an estimated \$336.68 for singles and \$507.50 for couples combined. This amounts to \$17,507.36 a year for singles, and \$26,390.00 for couples combined. The actual figures to apply from 20 September will depend on indexation. Actual cost of living increases and wages figures are not yet available.

New indexation and benchmarking arrangements

New indexation arrangements will be introduced to better reflect cost of living increases for pensioners. As part of the government's reform package, a new pensioner and beneficiary living cost index will be calculated by the Australian Bureau of Statistics. This new index will measure increases

in the living costs faced by pensioner and beneficiary households, which can be different to those faced by other households.

The new living cost index will be more responsive to changes experienced by pensioner households where the living costs may have moved faster than the rate of changes measured by the consumer price index for the living costs of all households. From 20 September 2009, the maximum base rate of relevant social security and veterans pensions will be adjusted in line with either the consumer price index or the new pensioner and beneficiary living cost index, whichever is the higher.

Pension rates will also continue to be benchmarked to male total average weekly earnings.

From 20 March 2010, a new pension benchmark for the maximum combined couple rate of pension will be introduced. It will be 41.76 per cent of the annualised amount of male total average weekly earnings.

For a person being paid a single rate of pension, the maximum rate payable to that person will be set at 66.33 per cent of the maximum rate payable to a combined couple. Therefore, the new benchmark for the maximum single rate of pension will be 27.7 per cent of male total average weekly earnings, an increase of more than 10 per cent from the current 25 per cent benchmark.

Current arrangements will continue to apply for parenting payment (single) and for the disability support pension paid to people under age 21 without children.

New pension and seniors supplements

The range of supplementary payments and allowances currently paid to pensioners will be simplified and made more flexible through the introduction of a new pension supplement.

This will help make pension payments easier to understand. Following the reforms, pensioners will receive two main payments: the base pension and the pension supplement.

This new pension supplement incorporates the value of the existing GST supplement, pharmaceutical allowance, utilities allowance and telephone allowance (at the higher internet rate). Increases of \$2.49 a week for singles and \$10.14 a week for couples combined will be paid on top of the value of existing allowances.

The pension supplement will be indexed in March and September each year in line with increases in the consumer price index. It will be available only to people resident in Australia or temporarily overseas.

The pension supplement for a single pensioner will be around two-thirds, 66.33 per cent, of the pension supplement for a couple combined. This mirrors the new single to couple ratio established for pension rates.

At 20 September 2009, it is estimated the pension supplement will be worth up to \$1,462.70 a year for singles (or \$28.13 a week) and \$2,199.60 a year for couples (or \$42.30 a week). This is an estimate as the actual indexation increase is not yet known.

The pension supplement will be included in the pension payment rate and subject to income and assets testing. This means that, once the base pension rate is reduced to nil, the pension supplement will decrease until it reaches a minimum payment of an estimated \$790.40 a year for singles (or \$15.20 a week) and \$1,190.80 a year for couples (or \$22.90 a week). The payment a person receives will not fall below the minimum amount of the pension supplement until the person's income or assets reach a level that would otherwise reduce their payment to nil.

The new pension supplement will provide pensioners with more flexibility in managing their own budgets.

From 20 September 2009, the pension supplement will be paid fortnightly, along with the base pension. From July 2010, pensioners will have the choice of receiving around half of the pension supplement in quarterly instalments. This flexible part of the pension supplement will be equal to the minimum payment of pension supplement.

Self-funded retirees will also benefit from these reforms. A new seniors supplement for holders of a Commonwealth seniors health card will be introduced from 20 September 2009. The seniors supplement will replace the seniors concession allowance and telephone allowance (at the higher internet rate) for eligible recipients. The seniors supplement will continue to be available as a quarterly payment and will be paid at the same rate as the minimum amount of the pension supplement. The seniors supplement for a single person will be 66.33 per cent of the seniors supplement for a couple combined. In September 2009, the seniors supplement will be an estimated \$790.40 a year for singles and \$1,190.80 a year for couples.

Increases in the pension supplement minimum amount for couples combined and for singles will flow through to increases in the seniors supplement. This will mean pensioners cannot receive less supplement than eligible self-funded retirees.

Change to the pension income test

As part of the secure and sustainable pension reform package, the pension income test will be tightened. This will help ensure the pension system is sustainable in the longer term, and that increases can be targeted to those most in need. These changes apply to recipients of social security age pension, disability support pension, wife pension, carer payment, widow B pension, bereavement

allowance and special needs pension. This change does not apply to recipients of parenting payment (single).

From 20 September 2009, the pension income test taper rate will increase from 40c to 50c for each dollar of income over the income test free area. Under the new rules, where a pensioner has ordinary income over the income test free area, their rate of pension will reduce by 50c for each dollar of income above the free area. In the case of a pensioner couple, their combined pension will reduce by 50c for each dollar of income (combined) over the income test free area. Pensions paid to each partner will reduce by 25c for each dollar of income (couple, combined) over the income test free area.

To bring the pension income test into line with other means-tested payments, including allowances and family assistance, the additional income test 'free area' for dependent children will be removed.

Transitional arrangements will be put in place to protect existing pensioners who would otherwise have faced a payment reduction because of the changes to the income test. The transitional safety net will ensure that current payment rates for part-rate pensioners are maintained in real terms, with indexation in line with increases in the consumer price index, and that they benefit from an increase of \$10.14 per week for singles or couples combined. They will continue to receive these existing entitlements, including the increase, until they are better off under the new pension rules, including the new 50c income test withdrawal rate.

New 'work bonus'

Some pensioners choose to take up paid work to supplement their pension. A new work bonus will be introduced to help age pensioners keep more of the money they earn from work. The work bonus will provide concessional treatment of employment in-

come under the income test for pensioners over age pension age.

Under these new rules, employment income will be assessed fortnightly for pensioners over age pension age. Only half of all employment income (up to a maximum of \$500 a fortnight) will be assessed in the income test.

For example, a single age pensioner who works part time with a fortnightly income of \$500 will have only half of their income, or \$250, from this job assessed under the pension income test. This means that the pensioner will be up to \$125 per fortnight better off just as a result of the new work bonus, even after taking into account the tightening of pension income test rules.

Further amendments in the bill are made to close the Pension Bonus Scheme. The introduction of the scheme in July 1998 was intended to encourage older Australians who would otherwise retire and claim age pension to remain in the workforce and defer claiming the payment. The Harmer pension review found the scheme is not meeting its objective of encouraging workforce participation among older Australians. As a result, it will be closed to new entrants from 20 September 2009. Existing members of the scheme will be able to remain in the scheme and claim a pension and their bonus when they finish working.

Age pension age

As part of these reforms, and to improve the longer term sustainability of the pension system, the qualifying age for age pension will increase for both men and women from 65 to 67 years. This will be done on a gradual basis, with the qualifying age for age pension increasing by six months every two years, commencing on 1 July 2017 and will be fully implemented on 1 July 2023. Phasing the change in over this period will allow

affected individuals time to plan for their retirement.

The change will ensure age pension age is adjusted to reflect the significant improvements in life expectancy that have occurred since the age pension was first introduced in 1909. It will allow the government to respond to the long-term cost of our demographic challenges. This change will not impact on current age pensioners, and will only affect people born on or after 1 July 1952. The phase-in of the increased age mirrors the rate of increase of the pension age for women, which is currently increasing and will reach 65 years on 1 July 2013.

The pension age for veterans will not be increasing as a result of these changes. The male veteran age will remain at 60 years. Pension age for female veterans is currently 58½ years and is gradually increasing to align with male veteran pension age of 60 by 2013. However, the pension age for nonveterans under the Veterans' Entitlements Act will increase in the same manner as the qualifying age for age pension under the Social Security Act.

More flexible advance arrangements

Existing arrangements for advance payments will be improved, to give pensioners greater access to advances of certain social security payments. Advance payments are lump sum prepayments of a pensioner's entitlements, which are repaid in instalments from future pension payments. The improvements will increase the maximum allowable advance from \$500 to around \$1,000 for singles and \$1,500 for couples combined. The actual maximum advance amounts will be linked to movements in social security pension rates. They will also enable pensioners to access more than one advance in any 12-month period. The changes will modernise the advance payment system to better

reflect the needs of pensioners, helping them meet large or unexpected expenses.

Pension reform implications for aged care

As our population ages, it is vital that we support a strong residential aged-care sector that provides appropriate care for frail older Australians. It is also important that those older Australians who reside in aged-care facilities have some money left after paying their fees.

The government has decided to share the pension increase between aged-care providers and pensioners. This ensures that pensioners in aged-care homes are able to benefit from the pension increase, while at the same time recognising that care providers also need additional funding to contribute to the costs of services such as nursing care, food and cleaning.

Of the pension increase for singles, \$10.09 per week will flow to the pensioner and \$22.40 per week will flow to the residential aged care provider through an increase to the basic daily fee.

As the daily fee charged to self-funded retirees is linked to the amount of the age pension, an increase in the age pension would normally mean the fees faced by self-funded retirees would increase.

The government recognises that a sudden cost increase for existing self-funded retiree residents would be an unfair burden, and has decided that those self-funded retirees in residential aged care on 19 September 2009 will have their existing fee levels protected until they leave. Those who enter aged care after this date will have any cost increase phased in over four years.

The arrangements for self-funded retirees will also apply to part-rate pensioners who do not benefit from the pension increase.

During this period, aged-care providers will be compensated by the government,

through a new top-up supplement, for any difference between the actual fee paid by these new part-rate pensioners who may not receive the full pension increase and by self-funded retirees and the new standard basic daily fee—that is, the difference between the phased rate and the standard rate.

A combination of increased fees paid by residents and the new top-up supplement represents an increase of \$713.2 million over four years for the aged-care sector. This will be available to meet the rising costs that aged-care providers face. At the same time, pensioners will have extra money to meet their out-of-pocket expenses.

Changes to family payment indexation

The government is taking important steps to reform family payments to make them more sustainable for the long term. As part of these changes, from 1 July 2009 under provisions of this bill, the maximum rates of family tax benefit part A will only be indexed in accordance with movements in the consumer price index. For rates of payment for children under 16 years, current benchmarks to the combined pensioner couple rate (which enable benchmarking to male total average weekly earnings) will be removed.

The removal of the link to earnings ensures that government expenditure on family assistance is more sustainable in the long term. The indexation of maximum payment rates in accordance with movements in the consumer price index will continue to maintain the real value of assistance for families on low and moderate incomes. In a tight fiscal environment, savings from reduced expenditure on family tax benefit can be directed to funding other priorities, such as the secure and sustainable pension reforms. Australia's spending on family payments is generous by international standards. The most recent analysis shows our spending on cash family benefits was equal third highest in the

OECD, at 2.2 per cent of GDP, well above the average of 1.3 per cent.

The indexation date for the maternity immunisation allowance will be changed from twice a year to once a year. In line with other family payments, the maternity immunisation allowance will now be indexed on 1 July. The first annual indexation will occur on 1 July 2010.

Other measures

Recipients of social security and veterans entitlements payments, who receive payments under certain Western Australian programs, will have these amounts excluded from the income test for the purposes of calculating their rate of payment. The Western Australian programs are the Cost of Living Rebate Scheme and the Country Age Pension Fuel Card. The income test concession will start on 1 July 2009 and end on 30 June 2012.

The bill also includes amendments relating to the adjusted taxable income test for the Commonwealth seniors health card, whether issued under the Social Security Act or the Veterans' Entitlements Act. The amendments will include in adjusted taxable income any reportable superannuation contributions, including income salary sacrificed to superannuation. These amendments are relocated from the Social Security and Veterans' Entitlements Amendment (Commonwealth Seniors Health Card) Bill 2009, currently before the parliament, but which will be withdrawn. The measure is consistent with changes that have been legislated in respect of a range of pension and allowance income tests, and arrangements that have existed for the age pension for some time.

To better support pensioners who are studying to improve their qualifications, the portability conditions for full-time students on Austudy and youth allowance will be extended to other income support payments.

This will apply to a person receiving disability support pension, parenting payment, carer payment, widow B pension, wife pension, partner allowance or widow allowance. If the person is in full-time study and continues to meet the qualification conditions for their payment, they will be entitled to go overseas for more than 13 weeks to study as part of their full-time Australian course.

The bill will also amend schedule 2 to the Veterans' Entitlements Act to include a new operational area. This will give Defence Force members allotted for duty in the new operational area during the relevant dates access to pensions and benefits available under the Veterans' Entitlements Act.

Conclusion

This government has acted to introduce long-overdue reforms to significantly improve the adequacy of the pension and to make the pension system simpler and fairer.

Reforms to provide long-term security and certainty, and to ensure that, over time, the pension system remains both adequate and sustainable.

Reforms which tackle the reality of the ageing population and the challenges this presents.

Reforms to adapt to changing circumstances, while maintaining the system's enduring strength.

Reforms to guarantee an adequate and sustainable standard of living for the aged, carers, veterans and people with disability who rely on the pension to survive.

I commend the bill to the House.

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

INTERNATIONAL MONETARY AGREEMENTS AMENDMENT (FINANCIAL ASSISTANCE) BILL 2009

Second Reading

Debate resumed from 4 June, on motion by **Mr Bowen**:

That this bill be now read a second time.

Mr NEUMANN (Blair) (12.27 pm)—When I left off my speech on the International Monetary Agreements Amendment (Financial Assistance) Bill 2009 a week or so ago, I was saying that our relationship with Indonesia is of crucial importance to Australia's economic development and prosperity. In our region we are a neighbour to Indonesia. They partner with us in all kinds of areas, not just in sport and culture but also in terms of tackling the challenges of climate change and education. There are 15,000 students from Indonesia alone studying here in Australia. That brings close to A\$500 million into our economy each year. That is an enormous amount of money, contributed by Indonesian families to this economy, helping our prosperity, our economic development and our wealth in this country. So the importance of our relationship with Indonesia cannot be underestimated.

We have committed \$462 million over the 2008-09 year in official assistance to Indonesia. There have been many visits by senior cabinet ministers, including the Prime Minister, to Indonesia and other parts of South-East Asia to show how important our relations with the region are. Lest it be said that we are doing something unusual in terms of partnering with the World Bank and other countries to provide this sort of facility—US\$1 billion to Indonesia as a standby loan—and lest it be said that charity begins at home and somehow we should not be doing this, I say it is extremely important to show that we are a good neighbour to Indo-

nesia and to build on the many ties that we have with Indonesia.

In 1989 the Australia-Indonesia Institute was established by the Australian government. Its aim was to develop relations between Australia and Indonesia and to promote greater mutual understanding and expanded areas of contact, and we have had Indonesian students under the program studying here in Australia, for example. Mr Speaker, you and I had the privilege of being there on the 20th anniversary when the Australian ambassador hosted the conference. The goodwill, the amity and the friendship that was there between Australia and Indonesia was quite evident and we must do everything we possibly can to continue to improve the relationship.

Our bilateral economic and trade relationship with Indonesia is extremely important. Indonesia was Australia's 13th largest merchandising trading partner in 2007, the 11th largest export market and the 11th largest source of imports. Our main merchandising exports to Indonesia are, of course, wheat, crude petroleum, live animals, aluminium and sugar. Our major imports from Indonesia are crude petroleum, gas pumps, non-monetary gold and simply worked wood. So it is important for us to acknowledge how vital Indonesia's relationship is with Australia. Our two-way merchandise trade totalled \$8.8 billion in 2007. Exports were valued at \$3.9 billion and imports at \$4.8 billion. Australia was Indonesia's eighth largest export destination and ninth largest source of imports. So the relationship in terms of goods is important, providing assistance to Indonesia to ensure that the impacts of the global financial crisis and the global recession are lessened on that country. Our two-way services trade in Indonesia exceeded \$1.6 billion in 2007. We are providing assistance in terms of education related travel and personal travel. Our major imports from Indone-

sia in terms of services were personal travel and transportation as well. So our relationship with Indonesia is simply vital for our economic security as well as our prosperity.

But what we are doing in terms of assistance for education is simply vital also. In the education sector strategic planning has been undertaken by Indonesia. The Indonesian people set a goal to ensure that all Indonesian children receive a minimum nine-year primary and junior secondary education. That is so important in increasing the prosperity and productivity of the Indonesian people and ensuring that Indonesian children have a better chance in life. We are partnering with Indonesia in our Australia-Indonesia Basic Education Program. That has an aspiration to ensure that there are 2,000 schools—1,500 general and 500 madrasa schools—constructed to create 330,000 new junior secondary school places for 13- to 15-year-old Indonesian children. We are financing through that program Indonesian schools and constructing them in consultation with local communities. It is important from the point of view of giving those children a chance in life. I have been to rural Central Kalimantan and to see the delight on the children's faces when they have new facilities there is simply a wonderful experience to enjoy, and to realise that our dollars sent to this place and the work that we do in Indonesia are very important in creating a great deal of goodwill towards Australia as well is most rewarding.

Our partnership with Indonesia just does not go to lending money and helping in terms of education. It also goes to tackling the challenge of climate change. We have engaged with Indonesia in the Kalimantan forest in a climate partnership. Our governments have announced that we will help Indonesia in this regard. That was done at APEC in 2007 by the previous government. We have committed \$30 million to the part-

nership and we hope to attract an additional \$70 million over time with other partners. We are trying to work with other partners to ensure that the Peatland Project in Central Kalimantan is also dealt with in such a way as to conserve the environment there and the wetlands because they are just so important for orangutans and other fauna and flora. We are partnering with the World Wide Fund for Nature and the BOS Foundation as well as universities in rural Kalimantan. The largest source of greenhouse gas emissions in Indonesia is deforestation, estimated at 80 per cent of national greenhouse gas emissions. Our partnership, the Indonesia-Australia Forest Carbon Partnership, is key to ensuring that we can tackle this problem and deal with this issue in a global way.

What we are doing with Indonesia does not go just to education or climate change or cultural and interfaith assistance; we are also helping Indonesia in many ways, and not just in our trade but in other ways as well. We are partnering with them for national security, confronting the problem of people-smuggling and dealing with them through Australian Federal Police, who have a presence in Indonesia, tackling the problems of terrorism. We have seen over 200 terrorists prosecuted and convicted by the Indonesians, and the government's initiatives are to be commended with respect to tackling the problem of terrorism. We have seen that in Bali and we have seen it on so many other occasions. Our own embassy has been attacked over there in Jakarta in Indonesia.

So our relationship with Indonesia is crucial for our economic development, our national security and in terms of being a good neighbour. In these circumstances this loan, which I note has bipartisan support, should be carried out and we can show just what good neighbours we are with Indonesia. We should also promote the kind of assistance that is crucial to cultural, sporting activities

and other help. The legislation before the House does have bipartisan support. I note the comments made by the member for North Sydney in respect of this matter. He was quite equivocal and quite critical of the government in many ways in relation to this legislation, but, despite his criticism of the Rudd Labor government, the coalition will support this legislation, and I commend it to the House.

Mr BOWEN (Prospect—Minister for Financial Services, Superannuation and Corporate Law and Minister for Human Services) (12.36 pm)—in reply—I thank all honourable members who have contributed to this debate. The purpose of the International Monetary Agreements Amendment (Financial Assistance) Bill 2009 is to amend the International Monetary Agreements Act 1947—the IMA Act—to extend the current provisions that enable the Treasurer to lend money or enter into a currency swap with a country in support of an International Monetary Fund program. The amendments extend the current arrangements to include support for the World Bank and the Asian Development Bank. The amendments will enable Australia to provide a standby loan to Indonesia if needed, as well as to enter into a loan or currency swap with other countries to support World Bank or ADB programs in the future should the need arise. Consistent with the 1998 International Monetary Agreements Amendment Bill, this bill will allow Australia to continue to play its part in international cooperation efforts. It is in Australia's national interest to support stability and economic recovery, particularly in our region, an issue on which there is an established history of bipartisanship.

The bill also extends the same conditions currently contained in the IMA Act that apply to IMF programs. That is to say, there must be a request by the World Bank or the ADB for Australia's assistance. The agree-

ment must allow Australia to require repayment if the World Bank or ADB program is suspended or prematurely terminated. The Treasurer must be satisfied that the other countries or international organisations involved will also be providing support to the recipient country as part of the World Bank or ADB program.

Consistent with the IMA Act the bill will continue to require public release and tabling in each house of parliament of a national interest statement relating to an agreement entered into by Australia under the bill. Statements will include a description of the nature and terms of the agreement and set out why it is in the national interest, having regard in particular to foreign policy, trade and economic interests.

The Australian government is tackling the financial crisis both at home and in cooperation with others internationally. This bill will enable Australia to contribute to World Bank and ADB financial assistance programs should the need arise. Provisions contained in the bill will ensure Australia is able to respond quickly to requests to participate in international cooperation efforts during times of crisis and that this assistance is in Australia's national interest. I commend the bill to the House.

Question agreed to.

Bill read a second time.

Message from the Governor-General recommending appropriation announced.

Third Reading

Mr BOWEN (Prospect—Minister for Financial Services, Superannuation and Corporate Law and Minister for Human Services) (12.39 pm)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

HEALTH INSURANCE AMENDMENT (EXTENDED MEDICARE SAFETY NET) BILL 2009

Second Reading

Debate resumed from 28 May, on motion by **Ms Roxon**:

That this bill be now read a second time.

Mr DUTTON (Dickson) (12.40 pm)—The Health Insurance Amendment (Extended Medicare Safety Net) Bill 2009 represents yet another Labor attack on health care for Australians. The measures contained in this bill will put a cap on payments under the Medicare safety net for a variety of medical services, putting those treatments out of the reach of a great many Australians and imposing yet another burden on ordinary Australians at a time when they can least afford it because of this government's reckless spending, which is pushing this nation into record debt.

The government will make savings of \$450 million over four years as a result of this measure. This bill comes just days after the Prime Minister and his Minister for Health and Ageing shredded the solemn promises that they made over a lengthy period of time not to change private health insurance rebate regimes, which encourage Australians to take out health insurance and in doing so relieve some of the pressure on the nation's public healthcare system. Not content with that attack on one of the fundamentals that have given Australia one of the best health systems in the world, the government is now intent on bringing more pain to Australians requiring various medical treatments—in the main to elderly Australians needing cataract surgery and young couples either having children or needing help to do so.

Health featured heavily in this government's campaign for office with a lengthy list of the things that it would or would not

do. Before the House now is a bill that does exactly what this government said it would not do. This bill represents yet another broken promise on health from this government and Australians are now starting to realise that Mr Rudd would clearly say anything at all or do anything at all in his pursuit of power. Let us look at what the health minister was saying with regard to the Medicare safety net in the run-up to the last election. Here is what she said to the *Meet the Press* program in September 2007:

We are setting out a comprehensive plan and the safety net is part of that plan that we are committed to and we will be running on for the election.

Today we see what the minister's commitments mean. Let us look back again to September 2007 and to one of those now infamous joint media releases from now Prime Minister Rudd and Minister Roxon:

A Rudd Labor government will retain the Medicare safety net as Australian working families—

Let me repeat that: as Australian working families—

have come to rely on it for help with their family budgets.

The document goes on:

Federal Labor will not put more pressure on family budgets by taking that assistance away.

One can only wonder what working families think right now. There has been no other period in recent times when working families have been under more pressure than they are right now. One million Australians earning less than \$26,000 a year have private health insurance. This health minister says they will not be hurt by her attack on insurance rebates. Wait until premiums rise by more than would have been necessary and let us see if they are not hurt then. She also says that the measures in these bills which cap payments under the Medicare safety net will not hurt. Tell that to Australia's senior citizens and

pensioners, one of the groups most impacted by this government action.

The extended Medicare safety net was introduced by the former coalition government in 2004 to protect Australians from high out-of-pocket expenses for medical services provided out of hospital. About one million Australians each year receive payments under the safety net to help them with their large medical bills—among them, no doubt, many working families, many senior Australians and pensioners and many young people starting or seeking to start a family. They are the ones who will be hit hardest by the caps the government now seeks to put on the Medicare safety net.

Caps are to be put on: all obstetric services; some pregnancy related ultrasounds; all assisted reproductive technology, including IVF; varicose vein treatment; and cataract surgery. Cataract surgery gets hit twice by this government—in these measures and elsewhere in the government's budget. It is unbelievable. Now the government blames doctors for the need to impose these changes to the Medicare safety net and Australians who incur high medical costs and benefit from it. 'Doctors are taking advantage of the safety net; doctors are charging excessive fees' has become the somewhat repetitive refrain. Of course, it has nothing to do with the government's debt splurge that now requires them to find every cent of saving they can in this budget to fund the \$300 billion of debt this nation will be saddled with in a few short years. Senior Australians needing cataract surgery must pay for this government's reckless behaviour, so too must young couples seeking to start a family.

These changes pose very important questions. Did the government really think through what these changes would mean? Are they sure of what they are doing here? Let us have a look at cataract surgery. Under

this bill a cap is going to be placed on one cataract procedure, but this will combine with other budget measures to bring about significant changes. The government will halve the MBS rebates for this medical procedure from around \$600 to around \$300. Patients, many of them senior Australians—pensioners and retirees—will have to pay hundreds of dollars out of their own pocket and for some procedures only a small part will now be recoverable from the safety net.

Around 120,000 or more Australians undergo surgery each year, with 200,000 cataract operations. The majority of cataract operations—70 per cent—are done in the private system, with only 30 per cent done in public hospitals. There are substantial waiting lists for treatment in the public system. The effect of this would seem to be to drive patients to the already congested public health system. That is at the core of so many of the government's ill thought out decisions in health. At the last election they promised they would fix public hospitals by mid-2009 and now, if we reflect on the 18 months since they made that announcement, every decision they have taken in health will put only more pressure on the public health system.

The Combined Pensioners and Superannuants Association of New South Wales has described these changes as 'disastrous'. The association says that the costs will prove impossible for pensioners and other low-income earners to meet and they will not receive what is an essential medical service. They believe services in regional and rural areas could be cut altogether. Noted eye surgeon Dr Bill Glasson agrees. He has restored the sight of thousands of people in rural and remote areas of Australia. It is worth hearing what he has to say about what this government is doing. He told the ABC:

The impact really is going to be on the battlers across Australia, particularly those in rural and

regional Australia, particularly Indigenous and it's just going to make things tougher and tougher.

They've given the pensioners \$30 on one hand and effectively taking \$300 with the other hand—it is a very short-sighted decision and all this is going to do is drive more and more people out onto the public waiting list.

That is what this minister and the Prime Minister—this government that promised to fix health—are doing to the battlers, to the working families and to the pensioners of our country.

Seventy per cent of people aged in their 80s will suffer cataracts. Surgery that restores vision has other beneficial outcomes. Of course, if people who are ageing have difficulty with their sight they are likely to have falls, fractures, hospitalisation and treatment for other outcomes of poor vision. This government is going to block those people from having this life-saving, and life-changing in many cases, surgery. It is inconceivable that this government could believe that this is a measure that ultimately will result in savings.

The Society of Ophthalmologists has described the government's action as a 'huge blow' to patients. It says it will put the cost of private cataract surgery beyond the reach of average Australians. Remember, 70 per cent of all current cataract surgery is carried out in the private sector. What does that say for the public sector from here? More patients waiting longer. Ophthalmology already has the longest waiting times of any specialist surgery. That is the result of this government's broken promises. This is hardly what you would call fixing health. There are the broken promises and then there is the hypocrisy.

This bill is going to cap payments to Australian couples who need help in starting a family. Assisted reproductive technology and IVF will be hit hard. More than 40,000 people accessed IVF services last year with the

support of the Medicare safety net. It is estimated that 11,000 babies were born in this country as a result. Medical sources also estimate that one in six couples will have fertility problems of some sort and need assistance to start a family.

I do not need to speak against this measure. I will let members of the Rudd cabinet do that. Their hypocrisy in putting this measure forward is astounding. Only three years ago none other than the Deputy Prime Minister was extremely vocal in her support for IVF. Now she sits on the sidelines, it seems, in silence as this measure is pushed through by her own government. Julia Gillard presented petitions to this parliament in support of IVF treatment. At that time she spoke out against mooted changes to Medicare and said, 'Labor opposes any cutbacks to Medicare funding of IVF.' Let me repeat that for the benefit of the House and for all Australians listening to this debate: 'Labor opposes any cutbacks to Medicare funding of IVF.'

What a cruel hoax that was, Deputy Prime Minister. What a disgrace that you are now part of a government which is ripping apart the support to those people who are most in need. The Deputy Prime Minister also said only three short years ago:

It is a cruel thing to do to Australian women particularly older Australian women, whose only hope of falling pregnant is through the IVF process.

That was the Deputy Prime Minister's view, which was reflected by many who are now in government when they were on the back bench of the Labor opposition. Clearly, they have done a complete about-face. That is what makes the government such a joke when they talk about their commitment to fixing health. Everything they have done over the last 18 months in the health program has put only extra pressure on an already overstretched system.

No fewer than four Labor members presented petitions to this House four years ago, among them Ministers Emerson and Burke, and perhaps even the current Treasurer, Mr Swan, joined the campaign in favour of IVF. Where are these people now? That is not my question but the question of thousands of people who feel betrayed by this government, thousands of Australians who feel ripped off by this government. This clearly is a policy driven by Treasury, not by Health. It is a policy driven by Treasury and Finance, and it cannot have any basis in good health outcomes. It cannot be the basis for this government's decision to rip away support for needy Australians, the people who rely on that safety net.

I have met, spoken and corresponded with thousands of Australians in relation to their experience on IVF. I want to bring to the attention of the House one compelling case. I read from a *Friends of QFG Newsletter* which was presented to me by one of my constituents. For the benefit of the House, I will read some excerpts from a letter to the editor of that particular newsletter:

Brian and I had been married for about 7 years and although he had been ready for children from day 1 I was now finally ready. It was June 1998 ... I was only 27. We tried with no success and Brian had a sperm test with his GP that came back perfect. I then went to my GP and was told to relax and have a holiday "you're young" don't worry about it.

The letter goes on to say:

We managed to get in to see Dr Bob Watson in February 2004. He asked an enormous amount of questions and sent both Brian and I off for more dreaded blood tests that seemed to never end, this was the start of attempting to overcome my fear of needles ...

... ..

Well we rocked up refreshed and eager to get this over with even though we were told that IUIs probably wouldn't work for us but it's worth giv-

ing it a go. Two attempts at that was more than enough for me, bring on the big guns that should work. Off to Wickham Terrace to meet with Gail for the details about IVF and all the drugs.

We started out the first of what was to be all 8 full stimulated IVF cycles on 11 June 2004, the first FSH injection (125 units) was on our 13th wedding anniversary 29 June 2004. That first cycle, although in hindsight one of the worst, was good because we really didn't know what we were doing or what to expect. I knew that the chance of success on the first go was slim but I was very positive and when it failed before I even had my blood test I fell in a heap. I just sat on the bathroom floor and cried.

... ..

Brian and I picked ourselves up from that cycle and thought if we went back quickly that would be the best way to cope. The second cycle started in September we got 9 eggs (due to 600 units of FSH) but none fertilised ...

November 2004 was to be our third cycle ... This cycle also was the first time we used ICSI, we couldn't have coped with another cycle with no transfer so we hoped this was the answer ... By this stage we had never had any embryos good enough to freeze so we had 3 transferred, but again it wasn't to be.

I changed jobs because the stress at work was too much and we thought that this would help, well it didn't. It was easier though as I decided it was easier not to tell my workmates. This was one place I could go and not think about IVF, it was great. I also joined the Friends of QFG committee, I felt they had helped me so much that if I could help one person the way they had helped me it would be great.

We started our fourth cycle in April 2005. This failed and to top it all off I got a nasty infection. Still not willing to give up, our 5th cycle began in June 2005, Bob did the pickup, we got 14 eggs, that was the most so far and 9 fertilised, surely it would work this time, Dr Kilvert transferred 2 of our precious embryos and I still didn't make it to a blood test.

... ..

The sixth cycle this was the worst EVER. I got 13 eggs and 10 fertilised. Bob said they were the worst quality yet, but we had 3 transferred.

This lady goes on to say:

Maybe 7 was the cycle for us, a new year a new attitude. Three were transferred this time, with the works, ICSI, hatching, embryo glue and more drugs Cardiprin, Prednisone and HCG injections after transfer. We went on holidays and relaxed, it had to work this time. We made it to the blood test, but it wasn't to be. A week later I was so sick I had stopped the prednisone the same as I had on previous cycles but this time it was a higher dose and my body could not deal with it. Brian touched me on the arm and I sobbed because my skin hurt intensely ...

... ..

I had begun to have severe pain on day 2 of my cycle the previous September, so I asked Bob what he could do about this and he scheduled laparoscopy etc on 10 March 2006, this only discovered mild endo.

Brian and I were starting to get quite down about the whole IVF thing by now, so I decided we would try everything.

This lady goes on to say, 'We tried boot camp,' and:

... walking group 2 nights per week. Bob had suggested that losing a bit of weight might help ... I also saw a Dietician ...

... ..

This lady continues, 'I wanted to see this particular doctor and was referred by the specialist.' She goes on to say:

(the immunologist) phoned me on day 2 of what was to be our 8th cycle (8 has always been my favourite and lucky number). He told me to take Cardiprin, Caltrate, Folate and Vitamin E and get some tests done the next day. The test took 13 vials of blood. The cycle went well ... and I had the transfer on Good Friday, then came the dreaded 2 week wait with the added bonus of Fragmin injections daily from day 3 after transfer and 2 lots of HCG top ups. I made it to the blood test on the Friday of the Labour day long weekend. I felt good, but the test came back negative ... Bob convinced us to talk to one of the scien-

tists and then come and see him as he wanted to discuss “donor eggs” with us again. At the end of the appointment Brian mentioned that the dreaded period had not arrived yet, so Bob sent me for another blood test the next morning. It came back positive, Bob thought maybe it was ectopic so I went back 2 days later, it had doubled and then again the next week it had more than doubled each day. Then finally a scan and the look on Bob’s face when he saw the heartbeat was priceless. Brian and I couldn’t believe it. We were pregnant. Many scans later I was finally an obstetrics patient, I never thought I would see that day ... 18 weeks and Brian found out what we were having, I didn’t want to know it as I had always from the transfer felt I was meant to have a girl. 24, 28, 30, 32, 34, 36 week scans finally whether I wanted to know or not it was obvious we were having a girl. It still felt like the 2 week wait, the Fragmin was coming to an end, for a needle phobic like me it was about time, 8 months of injections every day. Yuck. The Cardiprin finished on week 37 and Emily Charlotte was born at 1.46pm. 22 December 2006 (my Dad’s birthday) at five pound 10 ounces by caesarean. Bob declared she was perfect and Brian and I could finally breathe a sigh of relief, she was here.

We have met some fabulous people throughout our journey, people who truly understand just what you’re going through. Our thanks go out to all of them ...

There is a little bit more to the letter, but I will finish there. That was by two amazing Australians, two people who represent the stories of so many thousands. It is very tough to read for any of us who have been involved in this debate. It is an emotional debate because people’s lives, their futures and their perspectives on life are changed as a result of this particular cruel outcome by this government.

No contributor to this debate could sit opposite and say honestly to the parliament this is a good health outcome. That is why the Deputy Prime Minister, when she was Deputy Leader of the Labor Party in opposition, stood up and rallied against any proposed

changes. She railed against those changes because she knew that support should not be taken away from families who needed that support at their most desperate hour and deserved to have that continuing support. This is a government that, of course, has gone into incredible debt—that is not a political statement; it is a fact. The economic certainty is not there at the moment; it has changed significantly over the last 12 or 18 months, at the same time that the government has spent \$42 billion—not one of those dollars in health. Why would it continue with these cruel cuts when it knows that it has the capacity in other areas to allocate the money to save these people the extra stress? The story that I just read out completely and adequately represents the feelings of many of these people who have gone through IVF to create a family, to make their mark on the world, to bring a child into the world. There is no better reason for our existence than to bring new life into this world. This government’s cruel attack on the ability of families to be able to access that support really should stand condemned.

I say to the government: the coalition will offer bipartisan support in trying to find other savings to offset this measure if the government sees fit to reverse it. We will work in a bipartisan way to see that this support is kept for those thousands of Australians who deserve this support from their government. We will work with the government to make sure that we relieve the burden that is now being put on these families at a time when they need anything but more burden. The story that I just read is compelling because it describes in some detail the incredible pressure that these families—in some cases for years and years and years—and, in particular, the women involved in these processes endure. Why on earth we as a parliament and this government would put extra pressure on those families in a time of

most need is completely beyond any reasonable voice as part of this debate. We say to the government: 'Please reconsider your position. Reconsider your position in light of the comments made by the Deputy Prime Minister when she was sitting in opposition as Deputy Leader of the Labor Party.' None of the facts have changed in relation to this debate from the time that the Deputy Prime Minister made her comments to this debate today. None of the facts have changed when petitions by the thousands were presented to this parliament by other members who now sit on the front bench of the government. None of the facts have changed which would lend any credibility to a change in the position and the arrival at what the government now proposes.

That is the position of the coalition. We offer support to the government to see a more rational outcome. We want to make sure that these families who have incredible pressures on them already have some of that pressure relieved, not more put on them. That is our call on the government, and that is what we will continue to fight for on behalf of so many Australians over the coming period of this debate.

Ms HALL (Shortland) (1.04 pm)—The Health Insurance Amendment (Extended Medicare Safety Net) Bill 2009 amends the Health Insurance Act 1973 to enable the Minister for Health and Ageing to determine the maximum benefit payable under the extended Medicare safety net—I will refer to it from here on in as the EMSN—for each Medical Benefits Schedule, MBS, item. The bill creates a mechanism by which the government can responsibly manage the expenditure on the EMSN. I need to state very clearly at the commencement of my contribution to this debate: this legislation does not remove any item from the MBS; all items remain on the schedule. What it does is put a cap on the MBS item which is determined in

line with the median cost or charge that is made by specialists. Median cost means that that is the midpoint in the cost schedule. There are some specialists who are charging rather exorbitant fees, but I will come to that later in my contribution to the debate.

As I have already mentioned, the EMSN benefit cap will apply to benefits for MBS items, which will be payable in addition to the standard Medicare rebate once a patient reaches the EMSN threshold. Each patient will be eligible to receive up to the EMSN benefit cap each time they receive a service. There will be no limit on service; each time they will be able to receive that benefit. Once an individual or a member of a registered family reaches the applicable out-of-pocket EMSN threshold, the person is entitled to an increase in the Medicare benefit equal to 80 per cent of their out-of-pocket expenses for that claim for the rest of the calendar year. I am sure that members on both sides of this House are acquainted with constituents within their electorates who fall into this category.

The increased amount of the Medicare benefit payable under the EMSN is commonly referred to as EMSN benefit. A different level of EMSN benefit cap can apply to different EMSN items. The EMSN benefit cap would be a dollar value. For example, an EMSN benefit cap of \$100 may apply to one item and for a different item it may be \$500. There are three things that I have sought to establish here: (1) no item is excluded from the MBS (2) the caps can vary according to the item number and (3) those people who reach the EMSN threshold will continue to receive a refund equal to 80 per cent of their Medicare benefits.

Currently there is no limit on the amount of benefit payable under the EMSN and a person will receive 80 per cent of out-of-pocket expenses for services, which means

that, if a doctor chooses to charge an exorbitant fee, that patient will still receive an 80 per cent refund. One patient may go to a doctor who charges \$500 for an item on the MBS and another patient may go to one who charges \$2,000 for the same service. This legislation provides for the fact that some doctors are charging three or four times what other doctors charge for the same item number. Taking a midpoint from the example I just gave, the median figure would be \$1,000.

This legislation enables the minister to determine the cap on the EMSN benefit, which will be set out in the legislative instruments. The bill will cover 15 obstetric items, which will generate a saving of \$451.6 million over four years. As has been mentioned in the debate so far, these savings were part of the 2009-10 budget. The implementation date for the bill is 1 January next year.

As the shadow minister for health and ageing rightly pointed out, one area that will be impacted is IVF. As a member of this parliament, I am very supportive of IVF. Assisted reproduction has helped many people, including people I know—family and friends—to have that much sought after child. This legislation in no way seeks to stop that. The shadow minister gave an example in relation to a woman who underwent eight cycles. She will still be able to undergo eight cycles under this legislation. There is no limit on the number of cycles a person may undergo. If members on the other side of this House are going to argue that the legislation limits the number of cycles, they are misrepresenting the legislation. I emphasise yet again: what it does is put a cap on particular MBS services.

The extended Medicare safety net service will continue for all Australians and for all services currently covered. The safety net threshold has not been changed from the

\$555.70 for Commonwealth concession card holders and \$1,111.60 for all others in each calendar year. It is indexed each year, and will continue to be indexed each year, in line with the consumer price index. The government is not seeking and will not seek to means test access to the EMSN. It seems to me that a lot of the speakers on this debate from the other side of the House have sought to scare people in the community. I find that the approach of the opposition in relation to this has been less than optimal.

Another matter was brought up by the member for Dickson that I would like to touch on. He referred to ophthalmic surgeons. Yes, that is one area upon which a cap will be placed, but he also referred to how that would impact on Indigenous Australians, linking it into private health insurance. I suspect that the member for Dickson should undertake a little research into how many Indigenous Australians will actually be affected by this. The answer would be: next to none. To come into this House and use that as part of his argument shows that he has very limited knowledge of health and very little knowledge particularly of Indigenous health and the needs of Indigenous Australians. I would like him to consult with experts in this area, people who work on a day-to-day basis with Indigenous Australians, to put some facts to the fiction he has been putting forward in the parliament today.

The government chose to put this measure in place, to cap benefits at a level which covers average payments. Reasonable amounts will not be affected. If a person visits a doctor who charges a reasonable amount, an average fee, they will receive a refund of 80 per cent. There is no cycle limit and no items are being removed. Another thing the opposition were touting is that it is going to affect cancer patients, but cancer patients will not be affected.

This measure has been well researched. The government commissioned a review to which evidence was given. The opposite side are saying that those in greatest financial need will miss out on the benefits. It is the patients with higher incomes who are claiming higher out-of-pocket expenses. The review found that for every EMSN benefit dollar paid to patients 78c went to meeting the doctor's higher fee rather than to reducing the patient's out-of-pocket expenses. I put very strongly to this parliament that the EMSN is about making services that Australians need more affordable, to enable them to purchase services, to undertake IVF or to have a cataract operation. I would strongly argue that, if 78c of each benefit dollar goes to meeting the doctor's higher fees rather than to reducing the patient's out-of-pocket expenses, this scheme is not working in the way it was meant to. Putting the cap in place will ensure that patients benefit rather than doctors. As I mentioned earlier, those who have benefited most from the more affordable services have tended to be wealthier and in a better position to access some of the more expensive services in the first place.

The EMSN did create some problems for the Howard government, who raised the safety net expenditure threshold so that they could reduce the number of people who would qualify for the EMSN and they did that to rein in the cost. We are not doing that; in this legislation, we are putting in place a cap designed to come into play at the average fee point.

I do not support what those on the other side of the parliament have been saying—that this is about stopping women or families receiving IVF assistance; rather, it is about ensuring that they see doctors who charge an average fee. They will still get 80 per cent of the EMSN. This is only about the high end, about doctors who charge exorbitant fees. There are doctors involved in IVF who earn

incomes in excess of \$4 million a year—rather a large salary. We support women continuing to receive funding for an unlimited number of cycles and we support all items remaining on the MBS, but we do not support paying 80 per cent when doctors charge exorbitant fees.

I support the legislation and I encourage those on the other side of the House to look at what the legislation does, rather than putting out a smear and fear campaign, as they always do. I encourage them to provide the correct information to their constituents, telling women or pensioners who visit them, 'Yes, you can still get 80 per cent of your fee back, but you must go to a specialist who will charge a median fee and not an exorbitant fee.'

Mr MORRISON (Cook) (1.22 pm)—The Health Insurance Amendment (Extended Medicare Safety Net) Bill 2009 is a cruel bill. It is a heartless bill. Contrary to what has just been suggested in this House, it has nothing to do with people having any restriction placed on them as to how many IVFs they can undertake. This bill will put up the cost by between \$1,500 and \$2,000 a cycle for those who are looking to use assisted reproductive technologies. That is what the impact of this bill will be and, for many Australians, that will mean the end of the road of their dream to have children. It is a heartless bill and it is a cruel bill, and to sit here in this place and listen to the suggestions put forward by those on the other side that this is all about overcharging doctors and there not being caps on how many times you can do it says one thing to me: they just do not get it. Those opposite really do not understand what the impact of this bill will be on people who are desperate to have children.

Infertility is not a choice. It is not something you wish for. It is not something that you elect. It happens to you, like many

things in life happen to you. Just under one in six couples of reproductive age in this country have a fertility problem. IVF is responsible for some 11,000 births each year. Around 40,000 treatments were provided in 2008. Around one child today in a classroom of 25 is in that classroom because of IVF and other related treatments. Forty per cent of fertility problems relate to men, 40 per cent to women and 20 per cent are of non-specific cause, which is one of the hardest things to deal with when you just do not know why. IVF and related assisted reproductive treatments are the only hope for people afflicted with infertility. I make reference to a statement made by Sandra Dill, the Chief Executive of Access Australia, which is the group that supports, represents and provides assistance to those who are going through this horrendous ordeal. She says:

IVF is the last chance for many to have a child of their own and the Medicare Safety Net has ensured that every Australian has that opportunity. The Government's decision has taken away many Australians last chance to have a baby.

This is a cause which sits very close to my heart. I have taken the unusual step today of returning from leave. My wife gave birth to a child last Thursday—our second child, Lily Alice. Our first child, Abbey Rose, was born on the 7th of the 7th of the 7th—14 years from when my wife and I began assisted reproductive treatments, which consisted of 10 IVF cycles. It was a horrendous ordeal. My wife had very difficult surgery and we were finally able to conceive a child without the ultimate assistance of IVF. Everything we learned along the road—every day, every lesson, every treatment and every piece of advice—was critical to our path and to the process of having children.

The desire to have children is the most positive, life-affirming instinct we as human beings have. The desire does not go away when you are told that you cannot have chil-

dren or that you will have difficulty having them. The feeling of loss at every failed attempt is indescribable. Others, removed from the emotional hell, rationalise the failure of embryos failing to take, while parents and want-to-be parents grieve the loss of children. We console ourselves with the thought that one day we will be reunited with our unborn child beyond this life. Added to this physical and emotional torment is the pressure that it places on extremely fragile relationships working through these very difficult issues.

Most families understand the sacrifice involved in having children. They understand that as they have those children and see them growing up in their homes. It means many changes to our lives—many welcome changes, I must add. But one of the reasons we as parents can deal with those sacrifices is that it is accompanied by the sheer joy of parenthood—and there is nothing to match it. Some people go through fertility treatment over extended periods of time. You would have heard the member for Dickson recount an incredibly moving story, which I am so pleased had a happy ending even though so many of these stories do not. For those going through the hell of fertility treatment over an extended period of time, their first experience of parenthood is only sacrifice. That is all that many will ever know; the joy of parenthood never comes. The pain of these experiences is not altered by your level of income. It does not change how you feel and what goes on inside you. Regardless of how much or how little you have, you do whatever it takes to make this work. You make the sacrifices. You take out the extended loan or the second mortgage. You do whatever you need to do to try to realise that dream. For families going through this very dark chapter of their lives, it is all consuming.

The reason I am pointing this out is that I do not believe that those in the government

have got a full handle on the depth of this issue or a real appreciation of the pain that they are going to inflict on their fellow Australians as a result of this measure. When you go through this, everything comes into question. You are challenged spiritually, emotionally, physically and financially. You question everything—God, each other, your priorities, your future. Nothing escapes scrutiny when you are going through this treatment and this ordeal. Along this road you will find the wreckage of shattered lives, marriages and families. But when you do this you know the risks you take, because you are so committed to and so passionate about the fact that one day you might be able to realise that dream of bringing a child into the world, which I believe is a very pure dream.

Against this background, the government has introduced this bill and has moved, as the previous speaker said, to cap payments under the Medicare safety net for IVF and related fertility treatments. The bill also imposes caps on a range of other services—including obstetric services, pregnancy related ultrasounds and cataract surgery. I will not touch on these; the shadow minister has already mentioned these. The saving that is expected to be gained from this measure is \$475 million. Just to put that in context, that is less than two per cent of what the Labor government borrowed and gave away in cash payments. So what we are seeing right here before us in this bill is one of the many costs of the spending that this government has engaged in.

As I mentioned at the start of my remarks, the cost for couples is estimated to rise from \$1,600 or thereabouts—and for many it is far more than that—in out-of-pocket expenses to around \$3,000 to \$3,500. So when the previous speaker, the member for Shortland, makes the assertion that this measure will not end the dream of Australians seeking to have children she clearly does not understand

what the consequences of the cap will be. The cost will go up significantly. It will more than double for some families and some couples—for many couples, I expect.

I think Labor are in complete denial when it comes to this measure. I think they are looking to run and hide. I think they want this legislation to move through this parliament as quickly as possible because they are, frankly, ashamed and embarrassed about it. They have taken a position on this matter which is in complete contradiction to what is outlined in this bill, so they sit here in denial and put forward these arguments, but, frankly, they should sit silent because this is an indefensible measure, particularly as it relates to IVF and related procedures. The pressure on these couples is hard enough—and I have given some of my own insight into that—without the added anguish of having to find that extra money. It is bad enough. It is hard enough. The relationships are already under enough stress. Having watched my wife go through these procedures many, many times and seen the health impacts on her as she dealt with them, to know that she then would have to also endure additional financial stress would be simply too much to bear. It will be too much to bear for many, and they will just say, ‘I can’t go on.’

I know what it is like to have reached that point: after 10, we actually did reach that point. At some other time, we thought, we might go forward again. Thanks be to God, we had the situation where, after the surgery and some years later, things happened. But that is not a normal story; that is actually quite a miraculous story. That is why we refer to our little girl, Abbey Rose, as our miracle child. It does not always work out like that—in fact, it rarely does. So I ask the government to be kind enough to listen. A week or so ago I recounted the story of Jenny and me in the *Sunday Telegraph* and I have

had an enormous response from people going through the same situation. I want to read out some of those responses. One said:

My husband and I are currently going through IVF and it is not an easy path. Even with government subsidies, it is expensive. I can't believe that the government is going to implement changes which will make it even more difficult for couples who are already going through great emotion in their lives.

Unless you've experienced the grief of infertility and miscarriage, I doubt that anyone would be quite aware of the impact it can have on a person's day-to-day life. The grief is ongoing, mourning because of a failed cycle, utter devastation at yet another miscarriage. Yes, some people go on to live fulfilling lives without children, but for my husband and I this is not an option we want to consider without first exhausting all possible options, including IVF first.

I strongly encourage those affected by Mr Rudd's heartless decision to keep fighting this as it is the only way that we can even try to stop this very cruel funding cut.

Again in 2008, another said:

My husband and I had four unsuccessful IVF attempts. This year is now a recovery year, emotionally and financially, and we had all intentions of starting up again in 2010. This now looks to be unlikely due to the new changes the government will be putting in place. Unless we win Lotto, the government has forced us to accept the fact that we could well remain childless forever. Not an easy realisation.

These are not my words. These are the words of those who are affected by this measure, and their voices should be heard. Another said:

I think a lot of people do not realise that, even with the existing rebates, IVF is not free. Far from it, in fact. Not to mention all the in-between appointments, tests and exploratory procedures that seem to come with the territory. And no-one ever thinks that they will need to go to IVF once, let alone four or 10 times, so how can you properly save or prepare for that expense when everyone including the doctors, nurses, friends, fami-

lies tells you to never give up, the next cycle just might be the one that works. How can you simply give up and walk away from that hope or possibility?

I wonder if Kevin Rudd or Wayne Swan would have made the same decision if any of their own children or friends needed fertility treatment.

And again:

We are the unlucky ones: 13 cycles, one with a miscarriage of eight weeks, nearly \$80,000 poorer. I would have kept going too. We borrowed money on three credit cards then finally had to extend our mortgage because we could not keep up with the payments. It would have been worth every single penny if we had conceived successfully.

And another:

I think the Rudd government did a good beat-up of IVF in the months coming into the budget with false facts that were made to look like IVF companies were profiting and the community was paying 80 per cent of the IVF when in fact they only pay for a quarter of the total bill. Partly as a result of this beat-up, the general community are indifferent to the cause. The cost that is included in the statements to the media only included the Medicare part of the cost of IVF and not the day surgery, fertility specialist, appointments, non-refundable tests like the SSA, which we had done. This test cost approximately \$800 alone, but made us realise we had a problem and contributed to us changing some vitamins, succeeding in our second ISCI.

These are the stories of those who deal with this problem every day, and they understand what the impact of this bill is.

Those who practise in the area also understand that it will put increased pressure on the actual medical procedures themselves, because those who are going through these procedures will not want to risk the loss of an opportunity of going through a further cycle for financial reasons and they will ask to have additional eggs put back in. That increases the risk to a mother and increases the risk to both children in a multiple birth.

This has not come from the opposition; this has come from medical practitioners in the area. I know, as a parent now but as one who went through this process, that these are the things that go through your head. These are the issues that you have to try to resolve. You do not want to have to take that extra risk. You do not want to have to go through that process again if you can avoid it. But you also have to try to maximise your chances of success—and if you do not have that next chance, then you will take greater risks.

I think what makes this measure even more disgraceful is the hypocrisy of the government in bringing it forward. In 2005, the then shadow health minister, now the Deputy Prime Minister, said:

Labor completely opposes any cutbacks to Medicare funding of IVF. Labor will be launching a petition against the changes to Medicare funded IVF by the Howard government, tomorrow in Canberra.

Then, in a doorstep interview in 2005, she said:

Tony Abbott and John Howard before the election, were wandering around saying the best thing about Medicare is that it's an uncapped scheme, a patient-driven scheme. The Prime Minister went so far as to say that's fundamental. Well, what was fundamental before the election is expendable after the election with this plan to cap Medicare funding for IVF.

John Howard and Tony Abbott should listen to the Australian community, to the Labor Party and to women within their own ranks, and back down today on this proposed very cruel cutback. And at the same time they should rule out capping Medicare for other things that Minister Abbott deems non-essential.

Frankly, the Deputy Prime Minister and the government should take their own advice, because on that occasion the government did listen and did change their policy. They listened and they understood. They became sympathetic and understood the challenges that were faced by couples in this situation.

They showed a heart and reversed the measure.

That measure is in this parliament today, brought forward by those who gave that advice to the previous government. I can think of no more bitter hypocrisy than that. But it went further, because not only did they say those things in the press; they took up petitions. They collected, in total, 1,759 signatures, including those in a petition lodged by the previous speaker, the member for Shortland. I am interested to know whether she is going to write to the 240 citizens who signed her petition to oppose cuts to Medicare funding for IVF and tell them that her government are now going to do exactly what she was trying to get their support to stop the then government from doing. Is she going to write to those 240 citizens? Is the Deputy Prime Minister going to write to the more than 1,300 citizens whose signatures she collected and apologise to them for her act of hypocrisy in being supportive of this bill coming before the House? She would not even answer questions, when put to her in this House, about whether she supported this bill, given the fact that she had collected more than 1,300 signatures opposing the measures that she in fact has brought before the House. There were also petitions from the Treasurer, from the Minister for Agriculture, Fisheries and Forestry, from the Minister for Small Business, Independent Contractors and the Service Economy, and from other members. The government said one thing and are doing another. Either they were being deceitful and disingenuous at that time or they are being heartless today. They can take their pick, but either is abominable. Either should bring them to the table, as the shadow minister was saying before, to talk to the opposition about how these things can be avoided.

The government's budget is dripping with spending, yet they put through a cut like this

which will deny a person the opportunity to become a parent. For that, I think they need to take a good, hard look at themselves in the mirror. There are savings that can be found in this budget. In my shadow portfolio alone, the first home saver accounts have underperformed by 96 per cent. Even if we just capped the scheme at 10 per cent of what its projected take-up was going to be, the savings over the next three years would be \$700 million. The Minister for Housing did not bring to the table one dollar of savings in the housing portfolio that could have avoided the government bringing forward this measure. She did not do that, and it was left to the Minister for Health and Ageing to find savings. I must say that on other matters I have found the Minister for Health and Ageing to be very encouraging, particularly in relation to epidermolysis bullosa and the support given in the budget to children suffering from that condition. I welcome that and I applaud and commend the minister for taking what I think is a very compassionate position. It cost \$16 million and she was very supportive of our representations on the matter. I encourage her now to speak to her colleagues and encourage them to be compassionate on this matter. When in opposition, the government opposed the very thing they have brought forward in this House. They cannot justify it on the basis that they have lost control of their budget. They should get control of their budget. They should avoid the inclination to bring in such heartless and hypocritical measures. Most importantly, they must listen to the people who are affected and they must come to the table and change this measure immediately.

Mr NEUMANN (Blair) (1.42 pm)—I rise to speak in support of the Health Insurance Amendment (Extended Medicare Safety Net) Bill 2009. First, I want to congratulate the member for Cook and his wife on the birth of their second child. I have two daughters my-

self. Fortunately, we did not have any difficulties with my wife, Carolyn, falling pregnant. My daughters are now 18 and 19. They are the love of our lives and we rejoice in their development spiritually, educationally, socially and intellectually. It is wonderful to have children. They are a great blessing and heritage. Those of us of the Christian faith accept that scriptural injunction.

In relation to this bill, I say to the member for Cook that the trouble is that there is a great deal of inconsistency between what the coalition are saying and what they did in practice when they were in power. The truth is that in my area alone they effectively defunded health and hospital services. That is the reality. We have one GP for every 1,609 people in my area, the Ipswich and West Moreton area in South-East Queensland. Even the former Minister for Health and Ageing, the member for Warringah, admitted before the last election in October 2007 that the Australian Institute of Health and Welfare had got it absolutely correct in saying that the previous coalition government, under John Howard, had actually defunded health and hospitals in this country and that the states had had to take up the slack. The much-maligned state Labor governments had to take up the slack because the previous coalition government failed to fund health and hospital services. They capped the number of doctors in this country.

Labor has increased the number of training places for doctors. We have put \$1.1 billion into that to increase the number of training places and to encourage more people to go into medicine and the allied health professions. We want to encourage nurses to go back into the system—into health and aged-care services. We want to try to get them working in regional and remote areas. One of the first things that the Rudd government did was to put in more money for elective surgery. About \$1.6 billion was put in, in accor-

dance with agreements with the states. The member for Dickson said that there was little or no money put into health by the Rudd government under our Nation Building and Jobs Plan. I looked around on budget night and saw him in the chamber when the Treasurer was talking about what the Rudd Labor government were doing to fund our health and hospital system. The Treasurer said:

... Australians deserve a world-class health and hospital system.

That is what we are providing. We are spending a lot of money not only locally in my electorate but also nationally. What we are doing under the legislation that is before the House today is in accordance with the report that was delivered on this matter. What gets me is that those on that side of the House think they have a monopoly on family values, on compassion, on heart and on care. But they do not. This legislation that is before the chamber is not about us being against women and men who struggle to have a child. It is not about that at all. I congratulate the member for Cook for having two children and contributing. From what he had to say, you could tell the love, the affirmation, the care, the wonder of birth and how fantastic it is that he and his wife have had children. We are not about punishing people in these circumstances. In fact, the inconsistency here is that in 1996, 1997, 1998, 1999, 2000, 2001, 2003 and up to 2004 those opposite actually agreed with the idea of having caps on Medicare. Do not come into this place and say that by putting caps on funding we are heartless, cruel, mean and nasty. It is simply not true. Through most of the time of the Howard coalition government it supported the idea of having caps. Before the introduction of the safety net in 2004 there was a limit on the amount of government contribution for Medicare services—that is, the Medicare schedule fee—but I did not hear the member for Dickson or

the member for Cook say that. That was the policy of the Howard coalition government. That is what it took for most of its tenure in office.

The truth is that we are doing what we need to do to save \$450 million to better fund our health system, our hospital system, our roads, our schools and other sorts of things. That is what we are doing. We are not about punishing people who cannot have children. It is simply untrue for the member for Cook to come in here and say and imply that. What we are doing here is in response to a report that we had commissioned. Under the Health Legislation Amendment (Medicare) Act 2004 the Minister for Health and Ageing tabled a report entitled the *Extended Medicare safety net review report 2009* and it looked at the effectiveness, the operation and the implications of the safety net with respect to a variety of different things. The report was carried out by the Centre for Health Economics Research and Evaluation at the University of Technology in Sydney. That report said a number of things, and I think that the report's existence and its recommendations seem to have washed over the opposition entirely.

The report was very clear. What we are trying to do here is stop doctors charging excessive amounts by effectively taking advantage of the safety net. That is what the doctors are doing. We want to make sure the safety net is sustainable. The report recommended and noted a number of things which are very important to note. The report noted that the safety net had helped patients that had very high costs and reduced the out-of-pocket expenses for some patients with cancer. Nonetheless, the review showed that there were some real concerns in obstetrics and assisted reproductive technologies, including IVF and other Medicare services. The report noted that 50 per cent of safety net benefits were paid to obstetrics and as-

sisted reproductive technologies, and the Medicare benefits had more than doubled for both of those groups since the safety net had been introduced.

The reported noted that between 2003 and 2008—and the Minister for Health and Ageing has reported this in her speech—the fees charged for obstetricians for in-house hospital services went down by six per cent. However, the fees for those obstetricians outside of hospital, in private practice, and who charge people like the member for Cook and his wife, had increased by 267 per cent. How can it be possible to justify increases of that nature? Similarly, the fees charged for assisted reproductive technology services fell by nine per cent for in-house hospital services while the fees charged for out-of-hospital services increased by 62 per cent. It is very clear that some doctors were taking advantage of the safety net. It is crystal clear. The figures say very clearly that it is the case.

What are we going to do about it? Are we going to have a sustainable safety net? The unlimited nature of the benefits available through the safety net has led some doctors to take advantage. The truth is they knew that the majority of their expenses were being paid for by the taxpayers. That is what it was all about. Lest anyone says that somehow we are opposed to the safety net and that somehow we are making massive changes that will adversely affect Australians, I just point out that the government is supportive of the safety net. The truth is that the safety net operates in this way. Once an annual threshold has been met, Medicare pays 80 per cent of any future out-of-pocket expenses for all out-of-hospital services for the remainder of that calendar year. In 2009, the annual threshold for concession card holders and people who receive family tax benefit part A is \$555.70. For singles and families the threshold is \$1,111.60. That is

indexed every year. The bill before the House allows the minister for health to determine by legislative instrument the maximum increase in benefit payable under the safety net for specified items. These are items that are specified in the Medicare Benefit Schedule. If it is not specified it does not apply. The total out-of-pocket costs incurred by a person for services will still count towards the safety net threshold amount. Once a person has reached that threshold, they will continue to be eligible to receive the benefits, equal to 80 per cent of their out-of-pocket expenses, for those items that are not specified by legislative instrument.

That is what is happening. We are actually putting a cap on certain things. We are doing it to maintain the integrity and sustainability of the system. In 2008, expenditure on the safety net was \$414 million, 30 per cent more than in 2007. Why is that? The truth is that doctors are charging too much. That is the reality. And, if we do not do something, it is going to get out of control in such a way that the whole future operational sustainability of the safety net will be adversely affected. The government is not means-testing access to the safety net; the government is maintaining the safety net. The truth is that we are trying to get the health costs charged by doctors back under control.

We are doing a lot of things when it comes to health and hospital services. In my electorate, we are bringing in a GP superclinic. We have announced that, and negotiations on that are currently underway. We are trying our best to ensure that we get more doctors in the local area. Before I was elected to this place, I was on a health community council for a long time, and we struggled to get more local doctors to the area—and Ipswich is a fast-growing area. It is growing at about four per cent per annum. It is the fastest-growing area in Queensland at the moment. We need

more and more doctors and so we are seeing a lot more overseas-trained doctors in the local area. But we need to get more local doctors. We need to train more doctors and we need to spend more money locally. So the \$450 million we are saving here will go a long way towards helping my community and helping the communities in the 150 electorates represented in this place.

Unlike what the member for Dickson said, the Rudd government is working with the states to improve the health and hospital system in this country. Through COAG we are putting \$64 billion over five years into the public hospital system in this country. That is an increase of \$20 billion, nearly 50 per cent, over the previous Australian healthcare agreement and it is an indictment of the previous government for letting the health and hospital system run down. That is the reality of health and hospital systems in this country under the Howard coalition government. We are also improving participation in the health workforce as well as increasing access to health care.

One of the things that I think the government has done very well is the change we are making in relation to maternity services. The 2009-10 budget included a great provision which was warmly welcomed in my electorate, and that is funding of \$120.5 million for maternity services. It is a reform package that will allow women greater choice. One of the most precious things a woman can experience in life is, of course, the birth of her child. My wife tells me that she will never forget the birth of our child, and I will never forget holding my eldest daughter in my arms. It is a wonderful experience. We are not about to punish women and families in this regard by this legislation. We are giving women the option of a home birth or having their child in a hospital. That is their choice. We need to increase freedom of choice for women when it comes to the birth of their

children. It is a precious and wonderful experience.

So the Rudd government, through our last budget, are improving the options and opportunities for women. In this country we have a strong record in providing high-quality maternity services, and I know the women in my electorate, including those in the maternity coalition groups I have met who have been arguing for such a long time that we need to improve maternity services and improve the options for women, warmly welcome this funding. Cas McCullough, who is very well known locally and a very well known advocate for home births, has been arguing for this for a long time. I warmly welcome this funding. I support the legislation that is before the House and, once again, I congratulate the member for Cook and his wife on the birth of their second child.

Mrs HULL (Riverina) (1.56 pm)—It would have been kind of the member for Blair to have taken just a little bit longer! But as I am now on my feet I will take the opportunity to speak—for the three minutes before the debate is interrupted—on the issues before us with this Health Insurance Amendment (Extended Medicare Safety Net) Bill 2009.

The DEPUTY SPEAKER (Ms AE Burke)—The member need not rush; you can speak when the debate is resumed if you want.

Mrs HULL—I am enormously concerned about some of the services that are being capped through this legislation. The concerns that I have revolve primarily around obstetric services, assisted reproductive technology and types of cataract surgery that will be capped under this bill. I would also like to go further and speak about the concerns that I have that are not directly related to this bill but are yet to come into this House, particularly to do with cataract surgery. While only

one type of cataract surgery is affected by this particular bill, there are significant issues yet to come that are associated with cataract surgery in general. In particular, there is the decision to reduce by half the payment to ophthalmologists for cataract surgery. It is an issue that ophthalmologists will have to start to contend with.

Over the years, it seems that ophthalmologists and cataract surgeons have had their payments cut significantly. The schedule fee for cataract surgery in the early 1980s was around \$800. In 1996 the then government cut that fee by around 30 per cent. Now this government wants to cut that fee in half again. In late 2009, I believe, the fee for cataract surgery will be cut by at least half, and that will bring the fee for doing cataract surgery back to half of what it was over 25 years ago in real dollar terms. That is still to

come, but I think that is going to be of even greater significance than what is being put in place under this bill before us today. I will speak further on that issue later.

The issue of assisted reproductive technology—

The SPEAKER—Order! It being 2 pm, the debate is interrupted in accordance with standing order 97. The debate may be resumed at a later hour and the member will have leave to continue speaking when the debate is resumed.

MINISTERIAL ARRANGEMENTS

Mr RUDD (Griffith—Prime Minister) (2.00 pm)—I present for the benefit of the House ministerial arrangements following the appointment of new members of the executive last week.

The document read as follows—

RUDD MINISTRY

9 June 2009

Title	Minister	Other Chamber
Prime Minister	The Hon Kevin Rudd MP	Senator the Hon Chris Evans
Minister for Climate Change and Water	Senator the Hon Penny Wong	The Hon Greg Combet AM MP The Hon Peter Garrett AM MP (Water)
Cabinet Secretary (Manager of Government Business in the Senate)	Senator the Hon Joe Ludwig	The Hon Lindsay Tanner MP
Minister Assisting the Minister for Climate Change	<i>The Hon Greg Combet AM MP</i>	
<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>	
Minister for Education	The Hon Julia Gillard MP	Senator the Hon Kim Carr
Minister for Employment and Workplace Relations	The Hon Julia Gillard MP	Senator the Hon Mark Arbib
Minister for Social Inclusion (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>	
Treasurer	The Hon Wayne Swan 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
Minister for Immigration and Citizenship (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>	
Minister for Defence (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, 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>	
Minister for Trade	The Hon Simon Crean MP	Senator the Hon Kim Carr
Parliamentary Secretary for Trade	The Hon Anthony Byrne MP	
Minister for Foreign Affairs	The Hon Stephen Smith MP	Senator the Hon John Faulkner
<i>Parliamentary Secretary for Pacific Island Affairs</i>	<i>The Hon Duncan Kerr SC MP</i>	
<i>Parliamentary Secretary for International Development Assistance</i>	<i>The Hon Bob McMullan MP</i>	
Minister for Health and Ageing	The Hon Nicola Roxon MP	Senator the Hon Joe Ludwig
Minister for Indigenous Health, Rural and Regional Health and Regional Service 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>	
Minister for Families, Housing, Community Services and Indigenous Affairs	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 Bushfire Reconstruction</i>	<i>The Hon Bill Shorten MP</i>	
<i>Parliamentary Secretary for the Voluntary Sector</i>	<i>Senator the Hon Ursula Stephens</i>	
Minister for Finance and Deregulation	The Hon Lindsay Tanner MP	Senator the Hon Stephen Conroy
Special Minister of State	Senator the Hon Joe Ludwig	The Hon Lindsay Tanner MP
<i>Minister Assisting the Finance Minister on Deregulation</i>	<i>The Hon Dr Craig Emerson MP</i>	
Minister for Infrastructure, Transport, Regional Development and Local Government (Leader of the House)	The Hon Anthony Albanese MP	Senator the Hon Stephen Conroy

Title	Minister	Other Chamber
<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>	
Minister for Broadband, Communications and the Digital Economy (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)
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
Minister for the Environment, Heritage and the Arts <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
Attorney-General	The Hon Robert McClelland MP	Senator the Hon Penny Wong
Minister for Home Affairs	The Hon Brendan O'Connor MP	Senator the Hon Penny Wong
Minister for Agriculture, Fisheries and Forestry	The Hon Tony Burke MP	Senator the Hon Nick Sherry
Minister for Resources and Energy	The Hon Martin Ferguson AM MP	Senator the Hon Kim Carr
Minister for Tourism	The Hon Martin Ferguson AM MP	Senator the Hon Penny Wong
Minister for Human Services	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 Climate Change in the Prime Minister's portfolio and 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.

MEMBER FOR HIGGINS

Mr TURNBULL (Wentworth—Leader of the Opposition) (2.00 pm)—On indulgence, Mr Speaker, today is a momentous day in the history of our parliament and in the history of our country. The member for Higgins, the Hon. Peter Costello, has announced that he will renom—

Government members interjecting—

Mr TURNBULL—he will not renominate for preselection as the member for Higgins. I am pleased the members opposite are so readily amused, because for 11½ years this country had the great gift of a Treasurer who took our nation from having \$96 billion of debt to having no debt at all. He took our

nation from a stage where it was putting heavier and heavier burdens on the shoulders of children and grandchildren yet to come, to one where it was putting money away in the bank in the Future Fund to relieve them of that burden. It was a period of unparalleled prosperity and unparalleled economic growth. And it could not have happened—it would never have happened—without the contribution of the member for Higgins.

If I may, in this brief moment—recognising that there will be many other occasions to acknowledge the contribution of the member for Higgins at greater length and to do him greater justice—I ask you to cast

your minds back to his maiden speech in 1990, when he said:

When we talk of creating a fairer and more compassionate society, what do we mean? Over decades arguments have raged over which system of government best creates such a society. Some have argued that a society where government controls industry and controls and directs the production and distribution of goods is a society that is inherently more compassionate and fair. Others have argued the converse. In this century the argument has raged between those who believe that by enhancing government power it, the government, can deliver fairness and compassion to its citizens and others who have maintained that in the interests of fairness the power of government itself must be curtailed and the compassionate resources of our citizens released.

Peter Costello, for all his years in this parliament—20 years—has stood on the side of freedom and of enterprise. He has served our nation well. We salute him and we thank him for his service.

Mr RUDD (Griffith—Prime Minister) (2.03 pm)—Mr Speaker, if I may I will add to those remarks, on indulgence. I am advised that the member for Higgins has indicated that he will not be seeking re-election at the next federal election, nor will he be seeking preselection for the seat of Higgins—a seat, of course, which we still hold out hopes of winning one day for the Labor Party! It was a joke, Malcolm; it was a joke!

Can I say something about what is an important milestone in any member of parliament's career. We enter this place with aspirations and hopes, and all the expectations of our families, our communities and ourselves that we bring here. It is an important day when you are elected to this place. Each of us can cast our minds back to when we first stood in the House of Representatives and the enormous pride which we felt in being elected and so representing our political party and our community.

There is another equally important day, and that is when we choose to exit this place, and it should be marked appropriately as well, in terms of the contributions that have been made to public life. And this is one such day in the career of a member of this place—and a most notable member at that, the member for Higgins. To have been a member of this parliament for 20 years is, of itself, a significant achievement. For that, in itself, the member should be commended—for having represented his constituency for such an extended period of time. Secondly, for having been Treasurer of the Commonwealth for virtually 12 years is, of itself, a further credit to the individual member's talents and abilities. He would not have been put in that position by his political party, nor nominated by my predecessor Mr Howard, had confidence not been expressed in him by his party and by the leadership of his party in his considerable intellectual skills and the policy skills which he brings to the public policy debate in Australia. And for that he should be commended as well.

On top of that I will add some remarks about his contribution to Australia's place in our international economic engagements through the IMF and beyond. The Treasurer, as he was then—Mr Costello, the member for Higgins—was Australia's representative on the IMF and, through his occupancy of that position, other international financial institutions for which Australia has representation. I would make two particular points about the IMF. One is that in the deliberations following the Asian financial crisis in 1997-98, the decision at that stage to establish the G20 finance ministers meeting was something in which the member for Higgins—the Treasurer as he was at the time—played a role.

The establishment of the G20 finance ministers meeting from that time on, and the events of the last 12 months in turn, provided

a platform through which we, together with other governments, were able to elevate it to a heads of government meeting. That is now the G20 summit, which served this nation well in the meeting held in Washington at the end of last year and in London most recently, and will again, prospectively, in Pittsburgh this September. It has been an important vehicle for global economic governance. It had its foundations in the fact that we did have a body established at the finance ministers and treasurers level across 20 of the world's leading economies back then. In those deliberations at the time, the Treasurer, as he was then, the member for Higgins, played a significant role.

The further point I would make in that respect is that off the back of the Asian financial crisis at the time, significant decisions were made here to intervene and support various of our neighbouring economies that were experiencing difficulties—from memory, Indonesia, Malaysia and the Republic of Korea. Decisions were taken by the then government, led by the Treasurer, as he was then, to provide significant offers of financial assistance to assist those economies through that difficult time. These were correct decisions in the national interest. They were correct decisions as good neighbours of these countries. And they were correct decisions, I would remind the House, which are not forgotten today. The fact that we have good relations with the countries which I have just listed is in part anchored by decisions taken back then, and I would like to make appropriate recognition of that in the House today.

I will make one final point about the importance of family in a place like this. The nearly 20 years that the member for Higgins has been in this House—as other members who have been here for an extended period of time will understand—has obviously been an extraordinary burden for his wife, his partner, as well as his children to bear. That

is a burden which those of us who have been here for some time fully recognise and understand.

I would say to the member for Higgins, on behalf of his confreres and great mates here in the Australian Labor Party, that we wish him well and we wish his family well, after what has been a quite extraordinary career in Australian public life.

Mr COSTELLO (Higgins) (2.09 pm)—On indulgence, Mr Speaker, may I say I did not think I would ever see the day where both sides of this parliament would say nice things about me! It is just possible that both sides of the dispatch box are happy with the announcement that I have made. I want to thank both the Leader of the Liberal Party, Malcolm Turnbull, and the Prime Minister, Mr Rudd, for their very kind words.

Woody Allen was once asked what he hoped to hear people say at his funeral, and he said, ‘As I’m lying there at my funeral I would hope to hear somebody say, “Look, he’s still moving!”’ It is a very nice thing to come here, not being quite departed, and hear the kinds of speeches one usually only hears as eulogies. In fact, I might come back tomorrow for a little more, I am enjoying it so much!

The Prime Minister, rightly, I think, talked about Australia’s role in the formation of the G20. The G20 would not have happened without Australia. It brought together the developed world and the developing world, and Australia as neither—we came in as an honest broker because we stood in Asia’s hour of need as the only country, along with Japan, that came to the rescue of those crisis affected economies. I do not need to say that, from our perspective, a seat at the table which represents 90 per cent of global GDP is a very, very important diplomatic position for us and for our country. It has moved up a notch now with the leader’s summit. I think

the role that it played when it was convened by President Bush and also by Prime Minister Gordon Brown shows just how important it is. I do think that this is something Australia must never let go of. There will be others that will try and refashion a G-something else—a G8, a G7, a G13, a G14. Bear in mind the G20 is a forum where Australia can play a role, and it always has. We have chaired it; we have hosted it here in Australia. It will be integral, I think, to the shape of the future global economy.

I thank the Leader of the Opposition for mentioning our achievements in the economic sphere. Of course, those on the other side will not want to refer to them as much, for obvious reasons, but I will make one point. It is a point I have actually made in the new chapter of the forthcoming paperback edition of my book. I do not know if I mentioned that the hardback copy has sold out, and we are publishing a paperback edition with a new chapter. The point I have made is that the strength of Australia's position in terms of its debt-to-GDP ratio has nothing to do with the journey in the last year but everything to do with the starting point. If we had not had a starting point of a net negative debt—that is, an asset position—then our debt position would be ending up where the Europeans, the Americans and the British are. It was the strength of the starting point that gave Australia ammunition that could be unloaded and unlocked in the current situation. Every now and then it is worth paying credit to the people who put in place important reforms before your time. None of us come to politics in the year zero. There is always something that has gone on before. I have always paid credit, because I think they were right, to Hawke and Keating for the liberalisation of the financial markets and the cutting of tariffs, and there are things that we could also be given credit for, I think, by the

current government. It will make Australia stronger if we do that.

In that maiden speech that I gave so many years ago I said these words: 'I believe in the parliament.' And I do, and, although it was my privilege to be a minister for a very long period of time, the parliament is still important. There is no person in this place that is not important. Everybody had something that got them here and got them elected and everybody has a view that has to be listened to. We are lucky to have a parliament. That is why I very consciously decided after the election that I would stay in the parliament—because the parliament is an institution that should be preserved and valued, not just the ministry. It has been my privilege to be in this parliament for 20 years—what I consider the best years of my life.

I also want to say I think Australia's best years can still be in front of it. This is still a young country with wonderful opportunity and, properly governed, there are greater things in store for us.

The Prime Minister was very generous in his words. I thank him for those words. On this occasion he did not come the raw prawn; he gave a fair suck of the sauce bottle! And I appreciate the statement that he gave.

Family means everything to me. You cannot imagine the strength that a strong family gives a person. I thank my family and my colleagues, my branch members and my electorate committee for everything they have given me. It has been an honour and a privilege to serve in this parliament.

QUESTIONS WITHOUT NOTICE

Interest Rates

Mr TURNBULL (2.15 pm)—My question is to the Prime Minister. I refer to the Commonwealth Bank's claim that its recent rate rise was caused by an increase in its own long-term wholesale borrowing costs. Given

the increase in long-term rates is directly related to the massive explosion in government debt, doesn't the Prime Minister accept that it is his reckless spending and debt binge which is pushing up interest rates?

Mr RUDD—I thank the Leader of the Opposition for his question. Let's go to the facts of what the Commonwealth Bank actually said. They said:

The cheaper funding we had ... prior to the crisis is rolling off and is being replaced by this more expensive source of funding.

The cost of raising funds from offshore wholesale markets was still 12 times higher than it was before the credit crisis.

That is: offshore.

Mr Hockey interjecting—

Mr RUDD—Let me go to the issue of offshore wholesale markets. Firstly, the cost of bank finance, as the member for North Sydney would be aware, is set in offshore global markets. Presently, in offshore bond markets we have something like \$84 trillion on issue. The fraction of that which the Australian bond market, the Australian debt market, issues is 0.001. That is fact 1. Let us just put that into some context.

Secondly, the honourable member asks about the impact of Australian government actions in relation to rates. Can I say that one of the principal decisions taken by the government, for which we were criticised by many of those opposite, was the decision to provide a guarantee on interbank lending in the wholesale finance market to banks.

I would draw the honourable member's attention to the following. On 12 December 2008 the CBA issued guaranteed bonds at a total price, including the 70 basis point guarantee price, of 160 basis points above the bank bill swap rate. As of 14 April 2009—that is, after the government's guarantee came into operation—the spread on the CBA issue was down to 123 basis points. In fact, if

you look more broadly at the impact on money market spreads as a consequence of the government's direct intervention in the marketplace to support banks with the interbank guarantee, it runs as follows: following the collapse of Lehman Brothers the spread increased to 142 basis points; after the government introduced the guarantees credit spreads had fallen to 80 basis points by the end of November, to 75 basis points by the end of December, to 34 basis points by the end of March and to 21 basis points by the end of May. I would suggest that the honourable member reflects on that in terms of the basis of his question as well.

The other thing I would draw to the honourable member's attention is the relevance of the government's actions in the marketplace to support the interbank guarantee in terms of the banks actual take-up of this guarantee in their international borrowing. And I would draw the honourable member's attention to the fact that, in the crisis period of October-November last year, interbank lending effectively collapsed to virtually zero. In fact, the total raisings by Australian banks in November last year were \$0.14 billion—that is, practically zero. After we introduced the guarantee—which came into operation, from recollection, Treasurer, in early December—we had those raisings increase to \$23 billion, \$28 billion, \$19 billion, \$8 billion et cetera.

But here is the critical point for the benefit of the honourable member who has asked the question: the extent to which the banks have relied upon the guarantee for their actual raisings. In December last year 98 per cent of the overall raisings by the banks were underpinned by the government guarantee; in February it was 93 per cent, in March it was 86 per cent, in April it was 65 per cent and in May it was 53 per cent. In terms of the normalisation of credit markets—that is, assisting banks to raise money offshore—from

where we had collapsed to zero in November last year, we have had a restoration to these levels of raisings. Most critically, more than half since then—and, in the early months, practically all—have depended upon the government guarantee, producing the contraction in spreads that I referred to before.

Therefore, I would suggest to the honourable member as to the basis of his question: (1) Australia's public bond issue represents a fraction of 0.001 of the total bond issue which is alive globally—and it is the global bond market that shapes the offshore financial markets which determine credit price (2) spreads have changed and (3) banks have relied upon the actions of this government.

Finally, I ask the honourable member who has asked this question about interest rates to simply reflect on where interest rates stood under the previous government as opposed to where they stand under this government. Under the previous government we had 10 interest rates rises in a row—a total rise of 250 basis points, costing an average family more than \$400 per month—and interest rates were at their highest point in a decade. That is what we inherited. I would contrast that with those opposite in the following way: since the government have been in office families have benefited from six interest rate cuts—a total of 425 basis points—and interest rates are now at their lowest point in more than 50 years, which will save the average family with a \$300,000 mortgage around \$750 a month, or \$9,000 a year. So I suggest to the honourable member that he look at some basic comparisons. Let us look at where the CBA rate stood when the Liberals left office—at 8.55 per cent. Where does it stand today? At 5.74 per cent. That represents a fundamental difference between interest rates as they existed under the previous government and where they exist today.

Therefore, I would suggest to the honourable gentlemen that, when he poses questions like this, he reflect upon (a) interest rate performance under the previous government relative to what is occurring now (b) how interest rates and the cost of capital are actually shaped by offshore credit markets, as underpinned in the correct rendering of the statement by the CBA and (c) the impact that the government guarantee has had on spreads and on the actual uptake of interbank lending courtesy of the government's provision of that guarantee, which was much criticised.

I will conclude by saying this: as those opposite talk about the impact of the 10 basis point rise by the Commonwealth Bank of Australia, on which point the Treasurer and I and others have reflected the government's fundamental disappointment, those opposite, and the Leader of the Opposition in particular, should reflect carefully on what he had to say when there was a 25 basis point rise not all that long ago. When interest rates went up in August 2006 by 25 basis points the Leader of the Opposition said at the time, 'I think the interest rate hike has been overdramatised.' Furthermore, on the question of interest rates, the Leader of the Opposition has also said much more recently—I think as shadow Treasurer:

Banks are free to price their products as they wish. After all, they are in the business of making profits and, all things being equal, they will charge as much for every product they have on offer as the market will allow them.

That is obviously the philosophy—the free market fundamentalist philosophy—represented by the Leader of the Opposition. He says that that is what occurs out there in interest rate markets. I would suggest that the Leader of the Opposition reflect carefully (a) on what he has said about how interest rate markets operate (b) on the relative performance of interest rate pricing and cost under the government of which he was a part for

such a long period of time as compared to what applies now and (c) how actual prices are set.

DISTINGUISHED VISITORS

The SPEAKER (2.24 pm)—I inform the House that we have present in the gallery this afternoon the Minister for Foreign Affairs and Cooperation of the government of the Republic of Rwanda, the Hon. Mrs Rosemary Museminali and also the Minister for Foreign Affairs of the government of the Republic of Kenya, the Hon. Moses Wetangula. On behalf of the House I extend to both of you a very warm welcome.

Honourable members—Hear, hear!

QUESTIONS WITHOUT NOTICE

Economy

Mr CHEESEMAN (2.24 pm)—My question is to the Prime Minister. Will the Prime Minister update the House on the government's nation building for recovery program to drive Australia out of the worst global recession in 75 years?

Mr RUDD—I thank the honourable member for this question. The government has embarked on a course of action based on early and decisive action to support jobs and to cushion our economy from the worst impacts of the global recession.

I refer the attention of the House to what we had produced in the last week in terms of the most recent consumer sentiment index, which was up 12 per cent in June. This is the largest increase in 22 years. Consumer sentiment is now up 20 per cent since the announcement of the government's first economic stimulus package in October and, furthermore, the consumer sentiment index is now at its highest level since January 2008. That covers consumer sentiment, but then, of course, we have business confidence, which has also risen. Business confidence for May showed the sharpest rise that we have seen

since 1989. It has now reached its highest level since February 2008. Furthermore, we saw other positive economic data in the housing sector, with housing finance growing by 3.5 per cent in April. First home buyers in particular represent an increased proportion of that total amount, indicating that people are responding positively to the trebling of the first home owners boost.

I was asked by the honourable member about the economic recovery—that is, our efforts to support an economic recovery in Australia and to lift Australia from the global economic recession. The data suggests that as of now—while there are still many difficulties lying ahead—Australia is performing better than most other countries during this global recession, the worst in three-quarters of a century. Firstly, on the matter of economic growth, if you look at the data itself, Australia has the fastest growth in the OECD. In the March quarter we saw the following growth in some other economies: Japan, negative 3.8 per cent; the UK, negative 1.9 per cent; the US, negative 1.5 per cent; Canada, negative 1.4 per cent; France, negative 1.2 per cent; Germany, negative 3.8 per cent; Italy, negative 2.6 per cent; and Australia grew in the March quarter by 0.4 per cent. Against those measures the Australian economy is performing relatively well.

On unemployment, Australia on the most recent data has the second lowest unemployment of the major advanced economies: in the UK it is 7.1 per cent; the US, 9.4 per cent; Canada, 8.4 per cent; France, 9.1 per cent; Germany, 8.2 per cent; Italy, 6.9 per cent; in Australia it is 5.7 per cent—still too high—and in Japan it is 5 per cent.

On debt, Australia has the lowest net debt of the major advanced economies. To again go through the numbers: Japan, 103 per cent of GDP; the UK, 56.8 per cent; the US, 61.7 per cent; Canada, 26.2 per cent; France, 65.2

per cent; Germany, 70.9 per cent; Italy, 111.9 per cent; and the major economies have an average of 70.4 per cent of GDP. Australia's debt is currently forecast to be 4.6 per cent in 2009-10 rising to 13.8 per cent.

On the matters of deficits, Australia has a lower budget deficit than the average of the major advanced economies in 2009. The figures are: Japan, minus 9.9 per cent; the UK, 9.8 per cent; the US, 13.6 per cent; France, 6.2 per cent; Germany, 4.7 per cent; Italy, 5.5 per cent; and their average is 10.4 per cent. Canada is at minus 3.4 per cent and Australia is at minus 4.9 per cent.

Mr Pyne—When are you going to sit down?

Mr RUDD—The member for Sturt is obviously not keen on hearing this data. But it is important that the House reflect on the fact that every one of the major advanced economies has fallen into recession and Australia has not. I say to those opposite that, therefore, when it comes to economic growth, Australia is the fastest among the major advanced economies and with unemployment we have the second lowest of the major advanced economies. On top of that our net debt is the lowest of the major advanced economies and our deficit is the lowest of the average of the major advanced economies. These are the data which represent the impact not just of government policy action but also of the decisive contribution by individuals in the Australian economy as well—the men and women of business and small business in particular.

We have some 35,000 construction projects currently underway across the country. These are important projects for the nation. I notice in this respect that there is a debate within the Australian community about the future of the nation's construction sector. The building and construction sector is critical for the economy. While this sector is full of

hardworking and law-abiding people helping Australia to build towards recovery, there are also plainly problems. There has been a history of violence and threats of violence in parts of this sector and these cannot be ignored and nor will they be ignored. There is a determination within the Australian government to get this right. We will honour our election commitments and have indeed a tough cop on the beat. We will honour this commitment in a fair and responsible way for the sector, for the economy and also, most importantly, to support economic recovery.

We are not out of the woods yet. There is much work to be done. The government's strategy is to lift the economy up through nation building for recovery. I would again contrast that with the strategy embraced by those opposite, which is to continue to talk the economy down.

Budget

Mr HOCKEY (2.30 pm)—My question is to the Treasurer. I refer to the government's claim that its massive debt burden is responsible for job creation and has nothing at all to do with rising interest rates. Will the Treasurer now release all Treasury modelling that is used to justify his claims that this huge taxpayer debt is supporting jobs?

Mr SWAN—I thank the shadow Treasurer for his question. He is acutely embarrassed by the jobs performance of our stimulus package. It is playing a vital role in supporting employment in the Australian economy. Both he and the Leader of the Opposition were acutely embarrassed when the national accounts figures came out the week before last, because what they showed was that it was our stimulus that was promoting growth, employment and business in the Australian community.

When you listen to the shadow Treasurer, you would think that there was some alterna-

tive. We have this dishonest campaign about deficits and borrowing when the truth is that we know that they would borrow not one cent less than us and that they would not pay it back one day earlier. We know that. Last Sunday week, there was an embarrassing performance by the shadow Treasurer with Laurie Oakes. Laurie Oakes asked him this:

But, if you'd been in government, you also would have lost \$210 billion from your forward estimates wouldn't you? So, do you concede that you would have had to borrow that amount if you were in government?

The shadow Treasurer replied:

No way Laurie, no way.

What a completely ridiculous claim: 'There's no global recession; it has no impact on the revenues. No way, Laurie; no loss of revenue at all.' Laurie Oakes went on to ask him this very obvious question:

So you'd be spending \$210 billion less over that period?

The shadow Treasurer replied:

No, no, not at all.

Mr Pyne—Mr Speaker, I rise on a point of order on relevance. The question very specifically asked whether the Treasurer would release the Treasury modelling that they use to justify their job creation claims. Even the Treasurer must recognise that his answer is ranging a long way from the question that he was asked.

The SPEAKER—The Manager of Opposition Business will resume his seat. The preamble of the question related to debt levels, job creation and interest rates.

Mr SWAN—Exactly. And it relates to the level of borrowings that this government has had to make responsibly to support our economy and to support employment in the middle of a global recession. Mr Oakes said: So you'd be spending \$210 billion less over that period?

Hockey said:

No, no, not at all.

So there would be no global recession, they would have less deficit and debt and they would be able to do that without spending a cent less. Talk about a magic pudding!

The truth is that we have had to borrow responsibly to cover the revenue collapse brought on in this country—imposed on this country—by a global recession and to support employment to give us the outcomes that we got in the national accounts the week before last and to give us the consumer confidence figures that the Prime Minister was talking about before.

Mr Hockey—Mr Speaker, I rise on a point of order on relevance. I just asked the Treasurer to release the basis of his claims. Just release it; he uses it all the time. Just release it.

The SPEAKER—The member for North Sydney will resume his seat. As I suggested to the member for Sturt, the Treasurer is responding to the question.

Mr SWAN—What we saw in the embarrassment on Laurie Oakes's program is that there is no alternative policy. None of them—not one of the entire frontbench—has an alternative policy. All they have is a dishonest scare campaign about deficit and debt. It is about time that they came clean and admitted that if they were in government they would have to borrow as much as the government has had to borrow to support employment in the Australian economy. But they are so opportunistic. They are so concerned with their own political futures that they are not concerned with the national interest. We published for everybody to see in our budget all of our figures; all of our estimates. Because they are inconvenient for their fake political position, they cannot wear them.

On this side of the House, we are proud of the budget that we brought down. We are proud of the role that it is playing in supporting employment. There are 200,000 more Australians in employment as a consequence of our budget. That is 200,000-plus people in employment who would not have been in employment if it had not been for our budget. That is their embarrassment; that is what they cannot admit to. That is why their dishonest campaign is there for everybody to see.

Building the Education Revolution Program

Ms BIRD (2.36 pm)—My question is to the Minister for Education, Minister for Employment and Workplace Relations and Minister for Social Inclusion. Will the Deputy Prime Minister update the House on recent media reports about the Building the Education Revolution program?

Ms GILLARD—I thank the member for Cunningham for her question. I know that she would be very delighted that jobs in her local economy are being supported through the economic stimulus plan. There are over 1,133 projects in her electorate, and 87 of these projects are at 61 of her local schools under the Building the Education Revolution program. This contribution in Cunningham is part of the biggest school modernisation program the nation has ever seen. Over the next 12 months there will be 23,000 projects in about 9,500 schools around the country—a huge national effort to support jobs today whilst we build the infrastructure we need for tomorrow.

Mr Speaker, you and others in the House may have seen some recent publicity about the guidelines for the Building the Education Revolution and some claims relating to expenditure in particular schools. Can I make this position very clear for the House: the guidelines for the Building the Education

Revolution are clear; they are available publicly on the website; and they have certainly been absorbed by school communities who want to benefit their schools under this program. In particular, the Building the Education Revolution guidelines have required that, wherever it is possible, local tradespeople are engaged for the work. Preference must also be given to businesses that have demonstrated a commitment to adding or retaining trainees and apprentices. The guidelines also state that, wherever possible, new buildings and refurbishments should incorporate sustainable building principles and be designed to maximise energy efficiency. The guidelines are also clear that, for planned amalgamations, the indicative funding allocation for the school to be merged can be combined and used for capital or refurbishments in the new school. We are working cooperatively with state and territory authorities and with the independent and Catholic school systems to deliver this huge modernisation program.

Opposition members interjecting—

Ms GILLARD—The opposition are cat-calling about this because they do not support and have never supported this investment in schools. Mr Speaker, you may have seen, as other members of the parliament may have seen, some very specific claims made on 12 June in the *Australian*, where it was alleged that funding was being handed to schools slated for closure or amalgamation.

Mr Pyne interjecting—

Ms GILLARD—I hear the shadow minister yell out ‘Gepps Cross’. I am coming to that in just a moment, and he will be very interested in the facts. Firstly, the guidelines in relation to schools that are due to be closed or amalgamated are clear—

Mr Pyne interjecting—

The SPEAKER—The member for Sturt!

Ms GILLARD—The member for Sturt will be very interested in the answer, given his interjections. He should just wait one little minute and some things will become clear to him. The guidelines are clear in relation to schools that are due to be closed or amalgamated.

Mr Pyne interjecting—

The SPEAKER—The member for Sturt should wait quietly.

Ms GILLARD—No funding is going to schools that are in the process of, or were planned for, closure. The guidelines in this respect are exactly the same as those of the Investing in Our Schools guidelines—exactly the same. Of course, states and territories and block grant authorities were asked to advise the Commonwealth of any schools earmarked for closure when they provided their enrolment data to the Commonwealth in February 2009. In some cases when we published the names of successful schools under the Building the Education Revolution, the state, in their application, named the school that was amalgamating. Let me just make the facts very, very clear—so clear that the opposition—

Mr Pyne interjecting—

Ms GILLARD—The member for Sturt will now be very interested in this fact, and he will come to the dispatch box and no doubt apologise for that interjection. Let me make the facts very clear. The *Australian* reported on 12 June that Inala West State School, which is amalgamating with Inala State School, would be receiving \$125,000 for classroom upgrades. The fact is that, as Inala West State School is to be closed and amalgamated with Inala State School, 100 per cent of the funding will go to Inala State School—the continuing school—for classroom upgrades. The *Australian* reported on 12 June that Richlands State School, which is amalgamating with Richlands East State

School, would be receiving \$75,000 for classroom upgrades. The fact is that 100 per cent of this funding will go to Richlands East State School—the school that is continuing. The *Australian* reported on 12 June that Dinmore State School, which is amalgamating with Riverview State School, would be receiving \$75,000 for classroom upgrades. The fact is that 100 per cent of this funding will go to Riverview State School—the school that is continuing. The *Australian* reported on 12 June that Bremer State High School, which is moving to a new site, would be receiving \$200,000 for revegetation and a fitness track. The fact is that these facilities are for the new site. The *Australian* reported on 12 June—

Mr Pyne interjecting—

The SPEAKER—The member for Sturt!

Ms GILLARD—and I am sure the shadow minister will be interested in this—that Gepps Cross Primary School, before it merges into a new superschool in 18 months time, will be receiving \$125,000 to be spent on fixing a toilet block. The fact is that the Building the Education Revolution funds for Gepps Cross Primary School were approved for information and communication technology at the amalgamated site and the funds will be used for this purpose. The South Australian Department of Education and Children's Services has advised my department that the school will not be using any Building the Education Revolution funds to fix toilets and drainage and that any maintenance for toilets and drainage would be funded by the state government. The fact here—

Mr Pyne interjecting—

The SPEAKER—The member for Sturt is warned!

Ms GILLARD—Obviously the shadow minister for education, caring nothing about education, does not want to listen to the an-

swer—and the facts are perfectly clear. These vital resources are being delivered to schools which are continuing and which will educate students. The members of the opposition might think that is something to be laughed about; they might think that building 21st century infrastructure for Australian schools is all a bit of joke; they might think it is appropriate to come into this House and vote against it; they might think it is appropriate to go on the media and describe it as a low-quality spend; and then they might have the hypocrisy to try and get themselves in the photo when these funds are announced at local schools. But the Australian community know that this program is benefiting local schools, building the infrastructure they need for the 21st century and supporting local jobs.

This is a huge national mobilisation effort—\$14.7 billion is unashamedly being delivered quickly to support jobs today during the global recession. People of goodwill around the country are turning their hands to make sure that this money is delivered in the form of construction sites and that it supports jobs right around the country. We will continue to work with those people of goodwill. We understand that from time to time in a program of this size there will be complaints and concerns. We have responded to a number of those. All we ask in the course of this process is that people of goodwill continue to work together to get the program delivered, and obviously we would prefer if, when reporting on these matters, there was some accuracy in the reports.

OzCar

Mr TURNBULL (2.45 pm)—My question is addressed to the Prime Minister. I refer the Prime Minister to Mr John Grant, who has supplied him with a free car for almost all of the time he has been Leader of

the Labor Party, and to the Prime Minister's answer in question time—

Government members interjecting—

Ms Gillard—Is that your big attack on the economy?

The SPEAKER—Order! The Leader of the Opposition has the call.

Mr TURNBULL—Thank you, Mr Speaker, I will start again. I refer the Prime Minister to Mr John Grant, who has supplied him with a free car for almost all of the time he has been Leader of the Labor Party, and to the Prime Minister's answer in question time on 4 June when he most indignantly denied that he or his office had spoken to Mr Grant in relation to OzCar, the taxpayer funded finance company, or had made any representations on behalf of Mr Grant. Does the Prime Minister stand by this denial?

Mr RUDD—My answer is as it was the last time the honourable member raised this question because that is the advice I have received from my office. Furthermore, can I say to the honourable member that, since this particular vehicle was provided by the individual concerned, the declaration on pecuniary interest was made. The ute was valued at around \$5,000; it was put in my pecuniary interest statement on 3 July 2007, as is required by the Commonwealth parliament. Furthermore, I would say to the honourable member that, in terms of representations that have been made by various members in this place, I am also advised that in addition to the car dealer from Sydney who spoke to me, Mr Kaplan, from Hunter Holden in Sydney, which I referred to the other day in answer to the honourable member's question, there have also been representations to the government from the member for Riverina, the member for Dunkley, the member for Murray and, of course, the member for Dawson as well. It is entirely normal for representations to be made to OzCar because this

is the sort of thing that members of parliament are required to do if they are asked to actually get out there and support the industry.

The reason this particular facility existed was that we were approached as a government by the industry at the end of 2008 about the collapse in normal supplies of motor vehicle finance. As a consequence of that, the government took the view that a co-investment vehicle, a special-purpose vehicle, between ourselves and the banks was an appropriate way to step into the marketplace and to provide, therefore, an alternative source of finance. We have also been advised that, had we not done so, the impact that would have had in terms of confidence across the industry would have been significant. Therefore, I would say this has been a worthwhile measure on the part of the government, and any member of this place, if they are approached by a business seeking to access a government program, would be entirely entitled to make representations. But to go back to the honourable member's question: the advice that I received from my office remains current on the matter which the honourable member raises.

Economy

Mr RAGUSE (2.48 pm)—My question is to the Treasurer. Will the Treasurer outline to the House the estimated cost to the economy and the budget of not acting to support up to 210,000 jobs?

Mr SWAN—I thank the member for Forde for his very important question. It is the case that the No. 1 priority of the government is jobs—to support Australian jobs in the face of this most savage global recession. Of course, the economic stimulus that we have put in place is expected to reduce the forecast peak in the unemployment rate by 1½ percentage points and it will support up to 210,000 more jobs over the period

ahead. That is something the government is very proud of. It is important for us to invest in nation-building infrastructure, to support employment and to support business given the fact that there is a withdrawal of private investment and given the collapse in the terms of trade—the dramatic reduction in national income. All of those reasons make it very important that our stimulus, through phase 1, phase 2 and phase 3, continues. That means we do need to borrow responsibly to support employment and to support Australian businesses. The fact that 210,000 Australian families with breadwinners benefit from that is very important. We should not underestimate the cost to the economy if the unemployment rate were to go up even higher.

Treasury estimate that, without economic stimulus, total employee incomes over the next decade would be around \$100 billion lower. As a result, budget revenues from less income tax alone would be about \$23 billion lower. Of course, spending on unemployment benefits would be about \$4 billion higher over the next four years and of course the number of long-term unemployed would be higher. All of those things come at a tremendous cost to the economy.

But, in this discussion about stimulus and what it does, we should also focus on the human cost of unemployment—what cost is passed on to the economy through the break-up of families and through the impact on local communities. Every job lost is one too many, which is why the government is so determined to put in place its economic stimulus to support employment and to support businesses. We have heard in the House, particularly from the Deputy Prime Minister earlier, just how important the investment is in schools and just how important the investment is in social housing, in clean energy and so on—to support employment while at the same time leaving a lasting legacy for the country. This government is absolutely de-

terminated to be on the front foot, to put in place positive plans for the future so that it can support employment and make our economy and country a far better place.

OzCar

Mr TURNBULL (2.51 pm)—My question is to the Treasurer. I refer the Treasurer to his statement in question time on 4 June that Mr John Grant's representations in relation to OzCar were referred to Treasury as the responsible agency for this taxpayer funded finance company. Will the Treasurer advise the House what manner of assistance his office requested Treasury officials were to give to Mr Grant?

Mr SWAN—Mr Grant approached my office. He was referred to a departmental liaison officer who then referred him on to the relevant section of the department. Mr Grant would have received the same assistance as any other car dealer who was referred through that process received.

Economy

Mr BRADBURY (2.52 pm)—My question is to the Minister for Finance and De-regulation. How have the government's stimulus measures helped to support the Australian economy and why is it important for these measures to receive broad support from all parts of the community?

Mr TANNER—I think the member for Lindsay for his question. Could I also wish the member for Higgins well on his departure. It is always a sad day when parliament loses a dedicated Essendon supporter, although the Minister for Trade may not agree with that, and I wish him well. The government has put in place an economic strategy built around stimulating economic activity in various sections of the economy in order to take up the slack being left by the global contraction that is hitting the entire world. In doing so, we are sustaining approximately 210,000 jobs and countless businesses that

otherwise would go under as a result of the global recession. That stimulus is going through payments as to maintenance of school buildings, construction of new school buildings, construction of new homes and construction of new road, rail and other projects. That stimulus strategy has received widespread support throughout the community including from most sections of the business community. But, sadly, that support has not been universal. It is particularly disappointing that the opposition not only has refused to support the government's economic stimulus strategy but has continued to snipe at it in an even more hysterical and unfounded way.

But last Friday the shadow Treasurer, the member for North Sydney, broke his own previous world record for silliness when he blamed the Commonwealth Bank's increase of 0.1 per cent in its interest rates on the government's stimulus package. I note that this was coming from a former cabinet minister from a party that when in government promised to keep interest rates at record lows and then delivered 10 interest rate increases in a row. I note also that a respected economics commentator and member of the press gallery described these claims as 'bizarre garbage'. I think that is a very apt description of the accusation that the shadow Treasurer made.

The factor that has been driving the separation of market interest rates from official Reserve Bank of Australia interest rates over the past 12 months or so is universally acknowledged as the turbulence on international financial markets, on global financial markets. That is certainly the reason that the Commonwealth Bank has advanced for the position that it has taken with respect to its market interest rates: the higher cost of wholesale funding flowing through from international financial markets into market interest rates in Australia. In effect, the posi-

tion being taken by the shadow Treasurer and being endorsed implicitly by the Leader of the Opposition today says that projected Australian government borrowing, the vast bulk of which has yet to occur, is pushing up interest rates in global financial markets and that is crowding out private sector activity in global financial markets. Any examination of the facts will demonstrate that this cannot be the case because the Australian proportion of total global government borrowing is extremely small, as the Prime Minister outlined before, and Australia has the lowest projected debt profile of all of the major developed economies in the world.

It is interesting to note, if you want to follow their arguments and if you want to follow through the logic of some of their statements, and also it is always worth referring back to what the opposition said a little while ago. In effect, what they are saying at the moment is that the government is borrowing in order to finance stimulus payments and that that borrowing is crowding out the ability of Australia's banks to finance lending and as a result they have to push up interest rates. It is not that long ago that an opposition member stood here telling us that those same payments were not going to be spent. They were going to be saved. They were going to end up with the banks. They were going to end up in people's bank accounts. So somehow or other the banks are losing money as a result of borrowing for the stimulus payments which are ending up with the banks, according to the position of the opposition. The same person has also said that, should the opposition be elected and were it in office tomorrow, it would maintain the government's stimulus strategy. With Laurie Oakes eight days ago, when asked about this issue, the shadow Treasurer, the member for North Sydney, said that it was hard to unscramble the egg and that the opposition, were it to become the government tomorrow,

would maintain the government's stimulus strategy. The shadow Treasurer has a habit, unfortunately, of saying whatever pops into his head irrespective of substance, rigour and any kind of content.

Mr Hockey—What am I thinking now? What am I thinking now, Lindsay?

Ms Gillard—‘When's Malcolm Turnbull retiring?’—that's what you're thinking.

Mr TANNER—That is right. There are two people who are very glad you are going, Peter, and they are both on that side. In the same interview with Laurie Oakes eight days ago, the member for North Sydney accused the government of ‘spending record levels on advertising’. I thought I had entered a parallel universe on that Sunday morning. It was early in the morning and I was a bit concerned about my state of mind. I thought I had better check the facts. The facts are these: in calendar 2007 total spending on government campaign advertising, \$254 million; in the 2008 calendar year total spending on government campaign advertising, \$87 million—in other words, barely a third of the record level set by the former government of which the shadow Treasurer was a member.

In conclusion, I would like to draw the House's attention to the shadow Treasurer's solution to the problem that he believes is there with government spending and borrowing crowding out the private sector. He says, ‘The government should spend less money.’ Now, there is a slight problem with that. There is something of a problem as those opposite have yet to nominate a single savings proposal in 18 months—not one. They say they would continue with the government's stimulus payments were they in office tomorrow. They continue to block government savings initiatives in the Senate and, of course, they keep dropping out expensive new promises on top of that. So for them, as the opposition, to suggest that the govern-

ment should be spending less money would be slightly more credible were they to actually act in opposition in the same way as we did and put forward savings proposals, as the Prime Minister, the Treasurer and I did in opposition prior to the 2007 election. It is time that the opposition put the shadow Treasurer out of his misery. I used to think it was crook that they had a shadow Treasurer who nicked other people's lines. I have now worked out there is one thing even worse. That is someone who makes up his own.

Building the Education Revolution Program

Mr PYNE (3.00 pm)—My question is to the Minister for Education. I refer the minister to the Hastings Public School in New South Wales, which was granted \$400,000 for a covered outdoor learning area under the schools stimulus debacle. Given that the Hastings Public School built a similar covered outdoor learning area for just \$40,000 in 2003—this represents a tenfold leap in just six years—what action will the minister take to stamp out waste and mismanagement in the schools stimulus debacle?

Ms GILLARD—I thank the shadow minister for his question, because it proves yet again how little the Liberal Party cares about education in this country. On the specific school that he raises, I will of course investigate the details of this matter, but can I say this: the track record of the Liberal Party in raising accurate claims in this House is a very poor one indeed. Given that we have already had questions from the Liberal opposition which, when investigated, turned out to be completely incorrect, I will not accept any fact asserted by the shadow minister without having it thoroughly checked. So we will undertake those checks.

The shadow minister might think it is smart, as a representative of the Liberal Party, to go around the country insulting

school communities on the work that is happening in their schools. The Leader of the Opposition might think it is smart to vote against \$14.7 billion going into local schools and all of the support for local jobs that that provides. But, if they ever got out of their Liberal Party bubble and went to a school and spoke to some real human beings about what is happening in their school, they would find a sense of delight about the possibilities for better quality education that this program brings. I personally have visited schools. I have addressed principals forums where we have talked through Building the Education Revolution and where principals, teachers, parents and, indeed, students themselves have been delighted about the possibility that it brings to their school and the support that it brings to their local community.

Here we are in the parliament and what we hear constantly from the opposition is carping, moaning and criticism, just like we are hearing now. What we never hear from the shadow minister for education is an education policy—not once, not ever.

Mr Pyne—Mr Speaker, on a point of order under the standing orders: the minister was asked a very specific question about profiteering. She is now engaging in rhetoric. If she does not know the answer off the top of her head, she should simply sit down.

The SPEAKER—Order! The Deputy Prime Minister is responding to the question.

Ms GILLARD—In conclusion, the government will get on with delivering its education revolution. I wait for policy statements from the shadow minister. When he makes those policy statements, I think that they should include answers to the following: if the Liberal Party were elected at the next election, would they stop Building the Education Revolution? If the Liberal Party were elected at the next election, would they

stop the national curriculum process? If the Liberal Party were elected at the next election, would they stop the extra money that we provided for primary schools recurrent for government schools? If the Liberal Party were elected at the next election, would they stop our national partnerships for disadvantaged schools? If the Liberal Party were elected at the next election, would they stop our half-billion-dollar investment in literacy and numeracy? If the Liberal Party were elected at the next election, would they stop our \$550 million investment in teacher quality? If the Liberal Party were elected at the next election, would they stop our investment in universal preschools? If the Liberal Party were elected at the next election, would they stop the delivery of more than 700,000 more productivity places? If the Liberal Party were elected at the next election, would they stop the Bradley reforms? I await the answers.

Infrastructure

Ms SAFFIN (3.05 pm)—My question is to the Minister for Infrastructure, Transport, Regional Development and Local Government. Will the minister please update the House on the rollout of the government's record investment in regional infrastructure and on how it is being received by regional representatives?

Mr ALBANESE—I thank the member for Page for her question. More than \$21 billion of the \$35 billion we have set aside for transport infrastructure will be spent in regional and rural Australia. The member for Page will certainly be pleased—I am not quite so sure about the member for Cowper—that I have announced today that detailed engineering work will start this week on the \$618 million Kempsey bypass. That will enable construction work to commence at the beginning of next year, creating some 450 direct jobs, as well as many indirect

jobs, in Kempsey on the North Coast of New South Wales. I am asked about how the investment in regional Australia is being received. Certainly, a number of National Party representatives have had a say about this project—which they could not get around to doing in 12 long years—that it is long overdue. This is a direct piece of self-criticism from the National Party representatives, including the member for Cowper.

Regional representatives have also had a bit to say. The Vice-President of the National Farmers Federation has said:

Transport infrastructure investment, including road and port funding, is welcomed.

He said that in a statement that the NFF put out supporting this government's record funding in regional Australia. I am asked about other representatives and what they had to say about our budget proposals and the record investment which is supporting jobs today and building the infrastructure that Australia needs for tomorrow.

I note that the Leader of the National Party was speaking at a New South Wales Nationals conference in Wagga Wagga last Friday. He is also the shadow minister for transport and I thought he might have a bit to say at that conference. Members will recall the amendment moved to the Nation Building Program legislation, when the parliament sat a couple of weeks ago, that would stop funding of black spots in regional communities. Remember that amendment which the opposition moved so that you could not have black spot funding on the national network? They all went to the photo opportunities in their electorates applauding the funding, yet they had voted against it being permitted under the Nation Building Program. I thought the Leader of the National Party might have a bit to say about how the opposition are taking on the government over this outrageous measure that they say the gov-

ernment has put in. I had a look at the speech and there are 2,600 words in it but transport is not mentioned, not even once. There is not one word from the shadow minister about transport. There is nothing about nation building or about infrastructure. He had nothing at all to say.

The Leader of the National Party was in Wagga Wagga at the conference and he would have known—and there would have been people from Wagga Wagga there, too, who would have known—that we are duplicating the Hume Highway by 2012, and that we are bringing forward record spending on the Hume Highway. I had a look at what was in the speech of the Leader of the National Party and he said a very interesting thing. He said:

We are increasingly seen as the party of regional Australia, grounded in the regions and taking forward regional expertise and ideas for consideration in Canberra and Macquarie Street.

That is an interesting perspective given that, when I was elected here in 1996 there were 18 Nationals in the parliament and now there are nine. Yet they argue that they are moving forward and are increasingly seen as the party of regional Australia.

Mr Oakeshott interjecting—

Mr ALBANESE—I notice the member for Lyne having a good chuckle at the idea that the National Party are the party of regional Australia and that they are moving forward in Macquarie Street and in Canberra. The Leader of the National Party has become the Comical Ali of the Parliament. Remember Comical Ali as the US troops came into Baghdad? He said, 'It's okay, nothing's happening. It's okay, we're going well.' Comical Ali had this to say about the Americans, 'We have destroyed their shovels. We have driven them back.' Well, those opposite want to destroy the shovels of the government, those nation-building shovels that are being util-

ised throughout the country to build roads, to build rail and to build ports. Those opposite, in spite of their best efforts to stop the nation-building agenda of this government, will not succeed.

I must say that the Leader of the National Party perhaps listened to the leader of the coalition who said, on 20 May when he was in Adelaide, about the government's nation-building agenda and I quote:

... everything will have to be reviewed. There's no question about that.

What we see is those opposite drawing into question the nation-building agenda that the government has. The government will not be deterred. It will continue to support programs which support jobs today and which build the infrastructure that Australia needs for tomorrow.

Building the Education Revolution Program

Mr PYNE (3.11 am)—My question is to the Minister for Education. Does the minister agree with the Prime Minister's comments on 3 February about the school stimulus package when he said, 'This government will adopt a zero tolerance approach to any state government, whatever its political complexion, to any substitution of effort,' and, if so, what action will the government take against the South Australian government, which cut funding by 12 per cent for capital works programs in schools in its 2009-10 budget?

The SPEAKER—I call the Deputy Prime Minister.

Ms GILLARD—Thank you very much, Mr Speaker, and once again, because we do not have accurate questions from the shadow minister for education, I will check what he has asserted, because we know from former question times that assertions made by the opposition about Building the Education Revolution and about the government's edu-

cation policies generally turn out to be completely spurious when investigated.

What I can say to the shadow minister—and he may or may not be interested because the degree of seriousness with which he takes his education work is always something to be doubted—is that the government is absolutely determined that the Building the Education Revolution program is an addition to investment that would have happened in any event as a result of state budgets. We work constantly with our state and territory colleagues to deliver that program. The sanctions that can be applied under the agreements that surround the Building the Education Revolution program are serious ones and they are understood by our state and territory colleagues.

Can I reiterate: for a man who earlier in question time was yelling at me, ‘What about Gepps Cross school?’ only to be humiliated when his claim was found to be ridiculous—

Ms Julie Bishop—Mr Speaker, I rise on a point of order. The question was specifically in relation to the cut of 12 per cent to the capital works program in the South Australian budget. I would ask the Deputy Prime Minister to answer what action—

The SPEAKER—Order! The Deputy Prime Minister is responding to the question.

Ms GILLARD—I certainly will investigate the claims made. But, given the Deputy Leader of the Opposition has risen to her feet to once again indicate an interest in education, I will take the opportunity to remind the House that, when she was minister for education, we did have a problem with funding going to schools that were closing. I remind the Deputy Leader of the Opposition of the Investing in Our Schools Program grant she made to the Bowral Rudolf Steiner School in 2007, when it closed in 2007. There is the grant that she made to the Marist College

Rosalie School in 2008, when it closed in 2008.

Ms Julie Bishop—Mr Speaker, I—

The SPEAKER—Order! The Deputy Prime Minister will resume her seat and the Deputy Leader of the Opposition will resume her seat.

Ms Julie Bishop interjecting—

The SPEAKER—Order! The Deputy Leader of the Opposition will resume her seat! The Deputy Prime Minister will refer her remarks to the question before us.

Ms GILLARD—As I understand the question before us, questions are being raised about the government’s education programs. The simple point I was making is that some of these criticisms lie ill in the mouths of people whose administration—

Mr Pyne—Mr Speaker, I raise a point of order. I am happy to repeat the question if the Deputy Prime Minister seems to have forgotten it. It was not a general question. It was about states skimming—12 per cent by the state government in South Australia—

The SPEAKER—Order! There is no need to repeat the question. The Manager of Opposition Business will resume his seat.

Ms GILLARD—Can I reiterate that, obviously, Building the Education Revolution is an economic stimulus package. It is to go on top of other expenditures. I will investigate the claims made, but I make this very simple point: for an opposition that opposed this program lock, stock and barrel, under whose administration not one school would get one cent, it seems to me pretty interesting that they come in here day after day with claims that, when investigated, turn out to be fabricated. On the track record of the opposition when it was in government and the track record of those who held the education portfolio, let us just contemplate for a moment what, if any, lasting reforms people will be

talking about from the Howard era. Can't think of one? Well, there would be a good reason for that.

Solar Energy

Mr BEVIS (3.17 pm)—My question is to the Minister for the Environment, Heritage and the Arts. How will the new solar credits continue the government's unprecedented support for the solar panel industry? How does this approach compare with previous approaches in delivering value for money in environmental and water programs?

Mr GARRETT—I thank the member for Brisbane for his question. The fact is that there is more government support for the solar industry and there are more solar panels going onto Australian rooftops under the Rudd government than at any previous time. The pre-election commitment of \$150 million for five years was to fund 15,000 solar rebates; we now have funded more than 80,000 solar rebates from the time we came to government. That exceeds our election commitment some fourfold. Over 60,000 installations are in the pipeline and that means that the industry has at least 12 months work, according to current rates, to continue putting solar panels on people's roofs.

During the coalition's entire 12 years in office, the solar rebate program supported around 10,500 installations of solar panels. That is 10,000 panels over 12 years versus 80,000 in just 18 months. I am reminded of that song *What a Difference a Day Makes*. Some of you will know the melody.

Opposition members interjecting—

Mr GARRETT—I will not sing it here, although I know you would like me to. What a difference a day makes not only for the Leader of the Opposition, given the announcement by the member for Higgins; what a difference 18 months makes in the term of a government. Now, with solar cred-

its operating through the renewable energy target, there is long-term certainty for the solar industry to go and to grow and to invest beyond budget cycles. There will be an upfront capital cost subsidy to all households and no means test. Households, the local fish and chip shop, farmers, community groups, businesses and families are all in the market for solar credits. The member for Flinders, who I notice is absent today, said last week in relation to the Leader of the Opposition:

Malcolm Turnbull was the guy who introduced the \$8,000 rebate. He knew it was going to be successful. He wanted it to be successful and that is why he actually introduced it as an uncapped rebate.

He said, 'Look, if this is successful, that's a good problem we'll have to deal with not a bad problem.'

I want to advise the House of the real story. When the now Leader of the Opposition did increase solar rebates in 2007, he said that he expected the program to be unpopular. I refer to the *Daily Telegraph* of 12 May 2007, which reported:

Environment Minister Malcolm Turnbull doesn't need a state-wide survey showing him solar energy is unpopular. He already knows. The Saturday *Daily Telegraph* can reveal the reason the federal government didn't make its \$150 million solar rebate any bigger was because there was not enough demand for solar panels. 'If demand exceeds our expectations then obviously we'll review the scheme,' he said. 'To date shortage of money has not been an issue. Solar panels are still pretty expensive.'

So we have the member for Flinders saying that the opposition wrote a blank cheque for solar rebates because Mr Turnbull knew it was going to be successful. But, in 2007, the now Leader of the Opposition was back-grounding the *Daily Telegraph* and saying that his expectations would be that the rebate would be unpopular. This is an absolute sham. But we should not be surprised by the opposition.

I was asked how this compares with previous approaches to deliver value—on environmental values, on programs, on water programs and the like. At the same time as very few solar panels were going onto the roofs of Australian homes under the coalition government when the Leader of the Opposition was the minister for the environment, he had responsibility for water policy as well. What was that water policy? It was water policy dreamt up on the back of an envelope: a commitment to spend money, not a single delivery of water back into the Murray-Darling Basin system, with no consultation with Treasury, no consultation with the now-departing member for Higgins, no consultation with farmers organisations—in other words, just doing it on the run.

It should not surprise us because, well before the last election, we know that the Leader of the Opposition was focusing on another aspect of water policy. This was the advice that the Leader of the Opposition received from his department to spend some \$2 million on investigating cloud-seeding technologies. There we were two days into the election campaign, with the substantial matters of policy to be determined, including what the government was then going to bring to the people by way of climate change policy and the like, and we had the member for Wentworth writing to the Prime Minister, saying, ‘Can we have \$10 million to spend on the project?’

I should point out that a year earlier the member for Wentworth, the now Leader of the Opposition, had written to a scientific expert telling him that cloud seeding simply did not work. He used the expression that the results were ‘inconclusive at best’. Here we had a reckless spending exercise, against the advice of the minister’s department, whilst at the same time there were no policies for renewable energy, no policies for green jobs and no policies for increasing the capacity of

the solar industry to do what it had to do. Now we have the opposition leader supporting, it is said, the government’s targets on climate change, but with coalition members in his own party saying right out loud that they oppose the scheme.

I say to the Leader of the Opposition: the confusion that is rampant within your ranks over climate change is an absolute disgrace—with business needing certainty, with green jobs ready to be put into place—and at this point in time we have an opposition leader who is opposed to the stimulus package and who opposed the energy efficient homes plan. This is a plan which will see an extraordinary number of homes—some three million Australian households—get ceiling insulation in their roofs, reducing the costs of energy, reducing greenhouse gas emissions and producing jobs and green jobs at the same time. It is time that the opposition leader focused on the real policy initiatives, recognised the importance of providing certainty for the Australian public in dealing with climate change and looked at these significant issues and at the commitment that this government has to solar panels.

National School Pride Program

Mr HAASE (3.23 pm)—My question is addressed to the Minister for Education. Will the minister explain why her National School Pride program prohibits schools from installing air conditioning in existing classrooms that have none and why, as a consequence, children in dozens of schools across my electorate of Kalgoorlie will continue to swelter or be sent home on all-too-frequent hot days?

Ms GILLARD—I thank the member for his question, which I am very happy to answer. I suggest that perhaps he needs to have a discussion with his shadow minister, because what his shadow minister said in the last question is that he is concerned that state governments are not maintaining effort on

education capital and equipment, whereas the member has raised a question with me which would seem to suggest the only source of funding available to schools for things like air conditioning is Building the Education Revolution. Building the Education Revolution is for specific purposes. Amongst the specific purposes is the construction of new buildings and those buildings can be air conditioned. Of course, on general repairs for schools and the air conditioning of classrooms, that is something that state governments attend to for state schools. So he may want to raise his question with the state Liberal government—

Mr Pyne interjecting—

The SPEAKER—Order! The member for Sturt will leave the chamber for one hour under 94(a).

The member for Sturt then left the chamber.

Ms GILLARD—What the guidelines provide—and the guidelines are very clear—is for newly constructed buildings under Primary Schools for the 21st Century as part of Building the Education Revolution. Of course, appropriate climate control, whether it be air conditioning or heating, can be installed. National School Pride program money can go to small-scale repairs and it is going to shadecloth and some of the other important things in schools. It is not going to air conditioning; that is true. As the member would be aware, a substantial consideration with the insertion of air conditioning in schools is the ongoing costs of running the air conditioning. He would know, from the climate he comes from, that the capital cost of putting in the air conditioning is one thing; the year-on-year power cost is another. We have obviously said to state governments, as we have gone about this task, that our economic stimulus is extra to the things that they ordinarily do. One of the things that

they ordinarily do is work out how to renovate classrooms for climate control, including an understanding of what the ongoing recurrent costs of that would be. We have said to state governments that, with major constructs under Primary Schools for the 21st Century, appropriate climate control will be part of the fit-out, as will the things required to make buildings functional, including in some cases interactive whiteboards and the like. Those things are all part of the program.

I can understand that the member is disgruntled about the circumstances in his electorate for some of the children who attend school in his electorate. On the question of air conditioning for current school facilities, he should feel very free to direct that to the state minister for education in his state of Western Australia.

Climate Change

Mr DANBY (3.27 pm)—My question is to the Minister for Defence Personnel, Materiel and Science and the Minister Assisting the Minister for Climate Change. Will the minister outline to the House the work that has been done over the last decade to set up an emissions trading scheme and implement an expanded renewable energy target? How has this work assisted the government to take real action on climate change and how is this action being received?

Mr COMBET—Thank you to the member for Melbourne Ports. As a former constituent of his, I can attest to the fact that he has a serious interest in the issue of climate change. We all have a responsibility—including the opposition—to the Australian people and to future generations to act on climate change. For the government's part, the government accepts the consensus view of scientists. Importantly, the *Fourth assessment report* of the Intergovernmental Panel on Climate Change states that warming is

unequivocal and human activities are responsible for most of the observed warming over the last 50 years. That is a consequence of the work of over 1,200 scientists from over 130 countries that has been subject to peer review, contained and represented in the *Fourth assessment report* of the IPCC. The government also accepts that if we fail to act now we will cause irreparable damage to our environment, economy and way of life. The fact is that Australia is a hot and dry continent and failure to act will have an adverse effect on our ecosystems and our economy, particularly on industries such as agriculture and tourism.

Further delay in acting against climate change means the cost of adjustment will be greater and other countries will get ahead of us in creating the low-pollution jobs of the future. And that is why the government has established targets and developed the Carbon Pollution Reduction Scheme to go about achieving them. But in the face of all this evidence the coalition continue to ignore the challenge of climate change and insist on delay—even after 12 years in government characterised by inaction on this issue in the face of numerous reports and commitments given during their period in government.

Just to give an overview of some of the work and the advice that the coalition commissioned and ignored: in 1999 there were no fewer than six reports to the Howard government, all of which were ignored. The Australian Greenhouse Office discussion paper series on emissions trading was issued during that year and included a discussion paper on establishing the boundaries of a scheme, a discussion paper on issuing permits, a discussion paper on how crediting carbon pollution could occur, a discussion paper on designing the carbon-trading market, a discussion paper on the greenhouse challenge and a further report of the Greenhouse Energy Group on planning for manda-

tory targets for the uptake of renewable energy in power supplies, followed in the year 2000 by a further report of the Australian Greenhouse Office on encouraging early greenhouse abatement mechanisms.

In 2002 there was a further report from the Greenhouse Office on greenhouse gas emissions. In 2003 there was a report on renewable opportunities and a review of the operation of the Renewable Energy (Electricity) Act. In 2007, of course, there was the Shergold report, from the Prime Minister's task group at that time, on emissions trading, which led to the Howard government indicating that it would commit to an emissions trading scheme. But in the face of all that, nothing was done. The advice was ignored. The reports were shelved.

During 2008, by contrast, the Rudd government received the Garnaut Climate Change Review report. A green paper on the development of the Carbon Pollution Reduction Scheme was developed. A white paper was issued in December 2008 and there were numerous industry consultations. In 2009, the draft CPRS legislation was released, numerous Senate inquiries have been held and now the draft Renewable Energy (Electricity) Amendment Bill has been released. On that point, the government intends implementing its policy by virtue of that legislation to achieve 20 per cent of Australia's electricity supply being delivered by renewable sources by the year 2020. That is expected to drive \$19 billion worth of investment in renewable energy activity.

These are great institutional changes. They are extremely important and in the face of them the coalition has abrogated its responsibility to support them. However, Mr Turnbull, the Leader of the Opposition, has indicated what is the coalition's policy. He made this remark on 9 July 2008:

... the Howard Government's policy last year was that we would establish an emissions trading system not later than 2012.

And importantly, in the light of the excuses for delay that have been articulated by the Liberal Party in recent times, Mr Turnbull, the Leader of the Opposition, said:

It was not conditional on international action ...

Commitment to an emissions trading system was to be pursued by the coalition. More recently, the Leader of the Opposition has confirmed that there will be an emissions trading scheme in this country. The trouble is that the coalition and the Leader of the Opposition cannot deliver on these issues and all we have heard are excuses for delay. The reason that there are excuses for delay is that the opposition is deeply divided. And you do not have to take my point of view on it; there is plenty of evidence from members of the opposition. Take this quote from Senator Eric Abetz:

There is no doubt that weeds—

That was 'weeds'—

pose ... a challenge much clearer, more present and possibly more serious than the unclear challenge which climate change may or may not pose to our biodiversity ...

And there are many other instances where members of the opposition have indicated a completely contrary view to that of the Leader of the Opposition on the issue of emissions trading and scepticism about the science. And that is the reason for the division on that side of politics and the reason that all they posit are excuses for delay. The government has brought forward the Carbon Pollution Reduction Scheme. It has passed through this House. We will be bringing forward legislation to establish a fourfold increase in the renewable energy target. We have established ambitious carbon pollution reduction targets, we have signed the Kyoto Protocol and we will take action. It is time

that the opposition exercised responsibility on behalf of the Australian community on this question.

Ms Julie Bishop—As the minister read every single word of his answer, I ask that he table the document from which he was reading.

The SPEAKER—Was the minister quoting from a document?

Mr Combet—Yes.

The SPEAKER—Was the document confidential?

Mr Combet—Yes.

Mr Tuckey—I rise on a point of order. In the light of the minister's maiden answer being confidential, could he disclose the author?

The SPEAKER—The member for O'Connor will leave the chamber for one hour under the provisions of standing order 94(a).

The member for O'Connor then left the chamber.

North West Queensland Mineral Province

Mr KATTER (3.37 pm)—My question without notice is to the honourable Minister for Resources and Energy. The minister would be aware of his own role as the Lone Ranger riding to the rescue of the \$15 billion North West Queensland Mineral Province about to be scalped by electricity demand growth outstripping supply in 2012, the current cost of inefficient small power generation rendering our mineral production non-competitive, no growth capacity in the north-west grid and CPR charges. In light of this, could the minister ensure—

Opposition members interjecting—

Mr KATTER—It is a bit important, you know. It really is a little bit important.

The SPEAKER—Order! The member for Kennedy has the call. I am trying to hear him.

Mr KATTER—I was wondering whether I did, Mr Speaker. In light of this could the minister ensure that (a) he arrives in time, (b) he brings sufficient electricity with him and (c) his proposed clean energy corridor, for which his grid connection has provided the catalyst, will provide the silver bullet for Xstrata, BHP, Rio Tinto and Gutnick's Legend Mining with some 15,000 permanent jobs flowing from the Pentland biofuels project and the proposed mineral expansions? Finally, if not, would he not agree that even Tonto might decide that he and the infrastructure minister, Albanese, are palefaces?

The SPEAKER—Just for the record, the last part of the question is out of order.

Mr MARTIN FERGUSON—I do not know where the Lone Ranger and Tonto are today, but I can assure the House they long gave up trying to corral the member for Kennedy. More seriously, this question is a very serious question. It goes to the potential development of the North West Mineral Province in Queensland. This province has long been held back by the lack of an adequate supply of energy at a reasonable cost. The member for Kennedy has raised the question of the possible development of the North West Mineral Province in the context of a key part of the government's recent budget strategy going to the establishment of a real government commitment to clean energy in Australia. I welcome his support for that government initiative, because it goes to our requirement to invest in not only carbon capture and storage but also renewable energy in Australia. That is because we are not interested in trying to pick winners; we are about trying to create a framework that encourages investment in all sources of potential energy in Australia.

That takes me, firstly, to the question of carbon capture and storage and a commitment of \$2.4 billion to cleaning up coal in Australia, reducing emissions. CCS is vital to our future, because 82 per cent of Australia's electricity comes from coal-fired power stations. I was pleased to see carbon capture and storage in a commercial operation, the Sleipner petroleum field, when I recently visited Norway. CCS is currently in place throughout the world and it is our responsibility, not only as a coal-dependent energy nation but also as a major coal exporter, to actually get this technology right. I would also say that, if we achieve later this year the Gorgon gas investment of \$30 billion to \$50 billion, something that the Prime Minister and I are working on at the moment, you will see the largest carbon capture and storage operation in the world here, on Barrow Island in Western Australia.

The member has also raised the need to focus on renewables. We are about investing real money—the biggest investment by an Australian government—in the renewables sector in Australia. That builds on our determination to put in place a measured carbon pollution reduction scheme with a renewable energy target of 20 per cent by 2020. Our demonstration program of \$1.6 billion in solar technologies is not just about solar PV; it is also about seriously investigating whether or not solar thermal could supply real, baseload, secure energy in Australia—important not only to Australia but also to the global community.

Not content with just focusing on carbon capture and storage and solar, we are also going to encourage the exploration and development of other demonstration activities, such as geothermal and wave power. This is about us ensuring as a nation that, when it comes to the issue of energy security, as we move to a low-emission economy, we not only guarantee our own future but also put in

place technology options of great interest and need to the global community at large.

So I say to the member for Kennedy: I express my appreciation for your support of the government's clean energy strategy. I am not the Lone Ranger; I have a huge posse behind me and absolute support of our clean energy demonstration program. Perhaps more importantly, he, like me, understands and appreciates that without a commitment to clean energy we will never have a capacity to develop the North West Mineral Province, which has the potential to be as important as north-west Western Australia. I thank him for his question.

Swine Influenza

Mr SYMON (3.43 pm)—My question is to the Minister for Health and Ageing. Will the minister advise the House on the latest swine flu developments in Australia and internationally and on the government's response to date?

Ms ROXON—I thank the member for Deakin for his question. Obviously amongst Victorian members there is a particular interest, but it is a matter of importance for the whole country. Members of the House may be aware that last Friday the World Health Organisation declared the H1N1 influenza strain a pandemic, the first global pandemic for 40 years. The World Health Organisation's phase 6 is characterised by community level outbreaks in at least one country in a different World Health Organisation region from the source country—in this case, Mexico. It indicates that there is sustained human-to-human community level transmission.

The WHO's decision to declare the first pandemic of the 21st century indicates that it is no longer possible to contain the virus in a particular geographical area. There are now nearly 30,000 cases of human swine influenza around the world, with 74 countries

affected. The World Health Organisation considers that this pandemic, at least in its early stages, will be of moderate severity. Around the world, and as we are seeing here in Australia, the overwhelming majority of patients experience mild symptoms and will make a rapid and full recovery. This of course is an important factor to be weighed in the public health advice that is being provided to the community.

However, as we also know, the disease has a hard edge with potentially severe complications for people with underlying health conditions such as morbid obesity, respiratory conditions and chronic disease and, like the regular flu, for pregnant women. Increasingly the world's focus, like our focus, is moving to identifying and treating those most at risk of severe complications. I do need to report to the House that we have heard the first reports in the media, as yet unconfirmed, of the first death in the United Kingdom, which would be the first death outside the Americas, underscoring the point that this disease can have severe consequences, although it is expected to be mild to moderate in most.

Australia has about six per cent of the world's confirmed cases. Here in Australia as at 12 noon today there were 1,762 confirmed cases—1,210 in Victoria, 191 in New South Wales, 116 in Queensland, 63 in South Australia, 66 in Western Australia, 32 in Tasmania, 53 in the ACT and 31 in the Northern Territory. There are 10 people currently in hospital, three of whom are in intensive care. The hospitalised have generally been those people with existing conditions or complications such as morbid obesity and respiratory conditions. A number of schools and child-care centres are closed around the country, particularly in those states other than Victoria that are still in the 'contain' phase.

Australia's current approach to swine flu is consistent with the World Health Organisation's recommendation that countries should now focus on treating those who are ill, providing guidance to people to protect themselves, closely monitoring the disease and adjusting the response to local conditions. This is what is already occurring in Australia and underpins the government's public health advice to the community. In particular, this is consistent with what is occurring in Victoria, with that state on a modified 'sustain' alert level. I need to advise the House that we continue to give ongoing consideration to the appropriateness of Australia's national alert level. The rest of the country remains at 'contain', where efforts are continuing with a focus on slowing the spread of the disease, which is why we are still seeing school closures in states other than Victoria. Of course, this is something that will continue to be reviewed day by day and hour by hour on the advice of the Chief Medical Officer as well as the Australian Health Protection Committee and the National Pandemic Emergency Committee.

I do need to flag that, as the number of cases in Australia steadily increases, the government, in conjunction with the states and territories, will give further consideration to moving to a consistent alert level across Australia and to modifying our response to take account of the increasing number of cases in our community and the moderate severity to date. In particular, we will continue to carefully monitor the extent of community transmission—that is, cases with no known contact with other confirmed cases. From the data over the weekend the majority of cases outside Victoria can still be traced back to known contacts with other confirmed cases. But this is changing, and we will continue to monitor it closely over the coming days.

I take this opportunity to remind Australians that the World Health Organisation and

the government do not recommend the closure of any borders or travel restrictions during the pandemic. But the community must be aware that Australians travelling abroad are required to adhere not only to the laws of other countries but also to their health and quarantine arrangements. The Smartraveller website provides advice to this effect for those who are considering travel overseas.

Although Australians are being encouraged to continue to undertake normal day-to-day activities, I know this is going to be difficult for some people, particularly as the consequences of voluntary exclusion from school and school closures have an impact on family life. These school measures are being maintained in states in the 'contain' phase as an agreed, effective way to slow the spread of the disease in the community.

I want to take the opportunity to again thank the public, and parents in particular, for their forbearance in this difficult period, which we know can cause family inconvenience. I would also like to take the opportunity to again thank doctors and other health officials for their ongoing efforts and attention in a pandemic which is going to continue to add a significant burden to their already demanding roles.

Nation Building and Jobs Plan

Mr BRIGGS (3.49 pm)—My question is to the Treasurer. Can the Treasurer explain why a \$900 cash-splash cheque from the Reserve Bank to Mrs Gloria Hartridge has bounced, resulting in a \$9 dishonour fee to this hardworking mother? Treasurer, has the government run out of money?

Mr Albanese—Mr Speaker, I rise on a point of order under the standing orders. Have they run out of questions?

The SPEAKER—Order! There is no point of order. There have been a number of questions that, on literal interpretation of the

standing orders, have been outside the standing orders.

Mr SWAN—I am happy to look at the details, as usual. Whether what the member says is true or not, I do not know, but I am happy to—

Ms Julie Bishop interjecting—

Mr SWAN—Well, that would be a change, wouldn't it! That would be a dramatic change from what we have been seeing in the House over a long period of time. This crew opposite will go to enormous lengths to try and discredit the importance of economic stimulus and what it has done to support employment and business in the Australian economy. They will go to any lengths—they will say anything, they will do anything and they will distort anything—to try and cast some doubt on the effectiveness of economic stimulus, which has been of such benefit to so many people in this community who have been employed and so many businesses out there who really need customers coming through the door. But they simply do not get it. I am happy to follow up the details, but it does not in any way absolve any of those opposite from their irresponsibility in voting against what has been absolutely critical for the Australian economy in our time of need.

FIFA World Cup Bid

Mr CRAIG THOMSON (3.51 pm)—My question is to the Minister for Early Childhood Education, Childcare and Youth and Minister for Sport. Will the minister update the House on Australia's bid for the 2018-22 FIFA World Cup?

Ms KATE ELLIS—I thank the member for his question and I would of course be delighted to update the House on the exciting developments with the official launch of the World Cup bid yesterday. Before doing that I would like to take the opportunity to place on the parliamentary record the Australian government's congratulations to Football

Federation Australia, to Pim Verbeek, to captain Lucas Neill and of course to the phenomenal Socceroos on their recent historic qualification for the 2010 FIFA World Cup. I know that the whole parliament will join in adding their congratulations. This achievement should not be underestimated. It is after all only the third time that Australia has qualified to compete with the best of the best on the world stage in this sport. But it is also the first time that we have been able to go back-to-back, and the manner in which we did it was without conceding a single goal and we qualified with two games remaining, all of which make it a truly remarkable achievement.

The Socceroos have shown that Australia has become a major player on the world stage when it comes to football. This was also demonstrated yesterday with the official launch of our FIFA World Cup bid. I know that the official launch of our bid was attended by members from both sides of the House and quite literally brought football into the parliament. When the bid was launched by the Prime Minister yesterday, the message that Australia sent to the world was clear: Australia is ready and we want the world to come and play on our home turf. I would like to particularly note the contribution that the Leader of the Opposition made yesterday when he stated that the bid had 'the unequivocal support' of both sides of the House and that the opposition and the government will be 'side by side, joined at the hip, as dual strikers' to bring the World Cup to Australia. I think it is important that we note that, on these major international ventures, this parliament does work together very productively because we know that bipartisanship is crucial to the success of the prized goal.

We also know that, beyond politics, the involvement and the inclusion of the community is crucial. We need to show the whole

world that as a community we are united behind this bid, and the community will be included with a strong role to play in the battle going forward. Chairman Frank Lowy announced yesterday that we want the community to play their role as thousands of individual ambassadors. Already, one Facebook site that is dedicated to supporting Australia's bid to host the 2018-22 World Cup now has over 80,000 people registered as members. In fact, just prior to question time I received an email from the Subiaco Junior Soccer Club under-15s, who were offering to be—

Ms Julie Bishop—A wonderful team.

Ms KATE ELLIS—I am sure they are a wonderful team. In fact they are travelling overseas to compete in Sweden later this year. They have offered to act as ambassadors for Australia's bid on the world stage. This is an offer that we will certainly take them up on. I would like to call on all Australians to get involved and log onto the newly launched website, www.australia2018-2022.com.au, to register their support for our bid and to get behind the campaign to show to the entire world that there is no better place on the planet to hold the World Cup than right here in Australia, because there is no doubt that there is a lot of hard work that lies before us from this point on.

We also know that there are significant benefits in terms of infrastructure and job creation and of course massive benefits in terms of tourism potential. So we as a government will continue to work very hard to support Frank Lowy, Ben Buckley and Football Federation Australia. We will work on a coordinated approach across government but we will also be working in very strong partnership with all of the states and territories, which have signed up to supporting the bid through COAG. Australia will be making its first presentation before FIFA later this year,

in December, before submitting the formal bid in May of next year, with a decision being made in December next year.

We know that the competition is very tight but we also know that when it comes to hosting major sporting events there is nobody in the world that does it better than Australia. Together we will work on a united and inclusive bid to show to the whole world that Australia will put on the best World Cup the world has ever seen.

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

QUESTIONS WITHOUT NOTICE: ADDITIONAL ANSWERS

Building the Education Revolution Program

Ms GILLARD (Lalor—Minister for Education, Minister for Employment and Workplace Relations and Minister for Social Inclusion) (3.57 pm)—Mr Speaker, I seek the indulgence of the chair to add to an answer.

The SPEAKER—The minister may proceed.

Ms GILLARD—I seek to add to an answer asked of me by the shadow minister for education, when he was in the parliament earlier, which related to the Hastings Public School. The assertion in the member's question was that somehow the cost for a covered outdoor learning area had increased tenfold in just six years. Can I clarify the matter as follows: the Hastings Public School in New South Wales has certainly received \$400,000 for the construction of a covered outdoor learning area. This is a significant building with a solid roof. It also includes an amphitheatre, seating and a sound system to facilitate school assemblies and performances and science and art work spaces.

I do not know whether the member was seeking to assert that in 2003 the Hastings Public School had received \$40,000 for some

shadecloth. I do not have a record of that. What I think is quite likely to have happened is that the shadow minister has become confused between the Hastings Public School in New South Wales and Hastings Primary School in Victoria. If he has become confused on that basis let me take the opportunity to explain to him that they are two different schools in two different states.

The Hastings Public School in New South Wales, which is so ably represented in this parliament by the member for Lyne, also received funding of \$2.6 million for new classroom construction. I understand from him that he is very well aware of the views of the school. They are delighted with the funding for the covered outdoor learning area. The principal has also informed me that he is a semifinalist in *The Einstein Factor*, with the topic of Franklin Roosevelt—

Opposition members interjecting—

Ms GILLARD—I know that wishing a principal well is just too much for the opposition to do; it is too hard!

Ms Julie Bishop—Mr Speaker, I rise on a point of order on relevance. This is going far beyond just the indulgence of adding to an answer to a question. The Deputy Prime Minister is getting on to areas that are totally irrelevant to any question asked of her in question time and she should be sat down.

The SPEAKER—The Deputy Leader of the Opposition will resume her seat. The Deputy Prime Minister is adding to an answer.

Ms GILLARD—I know that it is beyond the charity of heart of the opposition to wish a school principal well in *The Einstein Factor*, but I most certainly do, and I am sure that members of the government and the Independents do, including the local member opposite. I am sure that, in studying Franklin Roosevelt for *The Einstein Factor* competition, the principal's grasp on economics is

now far clearer than that of the Liberal opposition and what it has got to offer.

PERSONAL EXPLANATIONS

Mr BRENDAN O'CONNOR (Gorton—Minister for Home Affairs) (4.00 pm)—Mr Speaker, I wish to make a personal explanation.

The SPEAKER—Does the honourable member claim to have been misrepresented?

Mr BRENDAN O'CONNOR—Yes.

The SPEAKER—Please proceed.

Mr BRENDAN O'CONNOR—The *Daily Telegraph* yesterday alleged that a staff member of my electorate office had placed his APH address on his private blog and that his private blog was linked to a pornographic blog. The staff member in question did inadvertently place his APH address on his blog, for which he has been counselled.

Mr Truss—Mr Speaker, I rise on a point of order. This part of the program of the parliament is designed for members to explain where they have been personally misrepresented, not their staff.

The SPEAKER—I will listen to the minister and for the way in which this relates to him.

Mr BRENDAN O'CONNOR—The APH address has been removed from his blog. However—

Ms Julie Bishop—How does this relate to you?

Mr BRENDAN O'CONNOR—Because the heading of the article is 'Minister embarrassed'.

Ms Julie Bishop—Well, aren't you?

Mr BRENDAN O'CONNOR—You are embarrassing; that is what you are.

The SPEAKER—Order! The minister will resume his seat. Those on my left will cease interjecting. The minister has the call.

Mr BRENDAN O'CONNOR—However, it is untrue that his private blog was linked to a pornographic site. The site referred to in the article is called Awkward-FamilyPhotos and it is currently linked to many public sites, including, would you believe it, the *Daily Telegraph* site. On 19 May, the *Daily Telegraph* website described the site as 'taking the world by storm, allowing readers to post cringe-worthy family portraits, along with witty captions and headlines'. I table the *Daily Telegraph* website page that links to the site in question. I am confident that this now clears up any misunderstanding by the *Daily Telegraph* and the journalist involved.

Ms Julie Bishop—That was an abuse of the processes of the parliament.

The SPEAKER—An abuse of the processes of the parliament is to sit there and interject. I indicate that perhaps that might have been wide of the mark, but, given that the minister is a portfolio minister in the Attorney-General's Department, it may have assisted to clarify those matters.

DOCUMENTS

Mr ALBANESE (Grayndler—Leader of the House) (4.03 pm)—Documents are presented as listed in the schedule circulated to honourable members. Details of the documents will be recorded in the *Votes and Proceedings*.

MINISTERIAL STATEMENTS

Piracy and Armed Robbery at Sea

Mr ALBANESE (Grayndler—Minister for Infrastructure, Transport, Regional Development and Local Government) (4.03 pm)—by leave—On 12 June 2009 in a joint media release with the foreign minister, the Hon. Stephen Smith MP, I announced that Australia has strengthened its commitment to international efforts to combat piracy off the Horn of Africa. Australia will provide

\$500,000, as well as skills and expertise, to the joint European Commission/United Nations Office of Drugs and Crime (UNODC) Counter Piracy Program to assist Kenyan authorities in receiving and processing apprehended piracy suspects.

Australia will provide an official through the Office of the Inspector of Transport Security and the Australian Federal Police to work with the UNODC in the Nairobi office in Kenya in dealing with piracy in the region. The international community, and particularly the UNODC, recognises that, if an effective deterrent is to be created in the prosecution of suspected pirates, there needs to be a capacity for the legal processing to occur within the north-east African region. The official will work with local authorities in Kenya in dealing with apprehended piracy suspects.

This is one of a range of measures undertaken by the Australian government to combat the growing international problem of piracy. International Maritime Bureau figures show that more than 100 ships were attacked and 42 hijacked in the Gulf of Aden and the Somalia region in 2008. There have been around 60 attacks and 25 successful hijackings this year. Piracy is an issue that impacts on the entire international community, as the attack on the Italian cruise ship *MSC Melody* in April demonstrated. With over 1,500 passengers and crew, including 74 Australians, the *Melody* was attacked by pirates in a speedboat at least 600 miles from the Somali coast—a practical demonstration that this issue is a global one that affects every country.

The threat of piracy needs to be taken seriously, especially by countries such as Australia, which relies almost exclusively on international shipping for our exports and imports. With 99 percent of our exports by volume being transported by sea, a safe and

secure maritime industry is paramount—to our economy, to our maritime industry and to the safety of many Australians who travel through international waters each year.

In May this year, the government announced that Australia would contribute Australian Defence Force resources to international anti-piracy efforts off the Horn of Africa. Our contribution includes the tasking of our Navy Anzac-class frigate and RAAF AP3C Orion patrol aircraft, which are already contributing to counterterrorism activities in the region. Flexible employment of our assets across several coalition task forces allows the ADF to contribute in an agile way to the highest priority activity. It is broadly recognised that the best long-term solution to the problem of piracy is to restore peace and stability in the Horn of Africa.

At the international conference on Somalia in Brussels on 22-23 April this year, the government committed \$2 million in security and humanitarian assistance to support international efforts to restore peace to Somalia. The United Nations estimates that over half the population of Somalia is in need of humanitarian assistance and that one in six Somali children under five is acutely malnourished.

Australia will contribute \$1.5 million to the United Nations Humanitarian Appeal, which will go towards security protection for humanitarian workers in Somalia to support vital health services for women and children, and \$500,000 to the African Union Mission in Somalia, which is aiming to help Somalia's transitional government stabilise the country through strengthening financial systems and further medical assistance. Since 2005-06, the Australian government has contributed \$9 million of humanitarian assistance to Somalia and assistance has also been provided to neighbouring countries dealing with Somali refugees.

In December 2008, the Office of Transport Security issued Maritime Security Notice (2/08) on 'Security Regulated Australian Ships: Protective security arrangements for transiting through high-risk shipping lanes' to Australian shipowners in response to the increase in acts of piracy and armed robbery in shipping lanes and waters surrounding the Gulf of Aden and the Somali coast. The notice emphasised the importance for regulated Australian ships to apply robust and layered protective security measures when transiting through shipping lanes in high-risk locations.

The Australian Maritime Safety Authority Marine Notice (10/2009) on 'Piracy and armed robbery against ships in the Somali Basin and the Western Indian Ocean' of June 2009 advises the Australian shipping industry to implement International Maritime Organisation preventative measures to deter and suppress acts of piracy and armed robbery against ships.

In February 2009, I asked the Inspector of Transport Security, Mr Mick Palmer, a former head of the Australian Federal Police, to undertake a comprehensive inquiry into maritime piracy and armed robbery at sea as it affects Australia. Mr Palmer is investigating the impact of piracy and armed robbery at sea on Australian registered and international trading ships and on Australian maritime trade more generally. The Australian government want to make sure that we have an appropriate security framework to deal with these threats.

As part of the inquiry process, the inspector and key members of his team have liaised with a range of senior stakeholders, including the UNODC, Interpol, the International Maritime Organisation, the International Maritime Bureau, as well as military, industry and diplomatic stakeholders, to ensure

that his inquiry complements wider international efforts.

It was a result of the conduct of his inquiry that the opportunity for Australia to make a contribution to the UNODC Counter Piracy Program came to light. The inquiry will assist the Australian government in determining whether any changes are required to our domestic security framework. Mr Palmer is due to report in the second half of 2009.

Within our own region, the Malacca strait has for many years been a focus for pirate and criminal activities. This narrow strait contains thousands of islets, and is an outlet for many rivers, making it an ideal location for pirates to hide and evade capture. It is an important passageway between China and India and is on the route between Europe, the Suez Canal, the Persian Gulf and the busy ports of Singapore, Hong Kong, Taiwan, Pusan and Tokyo. Indonesia, Malaysia, Singapore and Thailand have formed the Malacca Straits Security Joint Working Group in response to the problem. This issue was discussed at the APEC meeting of transport ministers that I attended in Manila, the Philippines, two months ago. Under the initiative, the maritime forces of the four countries coordinate sea patrols of the area. Overall, there has been a significant reduction in attacks in this important maritime area.

In conclusion, the Palmer inquiry, the ADF commitment to anti-piracy efforts and the contribution of financial support and skills and expertise to the UNODC demonstrate Australia's commitment to work with effective international forums such as the International Maritime Organisation and the United Nations to deal with the threat of international piracy off the Horn of Africa.

I met with the head of the International Maritime Organisation, Admiral Mitropoulos, at the IMO headquarters in London on 1

April this year. At that meeting, he made a request for Australia's direct participation in these activities. I am pleased that the government have been able to deliver in these small but important measures to make sure that, once again, we are taking our place as good international citizens when it comes to international maritime issues.

I want to acknowledge the presence in the parliament today of the Minister for Foreign Affairs for Kenya, Moses Wetang'ula, and the Minister of Foreign Affairs and Co-operation of the Republic of Rwanda, Mrs Rosemary Museminali. Both of these ministers have expressed their support and gratitude for Australia making this commitment.

This threat of piracy directly affects the lives of Australians travelling through this region and our economic interests that are reliant on the safety and security of international shipping.

I ask leave of the House to move a motion to enable the Leader of the Nationals to speak for 10 minutes.

Leave granted.

Mr ALBANESE—I move:

That so much of standing and sessional orders be suspended as would prevent Mr Truss (Leader of the Nationals) speaking in reply to the ministerial statement for a period not exceeding 10 minutes.

Question agreed to.

Mr TRUSS (Wide Bay—Leader of the Nationals) (4.07 pm)—This ministerial statement from the Minister for Infrastructure, Transport, Regional Development and Local Government is fundamentally just a repeat of a press release made on 12 June. The minister's leaving the chamber demonstrates that he is also not too interested in any kind of response to his statement and is, therefore, taking a further step in devaluing the importance of ministerial statements to the chamber. This statement is about a grant

of \$500,000. Many important things happen in the parliament and many important things happen in our country, and it is appropriate that there be ministerial statements to deal with these issues; but, when the minister does not even think it is necessary to remain in the chamber to listen to the reply to his statement, it is quite clear that he does not give this matter very high priority.

That is disappointing because the issue of piracy on the high seas is an important issue. Whether this government's contribution will make a significant difference to the level of piracy around the world remains to be seen, but the issue of piracy itself is an important one and deserving of parliamentary debating time. It is a dangerous threat to global maritime security. It threatens the livelihood of ship-borne commerce, which is the backbone of world trade. The overwhelming majority, by volume, of Australia's trade is carried by ships and, therefore, it is important to us as a nation that shipping trade be safe and secure. The risk of piracy means that ships are sometimes forced to take longer routes around dangerous zones and it certainly slows down the delivery and reliability of delivery of sea carried goods.

The activities of pirates in the Gulf of Aden are of considerable concern threatening, as they do, Australia's merchant trade and threatening Australian sailors and tourists passing through the gulf and the Suez Canal. The Suez Canal is, of course, an important funnel for international trade. A very large proportion of maritime traffic moves through that canal and therefore ships moving up the Gulf of Aden are particularly vulnerable to attack from pirates. It is perhaps a commentary on the audacity of some of the piracy activity that is occurring at the present time that it is happening under the nose of a considerable naval presence and despite the fact that the presence of these pirates from Somalia is well known to the maritime

community. The very presence of these pirates, particularly those coming from some of the countries in Africa where there is an acute shortage of food and other supplies, is a particular irony because the pirate activities threaten the delivery of food and aid to some of the poorest countries in Africa. This was illustrated with the seizure of the *Maersk Alabama* in April this year. That ship was carrying 5,000 metric tonnes of relief supplies for Somalia, Kenya and Uganda. Those who felt that intercepting this trade was in some way acceptable behaviour were not thinking of the impact on their fellow citizens in Somalia and other impoverished people in Kenya and Uganda.

I understand that Somali pirates received over US\$150 million in ransom in the 12 months prior to November 2008. Pirates operating from Somalia have attacked more than 100 vessels in waters off the African coast in the past year, including cruise liners, a fully laden supertanker and a ship laden with Russian tanks. As the minister pointed out, much is already being done by the international community to address this scourge. According to public reports, the European Union has a task force of six warships and three surveillance aircraft from eight countries patrolling one million square kilometres of the Indian Ocean and the Gulf of Aden. The United States is making a contribution with its Fifth Fleet based in Bahrain. India, Russia, Malaysia and others are also providing warships. Australia, too, is making its contribution. The recent successful assistance provided by HMAS *Sydney* and HMAS *Ballarat* in protecting MV *Dubai Princess* south of Yemen from an attack by pirates is an example. The deployment of the Anzac frigate with the assistance of the RAAF AP3C Orion maritime aircraft is a welcome contribution to this international effort. This effort will have to continue, as the success of the international task force is

driving the activities of the pirates further south, increasing the threat to sea lanes and expanding the area of ocean that will need to be patrolled.

A policy of effective interdiction provided by a substantial and robust international naval presence in the waters east of Africa is an essential part of the strategy to deal with the threat of Somalia based piracy. This is a plus. It will require a concerted effort to rebuild the shattered national institutions of Somalia if there is to be a long-term solution. Unfortunately, this hastily cobbled together effort from the government in dealing with this complex problem raises more questions than it answers. The ministerial statement provides very little additional information on what this money is going to be spent on, where it is coming from and what the objectives of this assistance actually are. We are told it is going to provide \$500,000, as well as skills and expertise, to the joint European Commission and United Nations Office of Drugs and Crime Counter Piracy Program to assist Kenyan authorities in receiving and apprehending piracy suspects. Australia is to provide an official through the Office of the Inspector of Transport Security and the Australian Federal Police to work with the UNODC in the Nairobi office in Kenya dealing with piracy in the region. We are not provided with any information as to how this money is going to be spent beyond that it is going to provide some kind of judicial support for Kenyan authorities. The minister has not explained how this money will reduce the threat of piracy. Likewise, we do not know what the Australian government official will do. The government has not even made it clear where the official will come from, whether from the Office of the Inspector of Transport Security or from the Australian Federal Police. The details are not there.

Frankly, this statement has all the hallmarks of another piece of spin supporting the

Prime Minister's ego driven bid for a temporary seat on the United Nations Security Council. We have seen far too much of this extraordinary focus of the Prime Minister on securing this particular seat, a campaign that is consuming the resources of the Department of Foreign Affairs and Trade and distracting the government from its requirement to advance and protect the interest of Australians overseas. It is not even clear from the minister's statement whether the funding for this announcement is going to come from his own department, the Department of Infrastructure, Transport, Regional Development and Local Government, or the Department of Foreign Affairs and Trade, which of course had some significant increases in its budget in the appropriations currently before the parliament.

I would be concerned, in light of all the cutbacks that have occurred in the department of regional development under the auspices of the current minister, if in fact grants were now going to be provided to Kenya to deal with Somali pirates, rather than to provide assistance to Australian regional communities for which this minister and this department should take primary responsibility. It would be a disappointment, at this time when he is cutting back road funding and other expenditure for the regions, if in fact funding were going to be provided towards an anti-piracy program in Somalia. That does not mean that we should not be involved in seeking to combat piracy in Somalia. But, clearly, the funding provided should come from the foreign aid budget or under the activities of Defence, who can play a useful role in helping to protect shipping, Australian and international, in that area. Also, the minister made some reference to the working group on piracy in the Malacca straits, a very worthwhile initiative initiated and undertaken during the term of the previous government. I am pleased that the current minis-

ter is continuing to ensure that Australia devotes resources to and takes a keen interest in its activities. That area is a particularly important waterway for Australian shipping. A very large proportion of our trade passes through the straits and in dealing with piracy issues we should be concentrating, as a priority, on ensuring that they remain safe.

**TAX LAWS AMENDMENT
(MEDICARE LEVY AND MEDICARE
LEVY SURCHARGE) BILL 2009**

**NATION-BUILDING FUNDS
AMENDMENT BILL 2009**

**HIGHER EDUCATION SUPPORT
AMENDMENT (VET FEE-HELP AND
PROVIDERS) BILL 2009**

Returned from the Senate

Message received from the Senate returning the bills without amendment or request.

**HEALTH INSURANCE AMENDMENT
(EXTENDED MEDICARE SAFETY
NET) BILL 2009**

Second Reading

Debate resumed.

Mrs HULL (Riverina) (4.24 pm)—In continuing my speech on the Health Insurance Amendment (Extended Medicare Safety Net) Bill 2009, I would like to bring to the attention of the House many of the issues that come under this bill and the areas that will be capped. Not all of these issues concern areas where I believe people are genuinely putting themselves in a position whereby they are overextending doctors or themselves as to medical issues or are perhaps overextending themselves and they do not require these services.

I will look at the issues in respect of those people who have assisted reproductive technology, or ART. In my electoral area covering Wagga Wagga and the Riverina, there was an assisted reproductive technology service in Wagga Wagga that took place in the

Wagga day surgery. Our regional area people came in there to assist with the IVF and many other assisted reproductive skills that were provided by a specialist, who set up in Wagga particularly because the day theatre and the day surgery were there. That enabled her to come in and do obstetrics and also practise her passion for assisted reproductive technology, to benefit many couples who were childless and were assisted by IVF and other procedures.

What happened was that when Calvary Hospital, a Catholic-run hospital, took over, having bought out the surgery, the theatres and the day hospital, it no longer allowed that type of activity to take place so now all of those in my region have to travel significant distances in order to access assisted reproductive technology, IVF and other assistance to be able to have children. The travel cost to them is absolutely astronomical. Generally, many city people can walk to or get a bus, a train or a ferry or some other form of public transport to a hospital system or to these kinds of facilities and not be personally out of pocket—after paying for bus fares, train fares and other public transport fares—to the degree that my constituents are. When one has got to travel significant distances, you are constantly out of pocket. You might have to stay overnight or to stay two or three nights in order to access these services. If you are staying in a motel it could be extremely expensive.

I think that there is a need to recognise the distance factor and the cost factor for many of those people in rural and regional Australia—and, in my case, in the electorate of Riverina—who simply have to incur costs just to physically get themselves to these services let alone use them. So I am very concerned that this does not cover all assisted reproductive technology services. I think that is simply unfair and quite discriminatory, because it does not recognise

how much money, including out-of-pocket expenses, regional mums wishing to be mums and families wishing to be families have to spend in trying to access these in the first place.

I cannot understand the reasons behind all obstetric services not being covered. I understand that it has been reported that, between 2003 and 2008, the fees charged by obstetricians for in-hospital services reduced by six per cent while the fees charged for out-of-hospital services increased by a quite significant percentage. But I do wonder about people in those areas where you cannot get into a hospital. In particular, I am talking about the Wagga Wagga Base Hospital, which is a referral centre for all of our region and beyond. It is just so difficult to get into hospital to obtain any of these services. It is simply not possible to access the hospital service for these services. So do you not have the service at all or do you try to seek it as an out-of-hospital service? Again, I wonder what considerations have been factored in. I wonder where this is actually coming from. If the specialist has come from a city area or an area that has easy access to hospital services et cetera and those services are not being utilised, then maybe I can understand it, but I do wonder, when we are all lumped into one big melting pot and considered as an aggregate or an average, how in such cases we can play a significant part in explaining the issues to rural and regional people. I also wonder how much effect this legislation will have in pushing more and more people into the public hospital system where already you cannot access any of those services in rural and regional areas.

The one area that concerns me the most—and I spoke about this in the three minutes I had to speak on this bill before question time was called on—is cataract surgery. Only one type of cataract surgery is covered under this bill—and for it to be capped is in itself an

issue. It is primarily one of those out-of-hospital services in a day surgery. It may be run on a fly-in fly-out basis or by a person that comes in when there is no ophthalmologist available in the regional areas. It might be somewhere out in the Broken Hill area, somewhere up the back of Bourke or somewhere else. Somebody comes in and does a significant caseload because there is no way to get access to an ophthalmologist unless these people come in. Of course it is going to start to blow out when you have people coming in to do significant surgery.

I am not saying that there is nobody who will rob or try to rot the safety net system. Anywhere, in anything you do, there will always be somebody who will do something that they should not be doing. I am not saying at all that that does not happen. I would hate to think that people would think that I was so naive as to think that there is not somewhere some abuse taking place of the safety net. But this bill is using a steel-capped boot to squash an ant. The fact is that some people might be abusing the system to some small degree but, on the other hand, people in rural and regional Australia are affected in the most significant ways. In the most significant ways they will be the ones that will be affected. Will ophthalmologists think it worth their while to take a day or two or three off work—generally a day and a half or more to travel to many of the outposts in Australia; it could be two days of travel each way—and then a day while they are there to undertake that day surgery? With a significant cap, will these specialist service providers consider that it is worth while for them to take all of this time out of their practice in order to go and run these day surgeries? It concerns me greatly.

Coupled with this legislation, I understand that there will be further legislation coming into this House on cataract surgery itself. We have not seen this legislation yet, but I am

led to believe, from a good source, that further legislation will be coming into the House severely cutting ophthalmology and cataract surgery. I cannot understand it. I am going to read from an email that I have received from one ophthalmologist in my electorate. Ophthalmologists are few and far between, let me tell you, and are very hard to come by. It is very hard to attract an ophthalmologist out into country Australia as it is. With this cap, and with the measures soon to be introduced into the House, it is going to be nigh on impossible for there to be ophthalmology services for rural and regional people, let alone for those people who live out in the wider expanses of Central Australia, in Broken Hill and other places. This ophthalmologist says that he is writing to make me aware that the government is intending to cut the rebate for cataract surgery by 50 per cent. He is not talking about this Medicare safety net but, coupled with the Medicare safety net, it is a big hit. He says:

Their justification for doing this apparently is because they believe it is too quick and easy to perform and basically, not worth the money.

Let me tell you, those people who had cataracts and had to have cataract surgery and are now free of cataracts think it is worth the money. If you lived like that you would soon find out whether it was worth the money. He goes on:

Having taken four years of specific eye surgical training to master the procedure on top of a medical degree and 3-6 years of hospital residency coupled to the fact that community expectations are for 100% success rates and the stress associated with the procedure is somewhat akin to defusing a bomb through a microscope, we would beg to differ. One wonders if when it is time for—

the Prime Minister—

Kevin Rudd or—

the minister—

Ms Roxon to have their cataract done, whether they will trot down to the local public hospital to

sign up to have the junior eye registrar do the procedure or whether they'll seek out the most competent and experienced surgeon in town.

He goes on to say:

The schedule fee for cataract surgery was around \$800 in the early 1980s. The Government halved it back then and again cut it by around 30% in 1996. Now they want to cut it in half again. So in late 2009 the fee will be about half what it was over 25 years ago in face dollar terms and allowing for inflation, this puts a real dollar value of about an eighth of what it was back then. In all that time our profession has succeeded in making the procedure quicker but also safer and with a faster recovery time and better visual results. We use a lot more high tech equipment now but this makes the procedure more complex, more technically difficult and takes much longer to master, as any training registrar will testify.

Basically this ophthalmologist goes on to talk about the public hospital system and why these out-of-hospital cataract operations have expanded. He says it is because you cannot get theatre time in the hospital. In the public hospital system in rural and regional Australia you cannot get theatre time, so of course they are going to be doing more in day surgeries. He says:

Up until about six months ago—

that is the end of last year—

things were going well for our patients. A privately insured patient would get done with no out of pocket expense from me as I accepted 'no-gap' payments from the funds for my surgery. A patient electing to go public would wait about three months to get done at Wagga Base Hospital. If a non-insured patient wanted to go private, the all-up cost would be around \$1800 out of pocket, \$1100 of which went to the private hospital and the rest split between surgeon and anaesthetist. Since then—

and I am talking specifically about the Greater Southern Area Health Service, which has—

... cut our theatre lists back to 3 per month and never seem to have a dedicated theatre for emer-

gencies, so that the lists we do get are sometimes cancelled for an emergency caesar, trauma case etc. As a result, my public waiting list has now blown out to eleven months and some of my colleagues have longer waits. The worst thing is that the wait list grows by about two months, every month.

So this obviously increases the interest and need for people to get their cataracts done outside the hospital system. I was trying to point to whether there is a recognition of the factors that show why there has been more private surgery and why more of these are being done out of hospital. You can see why when you factor in all of the issues and the challenges we are trying to meet in rural and regional areas. He goes on:

This will now cost uninsured patients an extra \$312 because of the fee cutback—

on top of the increases that the hospitals have now applied and—

... hospital charges for uninsured cataract cases are now \$1300 for pensioners and a whopping \$2075 for non-pensioners.

He talks about how much there will be out-of-pocket charges for insured patients et cetera. The problem we have is, I think, that there has been no thought given to how to address rogue issues. (*Time expired*)

Ms OWENS (Parramatta) (4.40 pm)—I rise to support the Health Insurance Amendment (Extended Medicare Safety Net) Bill 2009. It is an extremely important bill for the sustainability of the extended Medicare safety net. The purpose of the extended Medicare safety net is to protect patients from high out-of-pocket medical costs for out-of-hospital medical services such as GP and specialist services. Relative to the total health budget it is quite a small component but is an incredibly important one.

While most people face out-of-pocket costs of less than \$50 a year, some members of the community face significant medical bills for out-of-hospital services. In 2007,

around seven per cent of individuals had out-of-pocket costs of over \$300 per year—add those up for families. And in 2007, 11,000 Australians incurred out-of-pocket costs of more than \$2,000 each. The number of people with these very high out-of-pocket costs initially fell after the Howard government introduced the EMSN in 2004 but rose very quickly again shortly after that and has been rising since.

The benefits are highly concentrated in certain types of services. In 2007, over 30 per cent of all EMSN benefits helped fund obstetric services and 22 per cent went towards assisted reproductive services. The EMSN has more than doubled the amount of Commonwealth funding going towards these two professional groups. Only eight per cent of the EMSN benefits went towards the funding of general practice consultations. There is also an extremely effective program directing assistance to cancer patients relative to other patients with high healthcare needs. Given that over 50 per cent of EMSN payments go towards people for obstetric services, assisted reproductive services and chronic illnesses, you can see how incredibly important a program it is. It is incredibly important that it is sustainable over the long term so that we can continue to provide assistance to people with the greatest need.

It is a relatively new program. It was introduced by the Howard government in 2004 to tackle high out-of-pocket costs for medical services. Under the EMSN, patients are reimbursed 80 per cent of their out-of-pocket costs for all out-of-hospital Medicare services once annual personal expenditure on these reaches a certain threshold, which was indexed annually. Prior to the introduction of the extended safety net in 2004, there was a limit on the amount of government contribution for services. That was done through the Medicare schedule fee. In fact, for the first eight or nine years of the Howard govern-

ment, contributions to this area were capped by those Medicare schedule fees. But in 2004 that cap was removed and instead 80 per cent of out-of-pocket costs or out-of-hospital services were paid no matter how much the doctor charged. You would expect that, if you removed the cap in that way, there would be some doctors and specialists who would increase their fees or who would think: 'Okay, I can increase my fee by 50 per cent, or 80 per cent or whatever, and it will still be paid by the 80 per cent contribution for out-of-pocket costs.' Some did and costs started to rise, and between 2007 and 2008 they rose 30 per cent.

That rise in the spending on EMSN benefits has not been matched by a drop in patients' out-of-pocket costs. In fact, since its introduction there have been concerns that the EMSN may lead providers to increase fees and thereby dilute the potential benefits to patients. Since the introduction of the EMSN, average fees have increased by around 4.2 per cent per year, excluding general practice and pathology, which have been fairly stable. This increase is over and above the rate of inflation and it is estimated that the EMSN is responsible for 70 per cent of the increase. It was directly responsible for a 2.9 per cent increase in fees each year. It becomes a question of whether the taxpayer should pick up the increase in fees by the specialists.

The rise in costs was also of concern to the Howard government. In fact, in 2005, just one year after the scheme was introduced, concerns were such about the charging of excessive fees by some doctors that the government raised the safety net expenditure threshold so as to reduce the number of people who would qualify for the EMSN and rein in costs. They did not consider capping again at that stage but they did raise the threshold, which meant that people had to spend more of their own money before be-

coming eligible. It reduced access to the scheme. The original thresholds were set at \$300 for concession card holders and FTBA recipients, and \$700 for all others. Those were increased to \$500 and \$1,000 in 2005. After indexation, the thresholds now sit at \$555.70 for concession card holders and people who receive family tax benefit part A and \$1,111.60 for all other singles and families. But costs still continue to rise. Consistent with the fact that people in affluent areas incur more out-of-pocket costs, it was found that some 55 per cent of EMSN benefits is distributed to the top quintile of Australia's most socioeconomically advantaged areas, whereas the least advantaged quintile receives less than 3.5 per cent. That is, 55 per cent for the top quintile and 3.5 per cent for the lowest.

In rural areas costs have not increased in the same way. Over time, average out-of-pocket costs increased most in major cities, although the median in the major cities was quite stable, which suggests that the higher out-of-pocket costs in major cities are faced by those at the upper end of the distribution. Interestingly enough, over time the difference between the average and the medium is actually increasing, showing that the difference between the highest-charging specialist and the average-charging specialist has increased dramatically.

We know a lot about the nature of the rising costs because there has been extensive review of the program, with a report coming down in 2009. As required under the Health Legislation Amendment (Medicare) Act 2004, a review was undertaken of the operation, effectiveness and implication of the safety net. That was conducted by the Centre for Health Economics Research and Evaluation at the University of Technology in Sydney. The report noted that the safety net has helped patients who have very high costs and has reduced out-of-pocket costs for some

patients with cancer, but it clearly showed that there were major concerns in areas such as obstetrics and assisted reproductive technology, including IVF. Fifty per cent of the safety net benefits are paid in those two areas. Medicare benefits have more than doubled for both these groups since the safety net was introduced. A significant proportion of the increase in expenditure is because of the increases in fees charged.

There is also a substantial difference between in-hospital and out-of-hospital fees. Between 2003 and 2008, the fees charged by obstetricians for in-hospital services reduced by six per cent while the fees charged for out-of-hospital services increased by 267 per cent. That is an extraordinary difference in changes in fees over a relatively short period of five years. Similarly, the fees charged for assisted reproductive technology services fell by nine per cent for in-hospital services and rose by 62 per cent for out-of-hospital services. This indicates that some doctors have been taking advantage of the safety net as their fees for out-of-hospital services have increased far in excess of the fees that they are charging in hospitals.

The report also showed that, while EMSN payments have provided many with financial relief from significant out-of-pocket medical costs, those in the greatest financial need may be missing out on the benefits. The review found that, for every EMSN benefit dollar that is paid to a patient, 78 per cent went towards meeting the doctor's higher fees rather than reducing the patient's out-of-pocket costs. Further, those who have benefited most from affordable services have tended to be in the wealthier areas as they are in a better position to access the more expensive specialist services in the first place.

One would expect that costs would rise over four years, but rises have been extraordinary in some areas and quite modest in

others. There is also, as I said, the substantial difference between in-hospital and out-of-hospital fees, with extreme variations in fees charged by specialists for the same services. The purpose of this amendment is to ensure that taxpayers' money goes to reduce the out-of-pocket expenses for the benefit of patients and not to inflate the fees of some specialists in some circumstances. The consequences of fee rises are felt not just by those accessing the extended Medicare safety net but also by people who have not qualified for the safety net and also face those higher costs. This amendment allows the Minister for Health and Ageing to determine the maximum benefit that would be paid under the safety net through a legislative instrument to allow for parliamentary scrutiny. The report identified six areas of particular concern where fees have risen in an irregular way and well above others. Those six specific areas are obstetrics; assisted reproductive technology, including IVF; some cataract operations; some hair transplants; varicose vein treatment; and several procedures involving the injection of a therapeutic substance into an eye. These areas have more than doubled since the safety net was introduced and, disturbingly, this increase is directly accounted for by increases in the fees charged by specialists.

In cases such as these, particularly when 50 per cent of the costs associated with this extended Medicare safety net program go to areas such as reproductive health, there was always considerable controversy with any change that was made. We have already heard from the members of the opposition today stories of great pain and grief and joy of people undergoing IVF treatment in recent years under the current laws. We have already heard some of those. We have heard stories of hospitals in regional areas whose departments have shut down or had their funds cut back. That particular issue, of

course, is not related to this particular bill, but I would like to cover two particular areas—the cataract area and assisted reproductive technology—because I know that they are areas where it is very easy to frighten people who are already very fearful about what the future might hold for them.

When it comes to cataracts, the changes announced in the budget represent the first time in 13 years that a government has reviewed the payment for cataract surgery. Over the past 13 years there has been significant advancement in the technology used to carry out cataract operations, which means that operations can now be performed faster, with better results and with greater safety for patients. The changes made by the government more accurately reflect the time taken to carry out these procedures, which typically, these days, is around 20 minutes. For this 20 minutes of work the new standard Medicare Benefits Schedule fee will be \$419.85. To put this into context, currently the cataract procedure takes around 20 minutes and has the same fee as the payment made by government for complex skull surgery, which takes more time to perform and carries a far greater risk for the patient. Ninety-five per cent of cataract procedures are undertaken in hospital.

Assisted reproductive technology is also an area where it is very easy to frighten people who are already afraid that circumstances for them will be worse than they are now. For the vast majority of people undergoing IVF, this will not be the case. On average, patients are charged around \$6,000 per IVF cycle, yet some doctors are charging in excess of \$10,000 per cycle. Patients who see the specialists who charge around that \$6,000 or less will not be worse off under these changes. From 1 January the Medicare items for ART services will also be restructured to better align the items to the phases of treatment involved in the ART cycle. This

will help to spread the costs and caps across the treatment cycle to better reflect the costs involved at each stage of the treatment cycle.

At the same time the government is also investing \$157.6 million in increasing the Medicare rebates for obstetric services, and \$120.5 million in maternity services to improve options for women and support those doctors that do not charge high fees. Those changes have been particularly welcome in my electorate. I have met recently with a number of mums who are planning pregnancies in the next few years and are extremely pleased at the greater range of services that will become available because of those changes.

The government remains committed to the extended Medicare safety net. It is a very important part of health services in this country and incredibly important for people facing quite difficult times in their lives. In 2008, though, expenditure on the safety net was \$414 million, 30 per cent more than it was in 2007. Unless we make these changes now and support people in meeting their reasonable out-of-pocket costs, this expenditure will continue to grow rapidly. As a government, we cannot continue to see costs rise because of the rise in excessive fees at the upper end of a few small sections of our medical services. This bill creates a mechanism by which the government can responsibly manage the safety net, and it is extremely important for supporting the sustainability of the safety net so that singles and families can continue to receive this incredibly important assistance with their out-of-pocket costs.

Ms ROXON (Gellibrand—Minister for Health and Ageing) (4.57 pm)—in reply—In summing up I would like to thank members for their contributions to the debate on this bill. It gives me great pleasure to follow the member for Parramatta, who canvassed so many health issues for her electorate. This is

important to many people in the community, so I appreciate that people have taken the time to speak in the debate.

The Health Insurance Amendment (Extended Medicare Safety Net) Bill amends the Health Insurance Act 1973 to enable the Minister for Health and Ageing to determine by legislative instrument the maximum benefit payable under the extended Medicare safety net for each Medicare Benefits Schedule item. These changes, made by the government in the budget, ensure that all items currently covered by the safety net remain covered by the safety net and no items will be means tested for eligibility. Importantly, IVF services will remain covered, with no age limits and no limitations on the number of cycles.

Members, including the member for Cook, who have very personal stories and genuine concern about these changes should be assured that all IVF procedures that are currently covered will continue to be covered. There is still, I think, some remaining concern in the community, some confusion, about the speculation compared to the reality that all items will continue to be covered, with no age limits, no limitation on the number of cycles and no means-testing. The changes, of course, go to a cap on the amount that can be charged—and I will come to that later—but I think that they should address the concerns, genuine as they are, from people like the member for Cook. Cancer services, as well, will not be affected at all by these changes. The changes that we have made are to restrict taxpayer funds being spent on excessive fees that have been charged by some specialists. We are protecting the taxpayers, we are protecting the patients, and we are protecting those doctors who are doing the right thing in charging moderate fees.

A recent independent review of the extended Medicare safety net, a report tabled before this debate began, clearly showed that in certain areas, such as obstetrics and IVF, the safety net had been used by specialist doctors to raise their fees knowing that the taxpayer would be called on to cover 80 per cent of the cost of the fee rise. For example, according to this report, between 2003 and 2008 the fees charged by obstetricians for in-hospital services reduced by six per cent while the fees charged for out-of-hospital services increased by a staggering 267 per cent. The report also showed that the safety net is not making some medical services more affordable for some patients—which, of course, was the purpose for which it was originally intended.

One of the reasons for this is that the amount of benefit available through the extended Medicare safety net is unlimited, and some specialists have taken advantage of this arrangement to increase their fees and their incomes, unfortunately with no particular benefit to the patient. The current nature of the safety net means that doctors feel little pressure to moderate their fees. Due to these fee rises for some services some patient out-of-pocket expenses have even increased as a result of the extended Medicare safety net. Unless we act now we will not be able to stop this increasingly silly situation and the extended Medicare safety net will become unsustainable.

In 2008, expenditure on the extended Medicare safety net was \$414 million, 30 per cent more than the previous year. In some areas the increase is being driven by increased fees rather than the provision of more services. This bill creates a mechanism for the government to responsibly manage expenditure on the extended Medicare safety net. As part of the 2009-10 budget the government is capping the benefits for some services where there is evidence of large in-

creases in the fees charged, services where the majority of the extended Medicare safety net benefit is going to doctors rather than to helping patients. The new caps will apply for the following services: obstetrics, assisted reproductive technology, hair transplantation, the injection of a therapeutic substance into an eye, one type of cataract operation and one type of varicose vein treatment.

Some members in the debate have expressed the concern that this measure will increase the cost of obstetric services but I note that as part of this measure the government will also be investing \$156.7 million to increase the Medicare rebates for private obstetric services. This means that the changes will allow all mothers who have their babies delivered by a private doctor to receive a standard Medicare rebate that is 30 per cent higher than the current rebate. The government is also investing \$120.5 million in a maternity services package. Part of this package will introduce Medicare items for midwifery services and will support greater choice for women—one of the issues touched upon by the member for Parramatta.

The cost of IVF should not increase for most patients. On average, patients are charged around \$6,000 per IVF cycle, yet there are some doctors charging in excess of \$10,000 per cycle. Patients who see specialists who charge \$6,000 or less for a typical IVF cycle will not be worse off under these changes. In relation to the cap on the cataract item, I think that the opposition health spokesperson is confused. The extended Medicare safety net only applies to out-of-hospital services. There is, of course, a separate measure which affects cataracts, to which he may have been referring. While I acknowledge that there is a crossover for a small number of services, 95 per cent of private cataract procedures take place as in-patient services so the extended Medicare safety net does not apply.

I note, also, the closing comments of the opposition spokesperson for health, who offered to work with the government to identify alternative savings. That was a very kind offer in this debate, but we have not had one suggestion from the opposition for any savings in any health related measure, let alone any measure relating to this bill or in this budget debate. We have had no suggestions, no policy proposals—nothing. In fact, all we have had so far is opposition to any of the measures that we have proposed in Health. So I do ask where those suggestions are. I would be happy to see them and consider them but they have not been forthcoming to date and I am not intending to hold my breath while I wait for them. I did wonder if the opposition spokesperson was suggesting that the opposition would now be opposing this bill. Of course, the shadow Treasurer clearly stated, following the budget:

We're not going to block any initiatives other than the private health insurance initiative. So that's our position. We're not changing from it.

So I wonder whether the member for Dickson and the member for North Sydney are not in agreement here, because it seems that the shadow minister is raising some sort of issue that might be walking away from the commitment made by the member for North Sydney.

The important point here is that the extended Medicare safety net is a patient benefit. It is not intended to be a mechanism by which doctors can simply increase their incomes. The changes we have made will restrict taxpayer funds from being spent on excessive fees that have been charged by some specialists while protecting those very many doctors who are doing the right thing. Importantly, it will continue to protect patients with high medical costs and protect taxpayers.

The changes in this bill are necessary to assist us in keeping the safety net sustainable and available to all Australians into the future. These changes will allow Australian families to continue to have access to the safety net for IVF services into the future and they will allow access to the safety net by families of cancer patients, who have very high costs that need to be covered in difficult circumstances, and by many other worthy recipients, without this money being unfairly skimmed off by that small number of doctors who are charging excessive fees. The government is determined to put the patient first and foremost in all of our considerations, and we believe that this bill does that.

Question agreed to.

Bill read a second time.

Third Reading

Ms ROXON (Gellibrand—Minister for Health and Ageing) (5.06 pm)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

SOCIAL SECURITY AMENDMENT (TRAINING INCENTIVES) BILL 2009

Second Reading

Debate resumed from 28 May, on motion by **Mr Brendan O'Connor**:

That this bill be now read a second time.

Dr SOUTHCOTT (Boothby) (5.06 pm)—I am pleased to speak on the Social Security Amendment (Training Incentives) Bill 2009 and indicate that the opposition will not be opposing this legislation. It is worth looking back 18 months because the government have now been in place for a little bit more than 18 months and it is time to deliver a mid-term report card on them.

When you look specifically at the area of youth unemployment, you see in only 18

months a terrible performance in jobs for teenagers, young Australians. Looking back to November 2007, specifically at 15- to 19-year-old Australians, there were 257,000 in full-time jobs, compared with 222,400 now. There are almost 35,000 fewer teenagers in full-time jobs now than when the Rudd government was first elected. There are 31,000 fewer teenagers in jobs in total. There are now an extra 4,300 teenagers who are unemployed. We have also seen very large falls in the participation rate for teenagers, from 60.4 per cent to 57.4 per cent and in the employment rate for teenagers—that is, the employment-to-population ratio—from 51 per cent to 47.8 per cent. That is a big change in just 18 months.

The lesson of previous recessions, of the early 1980s and early 1990s, is that people who are just entering the labour force for the first time are often hit much harder. Youth unemployment in Australia generally rises at twice the rate of total unemployment. When we look at 15- to 24-year-olds, we see almost 70,000 fewer full-time jobs and 32,500 more unemployed. The unemployment rate for those looking for full-time work is up from 9.8 per cent to 12.4 per cent. The overall unemployment rate is up from 9.7 per cent to 11.4 per cent. This is in just 18 months. The participation rate for these young Australians has fallen from 71.2 per cent to 69.4 per cent, and the employment rate, or employment-to-population ratio, has fallen almost three per cent, from 64.1 per cent to 61.2 per cent.

When you look at the labour force as a whole, over the last 12 months the economy has lost about 60,000 full-time jobs and there have been about 100,000 part-time jobs created. When you look at the losses that have occurred in the 15- to 24-year-old age group, there have been 70,000 full-time jobs lost in the Australian economy, and that is equivalent to the entire loss of full-time jobs in the

Australian economy over the last 12 months. So this group is definitely bearing the brunt of the global financial crisis, but the Rudd government has introduced some specific policies that will disproportionately affect young Australians and their opportunities to get a start and to get a job.

The bungled Job Services Australia will see massive disruption in the area of employment services, such that 47 per cent of job seekers will be changing their provider and changing their case worker on 1 July, at a time when unemployment is rising. We have heard from industry groups, from Restaurant and Catering, from pharmacies and from newsagents that the award modernisation process will again lead to the loss of jobs, and, typically, a lot of these jobs will be entry-level jobs for young people. We have heard from a variety of groups that the government's Fair Work Bill will again be job destroying. These are three specific decisions that the government have taken. It is no wonder they are having to pump out billions and billions of dollars without having any idea of how many jobs will be created or supported when they have made specific decisions which go to the heart of the opportunities that there will be in the labour market.

There are two parts to this bill. The first part is for a temporary training supplement of \$41.60 per fortnight to eligible job seekers on Newstart or parenting payment who undertake approved training. These will be job seekers who do not have a year 12 or equivalent level qualification, or who have a trade or vocational qualification that can be upgraded to help them find work. The payment will be available from 1 July 2009 to 30 June 2011.

The opposition are not opposed to training, but we believe that training is only one limb or one element of getting someone into a job. One of the weaknesses of the govern-

ment's approach has been a complete failure to create a climate of strong job creation. Labor have failed to define a clear pathway between training and a job. There is a training mantra but not a jobs mantra. It is critical that unemployment is addressed by boosting business confidence and encouraging employers to take on new employees. The training supplement is something we do not oppose, but, again, we believe that it is critical to demonstrate how this will lead into employment.

The second part of the bill relates to amending the participation requirements for certain young people, requiring them to either earn or learn to be eligible for youth allowance. The opposition supports this approach. Over the last 12 months we have seen the number of teenagers who are not in full-time education or full-time employment increase from fewer than 200,000—about 195,000—to 242,000. What we know is that people who are not in full-time education and not in full-time employment traditionally will languish and have trouble remaining in the labour force over their lifetimes. As I said earlier, during past economic downturns youth unemployment has increased disproportionately. It is critical that we ensure that young people do not become disengaged and disenfranchised. One of the concerns about the labour force statistics is that we are seeing very large falls in the participation rates of young Australians. We have seen in a period of 18 months very dramatic falls in the participation rates of young Australians. It is critical that we do keep people engaged in the labour market and we do keep people actively looking for work.

As I said, the opposition does support the tightening-up of youth allowance. But, again, it is only one aspect of improving youth unemployment and providing more opportunities for younger Australians. There are lots of aspects that need to be addressed so that em-

employers will take on extra workers so there will be the jobs there for younger Australians. As I said at the start, what we have seen is disappearing jobs for younger Australians—full-time jobs and overall jobs—and big falls in the participation rate and the employment rate. So, whilst training and education can certainly boost employability, training is not for everyone and not everyone gains a benefit from training. The experience around the world is that training programs can be very expensive and actually have quite poor employment outcomes. We believe it is important to tailor approaches to the individual.

The opposition will be looking very carefully at the labour force figures, ensuring that ‘learn or earn’ is not a cynical attempt to distort and manipulate the unemployment figures as people who would otherwise be looking for work are pushed into training in order to claim income support payments. We do not want to see a return to the training treadmill and many of the training programs of Working Nation, which actually had very poor employment outcomes and very low chances of people going from those programs into a job. We will be watching the figures on youth unemployment very carefully. We think that this is a critical area to address for the future because it is very important that people do remain engaged, do remain active, so that they have a much stronger connection with the labour force over their lives.

Ms HALL (Shortland) (5.18 pm)—I rise to very strongly support the Social Security Amendment (Training Incentives) Bill 2009 before us today. As a person who in a past life worked with young people who were looking for work, and as a person who has had a lot to do with the actual training aspects of young people and workers generally, I feel that this ‘learn or earn’ legislation is very important. At the commencement of my

contribution to this debate I would like to very strongly emphasise that to let young people who are unemployed languish, without any assistance from government, is despicable. What this legislation will do when it is enacted is see that that does not happen.

What I also think is despicable is for young people with poor skills, poor literacy and poor numeracy to be penalised and to be thrown on the backburner and totally disregarded—put into a Work for the Dole program, if there is one available, but at no time really having the issues that go to that person’s employability addressed. I think this legislation actually looks at some of those issues and will provide hope and a start for young people.

In the past few years we have had a government—not the Rudd government but the previous government—that really squandered opportunities and did not train those people for the jobs that were available. We had a chronic skills shortage here in Australia at a time when our economy was thriving, when there was this great need for people to fill the jobs that were vacant. It would have been an excellent opportunity for the then government to embrace legislation like that we are debating here tonight, legislation that would have ensured that young people were prepared for work and that they were moving forward and being placed in a situation where they could make a tangible contribution to our economy, where they had the skills that they needed to enter the workforce and where they could undertake ongoing training.

This bill will amend the Social Security Act 1991 to provide for training supplements for eligible recipients of parenting payment and Newstart allowance who have not completed year 12 or equivalent or who seek to upgrade their vocational qualifications and who commence approved training or further

education between 1 July 2009 and 30 June 2011. So, here you see the target group: young people who have not completed year 12 or equivalent and who really do not have the education or the skills that they need to enter the workforce.

On my way into the chamber I believe I heard the shadow minister for employment participation saying that unemployment has risen. Yes, it has risen, and we acknowledge that on this side of the chamber. We also acknowledge that the global financial crisis is having an enormous impact on employment but not as big an impact in Australia as it is having elsewhere. We see this as an opportunity to provide that training for young people.

The legislation also amends the participation requirement for youth allowance, where a person under 20 years of age has not completed year 12 or an equivalent certificate level II to level IV qualification. A youth allowance will be payable to young people without year 12 or equivalent if they study full-time or if they comply with the Youth Allowance Employment Pathway Plan.

I need to talk a little bit about the employment pathway plan. It is absolutely imperative that a young person with limited training, maybe sometimes a less than perfect education and very few skills determines a goal and works out how they are going to achieve that goal. In working towards that goal they will have a number of strategies. In those strategies they will list the steps that need to be taken for them to gain the qualification and gain a job at the end. For instance, an early school leaver may feel that they would make an excellent horticulturalist—they like being outdoors, they like gardening and they do not mind hard work—but they are unaware of what they need to do to obtain a position working in horticulture. For that person an employment pathway plan

needs to be developed whereby they will be able to undertake the certificate-level courses that meet the requirements of the job. They will follow it up with some work experience and on-the-job training as well as some formal off-the-job training. The pathway plan will require at least 25 hours a week in a combination of part-time study or training and other approved activities, which could be on-the-job training, which I think is important because it is all part of helping the young person to develop the skills that they need to enter the workforce.

Some exemptions will apply. We know that training may be reasonably available for a person but the person may not have the capacity to undertake the available training. That could occur in a situation where the young person lives in quite a remote area, where there is only training at a much higher level than the person has the basic skills to undertake or where the person has a disability and needs to undertake a specialised form of training.

The training supplement has a financial impact of \$83.1 million in additional spending over four years, so you can see that the government is making a significant contribution to the training of young Australians. The government is prepared to invest at this particular time in Australia's future. That is what this is; it is investing in training young people for Australia's future so that when things improve globally and within the Australian economy—when more jobs become available—we will have young people with the skills who can walk into those jobs. We will be competitive not only within Australia but globally.

The measure also amends the participation requirements for 15- to 20-year-olds and has a net financial cost of \$14.4 million over four years. The training supplement is an additional time-limited payment of \$41.60 per

fortnight. That training allowance is an incentive to young people to undertake the training. The budget announcement for this measure stated that changes to the participation requirement for Youth Allowance will come into effect on 1 July this year and for new claimants without year 12 or equivalent from 1 January 2010. The budget announcements also state that the training supplements will commence from 1 July this year. So it is very important that this legislation gets through the parliament in this sitting. It is very important that we are prepared to provide the training that these young people need.

The bill will also assist low-skilled job seekers with the costs of participation in training or further education which may assist them to obtain employment in the future. Job seekers will need to participate in approved education or training to receive the training supplements. Some people might study full-time; some might study part-time. Partial capacity to work will come into play. People doing courses that go for longer than a 12-month period may be eligible for student income support payments.

The fact that this legislation is targeting low-skilled workers is very important for us here in the parliament to consider. We need to upskill our workforce. As I mentioned at the commencement of my contribution to this debate, one of the big mistakes that the previous government made was failing to skill our workforce and failing to train people for the jobs that were available in Australia. It was such a missed opportunity. At that particular time, we had job vacancies and a very significant youth unemployment rate. What we are doing is addressing the needs of young people and the needs of Australia.

The bill will also encourage more young people to gain the education and skills that they need to move into further education. It

is not only employment that is important. Success at a lower level course gives young people the confidence to move on to courses that will set them up for a career for their rest of their lives. That career could start with an apprenticeship or otherwise; the employment could be in any job that young people find that they are interested in.

Some young job seekers who participate in the Productivity Places Program, which is another aspect of this legislation, will not have to pay for their courses. However, not all courses taken up through the PPP will fit into that category. This is recognition that some people need more help. There is not a member in this House who would deny the fact that there are definitely a lot of young people out there who, through no fault of their own, find themselves in quite disadvantaged situations. The PPP will work well with that particular group of young people. Once again, this legislation is looking after particularly disadvantaged young people.

This legislation has been quite well received. I note that ACOSS are a little cautious but cautiously supportive of the proposal. They state that they will be looking closely at the youth allowance conditions so that disadvantaged young Australians are not unfairly penalised, which is what happened under the previous administration. These young Australians were unfairly penalised but not given the training that they needed. ACOSS also said that they acknowledge that there is a need for ongoing training and mentoring that suits the circumstances of young people.

The National Union of Students said:

It is good to see that the government is expanding the number of tertiary and training places. A renewed government focus on education will help generations through the recession.

That is exactly right. They also said, however, that the COAG policies must not be all

stick and no carrot. That was a problem under the previous government. For anything to be successful, you need to make sure that you have the mixture of carrot and stick right.

There will be a significant number of places available as part of the youth compact with the state and territory governments. There is a commitment to immediate action to ensure significant school and training places are available for people aged 15 to 19 who are entitled to an education or training place. This must be fully implemented by 1 July this year. Once again, this is a commitment by government to young people. It will ensure that they have a future. The government is prepared to get behind them and offer them the training and the skills that they need to enter the workforce. As I mentioned previously, part of that plan includes on-the-job and off-the-job training. I see that as providing very broad and full training to young people.

In addition, young people aged 20 to 24 will have an entitlement to education and training. This commitment will be implemented by 1 January 2010. State and territory governments will work with their education authorities and training providers to make arrangements for determining eligibility for an entitlement place. It is anticipated that most places will be provided by TAFEs and some registered private training organisations offering government subsidised qualifications. The Commonwealth, states and territories will work together to ensure that those young people living in rural and remote areas will also get the access that they not only need but deserve.

This legislation provides hope for a future for young people. Changes in this legislation support the youth compact and the national youth participation requirements agreed by COAG on 30 April 2009. This measure will

also assist in bringing forward the COAG targets of 90 per cent year 12 or equivalent attainment rates for 2015 to 2020. The training supplement will be available for two years to provide enhanced incentives for job seekers to gain skills and qualifications during the global recession. This legislation is about government acting. This is about the Rudd government recognising that young people deserve a future, and it is investing in their future by giving them opportunities to undertake training so as to prepare themselves for jobs as they become available.

Mr TUCKEY (O'Connor) (5.37 pm)—In her closing statement, the member for Shortland ran one of the recitation issues that this parliament is now confronted with in terms of 'a government acting'. There is only way to describe the Social Security Amendment (Training Incentives) Bill 2009, and that is 'a government reacting'. It is reacting to a very significant fall in employment, particularly amongst young people. It is, of course, the outcome of recession, including—as the minister reminded us during her second reading speech—the recession that we had to have in the 1990s, when it was again young people in particular who found employment very hard to obtain.

Another factor that is making it difficult for young people to get employment is the simple fact that employers are preparing themselves for the introduction of the Fair Work Australia legislation on 1 July. We see daily reports in the media of efforts by the trade union movement to further extend its power and, from its perspective, hopefully its revenues. This is to generate enough money to run another misleading campaign to try to convince the working people of Australia that this government should remain in office, knowing full well that we are not part of the trade union appreciation society. We are not dependent upon its funding to win or lose elections. This has been highlighted by the

most recent unemployment statistics, which show a fall in the number of people in permanent employment from 25,000 to 20,000.

The unemployment figures were compensated by a similar number in casual employment. And, of course, employment is going to go casual because that is the protective mechanism that small business employers will put into their arrangements to ensure that they do not get caught in the 'go away' money trap that was significant with the previous unfair dismissal exercise. That legislation just became unfair to employers who were silly enough to give people a full-time job and who, for whatever reason, found later that they had to disconnect from those people—and probably for very good reason, as was frequently raised with my office. For example, one small business man put on two workers and, at the end of 12 months, the business that he had anticipated had not materialised. He very apologetically put off these two people, paid them in excess of their entitlement and then received claims from each of them for \$10,000 for unfair dismissal. He rang his industrial adviser and said, 'I'll fight these rotten devils to the High Court.' His adviser said, 'And how much are they asking for?' and he said, '\$10,000 each.' His adviser said: 'Pay them. You'll win your case but it'll cost you more than that to do so.' That is coming up. Small business learnt its lesson last time.

The reverse applied when the Howard government discontinued unfair dismissal legislation for employers with fewer than 100 workers and, as a result, 50,000 jobs materialised in a month. In both New South Wales and Victoria—the typical rust bucket states that were not benefiting from the huge growth in resources exports—jobs materialised not because they were necessarily new jobs but because people had the confidence to employ people on a full-time basis.

As history also tells us, there was a time when it was not unusual for young people to leave the workforce after year 10 and enter into on-the-job apprenticeships and other on-the-job training positions. In years gone by, this did not even include TAFE training, which I think is a necessary part of today's arrangements. But, again, we wonder why employers are not breaking their necks to take on apprentices and trainees in various categories when they are paid at a rate that does not equate to their productive effort and, more particularly, sees them absent from their workplace one or two days a week for training. No compensation of consequence is paid to employers for having those people unavailable on those days.

These situations have arisen. This legislation proposes that the taxpayer picks up some of that tab, and that may therefore be advantageous, not for people in work but for people who are not in work. It is referred to—and I endorse this principle—as 'learn or earn'. Whilst I do not disagree with a reasonable safety net, it has unfortunately been found by a lot of young people to be sufficient to get by on, and they then do not seriously seek employment. If I were to be given a couple of hours to speak on this issue in this place, I could run through a list of examples where I and members of my extended family, as employers, have had unemployed persons turn up at our places of business for the purpose of doing an interview and, in their opening remarks, say: 'We don't want this job, you know. We're not going to take it. We'll really be a nuisance to you if you employ us.' They were there to get a signature in their book to say that they had been out actively seeking work. This provision may do something in that regard and that of course will be a positive.

I can see that it is a means of assisting. It is going to cost substantial amounts of money—\$83.1 million is targeted to date—

and, in fact, job seekers meeting these requirements will receive an extra \$41.60 per fortnight if they undertake an approved training or further education course of less than 12 months duration at the certificate II, III or IV level. But let me return to the issue as to why it now appears that by year 10 you have not absorbed enough education to take a job in the trades or elsewhere, as was previously the case. One can say, 'Oh well, it's all computerised now.' That is a complexity. That seems to be one of the things that most kids know about and understand before they go to school. I was talking to someone the other day who had to ring their grandchild to help them sort out a software problem they were experiencing with their computer at home. That is wonderful and we read about this all over the place.

I once learnt to fly a Chipmunk aeroplane and its only form of navigation was a marine compass. If I were to try to fly a current model of aeroplane today without high levels of computer skills, I would not be able to get it off the ground. Unfortunately, we recently read of a disaster where computers were suddenly interrupted and how difficult it was for a professional pilot to fly a commercial aircraft. A farmer in my electorate of O'Connor is now employing equipment which literally drives itself very accurately. So there is a need for that form of training. On the other hand, as reported in the media recently, three young mothers turned up at a picture theatre and, for reasons not stated, could not work out how much was three times the entry fee of \$9. That is not an indictment of those people but an indictment of an education system that has probably turned them out in year 10 with the inability to say that three nines are 27. Why is that? Because, quite foolishly, we walked away from the education structures that made sure everybody knew those basic forms of multiplication.

I ran hotels for about 25 to 30 years and I employed a vast number of staff on about one hour's assessment. The first thing I looked at was whether they walked fast or slowly, but each and every one of those people, particularly the women, had the ability to add up. They could not go to the electronic machine that is now provided and is about the slowest way of dispensing alcohol I have ever seen in my life. I do not know how you can have an alcopops problem. They could add up and they did add up as they put the drinks order together and told the group to which they were supplying the drinks the price. How did they learn that? There were no computers to assist. The cash register was of the push-down variety on which you registered the amount involved; you did not get a message from the register telling you what the change was. You had to work it out yourself. These were young and not-so-young men and women who could add up without any difficulty. From my own recollection, when you walked into a school in the opening period you heard kids in every classroom reciting their times tables. They were actually taught to read by phonetics. And where are we now? We are back to phonics. We have gone back to having that debate after the elite education establishment undermined all the practical outcomes that equipped a young person to enter employment after year 10.

As I have said, there are certain technical aspects to this bill—I read the statistics in the second reading speech of the Minister for Education—but without an adequate basic education another year's training is not going to do much and, if that year's training is needed to repair the incapacity of a young person to read and write, should we be building new assembly halls or, better, should we be organising the teaching profession so that we can turn out young people with the basic three Rs education? I think that is a matter of

grave concern. All the talk in this parliament about how much money is being spent on education and training is irrelevant unless it delivers outcomes. I smiled today when the minister was explaining that she was going to shift money from a school to which it had been allocated—the school was going to be knocked down—to a school where the other pupils were going to go. That amalgamated school might be brand new, but it is still going to get the money. I note on one occasion the government obviously woke up to that fact and said, ‘Well, we had better not spend it on paint; we will spend it on computers.’ I thought computers were coming free under another program. Are we just recycling money? Is it going to be free computers one day and a coat of paint the next day? As I said in my speech on the appropriations, very few of about the 150 schools in my electorate chose to take the \$150,000 on offer. They did not take it because the opinion of the school principal and the parent associations was that they did not need that much. They are now being told to spend up to \$3 million or else, yet internally the system is still advising us that young people who have not completed year 12 have an inadequate education base on which to obtain employment.

That was never the case, and it need not be the case, notwithstanding that there are good reasons for most students to continue to year 12 provided they have a capacity to absorb the education that that system provides. But what if it does not and a student’s tendency is to be a highly skilled tradesperson? It is a great tragedy of history that some of the most highly skilled tradesmen I have met going back to my childhood have had very little education. But they were highly skilled in their trade, and that has changed somewhat because a trade is not so manual. What I am saying is this: these ideas cannot be criticised and we hope they work, but they are an indictment of the existing education

system because they should not be needed; the training should not be needed.

There is another problem that arises from that and, furthermore, I can quote examples. You have got to be very careful as an administrator to see that training does not become an excuse for doing nothing. In recent years I know of people who said, ‘I’m going back to do another course,’ and left full-time paid employment because a course was easier than turning up for seven hours a day in a job. So that is a problem. You get people who are perennially doing courses, and the evidence of that exists for anyone who wants to check the stats or talk to people who have employed persons who have often come to them as unemployed. I think that is another worthwhile comment to make in this debate.

In the five minutes left available to me, I note that this legislation deals with some of the principles and entry requirements for youth allowance. On the last sitting Thursday I presented to this parliament 6,280—as I think the number was—signatures on a petition collected in fewer than 10 days from people protesting about the unfair changes to the Youth Allowance system. It pops up here in a most interesting way when the minister says, to support these initiatives, the Commonwealth government committed to making education and training a precondition ‘for young people without year 12, or the equivalent, to obtain youth allowance (other) and family tax benefit part A’. The youth allowance took into account the fact that young people, having passed year 12, were typically wishing to enter university and often—as in the case of my electorate—were living an unacceptable travel distance from the place of learning, which required their relocation, and that the rent allowance component of youth allowance was extremely important to them. They could prove their independence by going to work where work was available.

The interesting thing about this is that, while we talk about the new conditions, which have nothing to do with parental income and all those sorts of things, they are still a roadblock to participation. Whilst the minister, in her second reading speech, admits that it is very difficult for any young person to get a job at the moment, in the same breath she says, 'But if you can't find one for 30 hours a week then you can't qualify for youth allowance.' In rural areas that does not happen. What students did under the old system was to take the seasonal work, which is now the norm through rural areas, whereby they could work long hours for good rates of pay and accumulate a sum of money—I think it reached about \$19,000—and that was then their proven qualification to obtain youth allowance and take themselves off to university, where hopefully some of them might have even studied science and other scientific disciplines and went back and taught young people. In fact, now we are funding the cost of laboratories and all of these newly equipped facilities in education establishments—and hooray for that—but there is nobody with the competence to teach within the repaired or renewed or rebuilt facilities. You would not let most of them loose with a Bunsen burner. So how is that going to work?

It is just another indictment of this legislation. We do not oppose it. We wish it well, but it would not be occurring in this fashion if, when young people came out of education and were not seeking an academic career, they could have the necessary basic skills to be employed and in fact to grow into the highly qualified skills which traditionally they learned in the workplace—and learned them extremely well, as those of us know who still have the opportunity to walk into older style houses and see how they were built with a hammer, nails and handsaws and

that sort of equipment no longer used to any great extent. (*Time expired*)

Mrs D'ATH (Petrie) (5.58 pm)—I rise to speak in support of the Social Security Amendment (Training Incentives) Bill 2009. Before I go to the key areas of the bill, I will comment on some of the notable statements by the member for O'Connor. Firstly, I sincerely disagree with the member for O'Connor's statement that he would not let most teachers loose with Bunsen burners. I think that there are some fantastic teachers out there who should be commended for the work that they are doing. We need to make sure that we are supporting those teachers. I am sure that, if the member for O'Connor looked beyond the Building the Education Revolution funding that is being provided by this government and actually looked at this government's overall policy in relation to our education revolution, he and many of the members on the other side of the House would see that this government has committed to an overall approach to improving education in our schools, both public and private, across this country and that that includes working on a national curriculum and a whole range of initiatives. Certainly the schools in my area welcome the debate and discussion on these key areas as much as they welcome the investment in school infrastructure that they believe is also important.

The member for O'Connor seems to be arguing that we should make sure that students are fully equipped for the workforce by grade 10. You would almost be led to believe, based on the comments just made by the member for O'Connor, that we should get rid of grades 11 and 12 altogether because everyone should be suitable for the workforce by grade 10.

Mr Tuckey interjecting—

The DEPUTY SPEAKER (Mr KJ Thomson)—Order! The member for O'Connor will cease interjecting.

Mrs D'ATH—The member for O'Connor can argue all he wants, but comments were made over and over again during that speech on this bill that we should make sure that students are fully equipped for the workforce by grade 10. That seems to be the benchmark, not grade 12. The problem is that businesses want more than that nowadays, which the member for O'Connor and other members on the other side of the House would know if they actually went and talked to them. Businesses actually want students to have grade 12 or equivalent qualifications or they want those students to take on further education. It is not acceptable to merely have a grade 10 qualification.

The member for O'Connor may say, 'Well, that's because the kids of today aren't taught phonics and aren't taught times tables.' I disagree because my seven- and nine-year-olds are reciting the times tables that they are being taught in a state school and they are also learning to read and write through phonics. That sort of learning is certainly still going on in our schools and we should commend our teachers for still teaching those important fundamental aspects of education. But we cannot ignore that computers are not just part of our schooling and our businesses but part of our way of life now. We also need to teach our young people in primary school and secondary school to adapt with that technology as it evolves over the years.

I have no complaint about the government, the taxpayer dollars, picking up this incentive. This government has been committed since the day it got into government in 2007 about skills and skills enhancement. For more than the last decade under the Howard government what we saw was a

complete reversal when it came to investment in skills. We saw it with money being pulled out of the TAFE system. We saw it with the lack of commitment towards incentives for trade training. Although we saw a government creating and building Australian technical colleges around the country, spending millions and millions of dollars establishing ATCs, what it did not do was invest in trade training in many other areas, including in our schools. What we saw was a major drain on skills in this country in the trades area. By 2007, employers were absolutely screaming out for a government which would take up the need to address skills.

This bill provides two major incentives. One is a training supplement, eligible to people who are receiving the parent payment and the Newstart allowance. It provides an additional incentive and financial support for those who do not have year 12 qualifications or the equivalent to go back and get further qualifications or a qualification beyond their schooling years. This will ensure that those people can enhance their prospects of employment by allowing them to acquire skills in a trade or a field. It may be different to the VET qualification that some of them may already have. This is very important. A time frame has been set out for this initiative. Between 1 July 2009 and 30 June 2011, persons who commence the approved training, who are on the parenting payment or Newstart allowance and who commence a course of 12 months or less in an accredited course can access this additional payment of \$41.60 per fortnight to assist them—not just to assist them financially while they undertake those studies but, importantly, to assist them in becoming more work ready and more able to compete equitably in the market when it comes to finding employment.

The second initiative is the changes to the participation requirements for the youth allowance (other) category. These initiatives

are directed particularly at younger people in our communities who may have left school early and who can truly benefit by going back and getting qualifications or additional qualifications in a certificate under the Australian Qualifications Framework. These are the types of certificate that employers are looking for and the types of skills that employers are looking for out there in the community right now, at a time when the global economic crisis is being felt across this country. It is being felt locally in my communities in my electorate. Incentives like this for people who have not completed their full education at school are significantly beneficial. I had the opportunity to briefly look at the 2006 census data for the electorate of Petrie. Out of the just over 101,000 people who responded to the question about their highest level of education, 40 per cent had a highest level of education of grade 10 or its equivalent or lower. Although many of those would be older now—and it is true to say that in recent years more young people have been staying at school for longer—we still have too many young people dropping out of school before completing their year 12 or equivalent qualification. In my electorate, I would welcome initiatives like this that will support those people in getting those sorts of qualifications.

I know from personal experience how hard it can be when you do not finish your schooling. I left school just after grade 10, when I was 15 years old, and it was not until I was in my early 20s that I went back to night school and started doing my senior equivalent. It is true, as was said in the second reading speech in relation to these incentives, that those who go back and do further education early in their life are more likely to continue that education. Certainly for me, after doing my senior at night school in my early 20s, I then spent the next 14 years studying until I was admitted as a lawyer at

the end of the process. If I am any example, there is encouragement so that, once you get back into studying, you are more inclined to continue taking on new skills and enhancing your qualifications. I am not saying that every person who may take up this incentive would necessarily do that; what I am saying is that, by creating these incentives, even if one person takes up this initiative, gains additional qualifications and consequently gets a job out of doing so, then these sorts of incentives are worth doing. I certainly commend the Rudd Labor government for putting these initiatives in place.

In addition to the federal government's commitment to growing our skills base for this country, I can say that the Queensland government equally has that approach. In 2007, the Queensland government introduced changes to its schooling system that saw the introduction of the prep year across every school. I was fortunate that my son was in that first prep year and I have seen the benefits come from the introduction of that year. Also the state government introduced at the same time a learn or earn approach to senior students. They said to the senior students that, if they wanted to leave school before grade 12, then they were expected to be either studying full-time in some other way or going into the workforce and getting a job. I certainly support those initiatives.

I understand, as do many youth workers in my electorate, that this is not always going to be the case and there are going to be young people in every electorate who have difficulties for a whole range of reasons. They may be homeless, have substance abuse issues or have mental health issues. There are a whole range of issues that young people may be facing. That will mean that these people cannot necessarily meet the requirements for the new youth allowance participation. What I am pleased to say is that, as part of this bill, there is the ability in those circumstances for

young people to get a waiver, an exemption and to be considered in that context in relation to their particular circumstances. I am pleased with that because, as I said, it was certainly a concern raised by youth workers in my electorate.

Having said that I believe that those people, some of the most vulnerable young people in our community, are the ones we should be helping the most to overcome the personal circumstances that they are facing, whatever they may be, so that they can earn qualifications and become someone who has self-esteem, who believes that they can go out and compete in the workforce like any other person and have new skills and the confidence to get a job, and to have the quality of life that every person in this country deserves to have. For all of those reasons I commend this bill to the House.

Mr CRAIG THOMSON (Dobell) (6.12 pm)—Last week I was able to attend the launch of a very positive initiative put together by group training and registered training organisations which operate in my electorate of Dobell on the Central Coast of New South Wales. This particular initiative was called Adopt an Apprentice program and aims to find new employers willing to take on apprentices who have unfortunately lost their places with other small businesses because of the economic downturn or through similar circumstances. At the launch of the program the future was looking brighter for 20 job seekers who formed the target number under this program. Out of the 20, five places had already been found as the program was being launched, so there were already five apprentices with new employers.

The fact that employers are willing to take on young apprentices who have had to be put off elsewhere is largely because these job seekers already have some training, experience and skills. Also the truth is that these

young people are ready and willing to work. They have confidence because they have shown up to their workplaces. Their employers and work mates have supported and encouraged them. Their confidence came through being backed up by skills learned and training received while on the job. They are ready to try again with a new employer; someone who is willing to take on a keen young person, who, in turn, wants to get ahead with his or her apprenticeship and reach the goal they set out to achieve at the start, and that is to be trade qualified.

One of the registered trainers at the launch raised concerns about the lack of apprentices generally in the workplace. The man was in his 50s and had worked at Garden Island with over 400 apprentices in various trades working around him when he was a young apprentice. He reminisced about a time when there were many opportunities, and he said that the program that they were launching on the Central Coast was in some small way going to make sure that the apprentices who were in the system could complete the training they needed and acquire the skills required for the economy that we have on the Central Coast. We need to give our young people job skills for the future. Without this sort of investment we will find ourselves in a hole in a few years time, with a drastic lack of skills.

Such neglect for future needs happened under the previous government and we must not let it happen again. We must be in a position to make sure we continue to train new young people and encourage them to take on further training so that as the economy comes out of the global recession we have the necessary skills to make sure that the economies both locally and on the Central Coast can take advantage of those skills. When the economy recovers we will have in place a better skill base for our young people to help them get ready for the workforce.

Setting that up, especially in places such as my electorate, is absolutely vital. On the Central Coast, according to the last available figures, youth unemployment reached around 37 per cent. I am speaking about an area where these types of programs are absolutely essential. We have always had high youth unemployment, but with the global financial crisis we have seen it rise in the last six months from just over 25 per cent to just over 37 per cent. That is why I am supporting the Social Security Amendment (Training Incentives) Bill 2009. It is vital that this sort of training be introduced and that these incentives be given so that young people in my area can get a fair shake.

The bill introduces a new training supplement to assist low-skill job seekers receiving Newstart allowance or parenting payment to undertake approved training. This will in turn support better employment opportunities for those job seekers. The bill will assist low-skill job seekers with the costs of participating in training or further education which may assist them to secure employment in the future. The bill will encourage more young people to gain the education and skills they need to move into further education or employment, recognising that youth with limited education are particularly vulnerable to becoming unemployed in the long term. The changes will be mirrored in changes to family tax benefit A proposed to commence from January 2010. These changes will proceed separately.

Any opportunity for job seekers is vital, especially in regions such as mine, the Central Coast, where young people have constant difficulty in finding work. Not only do we have 37 per cent youth unemployment but 30 per cent of the workforce commute to Sydney every day when they would prefer to work on the Central Coast. This initiative supports the government's commitment to improve the educational attainment level of

Australians by encouraging completion of year 12 or equivalent and a commitment to unemployed Australians to provide improved access to education and training opportunities through Job Services Australia and the Productivity Places Program.

The training supplement will be available to Newstart allowance and parenting payment recipients who have not completed year 12 or who have a trade or vocational qualification that could be upgraded to better equip them to find future employment. Job seekers meeting these requirements will receive an extra \$41.60 per fortnight if they fully meet the activity test or participation requirements by undertaking approved training or further education at the certificate II or certificate III levels. The training supplement will be available for people commencing approved training between 1 July 2009 and 30 June 2011. The training supplement will be available under any approved training commenced in this period when it is completed. It is estimated that over 50,000 low-skill job seekers will be assisted over this period.

The New South Wales Central Coast, as well as having high youth unemployment, has very low school retention rates, well below the benchmarks set at both national and state levels. In fact, less than 50 per cent of people attending school complete year 12. The object of this bill is to encourage young people to remain in education and training until they have completed year 12 or equivalent so they can improve their employment prospects and are equipped to find jobs as the economy improves. These changes support the youth compact and the national youth participation requirements agreed by COAG on 30 April 2009. This measure will also assist in bringing forward the COAG target of 90 per cent year 12 or equivalent attainment from 2020 to 2015. As you can see, on the Central Coast we have a long way to go when we have an under 50 per cent

completion level at the moment and want to meet 90 per cent by 2015. It is only by having the government take action in these areas, through bills such as this, that there is some chance of that actually occurring.

Youth allowance will be payable to young people without year 12 or an equivalent qualification if they study full time or if they comply with the youth allowance employment pathway plan, which requires 25 hours a week in a combination of part-time study or training, in combination with other approved activities. These requirements will apply until the young person attains year 12 or equivalent certificate level II qualification. Exemptions will apply where no training is reasonably available or the person does not have the capacity to undertake the training that is available. These amendments will apply to new applicants for youth allowance from 1 July 2009. The requirements will be progressively implemented for existing youth allowance recipients without year 12 or the equivalent between January and July 2010.

The main points of the bill are the following. The training supplement is an additional, time limited, payment of \$41.60 per fortnight to help eligible job seekers who participate in approved study or training. It will be available for courses commenced between 1 July 2009 and 30 June 2011. The government is introducing this payment to encourage and support low-skilled income support recipients with the costs of undertaking training or further education to assist them to secure employment in the future. The training supplement will assist job seekers receiving Newstart allowance or parenting payment who have not completed year 12 or the equivalent or who have a trade or vocational qualification which could be upgraded to better equip them to find future employment.

Job seekers will need to participate in approved education or training to receive the training supplement. For some people this may mean full-time study. Others, such as people with a partial capacity to work, would meet their participation requirements through part-time study. The sorts of approved courses that people will need to do include certificate II to certificate III courses which can be approved. Generally courses would run for at least one semester and can be up to 12 months in duration. People wanting to do a course for longer than 12 months may be eligible for student income support payments. The reason why the training supplement is time limited is straightforward enough: the training supplement will be available for two years to provide an enhanced incentive for job seekers to gain skills and qualifications during the global downturn. This makes sure that we do not have a generation that is forgotten because of the global financial crisis.

We need to be making sure that not only are we stimulating jobs through the decisive action the government is taking with the stimulus packages but also those young people are being equipped with the skills necessary to participate in the economy as it comes out of recession—that they are not being left on the scrap heap, that they are given the opportunity to train and retrain. Job seekers who participate in the Productivity Places Program will not have to pay for their course. However, not all courses taken up will be provided through the Productivity Places Program. Some may be through a state or territory subsidised TAFE or RTO place. In such cases, normal course fees will apply. As is currently the case, these course costs are the responsibility of the student. In addition to the assistance provided by the fortnightly training supplement, over the period 1 January 2009 to 30 June 2010 recipients of Newstart allowance and parenting

payment who undertake approved study or training are also eligible for the education entry payment of \$208 and the \$950 education entry payment supplement of the Training and Learning Bonus.

Looking at the training places, the entitlement to an education or training place is for any government subsidised qualification. Training places will come from a range of existing sources, including the Australian government's Productivity Places Program. This program is providing 711,000 training places over five years to ensure that Australians develop the skills that they and industry need. Of these, 319,000 places, including 20,000 places for workers who may need to be re-skilled, are for job seekers; and 392,000 training places are allocated for existing workers wanting to gain or upgrade their skills.

As part of the compact with young Australians, young people under 20 who are working up to 15 hours per week will be eligible for Productivity Places Program training places. For this program to work, some changes will have to be made. From 1 July 2009, young people seeking youth allowance without year 12 or equivalent will be assessed against new participation requirements. Under these new requirements, to receive youth allowance young people under 21 years of age without year 12 or equivalent will need to: participate in education and training full-time; or participate full-time—that is, generally for at least 25 hours a week—in part-time study or training, in combination with other approved activities, until they gain year 12 or all equivalent certificate II qualifications. Young people already receiving youth allowance who do not have year 12 or equivalent qualifications will make the transition to the new requirements between 1 January 2010 and 30 June 2010.

It is fair to remind the House why the government is making these changes. Part of the reason is that the changes support the youth compact and national youth participation requirements agreed by COAG on 30 April 2009. Looking closely at these time frames, the changes will apply to all young people without year 12 or an equivalent qualification claiming youth allowance from 1 January 2009 and to existing youth allowance recipients without year 12 or the equivalent who are not full-time students from 1 January 2010. In order to allow young people already receiving youth allowance time to consider their options, the new requirements will be progressively implemented for this group between January 2010 and July 2010.

Going over the requirements for young people who obtain year 12 or the equivalent qualification, the existing youth allowance participation requirements will continue for 21-year-olds who have received year 12 or the equivalent qualifications. This group of young people is not affected by the measure. The question has been raised that the new participation measures might punish disadvantaged young people. Past economic downturns have demonstrated that young people with limited education and skills are particularly vulnerable to long-term unemployment. They struggle to find employment even when the economy recovers.

The arrangements will be flexible for young people with complex needs. For example, young people with multiple barriers such as homelessness or substance abuse issues who would qualify for stream 4 under Job Services Australia arrangements will meet their requirements by participating in this service stream. Similarly, young people with a partial capacity to work will have their hours of participation tailored to their assessed capacity. If eligible, they can also meet their requirements by participating in

disability employment services. The range of existing activity test exemptions based on personal circumstances, such as temporary medical incapacity or major personal crisis, will continue to be available. This will ensure appropriate safeguards are in place to cover periods that young people cannot participate.

It is also useful to clear up any concerns about the availability of education or training places. As part of the COAG youth compact, state and territory governments have committed to immediate action to ensure sufficient school and training places are available to young people aged 15 to 19, who will have an entitlement to an education or training place for any government subsidised qualification. This commitment will be fully implemented by 1 July 2009. Enrolments will be subject to admission requirements and course availability. In addition, young people aged 20 to 24 will have an entitlement to an education or training place for any government subsidised qualification which would result in the individual attaining a higher qualification. The commitment to 20-to 24-year-olds will be fully implemented by 1 January 2010. Enrolment will be subject to admission requirements and course availability.

State and territory governments will work with their education authorities and training providers to make arrangements for determining eligibility for an entitlement place. It is anticipated that most places will be provided by TAFEs and some by private registered training organisations offering government subsidised qualifications. Commonwealth, state and territory governments will also work with training providers to address issues relating to the provision of places in rural and remote locations. Exemptions will apply in cases where there are no locally accessible training courses or appropriate distance education options. Job Services Australia

providers will also have the capacity to help young people gain access to education and training programs to improve their skills, including places in the government's Productivity Places Program.

Deputy Speaker Adams, you can see through this bill that the government is committed to helping young people, who might not have the best chances of gaining long-term employment, gain the necessary skills to give them a better chance. It is aimed at those young people who have not completed year 12 or the equivalent, or who have a trade or vocational qualification which could be upgraded to better equip them to find future employment. The budget announcement for this measure stated that the changes to participation requirements for youth allowance are to come into effect on 1 January 2009 for new claimants without year 12 or the equivalent and from 1 January 2010 for existing recipients without year 12 or the equivalent. Budget announcements also stated that the training supplement would commence from 1 July 2009. For young Australians hoping to upgrade their skills—such as from electorates like mine, with 37 per cent youth unemployment and less than 50 per cent of people going on to year 12—the opportunities provided by this legislation cannot be overstated. It is vitally important that there are no delays in this legislation. I commend the bill to the House.

Mr CLARE (Blaxland—Parliamentary Secretary for Employment) (6.30 pm)—I thank all members for their contribution to this debate. The Social Security Amendment (Training Incentives) Bill 2009 is part of the government's strategy to keep Australia working and set us up for the future. It creates new incentives to train and learn, to help young people now and to make sure we have the skills we need as the global economy recovers. Unemployment is the biggest challenge we face. It is the biggest challenge

governments face all round the world. In America, unemployment has almost doubled in the last 18 months and now stands at 9.4 per cent—the highest it has been in the last 25 years. Australia is doing better than most. Unemployment is lower here than in any other major advanced economy bar Japan, but there is a tough road ahead. Unemployment is projected to rise.

When workers lose their job it does not just hurt the individual and their family, it hurts our economy. We lose skills and experience—the skills and experience that we need to come out the other side of the global recession stronger and more competitive than before. We cannot stop the global recession hitting us, but we can reduce its impact. That is why the government is rolling out 35,000 job sites across the country over the next 12 months, providing tax breaks to small business and introducing this legislation, which is part of the jobs and training compact announced by the Prime Minister in April this year.

The bill before us does two things. First, it introduces a temporary training supplement. This payment will be made to people who are amongst the most vulnerable to long-term unemployment: recipients of Newstart and the parenting payment who have not completed year 12 or an equivalent qualification or those who have a trade qualification that needs to be upgraded. The training supplement of an extra \$41.60 a fortnight will be made to Newstart and parenting payment recipients without a year 12 or an equivalent qualification who start an approved course of study or training between 1 July 2009 and 30 June 2011. It is estimated that 50,000 people will benefit from this. Second, the bill changes the participation requirements for youth allowance (other). To obtain youth allowance (other), young people without year 12 or equivalent qualification will now need to participate in education and training.

The purpose is to encourage young people to remain in study or training until they complete a basic educational or training qualification—to make sure young people are learning or earning.

The logic behind these reforms is simple. Unemployment hits some communities and some groups harder than others. Young people and workers with low skills are particularly vulnerable. Since September last year unemployment amongst young people aged 15 to 24 has grown at a faster rate than it has amongst the rest of the population. The more skills and education people have, the more likely they are to be employed and the more they are likely to be paid. The former Minister for Employment Participation made this point in his second reading speech:

By age 24, only seven out of 10 young people without a year 12 or certificate III or IV qualification are in further training or employment. By contrast, nine out of 10 young people with such a qualification are in further training or employment.

In other words, skills count. Qualifications are important. The lesson from the recession of the early nineties is that youth unemployment rises quickly and can take a long time to fall. Then, one in three young people who had not completed year 12 were unemployed. They were three times more likely to be unemployed than someone who had completed year 12. These are the facts.

The long-term consequence of this is entrenched disadvantage. Long-term unemployment has a devastating impact on individuals and on families. It also has a long-term impact on the productivity and competitiveness of our economy. That is why this bill is important. It is part of a comprehensive strategy to reduce the risk of long-term unemployment and build the skills that we need to compete in a world beyond the global recession; to keep Australia working. I commend the bill to the House.

Question agreed to.

Bill read a second time.

Message from the Governor-General recommending appropriation announced.

Third Reading

Mr CLARE (Blaxland—Parliamentary Secretary for Employment) (6.35 pm)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

SOCIAL SECURITY LEGISLATION AMENDMENT (IMPROVED SUPPORT FOR CARERS) (CONSEQUENTIAL AND TRANSITIONAL) BILL 2009

Second Reading

Debate resumed from 27 May, on motion by **Ms Macklin**:

That this bill be now read a second time.

Mr ABBOTT (Warringah) (6.35 pm)—I do not intend to detain the House long at all on this bill because the Social Security Legislation Amendment (Improved Support for Carers) (Consequential and Transitional) Bill 2009 is about as uncontroversial as a piece of legislation can be. That does not necessarily mean that there will not be any contention in the House, but I am fairly confident that the contention will be over other aspects of social security policy, not about the particular provisions of this bill. Essentially what this bill does is change the criterion for carers to go on the carer payment from one determined by medical classification to one determined by the actual level of care provided. As well, it changes the terminology of disability to something more appropriate and more sensitive to the modern ear. It is essentially housekeeping. It will benefit many thousands of people over time, as the costings reflect. The opposition support this bill and we commend it to the House.

Ms ANNETTE ELLIS (Canberra) (6.37 pm)—It is indeed a pleasure to rise this evening to speak in support of the Social Security Legislation Amendment (Improved Support for Carers) (Consequential and Transitional) Bill 2009. As has probably been said by other members, the earlier bill, the Social Security Legislation Amendment (Improved Support for Carers) Bill 2009, provides part of the government's response to the report of the Carer Payment (child) Review Taskforce. It gives effect to a number of measures aimed at improving assistance to carers from 1 July this year. The bill we are debating tonight is the companion bill to the improved support for carers bill, which has passed through the House already. This bill now comes in, as the previous speaker said, to put into effect most of the provisions required for carers in this area. I am really very pleased to see this happening and to be part of the clarification process in the parliament tonight.

As most members will be aware, a committee I chair recently provided a report to the parliament on the role of carers in our society. Through that process we had the opportunity—and the privilege, I might add—to speak and listen to literally hundreds and hundreds of carers around the country. We had the opportunity to hear precisely what they had to say about their lives, the impact of the caring role on their lives and the sorts of things that they saw as important in attempting to lighten the load or to make their journey through their life of caring a little bit more bearable and manageable. Many of the things that are in this bill answer some of those questions and will make things a lot better for many carers. For instance, the amendments will include the removal of references in social security law which, from 1 July this year, will be redundant and the replacement of those references with the new

terms necessary for the proper administration of the changes to be introduced.

There are a couple of things I would like to mention briefly, if I may, which really will have a great effect on the day-to-day lives of these people. One of them is the 63-day rule. Amendments made by this bill will provide that carers who qualify for the carer payment under the new qualification provisions will be able to take advantage of the existing benefits for carers. For example, under the 63-day rule, carers can temporarily cease to provide constant care but remain qualified for the carer payment. What this new provision will mean is that, if you are in a caring role and the person for whom you are caring has a period in hospital or a period of respite care for up to 63 days per annum, the carer payment will continue to be made. That makes life a whole heap easier. The cost of caring does not necessarily dissolve into nothing just because the person you are offering that care to is not literally in your house or under your care. As I said, they could be in hospital or respite care or a similar type of arrangement. I think this is a really sensible provision and will be very welcome for a number of people out there.

One of the other provisions is the special backdating for the carer payment. Given that this is a new regime, a new order of things, and knowing the frantic lives that these people lead, it may take a little while for some of them to access the new forms and the new transitional arrangements. Between 1 July and 1 October this year, if there is evidence in an application from a treating health professional indicating that the carer would have been qualified for the payment within that period—had they known that they could in fact have made that application or had they had the time to make the application—the application can be backdated, as a transitional arrangement under the new rules. So between 1 July and 1 October this year there

is a little bit of flexibility, given the right circumstances, for the carer in question to be accommodated through the application process, should that be required. Again, that makes it just that bit easier for these people and offers some understanding of the types of situations that they find themselves in and the pressures that we all know they face. I do not know how other members feel, but I know that in my own life sometimes I can be very busy. Sometimes paperwork flows through your letterbox and you are not really sure how quickly you will be able to look at it. If you are in a caring role, I tell you, it can be all the more difficult. It is hard enough in normal life, let alone in those sorts of circumstances.

I am really very pleased to see that we are now progressing. As I said, the original bill has gone through the House, and I believe it is now in the other place. We now have this machinery piece of legislation which will put into place the provisions that were alluded to in the earlier bill. This bill makes them all technically possible. I am very, very happy to think that we are going to see this happen, that we are going to see the progress brought about by these legislative changes. I have only mentioned a couple of them in brief, but I know that for the carers that we have spoken to through our inquiry process and the people that we all know in our constituencies this is really going to make a difference. That is what we are all here for, I believe, as parliamentarians. In cases like this we can actually make a practical difference to the lives of people who really need assistance. So I welcome this bill. As technical as it may be in some cases, it will put into action the provisions of the previous piece of legislation. Importantly, it builds on the work of the Carer Payment (child) Review Taskforce, which set this in train in the first place. I am proud to be a member of the government that set that up. I am proud that we are now see-

ing the provisions come in and that the benefits will flow through to those who have caring roles in our community. I welcome this legislation into the House.

Ms LEY (Farrer) (6.44 pm)—Like the previous two speakers, I welcome the Social Security Legislation Amendment (Improved Support for Carers) (Consequential and Transitional) Bill 2009. It is insignificant and technical in itself, but it is part of a very important range of measures that will make life easier for carers. As our opposition spokesman said a few moments ago, there would be few less contentious pieces of legislation to go through the House. So, of course, we in the opposition welcome the measures in this bill and the changes that they will help bring to the lives of carers.

I was privileged to be part of the Standing Committee on Family, Community, Housing and Youth for a short while last year and to commence work on the inquiry that was tabled recently. I recognise the previous speaker, the member for Canberra, for her chairmanship of that inquiry. The report was called *Who cares...?* It really puts so much of what carers feel, believe and passionately want into words. It was a privilege to be part of that committee. As members of parliament, every day we hear and see the results of people struggling with the caring role. I just want to touch on a couple of the special moments for me as part of that committee and the moments that encouraged me to work harder for carers. They were the representations made by young carers—those who are children struggling with school or in some cases young people at university and who are actually the carers in their family. One particular young lady said:

... I have been caring for my father since I was 12 years old and he retired. Over those years I did not have any support. It was not until the start of this year that I found community options. So for seven years I was doing it on my own and attend-

ing high school. It was not actually until I started university—and I am doing psychology—that I realised that dad could have a mental illness. I went to his GP and I said, ‘Dad could have depression’. I was told that, because I do not have a medical degree, I did not know what I was talking about. So for six months dad went undiagnosed. Subsequently he took himself to hospital with suicidal thoughts. That was a big shock to me personally. For 12 months dad did not have any treatment. I just want to say that, because of that, I would really like GPs to consider that carers are a big part of the lives of the people they look after.

I do not read that third-party quote to criticise GPs at all, but simply to say that the issue of carers and those that they look after is a community-wide issue and everybody involved needs to be aware of this. All carers that come to see me in my office without question, apart from being exhausted, talk about their responsibility. They talk about the positives as well; it is not all negative. They have such low expectations and they feel this is a burden that they have to carry very much on their own. If every other chain in the process—including GPs, advocates, workmates and everybody involved—recognised the enormous load that the caring role places on individuals and offered a bit of support here and there, it would make an enormous difference.

One of the other things that came out of my work on this committee was a forum we held in my home town of Albury where people stood up and for a few minutes gave a snapshot of their lives and the caring role. One member of the committee—I actually cannot remember who it was—said, ‘You all seem so calm,’ and one particular woman said, ‘That is because we are all so medicated.’ It really struck me that in order to get through the day a lot of carers are themselves quite understandably struggling with their own health issues. They really do need support.

Without making this a political statement, in New South Wales we do certainly notice a lot less support than the government just across the border to the south gives to its carers and their families. With the New South Wales budget on its way tomorrow, I really do hope that further support for this important area is maintained. It needs to be increased, because along the border—and my electorate is on the border—between New South Wales and Victoria the frank advice that people are receiving in New South Wales is to take their family to Victoria where the state government actually does a lot more for their children in school and gives them the respite that they desperately need. Respite is an enormous issue for everybody—and I am sure this is common across the board. For people under 18, there are day programs and places for people to go with their disabilities and have special treatment. That is catered for reasonably well. The problem arises for families when their young person turns 18, is no longer entitled to the same level of support or the support changes and—more importantly—the facilities are not there in the community.

Just because somebody has a disability does not mean they want to live at home when they turn 18 and become a young adult. They still need to make their own way in the world and they need that level of independence. There is nowhere which supports them, which allows them their independence, which gives their family that much needed ongoing respite and which keeps them safe and looks after them. I do hope that we as a parliament focus more attention on the needs of carers and that we look at the needs of those young adults. Good things have been done for autism and packages have been put together, and they have made a difference for young people. There is early intervention at school, which is a critical time in a young person's life, but at the moment I am really

detecting that some support for young adults with disabilities at the stage of life where they do want to gain some independence is simply not out there. I conclude by thanking those on all sides of the parliament who work hard for those carers in their electorate. I encourage each and every one of them to continue to support them in whatever way they can.

Mr TREVOR (Flynn) (6.50 pm)—I rise to support the Social Security Legislation Amendment (Improved Support for Carers) (Consequential and Transitional) Bill 2009. As you will be aware, Mr Deputy Speaker Adams, the measures in this bill are part of a 2008 budget measure of which the legislative component has financial impacts as follows. The total resourcing of all portfolios for the 2008-09 year is \$15.5 million; in 2009-10, \$72.8 million; in 2010-11, \$89.9 million; and in 2011-12, \$93.3 million.

Pursuant to schedule 1, 'Amendment of the Social Security Act 1991', from 1 July this year a person will be able to qualify for carer payment if one of the following circumstances apply: (a) care is provided to a child with a severe disability or severe medical condition; (b) care is provided to two or more children each with a disability or medical condition; (c) care is provided to a disabled adult and one or more children, each with a disability or medical condition; (d) care is provided to a child who has a terminal condition; (e) the care of two or more children each with a severe disability or severe medical condition is exchanged between the separated or divorced parents of the children; (f) care is provided to a child or children on a short-term or episodic basis; (g) care is provided to a disabled adult or a disabled adult and a dependent child; or (h) care is provided to any of the above while they are in hospital.

The qualification provisions for carer payment where care is provided to a child with a severe disability or severe medical condition, or care is provided to two or more children each with disability or medical condition, or care is provided to a child with a terminal condition, replace the current qualification provisions for care provided to a profoundly disabled child or two or more disabled children. Qualification for care provided to a disabled adult and one or more children each with a disability or medical condition is a new qualification provision that is additional to the current qualification provision for care provided to a disabled adult and a dependent child of the disabled adult.

This schedule repeals references to the terms 'profoundly disabled child' and 'disabled child' where the use of the terms are associated with carer payment from the Social Security Act. These terms are replaced with terminology related to the new qualification provisions inserted by the improved support for carers bill. The amendments contained in this schedule ensure that provisions contained in the Social Security Act, such as the care receiver's income and assets tests, will apply to a person who makes a claim for carer payment after the commencement of the improved support for carers bill.

Amendments are also made to special benefit provisions to ensure that the improved qualification criteria for carer payment is reflected in the relief from the activity test that is applied to people who are not residually qualified for carer payment. This schedule also makes amendments so that a person who is qualified for carer payment for care provided on a short-term or episodic basis is not qualified for a pensioner concession card but is qualified for a health-care card. Finally, the provisions that relate to who can be the principal beneficiary of a special disability trust are amended in line

with the improved qualification criteria for carer payment.

The Rudd Labor government is committed to improving significantly the level of assistance for carers of children with disability or severe medical conditions. This bill delivers on that commitment. The changes in this bill are the latest in a series of recent support initiatives that have been extended to carers. The 2008 one-off payment legislation delivered \$1,000 to carer payment recipients and certain other pensioners with a caring role, and carer allowance recipients were, generally, paid some \$600 for each person cared for. Then the Economic Security Strategy legislation of late 2008 provided some \$1,400 to carer payment recipients and, generally, \$1,000 to carer allowance recipients for each person cared for. These new budget measures are part of an \$822 million package from the 2008 budget to support and recognise carers.

The amendments will deliver a new, fairer set of qualification criteria for carer payment paid in respect of a child based on the level of care required rather than the rigid medical criteria currently used to assess qualification for the payment. Estimates are that some 19,000 more carers will have access to carer payment from 1 July 2009.

As at January 2009 there were 2,795 carer allowance recipients and 941 carer payment recipients in my electorate of Flynn. The 2006 census recorded for my electorate of Flynn 4,562 people in need of assistance. That is the number of people with a profound or severe disability. People with a profound or severe disability are defined as needing help or assistance in one or more of the three core activity areas of self-care, mobility and communication. The 2006 census also recorded over 9,000 people in my electorate of Flynn who in the two weeks prior to census night spent time providing unpaid care, help

or assistance to family members or others because of a disability, a long-term illness or problems relating to old age.

As the father of a son with a disability who cannot live without a life-sustaining medication I congratulate these wonderful people for their efforts. I sincerely hope that this legislation goes a long way to rewarding them for their efforts. I commend this bill wholeheartedly, from the bottom of my heart, to this House.

Mrs MOYLAN (Pearce) (6.58 pm)—Being able to address matters in relation to the Social Security Legislation Amendment (Improved Support for Carers) (Consequential and Transitional) Bill 2009 is a great opportunity to speak on behalf of all those people who undertake the important role of caring within our community. These changes to legislation will certainly impact on a great number of people who care for others and, in particular, for children who have special care needs.

The bill proposes to move from focusing on a child's actual medical condition to focusing on care requirements, and this is consistent with the application of care requirements for qualification for carer allowance. The new Disability Care Load Assessment (Child) Determination, to be introduced by this bill, is intended to provide an objective tool for assessing the care requirements of care recipients. Assessing care requirements in relation to children is complicated by the fact that all children need a certain level of care appropriate to their age and level of maturity. However, children with severe illness or those recovering from an accident may need considerable extra care.

Despite the broadening in 2006 of eligibility for carer payments to carers of children with severe intellectual, psychiatric or behavioural disabilities requiring constant care or supervision, it became apparent that, in

fact, few families qualified for the carer payment. Although there were 113,549 carers receiving carer allowance to assist them with costs involved in caring for a child with a disability in June 2008, the narrow criteria meant that in practice only 7,000 children were being cared for by people receiving the carer payment, so there has been an obvious disconnect due to the tight eligibility criteria.

A recent report following an inquiry by the House of Representatives Standing Committee on Family, Community, Housing and Youth, of which I am deputy chair, highlighted the great hardship encountered by many carers, who felt that they were not being adequately supported in the caring role. The *Who cares ...?* report made it clear that there were common concerns amongst carers regardless of what kind of caring role they undertook. They were united by the challenge they faced, and it became abundantly clear that insufficient attention was being paid to caring for the needs of carers. One of those needs is to simplify the maze of bureaucratic red tape and the hoops that carers must jump through to access support. No group could be more worthy of clearing a more certain path than those caring for children with a serious illness or disability.

The care requirements for carer allowance are far less rigorous than the care requirement for carer payment, and the care requirements for carer payment for a person caring for an adult are also less rigorous than the care requirements for caring for a child. The differential was explained away by an assumption that all parents of young children engage in the caring role. However, the assumption did not take into account the additional care responsibilities of those parents who care for children who have a disability or severe medical condition.

In an endeavour to rectify this, in 2007 the Howard government introduced a carer ad-

justment payment of up to \$10,000. The carer adjustment payment was available where a family had a child aged up to six years who was diagnosed with a major disability due to an accidental injury or a severe illness. Carer adjustment payment was an interim payment available while the review of carer payment for carers of children with a medical condition was being conducted. It was to terminate on 30 June 2008, but funding was provided in the 2008 budget for carer adjustment payment to continue to be available past that date.

A review task force headed by Anthony Blunn was established in March 2007 to examine the effectiveness of carer payment as a safety net for carers of children with profound disabilities or severe medical conditions. The terms of reference recognised that a carer payment is an income support payment for carers who, because of the demands of their caring role, are unable to support themselves through substantial participation in the workforce. The report of the review, released in early 2008, concluded that carer payment did not provide the intended safety net and recommended changes that are now the subject of this bill.

Some of the 32 recommendations in the Blunn review were changes to eligibility requirements and a new assessment process to recognise the level of care required by the care receiver and provided by the carer; better support for carers through improved service delivery, including case coordination and more accessible information about payments; increased support for carers to participate in the workforce through improved access to the Job Network, help with child-care arrangements and assistance for employers; and increased recognition for carers through carer recognition legislation and a national action plan for carers. It is interesting to note that there have been many inquiries into and reviews of this issue over the

years, and in every case they have come up with very similar conclusions.

More recently, the bill was referred to the Senate Standing Committee on Community Affairs. A submission was made to that committee by the Disability Services Commission of Western Australia, which was very positive about the benefits of the changes that we are discussing tonight and the way in which they would make for better support for carers. The Director-General of the Disability Services Commission of Western Australia, Dr Ron Chalmers, commented specifically on the bill's ability to ease the financial hardship for carers.

As I said earlier, few people are eligible for the carer payment in its current form. The changes outlined in this bill will ensure that a further 19,000 carers of children will now qualify for a carer payment. This is a very welcome change indeed. The bill changes the way eligibility is assessed for carer payment for those caring for a child. Currently eligibility is based, as I said, on a child's disability or medical condition. The new methodology for assessing eligibility will be through the disallowable legislative instrument referred to previously, called the Disability Care Load Assessment (Child) Determination. Instead of focusing solely on a child's medical condition, this takes into account the care needs and is consistent with the way in which applications are assessed for carer allowance. It is also pleasing to see for the first time access to carer payment for a carer caring for a child up to the age of 16 who has a short-term or episodic illness. This may include mental illness conditions or medical conditions such as cancer and the many other illnesses that often beset children. This new instrument for determining eligibility will provide a test for assessing the functional ability, behaviour and special care needs of a child. That includes a section to be completed by a treating health professional, a

method of rating the child's care needs and a method of providing a qualifying rating for the carer that takes account of the care provided by the carer and the assessment, again, of the health professional.

Item 10 of this bill inserts new sections along with changes to existing sections. It sets out the criteria for qualification for a carer payment, and it includes some new items. Some of these are: a child with a severe disability or medical condition; two or more children, each with a disability or medical condition; a disabled adult and one or more children, each with a disability or medical condition; a child who has a terminal condition; exchange care of children; short-term, episodic care of children; extension of short-term or episodic care of children; disabled adult or disabled adult and dependent child; hospitalisation; and some short-term circumstances. In order to qualify for these payments, the carer must provide constant care to a care receiver who has high care needs, provide that care in the home of the care receiver and be an Australian resident. This section has not changed. However, there are new sections that take into account the impact of caring on a person's ability to undertake training, education, unpaid voluntary work or paid employment.

Limitations are currently in place on the number of hours a carer can work before they cease to provide constant care for the purpose of receiving carer payment. I think one of the toughest hurdles for carers is the need to make a choice between continuing to work in the paid workforce and the need to give full-time care. So often, the care needs are such that continuing to work in the paid workforce, even on a part-time basis, is simply not a choice at all. And the limited options for carers to participate in the paid workforce are further exacerbated by the severe shortage of places in day-care facilities or carers who can come into the home to

relieve the principal carer. These are issues that I think need further airing and further community discussion. Financial hardship is a major ongoing concern for many carers and the *Who cares ...?* report actually recommends a significant increase in the base rate of carer payment.

We have also asked that the Treasurer consider easing the tax burden on carers. The financial support received by carers can be quickly consumed by specialist medical services, medication and/or equipment required by those they care for—for example, buying a wheelchair, adapting a house and the myriad other additional costs that carers must fund. They soon add up, and it is easy to understand how rapidly financial stress can build up in families who find themselves in these circumstances.

Financial isolation of carers is further exacerbated by employment limitations. Currently, there are significant disincentives for carers to earn supplementary income because any additional income reduces quite sharply the amount of income support they receive. Carers should be able to look to the future with at least some degree of certainty and maintain a reasonable standard of living, and this bill does go one step closer to providing greater certainty and better support.

In conclusion, the changes outlined in this bill will be very welcome to those caring for children with a disability or severe illness. However, the whole issue of how we support, value and treat our carers will need much more attention in the future. Many of the issues raised in the 2007 task force report commissioned by the Howard government are again canvassed in the latest report, *Who cares ...?* As I said in my speech to the House during the tabling of that report, if we are to answer, 'We care'—that is, those of us in this place responsible for the legislation—then we need to confront the issues facing

carers head on and match the rhetoric with reality. It will need all the political will we can muster to ensure a better future for carers and those they care for, just as this legislation will assist many in the community who provide extra care to children. I welcome the measures that are outlined in this bill. The changes recommended in the task force report will make a difference to the lives of carers now and into the future; in the meantime, these incremental changes are very welcome.

Ms MACKLIN (Jagajaga—Minister for Families, Housing, Community Services and Indigenous Affairs) (7.11 pm)—in reply—First of all, I thank all the members for their contributions to this important debate. The Social Security Legislation Amendment (Improved Support for Carers) Bill 2009 provides part of the government's response to the report of the Carer Payment (child) Review Taskforce, and gives effect to a number of measures aimed at improving assistance to carers from 1 July 2009. The improved support for carers bill will extend qualification for carer payment to around 19,000 more carers from 1 July 2009 by delivering a new, fairer set of qualification criteria for carer payment paid in respect of a child, based on the level of care required rather than the rigid medical criteria currently used to assess qualification for the payment.

This bill, the Social Security Legislation Amendment (Improved Support for Carers) (Consequential and Transitional) Bill 2009, makes amendments as a consequence of the measures contained in the improved support for carers bill. This companion bill makes minor amendments of a consequential and transitional nature. The amendments made by this bill include removal of references in the social security law that from 1 July 2009 will be redundant, and replaces those references with new terms and references necessary for the proper administration of the

changes introduced in the improved support for carers bill.

Amendments made by this bill will provide that carers who qualify for carer payment under the new qualification provisions will be able to take advantage of the 63 days, or the pro rata equivalent, for carers qualified on a short-term or episodic basis on which carers can temporarily cease to provide constant care and remain qualified for carer payment.

This bill provides that nominated visa holders who cannot qualify for carer payment as they do not meet the residency requirement can be granted an exemption from the activity test in relation to special benefit if they are providing care to a child or children who meet the criteria contained in the new qualification provisions.

The bill also amends the provisions that relate to the nomination of the principal beneficiary of a special disability trust under the Social Security Act 1991 or the Veterans' Entitlements Act 1986 to reflect the changes made by the introduction of the improved qualification criteria for carer payments.

Lastly, the bill also provides for the backdating of carer payment for people who qualify for carer payment under one of the new qualification provisions. A person who makes an application before 1 October 2009 will be able to have their carer payment backdated to the date they became qualified for carer payment. The earliest date at which they can become qualified is the date of implementation of the new qualification provision, which is 1 July 2009. We look forward to these provisions becoming law to support carers doing a very important job in our community, caring for children who have very serious illnesses.

Question agreed to.

Bill read a second time.

Message from the Governor-General recommending appropriation announced.

Third Reading

Ms MACKLIN (Jagajaga—Minister for Families, Housing, Community Services and Indigenous Affairs) (7.15 pm)—by leave—I move:

That this bill be now read a third time.

Question agreed to.

Bill read a third time.

SOCIAL SECURITY AND OTHER LEGISLATION AMENDMENT (AUSTRALIAN APPRENTICES) BILL 2009

Second Reading

Debate resumed from 28 May, on motion by **Ms Gillard**:

That this bill be now read a second time.

Dr SOUTHCOTT (Boothby) (7.16 pm)—I will not detain the House long in speaking to the Social Security and Other Legislation Amendment (Australian Apprentices) Bill 2009. This bill seeks to exempt incentives paid to apprentices from treatment as assessable income for taxation, social security and veterans affairs purposes. These amendments will ensure that apprentices retain the entire amount of the financial incentives paid to them. This will bring these new payments into line with the tax treatment afforded to previous incentives. It is a sensible measure that the opposition support.

The first of these payments is the Skills for Sustainability for Australian Apprentices. This is a pilot program aimed at encouraging apprentices to undertake sustainability related training, by granting a payment of \$1,000 on completion of a required level of training. Discussions about sustainability related training have been around in this space for some time. We welcome this pilot program and we will be interested to see how it develops.

The second payment is a rebadged payment called the Tools for Your Trade incentive. In fact, it is not even rebadged, because the old incentive was also called Tools for Your Trade. This measure will combine three existing incentives into one. Whilst the opposition will be supporting the bill, we do have a couple of issues here. First of all, the new incentive is not set to be payable until 1 January 2010, and there is an issue for apprentices and trainees who commence between 12 May 2009—that is, budget day—and 1 January 2010. There is a real question as to whether those people will be eligible for the Tools for Your Trade incentive or whether they will fall through the gap in the merging of these three programs. So we do have an issue in that, in moving from the old Tools for Your Trade to a newer, simplified incentive, a cohort of apprentices will miss out.

The second issue is that a detailed examination of the budget papers reveals a pea and thimble trick in the incentives being paid to apprentices. Incredibly, at a time when the Australian economy needs to support employers, apprentices and people staying in their apprenticeships, the Rudd government is taking a net \$197 million out of the pockets of apprentices. This is classic sleight of hand: a number of things are going. The biggest one is the apprenticeship training fee voucher. Labor had a policy to fund \$800 for out-of-pocket payments, which they announced in December 2006. They have not stuck by that, and in fact they have abolished the apprenticeship training fee voucher, which was introduced in the 2007 budget. In their 2007 election policy document *Skilling Australia for the future* the Labor Party promised that all subsidies and payments to employers and apprentices would be retained. When you look at the fine print in the budget, you can see that this is not extra money for apprentices. In the middle of what

is leading to \$188 billion in net debt and \$315 billion in gross debt you can see that they have taken \$197 million out of the pockets of apprentices.

When we have a look at the latest figures from the NCVER on apprenticeships and trainees—and bear in mind that these figures are six months behind—we see that between the March 2008 quarter and the December 2008 quarter apprenticeship commencements in traditional trades fell by 10 per cent. That is really before a lot of the impact came from the slowdown in the economy. As we have heard, at the same time that we are seeing commencements falling the Rudd Labor government has abolished the apprenticeship training fee vouchers, which provided up to \$1,000 to apprentices to help pay for their training. As I said, apprentices who commence after 12 May 2009 will not have access to the Tools for Your Trade funding because this has been put on hold until 1 January 2010.

The opposition have been vocal in their support for small business and apprentices during this economic downturn. As one example of this, during the leader of the opposition's budget reply, we put up a proposal to bring forward the incentives for employers for traditional trades into the first two years of the apprenticeship. As the OECD noted in its review of vocational education and training in Australia and policy relating to it, most of the incentives for employers are actually back-ended towards the end of an apprenticeship. We believe that it makes sense to bring them forward to a time in those first couple of years when the apprentice is not as productive and when the cost of hiring them is something that all businesses will take into account. Bringing forward those incentives for employers will also help to boost cash flows at a time when employers need this assistance most. The bill is a modest proposal designed to help employers retain their

apprentices and take on new apprentices, especially apprentices whose employment is in jeopardy. It provides a very good example of how a modest, targeted proposal can be more effective than massive waves of extravagant cash splash—the \$22 billion in cash splash, the \$42 billion in economic stimulus and other examples.

The opposition will be supporting this legislation. We are disappointed that the Rudd government have taken \$197 million from the pockets of apprentices. We are also disappointed that they were not able to time it a bit better. It seems that apprentices who commence between 12 May 2009 and 1 January 2010 will miss out on the government's Tools for Your Trade incentive, but we do support exempting these new incentives as assessable income for taxation.

Mr HAYES (Werriwa) (7.24 pm)—The government is unapologetic when it comes to investing in nation building and investing in education and training. An investment in nation building through what we are doing in the development of infrastructure is just as important as what we are doing not only in the development of our skills now but also in our requirements for the future. Therefore, the Social Security and Other Legislation Amendment (Australian Apprentices) Bill 2009 takes certain very positive steps in relation to apprentices, particularly incentives for apprentices to remain in their apprenticeships through to completion with a view to plying their trade productively and comprehensively in our communities into the future.

We on this side of the House are committed to supporting jobs. No-one could challenge us on that, despite the fact that people on the other side of the House want to make mild protestations when it comes to our spending on targeting jobs. But, when it came down to it, I also saw the rush of people from the other side who wanted to get

their faces on the camera in association with our investment in schools or what we are doing with social housing. The Minister for Housing, Ms Plibersek, who is at the table at the moment, accompanied me in my own electorate, where we are doing significant things with housing. As a matter of fact, in my electorate, which has a very high proportion of social housing, over \$16 million has been allocated not to the construction of new premises but to the refurbishment of existing stock.

One of the really decent things occurring out there at this stage is the partnerships that are emerging. In a recent program targeted at Macquarie Fields, one of the contractors that won social housing contracts is involved in a partnership to train people. Around \$154,000 is going to go towards helping kids from challenged backgrounds to become involved with working in the construction industry and to ascertain whether they want to stay there, with a view to leading them into trade apprenticeships in the building and construction area. That is a wonderful thing to do. It is targeted at a group that may be at risk of falling through the cracks. This is something that this government are doing. Whilst we are investing in creating jobs, we are not taking our eye off the ball when it comes to looking into the future and looking at the skills that we can develop in all these kids into the future. That is why this bill is important. As I said at the outset, this is about retaining young people primarily when they embark on an apprenticeship. Far too often, unfortunately, people start these things and then let them go. There are many reasons for that, I guess, but one of the things that this bill addresses is to put the incentive in there for targeted young people to complete their training and to fulfil the terms of their apprenticeships.

This government are investing in a range of things. We are certainly investing heavily

in roads in my electorate. I know that others are heavily committed to ports and rail, but what we are doing through the school modernisation project, what we are doing in our local hospital and what we are doing in social housing are very major investments. In undertaking these investments, we are also investing in the skills development of our people. From the opposition's perspective, after their 12 years in government it all got a bit hard to some extent for them. Mr Deputy Speaker, you might recall that when the Howard government came to power they took money out of the education system. We found ourselves, after having about a billion dollars stripped out of education and while it was raining bars of gold, as the saying goes, in a position where we did not have the tradespeople to work in our mines, to move our coal and to export our iron ore.

As a matter of fact, one of my young sons found himself working for a period of time in Blackwater and then in Port Hedland—making significant amounts of money I might add, in the process. But one of the problems there was that people were required to come in on short-term overseas visas to provide the skills necessary for the productivity of the industries. That is an indictment of the planning that took place. It is an indictment of those responsible, who allowed this to occur by not overseeing the training of our young people to ensure that we had an adequate supply of apprentices moving through the system and therefore we had the tradespeople with the necessary skills necessary for the productivity those industries provide which contribute to the growth of this country.

To that end, the Deputy Prime Minister has only recently indicated that in terms of the tendering processes for the federal government and its infrastructure projects, preference is being given to businesses that can demonstrate a commitment to training and

employment of apprentices and trainees. As I indicated a little while earlier in terms of the social housing, that is precisely what the principal contractor is doing for those projects in my electorate of Werriwa, particularly in areas of Claymore, Minto and Macquarie Fields. Young people are being trained in those areas.

As a matter of fact, it was very heartening the other day for me to be with the head of the South West Sydney Institute of TAFE, Mr Barry Peddle, who came to see me about the \$10 million that the federal government has now allocated for a new building skills centre in Ingleburn. This new centre will be used for training young people in building and construction. Part of the reason for my electorate being the recipient of that funding—hopefully it had something to do with some fruitful lobbying—was that where I live is the growth centre for Sydney. The south-west is where the next wave of development will occur.

One of the things that follow from that will be a boom in housing and construction to facilitate the development. At the moment we do not have the number of tradespeople necessary to facilitate that. That is what this investment of \$10 million is designed to do. It is to help provide those apprentices in the industries necessary to accommodate the south-west growth centre of Sydney. That is something that we, in my neck of the woods, have a vested interest in. It will certainly give young people the opportunity to pursue their desires, talents and skills in that direction.

To some extent I will continue my speech with my personal involvement in apprenticeships. Whilst my daughter went on to university and became a high school teacher, both my sons decided that university was not for them. One of the boys became a builder-carpenter and the other boy—after an ap-

prenticeship through the National Electrical Contractors Association, a group training body—became an electrician. That has opened up a whole range of opportunities for them over the years. To some extent one of the boys has moved in and out of his calling, but because he successfully completed an apprenticeship he always had something to fall back on. As the boys describe it, they go 'back on tools'. That is pretty helpful.

My other son, the electrician, has been around. He is the fella who has been to Port Hedland and Blackwater and worked in the mines and done all those things. He has come back and, because of the stimulus package, he is now doing work locally for the first time ever, as he has put it to me. He is working locally refurbishing Housing NSW stock in our local area. He set up his own little private company and he is out there subbing and doing all those sorts of things. So, good luck to them!

But it is not just my boys—I am talking about my direct experience—I know their friends are out there doing similar things. As a matter of fact, about nine weeks ago I held a forum in my electorate. I invited all the businesses, through the chambers of commerce et cetera to find those who had an interest in picking up work that could possibly flow from the stimulus package targeted at education—the schools projects—and social housing. In my electorate, which is in outer-metropolitan Sydney, I can report to you that we had 220 people turn up from local businesses, wanting to know how they could express their interest in being involved in these matters. One of the key things I discovered when listening to a number of the people there was that they wanted some indication of how the tendering process would operate. They wanted to know what skills they would need. A few of them wanted to know how many apprentices they would need to put on. Another one wanted to know where the ap-

prentices would undertake that training, because they wanted the apprentices working at the moment. They were pretty heartened to hear about the establishment of the new TAFE facility in Ingleburn. It will target, ostensibly, the building and construction trades. That is certainly going to help the numbers of young people coming into this industry. It was important for those people who attended my forum to learn, with some surety, about the numbers of jobs that are likely to be created.

I know that an electorate office out there should not become an employment facility but my office has been inundated with people ringing up and wanting to know how to get their names on the list and how to express an interest in jobs. We refer them to Housing NSW and to the New South Wales Department of Education and Training. There is now an endless stream of people who are trying to get involved—from established companies through to people such as my young fella who wants to set up his own business so that he can participate in the jobs created by this round of stimulus package activity. And that sort of thing is occurring, I would say, in every electorate.

Another of our very successful businesses in Ingleburn is Broens engineering. I knew Carlos Broens when he started this company as a toolmaker. He and his brother were the whole business. It now employs around 300 people. In outer metropolitan Sydney, that is a large employer. Last year, he took on 34 apprentices. He actually has a TAFE facility on his site now so that young apprentices can be trained with the equipment the business uses. He has been preselected, I understand, for contracts for Boeing, and he is doing work for BMW, GMH and Mercedes. This is a success story of our area. From the back blocks of Sydney, he is now exporting to world markets. His site certainly has significant engineering credibility.

What Carlos always maintains, and what distinguishes his approach, is his commitment to training. He spearheaded Austool, a body which attracted some government funds, with a view to targeting skills development in the toolmaking sector. Unfortunately, that scheme did not go all that well, and he became discouraged with the process. That was when he started TAFE visiting his premises—they are now working from his premises. He has been instrumental in TAFE reinjecting itself in Ingleburn—which is a growing industrial estate of the south-west of Sydney—with a view to targeting young apprentices there and providing opportunities for employers. Young people are able to be trained locally as opposed to having to be carted off to the various TAFE colleges depending on their specialties. We are now seeing opportunities for companies to work in conjunction, hand in hand, with some of these skills providers. The use that is now being made of TAFE, and TAFE facilities working in partnership with the individual to deliver these trade developments, is now paying significant dividends throughout the industrial areas of my electorate.

This bill will do a number of things which will support young people in their trades. It will certainly support retention of apprentices. The bill will amend the Income Tax Assessment Act 1997, the Social Security Act 1991 and the Veterans' Entitlements Act 1986 to exempt the value of payments made under the Skills for Sustainability for Australian Apprentices and Tools For Your Trade, under the Australian Apprenticeships Incentives Program, from treatment as assessable income for income tax purposes and from the income test for benefits under social security and veterans' affairs legislation.

Skills for Sustainability for Australian Apprentices is a pilot program within the Skills for the Carbon Challenge initiative. This initiative came out of the 2020 Summit

and aims to accelerate the response to climate change by industry and the tertiary education sector. To encourage apprenticeships to undertake sustainability related training, the payment of \$1,000 will be provided to eligible apprentices who have successfully completed the required level of training to provide them with skills in sustainability and environmentally sustainable work practices.

The enhanced Tools For Your Trade payment combines and extends three existing support initiatives—the Tools For Your Trade voucher, the apprenticeship wage top-up and the Commonwealth trade learning scholarship—in the one new Tools For Your Trade payment under the Australian Apprenticeships Incentives Program. The new payment comprises five separate cash payments totalling \$3,800 paid over the life of the apprenticeship to apprentices in selected trade occupations, agricultural occupations and, if in rural and regional locations, horticultural occupations.

The new arrangements, importantly, reduce the administrative burden for employers of apprentices, broaden eligibility criteria, benefiting more apprentices, and ensure that apprentices in skills shortage trades are eligible for the same level of government support regardless of age and employer size. The amendments in the bill will ensure that eligible apprentices receive the full benefit of the payments made under the two new programs and are consistent with the tax treatment of previous programs that have paid personal benefits to apprentices.

I welcome these measures as they apply through my electorate. I will always play a role in advocating proper and sustainable trade based training. It is something that we as a nation have prided ourselves on in the past and it is something that over the past 10 or 12 years we have allowed to escape. If we

are serious about building our economy for the future, this is something we need to keep our eye on. I welcome this. I think it is good for young people. It is a great measure to encourage the retention of apprentices and it is very good for businesses such as Broens engineering.

This is what we can do as a nation. It is important that we give suitable attention to trade based training and trade development. It worked very effectively for my young fellows. As I said, they have all been able to go on and do a range of different jobs, but at some stage when it suits them they return the tools. These are skills that they will maintain for life. Their skills passport will enable them to participate in building our economy in the future.

Mr TUCKEY (O'Connor) (7.44 pm)—On the face of it, the Social Security and Other Legislation Amendment (Australian Apprentices) Bill 2009 is of a fairly minor nature but is of an administrative type and consequently brings together certain payments. As frequently occurs over time, governments make a variety of initiatives and it becomes obvious that they should be amalgamated into a single grant or whatever. It also, I am pleased to say, makes sure that such grants as are given in these circumstances are not subject to the income tax that would otherwise apply to the income of young people, apprentices and others. I should not use the words 'young people'. An apprenticeship now is not only a project for the young; it is a project for mature persons who seek to improve themselves from having basic employment skills in areas of declining employment. I think all congratulations are due to those who do make that choice, because it is quite difficult.

Nevertheless, whilst it is just a trial program, the Skills for Sustainability for Australian Apprentices is of great interest to me. I

think it is a great idea. I think it is a pity that, in the second reading speech, the minister did not bother to tell us where these sorts of opportunities might exist in the future. What you have to be to participate in the government's program of carbon pollution reduction is of course a screen jockey. You have to be an employee of a hedge fund or a bank, or someone else who is going to try and re-establish your respectability, having destroyed the world economy on your last attempt. And you are going to be given the opportunity to gamble on certificates to pollute. I thought that was a pretty bad place to start in addressing a problem that appears to be universal, throughout the globe, where Australia could be a contributor in providing the world with the technology that might work. The technology that the world has provided to date will not work in any significant fashion, be it wind generation, solar power or any of those things, simply because they lack the substance or, if you like, the capacity to work.

But there are opportunities within the present technology, and one might wonder if the minister, in coming up with this particular program, might have thought it a good idea to have a special class in the management of high-voltage DC transmission systems. HVDC, as we know it, is most notable, but not recognised by many, as the means of transmitting electricity across Bass Strait. It had to be chosen on that occasion simply because you could not have a series of posts along the way with a transformer, which is a necessary energy-consuming component of high-voltage AC transmission, on which the Australian system relies with only a couple of exceptions. And the great advantage of high-voltage DC transmission is that you can shift electrical energy over huge distances.

The Chinese are presently building a 2,000-kilometre transmission line—being constructed, I might add, by people with

whom I have significant contact in this arena because I believe I have to learn, as other parliamentarians in this place do not. The fact is that ABB, as it is now known—it was once Asea Brown Boveri—is building that line for the Chinese. The Europeans are flat out utilising this technology because it saves emissions just by being in existence. It does not require a great deal of inventiveness. It does not require hundreds of billions of dollars, as might be required in proving up carbon capture and sequestration, which I have never seen as a logical response to the problem because it just says, 'We'll make the problem go away'.

In the utilisation of high-voltage DC transmission, however, you reduce the amount of energy lost, particularly over long distances. And it can compete with gas pipelines. Gas pipelines are very energy inefficient. The one that delivers gas from the Pilbara to the City of Perth uses in its compressors the power equivalent to one of the coal-fired power stations that service the state—250 megawatts. Yet, if the electricity that is generated from that pipeline when it gets to Perth was in fact generated at the well-head end—on the beach, if you like, in the case of offshore gas reserves—and sent down on HVDC, you would lose significantly less energy and you would have consequent improvement in emissions.

I wonder how many apprentices are doing their time in that technology. It is a pity that there was not some sort of list in the explanatory memorandum or somewhere else which tells us where this smart alec idea is going to work. There are huge opportunities in the reform of energy generation—and the evidence is all there. It is not new technology; we do not have to invent it, although we could leverage off, from a technological basis, some of the generating opportunities that would follow an adequate HVDC system, which in my mind ought to be now under

construction as the appropriate stimulus package instead of wasting money as is being done at the moment on school facilities that are unnecessary in many cases, in building passenger railways that will lose money forever and—I will get the minister at the table, the Minister for Housing, to put her head up when I say this—in public housing that will cost money for ever and ever thereafter. I noted the other day that the Western Australian parliament has had to budget \$8 million simply to fix up the houses that have been trashed under their responsibility at the moment.

But the reality is that, if apprentices are going to be given \$1,000, as this act provides, for the purpose of gaining skills in sustainability, I think it would be a good idea if the parliament gave it some privileges. But, as I said, this government has stepped out to build public housing, passenger railways and of course spread a mere \$24 billion in cash around, but if it had chosen to invest that sort of money in sustainable energy initiatives that are available and would easily fit within those costs, they would not have this procession of industry groups coming along and saying, ‘Please don’t drive us out of the country with an emissions trading scheme,’ which at the end will give no guarantee of reducing emissions. It is in fact a process of selling certificates to pollute. The question as to how much your business or your consumers can bear of that cost will decide what reductions might follow.

We are talking about a good idea here, which is to get apprentices dealing in new technology. That might be hydrogen fuel cell technology, which would be a great opportunity for young people. It is a technology that will happen, as will the plug-in electric car and the technology associated with lithium ion batteries and all other things that will be associated with that process. The reality is that what the government is doing, notwith-

standing the offering of the minister for resources today—I had to watch him on television because you are not allowed to make jokes in this place any more!—when he talked about this massive investment in sustainability, is peanuts. The government cannot make a major contribution of less than \$10 billion. An investment of that amount would be a starting point and it could deliver a 10 or 15 per cent long-term, permanent reduction in emissions without sending aluminium smelters et cetera to the wall. Other countries, and particularly China, are taking this option. Their centralised bureaucratic structure will not lead to the sort of market solution that the Rudd government believes will drive Australian business to save the world. They are investing in renewables or non-emitting technology such as nuclear power. They have 25 such projects on the drawing board or under construction as we speak. Even the Iranians, for whatever reason, are building a nuclear power station, presumably so that they can sell more oil!

Australia, with its tidal energy resource, has one of the biggest renewable energy resources in the world, according to the World Energy Council. A body associated with Oxford University can come out here and tell us what we have on a world table and you never hear a bleep from this government, which says that it wants to go to Copenhagen and lead the world in a response to the issues of carbon emissions and climate change.

We have two choices as a nation. I can tell you that we will be giving apprentices \$1,000 to get sustainability skills, but if in fact the whole system is going to be driven by screen jockeys—apparently they will all live in Sydney, because New South Wales government ministers are salivating over the profits that will accrue to Sydney arising from an emissions trading scheme. If someone takes a profit out of the trading concept, that is an extra cost that somebody else has

to pay. Yet we are talking here today of what apprentices might do. We will not have electric cars or hydrogen fuel cell cars, which in fact still require an electricity input to electrolyse the water to produce hydrogen, unless we produce more electricity. So apprentices need to learn how better to produce renewable electricity at the gigawatt level, as could occur in the Kimberleys. The technology associated with the conversions for high-voltage DC transmission—and these things only cost \$250 million a pop—is the sort of opportunity that the minister should have talked about in his second reading speech. The speech should have referred to directing young people to these opportunities and giving them the opportunity to earn \$1,000 or more.

But of course those projects are not on the drawing board. There is no opportunity for young apprentices to learn about that because this government does not believe in it. The government's ETS provides more opportunities for repairers of desktop computers, because that is what the scheme is all about. It is not about creating opportunities in technology. And the lousy few hundred million dollars that the minister boasted about today will simply not deliver anything like that needed from government. If the money that was put into public housing was put into an initiative like that a lot of people would not need public housing because their jobs would not be at risk, as is patently obvious they will be when you start to jack up the competitive costs of local industries such as iron, steel and aluminium, where the workforce is often filled with loyal Labor votes—but that does not seem to worry this government. Maybe the intelligentsia will re-elect them.

Concerning sustainability for apprentices learning, while there are no projects and while projects are not necessarily going to come from industry because they have been

taxed to a point where they have no money left—and that is the theory behind ETS; you make things so costly that people will make different expenditure choices. They will have no money and, as things stand, they will in fact be competing with the government to borrow money. We touched on this in question time today but I did not think the Treasurer had much of an idea of what he was talking about and nor did the Prime Minister when quoting the interest rate spreads—you cannot borrow the money in Australia, so what is the point. Anyway, coming back to the issue, the Skills for Sustainability Australian apprentices grant is a sensible initiative. Outside some technical adjustments, the Skills for Sustainability Australian apprentices grant is the thing that should be pointing the way for young people in terms of opportunity but it is lacking in that it does not tell the kids what it happens to be.

As I said, at the moment the only proposition before this parliament is a screen jockey's opportunity because that is what an ETS is. An ETS is a process of licensing people to pollute and trying to drive them into some sort of reduced emissions position by making it too expensive to stay where they are. But it ignores the option of leaving Australia completely or passing the cost on downstream, as can occur in electricity generation where there is a captive consumer market. So what are the kids going to learn there? You should say to them, 'Here are the opportunities.' One of the reasons for the lack of opportunities is that the government are not investing in saws or planing units or anything like that. Instead, they have taken all the basic investments of sustainability—none of them have a technological peak—when that same money could have been put into achieving up to a 40 per cent reduction in emissions trading for Australia and would have led the way for apprentices to have genuine sustainability skills.

Mr PERRETT (Moreton) (8.01 pm)—I commend the former speaker for his contribution to the debate. I too rise in support of the Social Security and Other Legislation Amendment (Australian Apprentices) Bill 2009. This bill is about a very minor amendment to various acts but it will make a huge difference for thousands of apprentices throughout the country. Being an apprentice is not something that I have experienced in my varied careers. But I remember that, when I was in year 7, I basically decided that I wanted to become an apprentice butcher and leave school. That was not so much about a love of the butchering industry but more because the nun who taught me at the time terrified me. I thought that the best option was to join my family's profession, which is the meat trade. My grandfather was a butcher and so were my father, my uncle and two of my brothers, so I thought that that was the way to go. As it turned out, I did not go that way. I know that there are a couple of meatworkers in the parliament and they make a contribution. I did not go down the route of an apprenticeship and instead ended up being a teacher and the like.

Apprentices are a very important section of the community and one that we definitely need to look after as much as possible. The legislation before the House amends the Income Tax Assessment Act 1997, the Social Security Act 1991 and the Veterans' Entitlements Act 1986 to ensure that the Skills for Sustainability and Tools for Your Trade payments made to apprentices are not assessable income for tax purposes. This is quite significant legislation for apprentices. It is quite significant in the current economic climate that it got past Treasurer Swan as well, I guess. But he understands the benefits of looking after these skills and making sure that they are nurtured and developed, especially in tough economic times. These legislative changes will ensure that the appren-

tices and the community get the full benefit of these two programs by them not being assessable income for tax purposes.

There are about 400,000 apprentices in training around the country. I will declare a possible conflict of interest here. My nephew, Joel Perrett, is an apprentice and possibly might benefit from this enhancement. I will not declare every single member of my family who has been an apprentice in the past, but for the sake of clarity and in order to be honest and respectable I will declare that possible conflict of interest—and so that Joel has the thrill of being named in parliament. He works in the building industry, with cranes in particular. One of my other brothers works in the crane industry. Obviously, they are particularly sensitive to the swings and roundabouts of the economic climate. They are based down on the Gold Coast and they are probably doing work in the electorate of the good member for Moncrieff, where a lot of high-rise construction is taking place. So I declare that possible conflict of interest.

These apprentices, these men and women—and I was going to say young men and women, but I know that that is not necessarily the case anymore; people are going back as mature age apprentices nowadays—are learning the skills and know-how through on-the-job experience to ensure that we have the skills that we need to carry Australia forward into the future. It is particularly important that we do this when times are tough so that we are ready to come out of the trough. We must be ready for that. People batten down the hatches and markets tighten up when economic circumstances deteriorate, so it is important that the government does what it can to make sure that people are primed, ready and trained—retrained if necessary—so as to go into overdrive when the market turns around. I am sure that all those in the House would take heart from the eco-

conomic outlook figures that we have seen over the last few weeks. There would not be anyone partaking of dole queue schadenfreude and hoping for things to go bad. Instead, I am sure that we all want the best for Australia.

The Skills for Sustainability program for Australian apprentices is a great initiative to encourage apprentices to complete the sustainability related training. They receive \$1,000 once they have successfully completed the required level of training. Obviously, \$1,000 is not as much today as it was when I was contemplating going into the butchering trade in 1977, but \$1,000 is still quite significant and a great incentive.

Australian workplaces are crying out for people with training in environmentally sustainable work practices, and the Skills for Sustainability payment will provide an added incentive to apprentices who complete their training in this area. It will also give them a head start when it comes time to find a job. Those who are equipped to meet the sustainability challenges that they might face on the job will obviously be ahead of the pack. This skill will become much more of a factor for employers when they determine who will become their employees. As Australia transitions slowly but surely and inevitably to a low carbon economy—I say this irrespective of what goes on in the red chamber—consumers will increasingly want outcomes that are good for the environment. The apprentices who benefit from these programs will be well equipped and ready to deliver.

Incidentally, the idea of the Skills for Sustainability program came out of the Australia 2020 Summit convened by the Prime Minister in April 2008 and held in this building. This is further evidence that politicians do not have all the bright ideas and it also shows that this government is prepared to listen to good ideas no matter where they come from.

Obviously, there are many people who feel that, if we just listen to taxi drivers, we could solve all of the world's problems pretty quickly. But the 2020 Summit went beyond just taxi drivers; it engaged lots of different people from lots of different sections within our community and some great ideas flowed from that.

In the weeks leading up to the national 2020 Summit, I held a community forum in my electorate in conjunction with Griffith University and, in particular, the Nathan campus. More than 400 people filled the auditorium at Griffith University. We shared a few hours of robust debate and information sharing. There are certainly some very passionate people with some very firmly held beliefs. It was a fantastic experience and it was important for me as the new local member to be informed about the range of views in my community—although, there were times when I wished that the range of views had not been quite as broad as was presented. But, nevertheless, it was great for the community to be heard, and that is why I, in partnership with Griffith university, will be holding a Southside summit on 22 August this year. If the member for Moncrieff wants to put that date in his diary, he is more than welcome to attend. I would be more than happy to have him address a particular section of the community. A range of topics will be up for discussion, and I am sure that we will hear more great ideas like the Skills for Sustainability program.

As I mentioned earlier, the other payment proposed in this legislation is Tools For Your Trade. This new payment combines and extends three programs previously offered to Australian apprentices to support them in undertaking apprenticeships in areas of national skills shortage. The Tools For Your Trade payment includes five separate cash payments, totalling \$3,800 over the life of an apprenticeship. They are not insignificant

amounts of cash, especially for an apprentice. This new payment will help more apprentices make life easier for employers and it will also ensure that Australian apprentices in areas of skills shortage are eligible for the same level of support. Importantly, this bill ensures that payments made to apprentices under these programs will be tax exempt. I understand this is in line with the tax treatment of other programs that have made similar payments to apprentices.

The two programs are worth about \$700 million over four years. So we are not talking about just a few dollars or a token gesture; this is significant cash on the table to ensure that our apprentices, be they young, old or mature, are able to complete their training with as much support as possible from the government. I am sure that everyone can see the benefits of the programs in encouraging apprentices to undertake training in areas of workforce shortage and sustainability. Any investment that we can pump into meeting skills shortages and equipping people for the climate change jobs of the future is money well spent as far as I am concerned.

On a related note, earlier this year I was pleased to meet 10 young people working on the Green Corps project to improve water quality and protect the local flora and fauna in the Rocky Water Holes Creek area of the Oxley Creek catchment in my electorate. Unfortunately, the Rocky Water Holes Creek area floods fairly regularly, and that has a significant impact on the suburbs of Rocklea and Salisbury. It was great to go along and meet the guys who were working on the Green Corps project. They were cleaning up the river bank around the construction training centre and attempting to move rubbish from lantana. It was amazing to see the filth and rubbish that had accumulated there over the last 20, 30, 40 or 50 years. I took some photographs of these young people and have included them in a newsletter.

Mr Gray interjecting—

Mr PERRETT—I can show that to people tomorrow.

Mr Gray—I would appreciate that.

Mr PERRETT—Some of these young people had not necessarily been the most successful at school. A couple of them had made a decision to go into an environmental job because that is what they had always wanted to do. Some were being trained up so that they could spend a year backpacking overseas and perhaps use their green skills in other parts of the world that may be a little more embracing of legislation like the Carbon Pollution Reduction Scheme. It was a great opportunity to meet these young guys working on the Green Corps, and they seemed to be picking up a lot of skills. Obviously, things have changed a bit in terms of the knowledge that they need. They now have to know how to use personal protective equipment and different types of machines such as brush-cutters and the like, which seemed incredibly dangerous. These young people said that they would not let me touch any of the brush-cutters, which was probably a wise decision. This is a great training opportunity and experience for young job seekers, and these young people are doing a great job in helping to regenerate local native plant species through weeding, planting and water quality monitoring.

These programs that are before the House will help ease the financial burden for apprentices and encourage more into training areas of sustainability and skill shortages. Why are we doing this? We are doing this because the government understands that a carbon restrained economy is all but upon us. If you doorknock any household in my electorate of Moreton, I am sure two out of three would say they understand that something has to be done about climate change. You occasionally get the ill-informed people who

think that the world's global warming problems were changed last year when the Kyoto protocol was signed, but most understand that more has to be done. Carbon belts have to be tightened in every household. It was great to see these 15-, 16-, 17- and 18-year-old guys and girls who have done it a bit tough being given the opportunity to train and do their bit to save the planet.

That view is not necessarily shared by everyone in the House or in the Senate; there are people who still do not quite get it. I know that all the forward-thinking members of the Liberal Party would certainly be in favour of getting some legislation in as soon as possible—legislation that would be ahead of the curve, as they say, in what the world needs. However, it is not a bad thing for Australia to take a leadership position when it comes to climate change. As I indicated earlier in my speech, there will be job opportunities and opportunities to export our technologies and knowledge around the world if we can steal a march on those other countries that are still filled with sceptics. I would hate to think that in this parliament in 2009, after all the debates in the House and in the Senate about climate change, people will find out that this was the group of people that betrayed the later generations, that this was the group of people who did not read the writing writ large on the wall. Still there are sceptics. Still there are people who go overseas, talk to a couple of scientists—possibly not mainstream scientists; I do not know—and then say, 'Oh no, I spoke to someone who had a different view; therefore, we need to revise our whole understanding.' I am hoping that those opposite will take the opportunity to inform their caucus and that we will have some movement on this legislation so that those young people whom I met during my visits to the Green Corps can take heart from the politicians in this House. I commend the bill to the House.

Ms HALL (Shortland) (8.18 pm)—It gives me great pleasure to speak on the Social Security and Other Legislation Amendment (Australian Apprentices) Bill 2009 in the House tonight. This bill will amend the Income Tax Assessment Act 1997, the Social Security Act 1991 and the Veterans' Entitlements Act 1986 to allow Australian apprentices to receive the full value, without deduction, of payments made under Skills for Sustainability for Australian Apprentices and Tools For Your Trade within the Australian Apprenticeship Incentives Program. In addition, it will make the taxation treatment of payments under the two new programs consistent with the treatment of previous programs that deliver payments to Australian apprentices.

There is no more important role that a government can play than to ensure that Australia has appropriately trained tradespeople. How do you get appropriately trained tradespeople? People need to undertake apprenticeships. Unfortunately, under the previous government a chronic skills shortage was allowed to develop in many of the trades. Coming from the Hunter, in which my electorate of Shortland is situated, it was very apparent that employers were unable to obtain suitably qualified tradespeople. Unfortunately for Australia, the Howard government chose to do absolutely nothing. They allowed this chronic skills shortage to get worse and worse. That meant that we had fewer and fewer qualified tradespeople. The Rudd government's approach is totally different to the Howard government's approach. We know that Australia is part of a global market. We are part of the global economy. For Australia to benefit from being part of that global market and global economy, we must have appropriately trained tradespeople, tradespeople who have completed apprenticeships and tradespeople who are highly skilled. The only way we will get these tradespeople is

for them to undertake apprenticeships. The financial impact of the Skills for Sustainability for Australian Apprentices is estimated to cost about \$20 million over four years. The other program, Tools For Your Trade within the broader Australian Apprenticeship Incentives Program, is estimated to cost about \$670.1 million over four years. Every cent of that is worthwhile spending, because it will encourage more young people to undertake apprenticeships.

I know that when the previous government was in power there was a lot of rhetoric about supporting apprentices, about training apprentices, about how undertaking an occupation as a tradesperson was a noble aspiration. We know that and we are making it possible by putting in place programs like these two that are included in this legislation. As I have already indicated, the bill exempts the value of payments made under Skills for Sustainability for Australian Apprentices and Tools For Your Trade from treatment as assessable income for income tax purposes and from the income tax test for benefits under social security and veterans affairs legislation. This is a major incentive for young people to undertake training as apprentices. The amendments ensure that Australian apprentices receive the full benefit of the payments made under the two new programs. They are consistent with the taxation treatment of previous programs that have paid personal benefits to Australian apprentices.

While we are talking about apprentices and apprenticeship programs, I would like to share with the House details of the launch of a program that took place in the Hunter last Wednesday, 10 June. It was a rather cold morning and 60 bold and brave souls turned out early for the launch of the Adopt an Apprentice program. The campaign was launched by nine group training schools working in Newcastle, Lake Macquarie, the Hunter Valley and the Central Coast. I might

add that the Shortland electorate also takes in the Central Coast. The campaign is to keep apprentices working during the current downturn. It is really important to emphasise that we have had a skills shortage in the economic good times and what we need to do now is train our young people so they will be ready once the downturn is over. The group training organisations have set aside their own interests and identities as entities and set out to work together. That is a really important point. They are joining together in a campaign aimed at assisting employers and also apprentices whose training positions are under threat. I congratulate all those who are involved, especially the group training company NovaSkill, who have provided the leadership on this initiative. To anyone who may be listening in the Hunter-Central Coast area, I have considerable information on this program that can be obtained from my electorate office.

The Adopt an Apprentice program will assist apprentices to continue their trade training and the completion of their trade qualification at a time when their jobs are under threat. Employers will have maintained a pool of skilled labour to meet future demands as the economy recovers. Potential employers should go to the website and have a look at the availability of apprentices and then register their interest with the responsible group training program. The Adopt an Apprentice campaign is a call to arms, which is the way the group apprenticeship organisations have put it. It is a call to arms, and employers are working together to keep young apprentices in work in these uncertain times. The campaign highlights that young apprentices, through no fault of their own, are affected and still need to complete their training. Initiatives like this really show what can be done. If people are interested in checking it out, the website for the Adopt an Apprentice program is:

www.apprenticeships.det.nsw.ed.au.

They can obtain the information that they need from that website.

The reason I have brought this program to the attention of the House is that it recognises how important tradespeople are to Australia. This program recognises that governments should do everything in their power to help young people complete their apprenticeships. Skills for Sustainability for Australian Apprentices is one such program. It is a pilot program within the Skills for the Carbon Challenge initiative. This initiative is an outcome of Australia's 2020 Summit which aims to accelerate industries' and tertiary education's response to climate change. It is an innovative program aimed at training apprentices and giving them the kinds of skills that they will need for the future. To encourage Australian apprentices to undertake sustainability related training, the payment of \$1,000 will be provided to eligible Australian apprentices who have successfully completed the required level of training which teaches skills as to sustainable and environmentally sustainable work practices, all very important at this time. It was only last week that we debated the CPRS legislation in this parliament and now we are encouraging young people to obtain trade qualifications in environmental areas, which is very important.

There is also the Tools For Your Trade payment initiative within the broader Australian Apprenticeships Incentives Program. That combines and extends three administratively complex programs previously available to Australian apprentices. So it is good for employers and it is good for apprentices. The new payment initiative comprises five separate cash payments totalling \$3,800, paid over the life of the Australian apprenticeship. The new arrangement reduces the administrative burden on employers of Australian

apprentices, broadening eligibility criteria. By doing that it is benefiting more Australian apprentices and it is also, as I have mentioned, benefiting employers. It will ensure that Australian apprentices in areas of skill shortages become trained. These apprentices are eligible for the same level of government support regardless of their age and of their employer's size. These two new programs represent significant measures and encourage Australian apprentices to develop skills in sustainability in order to participate in the workforce.

This is important legislation. The issue of training apprentices was brought up at the 2020 Summit. Payments under Skills for Sustainability for Australian Apprentices is a very important measure, as are all the measures in this legislation. The legislation that we have before us today should be supported by all in the House. By supporting this legislation we are ensuring that we have suitably trained tradespeople for the future.

Debate interrupted.

PETITIONS

Responses

Mrs Irwin—On behalf of the Standing Committee on Petitions, and in accordance with standing order 209, I present the following ministerial responses to petitions that have been received:

Mr Farzad Kamangar

Dear Mrs Irwin

Thank you for your letter dated 8 May 2009 on behalf of the Standing Committee on Petitions, concerning a petition against the death penalty in Iran and the possible execution of a Kurdish Iranian teacher, Mr Farzad Kamangar.

The Government is committed to promoting international human rights standards in Iran, including equal treatment for all Iran's citizens. The Australian Government is deeply concerned by reports of persecution of political and social ac-

tivists and the ongoing suppression of freedom of expression.

Australian officials, in Canberra and Tehran, have made clear repeatedly to the Iranian authorities Australia's strong concerns about human rights in Iran. In addition, Australia has joined with the European Union in representations to the Iranian Government, calling on Iran to fulfil its international human rights obligations, including with respect to Mr Kamangar's Kurdish community.

On the specific case of Mr Kamangar, we joined with the European Union in 2008 in expressing our concerns to the Government of Iran. As far as we are aware, Mr Kamangar's sentence of execution has not been carried out. Our Embassy in Tehran will continue to monitor his case.

The Government also has a policy of global opposition to the death penalty, and is working with the international community to achieve its universal abolition. Australia was an original co-sponsor of this year's United Nations General Assembly's resolution on the moratorium on the use of the death penalty, and is working actively with like-minded countries in New York to ensure that this issue remains on the General Assembly's agenda.

The Australian Government will continue to raise its concerns about human rights in Iran with the Iranian authorities.

Thank you for referring this petition to me.

From the Minister for Foreign Affairs, Mr Stephen Smith.

Education Funding

Dear Mrs Irwin

Thank you for your letter dated 8 May 2009 about the petition submitted for the Committee's consideration on the proposal to relocate the East Gippsland TAFE and to develop a multi-sports complex for the Gippsland region. An application for these activities was recently submitted by Wellington Shire Council under the Regional and Local Community Infrastructure Program—Strategic Projects (RLCIP-SP).

I am pleased to inform you that the application submitted to the RLCIP-SP by the Council for the Gippsland Regional Sports Complex - Sale has been approved for funding of \$3,250,000. The Rudd Government is delivering record funding of

\$800 million to local governments under the RLCIP to build and improve community infrastructure, support local jobs, and stimulate local economies during the global economic recession.

Thank you for raising this matter.

From the Minister for Infrastructure, Transport, Regional Development and Local Government, Mr Albanese.

Statements

Mrs IRWIN (Fowler) (8.31 pm)—In recent weeks during my statements to the House I have focused on the value that has been gained from public hearings held by the Standing Committee on Petitions. The committee has been very pleased with the level of engagement from petitioners and with the support it has received from ministers and departments. This evening, I would like to refer to two other aspects of the committee's work, and to some of the benefits that we can hope to gain. The first aspect relates to access to information about petitions and the second aspect relates to the cooperation and goodwill that is shown to the committee by other parliaments as they share information about their petitions processes.

As you know, Madam Deputy Speaker, the petitions committee was first established in this the 42nd Parliament. To some extent it is carving out new territory, although, of course, I acknowledge the long tradition of petitions to the United Kingdom parliament and the inheritance in Australia of the right to petition our parliament. Australians have long been exercising that right. Something that is new to our petitions process, I believe, is the high degree of responsiveness by the executive to issues that are raised in petitions. In this way, I would argue that petitions can be seen to have a greater impact and petitioners may feel they are having increased success in getting their message across.

Something else that is new to the House, and which may be contributing to the effectiveness of petitioning, is the petitions committee's centralised collection and publication on its website of information about petitions. That information includes details on the process of petitioning the House, the terms of petitions, statements made by members when presenting those petitions, evidence given to the committee by petitioners and public servants and the written responses made by ministers when the committee refers petitions to them.

Anyone who is interested is able to see on the committee's website not only the terms of petitions that have been presented to the House—collected under headings that relate to the portfolio area covering the subject of the petition—but also other petitions that relate to the same subject areas. They can also see very clearly the ways that the issues that have been raised in the petitions have been dealt with by members, the House and the government. Enabling easy public access to this information is a significant aspect of the committee's work.

When the House or Representatives Standing Committee on Procedure presented its 2007 report on petitioning the House, it began a process that culminated in the changing of arrangements for petitions and the establishment of the petitions committee. The Procedure Committee considered itself bound by six principles of petitioning. I will outline those principles, and what I think the committee intended by them. The principles were that, first, petitions belong to the public. Behind this is the belief that the ability of members of the public to communicate directly with the House is important to our democracy. Secondly, petitions sent to the House should be addressed by the House. The Procedure Committee considered that the establishment of a petitions committee was the most effective way for the House to

act in relation to petitions. Thirdly, governments should respond. The Procedure Committee wanted to encourage ministers and their departments to respond in a timely way to the issues raised in petitions. Fourthly, members' involvement should be enhanced and streamlined. By this, the Procedure Committee meant that members had an important role to play in raising and debating the issues addressed in petitions. Fifthly, rules should be relevant and fair. The committee sought to encourage a process, including the process of preparing petitions, which was easier for petitioners. Sixthly, information technologies should be used more effectively. The traditional right of people to address their grievances directly to the King now needs to be aligned with modern technology. In particular, the Procedure Committee stated that the House could not ignore the possibilities raised by electronic petitions. I suggest that these principles have, to one degree or another, been applied.

I would like to expand on the final principle, the effective use of information technology, and some unexpected benefits that have been obtained. In June last year, the Petitions Committee decided to inquire into the introduction of an electronic petitioning system for the House of Representatives. In particular, the committee wanted to consider the different models of electronic petitioning that might be introduced, changes that might be required to House practices and procedures in order to implement e-petitions, the role of members, privacy and security concerns, resource implications and the experience of other relevant jurisdictions. This is a significant inquiry for the committee and the House and it will be completed later this year.

The committee was grateful to hear from other parliaments about their innovations in petitions. It has received submissions from the House of Assembly and the Legislative Council in Tasmania and the Scottish Par-

liament Public Petitions Committee. The committee has held a videoconference with the Scottish committee, enabling a very constructive discussion and establishing a relationship that continues to this day. The Scottish committee is about to report on its inquiry into the public petitions process, and the report will be read with interest. The Queensland parliament, like the Scottish Parliament Public Petitions Committee, is generous in sharing information and views on the issues raised by e-petitions. The issues raised by petitions in modern parliaments are many and varied and the experience gained by other parliaments is valuable to us. In closing, I would like to acknowledge the co-operative attitude of committees and parliaments in other jurisdictions and the professional relationships being developed by the petitions committee. I think what we have in common is a definite commitment to facilitating direct engagement by members of the public with our parliaments.

COMMITTEES

Intelligence and Security Committee

Report

Mr BEVIS (Brisbane) (8.37 pm)—On behalf of the Parliamentary Joint Committee on Intelligence and Security, I present the committee's report entitled *Review of the re-listing of Ansar al-Islam, AAA, IAA, IMU, JeM and LeJ as terrorist organisations*.

Ordered that the report be made a parliamentary paper.

Mr BEVIS—This report has departed from the usual format of terrorist proscription reports. In this report the committee has sought some improvements with respect to the statement of reasons process. The committee recommends that in future the Attorney-General provide the committee with a statement of reasons where a decision is taken not to re-list an organisation, similar to

that now supplied when an organisation is listed.

There is no requirement for the Attorney-General to provide the committee with detailed reasons when he decides not to re-list an organisation. However, it would be useful if, where the Attorney-General has decided he will not be re-listing an organisation as a terrorist organisation under the Criminal Code, a statement of reasons explaining his decision is provided to the committee and that there also be a publicly released statement of reasons.

The committee was advised that the Attorney-General recently considered advice from the Director-General of Security with respect to the Egyptian Islamic Jihad (EIJ). Based on that advice he stated he would not be re-listing EIJ as a terrorist organisation under the Criminal Code after the current listing expired on 30 March 2009. The committee's recommendations would enhance transparency and public confidence in this important process.

The committee in this parliament and earlier parliaments has taken the view that the non-statutory guidelines used by ASIO are a useful tool in evaluating the evidence supporting a listing or re-listing. The committee believes it would be helpful in its role if the statement of reasons were written in part in a way that directly links the evidence with the ASIO guidelines.

This approach would also better inform public understanding of the listing process and outcomes.

The committee has also requested that future statements of reasons be drafted, in part, in such a way that the information is directly referable to the statutory criteria for listing contained within the Criminal Code.

I turn to the current regulations. They were signed by the Governor-General on 13 March 2009. They were then tabled in the

House and the Senate on 17 March 2009. The disallowance period of 15 sitting days for the committee's review of the listing began from the date of the tabling. Therefore the committee has conducted its affairs in order for it to report to the parliament by today, Monday 15 June 2009.

Notice of the inquiry was placed on the committee's website and in the national daily newspaper. One submission was received from a public organisation. Representatives of the Federation of Community Legal Centres (Vic.) Inc., the Attorney-General's Department and ASIO attended a private hearing on the listings.

I now quickly turn to other organisations.

Ansar al-Islam

Ansar al-Islam has immediate objectives to overthrow the Iraqi government, expel coalition forces from the country and establish a Sunni Islamic state administered under Shariah law.

The last confirmed terrorist act Ansar al-Islam was involved in was an attack on a Peshmerga barracks, reportedly killing 19 people and destroying two vehicles on 13 August 2008.

The committee does not recommend disallowance of the regulation in relation to Ansar al-Islam.

Asbat al-Ansar (AAA)

Asbat al-Ansar, AAA, has objectives to establish a Sunni Islamic state in Lebanon by overthrowing the Lebanese government, eliminating Israel and impeding anti-Islamic and pro-Western influences in Lebanon. The group believes its struggle justifies violence against civilians. Its strategies in seeking its objectives include the use of terrorist tactics.

AAA remains focused on supporting jihad in Iraq and planning attacks against Lebanese security forces, and Western interests.

The committee does not recommend disallowance of the regulation in relation to the AAA.

Islamic Army of Aden (IAA)

The Islamic Army of Aden, IAA, is a Sunni Islamic extremist group that first came to public prominence in 1998, when it issued statements detailing its intention to overthrow the Yemeni government and implement Shariah law; and called for operations against Western interests in Yemen.

In March-April members of the group suspected of planning to travel to Iraq to fight foreign forces were arrested.

The committee does not recommend disallowance of the regulation in relation to the IAA.

Islamic Movement of Uzbekistan

The IMU is now fighting in support of the Taliban.

The committee does not recommend disallowance of the regulation in relation to the IMU.

Jaish-e-Mohammad (JeM)

The JeM is a Sunni Islamic organisation also based in Pakistan.

The committee does not recommend disallowance of the regulation in relation to JeM.

Lashkar-e Jhangvi (LeJ)

The LeJ is a Sunni Islamic group involved in terrorist activities including attacks in Lahore.

The committee does not recommend disallowance of the regulation in relation to LeJ.

In conclusion, as I have done on other occasions, I note the cooperation of members of the committee and thank them for their involvement and also thank the secretariat. (*Time expired*)

Mr RUDDOCK (Berowra) (8.43 pm)—I intend to speak in support of the report and

the remarks of the chair in relation to the continued proscription of these six organisations. They were organisations initially listed as terrorist organisations in 2003, and each of them had been listed on the United Nations list of terrorist organisations. They came up for review under the new legislative arrangements passed by parliament in 2004, and the committee therefore reviewed the first re-listing of these organisations in 2005. Following this, the committee again reviewed these re-listings in June 2007. So this is the third review of re-listing of these six terrorist organisations. The chair has been through a brief outline of the circumstances which lead us to a view that the Attorney has properly listed these organisations.

In the report is some useful information to help guide those who are interested in understanding the sorts of criteria that apply in relation to listing organisations. ASIO's guidelines, as they were outlined to us in evidence in 2005, include factors such as engagement in terrorism, ideology and links to other terrorist groups or networks, links to Australia, the threat to Australian interests, proscription by the United Nations or like-minded countries, and engagement in peace and mediation processes. The committee noted that these guidelines are indicators only and not formally set out in the act but has found them a useful tool in its deliberations. The committee continues to use these guidelines to assist it in relation to its reviews.

The Federation of Community Legal Centres made the point to us that, in the case of six organisations, the statements of reasons did not identify that any of the organisations in question have links to Australia. I note that the committee's view is that it is a misunderstanding of the statutory scheme to suggest that listing of an organisation with no identifiable links to Australia exceeds the scope of the legislative intent or is a misuse of power.

The committee takes the view that, while direct links to Australia are not a statutory prerequisite, links are appropriate considerations in the selection of organisations for proscription. I think it is important because in the context of threats to Australia's interests they can be posed to our citizens abroad as well as our interests that extend beyond the territorial boundaries of Australia. They are matters that were relevant to the committee in its deliberations in relation to these particular organisations.

I continue to be impressed with the quality of the deliberations of my colleagues on these matters. I have seen the other side of the wicket, as it were, and believe that they bring a very mature deliberation to this task. I think it is one of the most important tasks that parliamentary committees can be engaged in. The committee is assisted by a very able secretary. I see Robert Little in the advisers' box; he is the inquiry secretary. I say to him and his colleagues that we very much value your collective efforts and the work that you undertake to ensure that in relation to these very important deliberations we are well informed and able to fulfil our responsibilities.

I commend the report of the committee to the House and assure honourable members that these matters are important. They are important for securing the safety of the broader Australian community based here and abroad. I am delighted to be associated with this particular report.

Treaties Committee

Report

Mr KELVIN THOMSON (Wills) (8.48 pm)—On behalf of the Joint Standing Committee on Treaties, I present the committee's report entitled *Report 101: Treaties tabled on 3 February 2009*

Ordered that the report be made a parliamentary paper.

Mr KELVIN THOMSON—In presenting *Report 101* of the Joint Standing Committee on Treaties, I note that this report reviews two treaty actions: firstly, the Convention on the Protection and Promotion of the Diversity of Cultural Expressions and, secondly, the Agreement between Australia and the European Community on Trade in Wine. In each case the treaties committee has supported the proposed treaties and has recommended that binding treaty action be taken.

The Convention on the Protection and Promotion of the Diversity of Cultural Expressions identifies the expression of culture by an individual or group as a tangible entity. The purpose of the convention is to protect and promote the diverse range of these cultural expressions in an increasingly globalised world. The convention requires nations to undertake to assist the creation of cultural expressions both domestically and abroad through regulatory, legislative, financial and technical assistance and to report to the United Nations on these measures. The convention is particularly concerned with securing cultural expressions that are under immediate threat and securing the cultural expressions of developing nations.

The treaties committee is of the view that the convention will help to develop and maintain Australia's cultural industries and to protect Australia's valuable cultural expressions. The committee considers that accession to the convention will demonstrate to the international community Australia's commitment to cultural diversity and that it will expand Australia's active engagement with UNESCO.

The treaties committee also considered the Agreement between Australia and the European Community on Trade in Wine. Under this agreement Australia and the European Community are required to accept a range of wine labelling restrictions based on the pro-

duction and geographical origin of the wine and to recognise 16 previously unauthorised winemaking techniques. Significantly, Australian fortified winemakers will be required to phase out the use of the terms 'port' and 'sherry' within 12 months of the entry into force of the agreement and the term 'tokay' will have to be phased out within 10 years of the agreement's entry into force.

The Australian Wine and Brandy Corporation assured the committee that, whilst there will be a cost to the industry in ceasing the use of these wine names, the agreement will secure the use of terms which are valuable to Australia's fortified wine industry, including 'ruby', 'tawny', 'vintage' and 'cream'. Furthermore, the government has provided financial assistance which will assist in the rebadging of wines. This project will see the term 'sherry' replaced with the term 'apera' within 12 months and the term 'tokay' replaced with 'topaque' within 10 years.

In exchange for Australia's acceptance of these labelling restrictions, the European Community will be required to permit the import and marketing of Australian wines produced using 16 winemaking techniques which previously lacked authorisation. Therefore, Australian winemakers stand to gain greater access to European wine markets under the agreement.

The treaties committee considers that accession to the agreement will strengthen trade between Australia and the European Community and is of the view that the agreement will provide Australian winemakers with greater and more secure access to European wine markets. I thank the numerous agencies, individuals and organisations who assisted in the treaties committee's inquiries, and I thank the treaties committee secretariat for its assistance in preparing this report. I commend the report to the House.

**Legal and Constitutional Affairs
Committee
Report**

Mr DREYFUS (Isaacs) (8.53 pm)—On behalf of the Standing Committee on Legal and Constitutional Affairs, I present the committee's report entitled *Access all areas: Report of the inquiry into Draft Disability (Access to Premise—Buildings) Standards*, together with the minutes of proceedings and evidence received by the committee.

Ordered that the report be made a parliamentary paper.

Mr DREYFUS—It is my pleasure to present the report *Access all areas: Report of the inquiry into Draft Disability (Access to Premise—Buildings) Standards*, which is the third report of the committee for this parliament. There are approximately four million people with a disability in Australia, a number which is expected to increase as the population ages. Every day people with a disability face physical barriers in the community, from a doorway too narrow for a wheelchair, to not being able to visit their member of parliament because his or her office is located at the top of a flight of stairs. These physical barriers to the built environment have broader consequences for people with a disability, in restricting their access to the economic and social environment of our community.

The draft Premises Standards are designed to make buildings more accessible for people with mobility, vision and hearing impairments. If introduced, the Premises Standards will have a widespread impact, changing buildings regulations for new buildings and existing buildings undergoing significant upgrades.

As well as providing improved access, the Premises Standards would also provide certainty to building certifiers, developers and managers that they are complying with their

obligations under the Commonwealth Disability Discrimination Act. In conducting the inquiry, the committee received evidence from disability advocacy groups, the property and building sectors and many concerned individuals. The level of interest in the inquiry clearly demonstrates how important these issues are to people with a disability.

The report reflects the unanimous view of the committee that the Premises Standards should be finalised and introduced without delay. However, there are a number of areas of the Premises Standards which should be amended prior to their introduction. The committee has recommended that access be provided to the common areas of class 2 buildings, such as residential apartment buildings. It is clear that the market has not responded to the needs of people with a disability or to the requirements of the Disability Discrimination Act, even where class 2 buildings are primarily used for short-term accommodation. As a result, people with a disability are excluded from an affordable accommodation option in serviced apartments which might otherwise be well suited for their needs. The committee's recommendation to include class 2 buildings within the scope of the Premises Standards reflects the overwhelming majority of evidence received.

The committee also recommended that the Premises Standards distinguish between new and existing class 1b buildings. These are bed and breakfast, eco-lodges and similar accommodation. The committee found that the proportional cost increases imposed by the Premises Standards are substantial in existing class 1b buildings. The committee therefore considers that the current threshold of four bedrooms or dwellings for accessibility in existing buildings is appropriate. However, the increases in costs flowing from accessibility requirements in new class 1b buildings are much more modest. The com-

mittee has therefore recommended that accessibility requirements should be imposed on all new and purpose-built class 1b buildings, regardless of the number of rooms or dwellings they provide.

Given the long and protracted history of the development of the Premises Standards, the committee has recommended that they be finalised and introduced without delay. However, there are a number of areas where more research is required and other areas which are the result of previous negotiation and compromise. It is important to assess whether the standards, and certain provisions in the standards, are working to achieve their object and purpose. As a result, the committee has made a detailed recommendation relating to the review of the Premises Standards after some years of operation.

I would like to thank the other members of the committee and the skilled and dedicated staff of the secretariat who worked on this important inquiry: Anna Dacre, Serica Mackay, Stephen Still and Sharon Bryant, some of whom are with us in the advisers box. I would also like to acknowledge the contribution of all those who shared their time, expertise and experience with the committee during this inquiry. I have spoken of the committee's key recommendations for the draft Premises Standards. There are other relatively minor changes discussed in the committee's report.

Mr SLIPPER (Fisher) (8.58 pm)—I am pleased to join the chairman of the committee in supporting the report which has been tabled by the committee. Once again, it is a unanimous report of the House of Representatives Standing Committee on Legal and Constitutional Affairs. We covered a very important area in relation to disability. This committee seems to work very well together. It is obviously a cross-party committee, but we put our politics aside when we consider

terms of reference referred to us by responsible ministers.

With respect to the report being tabled today, the committee was asked by the Attorney-General to consider and report on the draft Disability (Access to Premises—Buildings) Standards covering a range of areas including:

the appropriateness and effectiveness of the proposed Premises Standards in achieving their objects;

the interaction between the Premises Standards and existing regulatory schemes operating in state and territory jurisdictions, including the appropriateness and effectiveness of the proposed Model Process to Administer Building Access for People with Disability;

whether the Premises Standards will have an unjustifiable impact on any particular sector or group within a sector; and

any related matters.

The committee received a substantial number of recommendations from across the country when we advertised for views, and we wanted to consult widely. In fact, we received 146 submissions. We held six public hearings and one roundtable hearing. The whole idea of following this process was to try to discern what the Australian community was telling the committee and the parliament.

As a result, following our deliberations the committee made 19 recommendations. The committee chairman outlined some of those recommendations but the first recommendation of the report is that Premises Standards should be introduced without delay. The Premises Standards has a protracted history and the committee considered that the benefits it will provide, such as certainty and accessibility, should not be delayed any further. That was particularly important.

One of the key recommendations relates to class 2 buildings, which are residential

apartment buildings. At the moment the Premises Standards does not require these buildings to be accessible. The committee has recommended that the common areas of class 2 buildings should be within the scope of the Premises Standards—that is, they should be made accessible. There were a number of reasons for that and it was obvious to the committee that those reasons have veracity and that the recommendations ought to be implemented.

Class 1b buildings were also the subject of recommendation by the committee. Class 1b buildings include eco-lodges, bed and breakfasts and holiday cottages. At present, the Premises Standards only applies to class 1b buildings containing four or more bedrooms. This means that the accessibility requirements of the Premises Standards would not apply to these types of buildings that have fewer than four bedrooms. The committee recognises that many class 1b buildings are run by small businesses with limited resources. One of the things about disability and disability regulation is that there has to be a balance. On the one hand we have to give people access and we have to treat people with disability as being equal to other people in the community. On the other hand we are not really serving the interests of people with disability if we send small business to the wall in the process.

The committee found that it was clear that it is much less expensive to provide access when building a new bed and breakfast or holiday cottage. That is why the committee has recommended that the requirements for accessibility should be imposed on all new and purpose built class 1b buildings regardless of the number of bedrooms they contain but that the proposed four-bedroom threshold should be maintained for existing buildings.

There were a whole range of other matters in the report, and time will not allow me to

cover them, but they include areas such as dignity, fit-out, and review. We also pointed out that lessons could be learnt from the review of the transport standards for which, seven years on, a final report has still not been released. (*Time expired*)

The DEPUTY SPEAKER (Ms JA Saffin)—Does the member for Isaacs wish to move a motion in connection with the report to enable it to be debated on a later occasion?

Mr DREYFUS (Isaacs) (9.03 pm)—I move:

That the House take note of the report.

The DEPUTY 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.

Legal and Constitutional Affairs Committee

Report: Referral to Main Committee

Mr DREYFUS (Isaacs) (9.04 pm)—I move:

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

Question agreed to.

PRIVATE MEMBERS' BUSINESS

Urban Planning

Ms RISHWORTH (Kingston) (9.04 pm)—I move:

That the House:

- (1) recognises the importance of sound urban planning for the long-term future of our towns and cities;
- (2) acknowledges that:
 - (a) planning new communities and regenerating older communities must maximise the 'liveability' of these communities;
 - (b) local planning should ensure that:
 - (i) local employment is available close to the local communities;

- (ii) transport options are well connected and integrated, including the availability of public transport and bike paths to reduce car dependency and promote healthy alternatives such as walking and cycling;
- (iii) housing and local infrastructure are designed to minimise the environmental footprint, including options to promote water and energy conservation;
- (iv) community services are available; and
- (v) local infrastructure facilitates a sense of community and place; and
- (c) urban planning of our communities must maximise the social, economic and environmental outcomes for local residents; and
- (3) urges all levels of government, industry, associated professions and the community to work together to ensure that we have healthy, happy, safe and sustainable communities.

In moving this motion, I hope that the parliament will join me in recognising the importance that sound urban planning has for the future health and wellbeing of our cities, local communities and us as individuals. With the population of our cities growing and with the increasing demand for housing, our communities are faced with a challenge of how we best manage this need. The solution is much more complex than just allowing urban sprawl to continue. Rather, as the motion states, we must take the opportunity to develop communities that maximise the social, economic and environmental outcomes for local residents. This reflects the Planning Institute of Australia's principles on urban growth management, which begin by declaring:

Any pattern of urban growth has social, economic and environmental implications that need to be considered and balanced in deciding the most desirable urban growth solution.

This means, as the motion states, that the planning of our new communities should consider the availability of local employment, allowing for people to spend less time travelling to and from work and more time with their families. The motion also makes clear that considerations regarding the health of residents are essential. If we look at the ABS statistics in 2007-08 we find that they show that 68 per cent of all Australian men and 55 per cent of all Australian women are overweight or obese. This is an increase of five per cent since 1995. We need to think about how our town planning may affect every policy area, including health, and how we might address this issue of obesity in our society. People can be healthier and have a more enjoyable life with the best opportunities if they are at the forefront of planners' minds and considerations. This means ensuring that transport options connect people to their places of employment and their places of leisure.

Transport options should include clean and green modes such as bike paths and public transport. They also mean making it easier for residents to go to local shops and services on foot. A well-designed community reduces its carbon footprint by reducing the amount of kilometres driven by each of its residents, in turn allowing residents to spend more time enjoying the things they like to do around their local community. On top of this, if people are not driving they are more likely to be walking or riding their bikes, which, as I said earlier, is far better for their health and the environment.

As our suburbs keep expanding, as they are likely to do in Kingston, it is vitally important that we think about what we would like our new suburbs to look like. I know that the RMIT University is currently undertaking a 10-year research program titled 'Re-imagining the Australian suburb' and I look forward to reading more of their work, but

we already know a number of key things. Our future suburbs need to be designed so that houses and communities minimise water consumption and to allow for the re-use of greywater and stormwater run-off. They need to be planned to minimise energy consumption in terms of lighting and other energy use. There are many local communities who are already choosing to take the lead on this. In my electorate of Kingston, residents of the Aldinga eco-village have prided themselves on their houses and their common community areas being both water and energy efficient.

To make sure that we promote the wellbeing of our communities, we must plan to provide for community spaces, spaces for young and old sports teams to compete and places for families to enjoy and share activities with one another. Urban planning as an idea has a very short history, but if we do not realise the ramifications of bad town planning then our communities will not sustain us into the future. I commend the motion to the House. (*Time expired*)

The DEPUTY SPEAKER (Ms JA Saffin)—Is the motion seconded?

Mr Dreyfus—I second the motion and reserve my right to speak.

Mr BRIGGS (Mayo) (9.09 pm)—I rise to join with the member for Kingston on this issue of town planning and support her motion. I understand she comes from an area which has significant planning issues. The Onkaparinga council—the city of Onkaparinga inches into my electorate—struggles with issues of planning in the southern suburbs of Adelaide.

There are two issues I wish to deal with tonight with regard to planning. They relate to my electorate, Mount Barker and surrounds, Littlehampton and Nairne in particular. Some years ago, in 2000, the Heysen Tunnels opened in the Adelaide Hills on the

Great Eastern Freeway, which opened up the Adelaide Hills significantly. That was the former member for Mayo's greatest achievement as the member for Mayo, he proudly boasts, and it certainly has created significant economic development in the Adelaide Hills, opened them up and changed the dynamic.

However, it also brought an up-tick in growth—in Mount Barker, Nairne and Littlehampton in particular—which has brought with it considerable difficulties, with lagging infrastructure, roads, services and water. Water, of course, is a huge issue in my electorate. This has been a major concern for my constituents. It has a major impact on our ability to grow our own food. The Adelaide Hills produces not only some of the best wine in the country but also some of the best food. It is an important area for agriculture and an area we must protect. With this fast expansion there has been a real impact on people's ability to continue to grow their own food. We have seen farmers tempted by offers from developers—as retirement packages, I guess—for their land. This has created an interesting dynamic, where there is now quite an anti-development feeling in Mount Barker and surrounding communities.

The second issue I want to deal with is that of future growth in my area. It is an issue which the state member for Kavel, Mark Goldsworthy, has been following. I commend Mark for the work he has done. He recently surveyed the towns concerned, asking people's opinions on this issue, and received quite an extraordinary reaction, with about 1,500 survey respondents all very strongly raising concerns about the pace of development and the actions of the state government in relation to development. The state planning minister, Mr Holloway—who I think is an upper house member in the state parliament—said in our local newspaper, the Mount Barker *Courier*, which has also been

pursuing this issue with some vigour, that the state government will have the final say about continuing development in the region. It is fair to say that that has enraged locals. Rather than locals and the council being considered and their views taken into account, the state government is just going to bulldoze its way through ordinary people and their views. That has caused an enormous amount of concern in my electorate. Development is a very contentious issue, particularly as it impacts on agricultural land, services, whether we have enough police, hospitals, health care and whether the roads are up to standard. Mount Barker is a country town that is now being turned into a dormitory suburb.

This is a big issue, and I was disappointed with the action of the state government. I hope that they will reconsider the part of their plan—I think it is a 20-year plan—where they plan for Mount Barker, Littlehampton and Nairne to grow significantly. They should reconsider that. The people in my area want them to do so. What the state Labor minister said and did has been very unpopular. I think people accept that bulldozers are needed for development but they will not accept their opinion being bulldozed by the state Labor government. They need to reconsider this quickly. I know it is not an area that state Labor has traditionally put much emphasis on, up around Mount Barker, but it should not be treated as a second rate area because politically it is not important; it is very important to the Adelaide Hills and to South Australia. The Adelaide Hills retains a beauty and it should not just be turned into an outer dormitory suburb. *(Time expired)*

Mr DREYFUS (Isaacs) (9.15 pm)—As someone who is deeply interested in the future of our cities, and who believes that the forms of our cities play a critical role in the sorts of lives we are able to lead, I am pleased to support this motion. The forms

our cities take are important. They have a profound influence on our economic prosperity, on the impact we have on our unique environment, on the level of social exclusion and inequality experienced in our communities and on the quality of life Australians and their families are able to enjoy. Well-thought-out urban planning fosters the free flow of people and goods through major areas of economic activity and service delivery. Good urban planning connects communities with the labour markets, educational institutions and community networks needed in order for them to flourish.

The great majority of Australians live in our major cities. You need only look to greater Melbourne or south-east Queensland to see the rapid expansion of our urban periphery. Our local community in my electorate of Isaacs, in Melbourne's south-east growth corridor, is part of that expansion. We have young families looking for affordable low-density housing in new estates in Keysborough, Sandhurst, Carrum Downs and Skye. We have retirees moving from family homes to smaller properties in newer, denser developments by the beach in Chelsea, Carrum and Mentone. We have the growing industrial areas in Dandenong South and Braeside. And in the middle of my electorate we have a large green wedge. Previous far-sighted planning has preserved this green wedge, which provides our community with a semirural area close to home.

Urban policy in growth areas like my electorate demands careful planning for the needs of a community which is as diverse in age and occupation as it is in income and cultural heritage. Urban policy permeates every level of government involvement in public life. More than most other areas of policy, urban planning calls for an active role from government because we have a collective interest in the form of our cities. All governments have legitimate policy objec-

tives in areas like economic prosperity, social justice and environmental stability. These objectives can be facilitated by the structure of our cities or they can be ignored. Decisions about industry and innovation, migration, public transport, housing and infrastructure all affect the form and function of our cities. To act as if urban planning is not a federal issue does not lessen its federal implications; it simply results in poor policy outcomes. Government must be involved in and must lead the planning of our cities. This extends to the federal government as well as to state and local governments.

The Minister for Infrastructure, Transport, Regional Development and Local Government has created a major cities unit in his department. This major cities unit enables cities and agencies responsible for urban issues to have a single point of contact within the federal government. It is appalling that, for almost 12 years under the previous government, Australia had no Minister for Housing and no major cities strategy. We need to remember that the Labor government that left office in 1996 had created a Better Cities program and a Better Cities strategy, the objective of which was to address a number of challenges facing Australian cities. Those included rapid growth and a demand for infrastructure investment on the fringes of major cities, loss of population and under-use of facilities and services in established urban areas and the increasing social, environmental and economic cost of poorly planned and managed cities. After the 12 years of inaction of the Howard government these are still among the challenges of urban planning that face Australia today.

The Rudd government is responding to these challenges through the major cities unit and a coordinated whole-of-government approach to urban planning. Given the significance of urban planning to our economic prosperity and social structure, the future of

our cities demands national leadership, which the Rudd government is providing. I look forward, in the coming years, to seeing more being done at a federal level in relation to the urban fabric of our cities, because the federal government is in the position of being able to provide the leadership which is needed, the leadership that was sorely lacking during the whole of the period of the former Howard government.

Mr BILLSON (Dunkley) (9.20 pm)—I rise to support the motion and the sentiment that has been put forward by the member for Kingston and acknowledge her interest in this area. I do say, though, that sentiment is no substitute for hard work and that words are no substitute for even harder work. And this area of public policy requires not only a lot of hard work but very extensive collaboration, because so many of the influences on successful cities are dispersed right across multiple levels of government—and, more importantly, across all the consumers, home purchasers, developers and investors, all looking at their interests as we in this national parliament look at the national interest.

This is not something new, though. This issue has been with us for some time. The previous government certainly did more than apprise itself of these concerns. It set about doing something about them. In fact, in the 2003-04 budget there was an urban environment initiative around sustainable cities. It touched on a number of issues concerning water quality, the information available within the community, air quality, renewable energy, waste management, the Year of the Built Environment, green buildings, a green car rating scheme, cycling facilities, air quality research, photovoltaic rebate schemes, chemical monitoring database, the National Pollutant Inventory—just to name a few. So this is not something that is particularly new.

But it went further. I was pleased to chair the House of Representatives Standing Committee on Environment and Heritage and undertake what was then viewed as a very seminal piece of research and a piece of important national leadership with the sustainable cities inquiry. This committee report was born out of my conviction, and that of the coalition government's side of the parliament, that the cities that we have may not be directly a consequence of federal government policy but, when they do not work well, it lands on the federal government to provide the remedies. The social hardship, the economic dislocation, the enormous commuter times, the cost in terms of environment and in terms of family pressure, the economic concerns and the vulnerability of people to movement in petrol prices and the like all come home to the federal government.

With that in mind we thought, 'What can we do now to outline a template for more sustainable cities into the future,' and this report did that. We led that debate and it was welcomed unanimously right across the community and in a bipartisan sense. I was promoted into the ministry and did not have the privilege of finishing the final few paragraphs—my friend and colleague Dr Mal Washer had that honour and distinction—but the report is still very much true to the work that we undertook. It talked about the key things that we need to look at in terms of sustainability: to recognise that more than three-quarters of GDP—the economic activity in Australia—happens in our cities; that the vast proportion of the population lives in our cities; and to recognise the pressure on our environment, our consumption of resources and our future living standards. All these are interwoven in our cities.

The report identified a range of areas of action about urban development and the role that the federal government could play in

urban policy in trying to make sure that all decision making and funding was aligned to sustainability and better city objectives. It also looked at settlement patterns: what was happening in terms of dwelling sizes; the size of households; and the different models that were developing around the place and how they could be handled in a development assessment process that did not seek to tell people how and where they should live—because that would be destined to fail—but would at least make it easier and more convenient for people to live with amenity and lifestyle and with ready access to those important elements of their lives that they wanted to be near to, and if they were not they would commute.

A long time ago I drove a Mazda 808 super deluxe coupe, burnt orange—a great vehicle for its time—and at around 19 I stopped driving for pleasure and for the fun of it and started driving because I had to travel somewhere. I had a transport task. The mobility requirement was to move from where I lived, to where I worked, to where I studied, to where I played sport and to where I undertook leisure activities. The key about more sustainable cities is not just better planning and better urban land use but it is also about integrating all of those areas of policy so that those key elements of people's lives are more within reach. We outlined an agenda for that in the sustainability report, but I do not have the time to go through that.

I was pleased that our leader, Malcolm Turnbull, was a part of that committee in its later incarnations and continues to highlight the importance of these issues. But I am drawn to something that Victorian senator Kim Carr said. He said that if you do not have a minister for cities and a minister for urban development you are not for real. Labor does not have a minister for cities and it does not have a minister for urban development. The opposition has a shadow minister

for sustainable development and cities and, on the Kim Carr benchmark, the opposition is far more serious about taking the important action, not just recognising the problems and the challenges but putting in place the sound public policy. I fear that this will again be an area where Labor quickly identifies and secures the political opportunities and the sound bytes and leaves the sound public policy and hard work to others. The coalition is up to that task; we have the policies and they will be revealed—(*Time expired*)

Mr ZAPPIA (Makin) (9.25 pm)—I begin by commending the member for Kingston for bringing this matter to the attention of the House. I certainly will not use up the few minutes that I have responding to everything that was said by members opposite, but I noticed the member for Dunkley talked about the record of this government when it comes urban planning and I think it is like chalk and cheese when you compare it with the previous government. I want to specifically respond to something the member for Mayo said when he made some references to the state planning minister in South Australia, the Hon. Paul Holloway. Paul Holloway is in fact a very highly regarded and very competent planning minister and one who is held in the utmost respect by most of the developers and the people involved in planning in South Australia.

I should also say that when it comes to the Hills Face area of South Australia, which is a very unique area and one that is of concern to a lot of South Australians, it was in fact Jay Wetherill, the planning minister prior to Paul Holloway, who implemented a freeze on planning and development in the Hills Face zone until a comprehensive community plan was developed for all of the Hills Face area. So, again, when it came to protecting our very valuable Hills Face area, it took a Labor government in South Australia to do that.

I would like to make a number of observations with respect to this resolution. The first is that good planning is often taken for granted and sufficient recognition is not given to the importance that it plays in the lives of people. Planning can have a very profound effect on the quality of the lives of people who live in any community, because that is where they spend their lives, it is where they interact with others and it is where their children attend school, sport and other activities. As a consequence, a person's life is very much influenced by the people they associate with. Local communities effectively become an extension of one's own home. You can often become very attached to your local community, as we see frequently from the fact that people will live in the same area for pretty much all of their lives. And if you look at the statistics you will see that of those people who do move the majority do not move very far away from the original suburban area or community they grew up in. So it is a fact of life that the local community and the planning that goes into it can truly affect the quality of a person's life and the opportunities that are presented to them. Sometimes, regrettably, as a result of poor planning rather than a lack of opportunities, a person will find themselves in a situation where they are confronted by some very negative forces. Time will not permit me to elaborate on that but perhaps on another occasion I will.

So good local area planning does make a drastic difference to the individual lives of people, to the environment, which we have heard other speakers talk about, and to the economic opportunities presented both to the individual and to the community as a whole. Critically, the areas of health and education outcomes can very much become reliant on good planning and good development. In recent times the term 'sustainable communities' has often been used; it is an expression

you hear quite frequently when you talk to planners. Conversely, governments around the world are now expending large sums of money rectifying and rebuilding poorly planned communities of earlier years. We have some good examples of that in South Australia, where the state government today is having to expend hundred of millions of dollars in order to rectify and rebuild communities that were built some 50 years ago and not properly planned out.

One of the sad things that I hear too often is that there ought to be more land released for the purpose of building new homes. It is a view promoted by a number of housing developers. The problem with that is that housing developers may be very good at building houses but they are not necessarily so good at building communities, and there is a difference. Having a nice house without access to schools, shops, hospitals, sports clubs, parks, community hubs, universities, workplaces and so on can very much add to the cost of living and can lead to a much poorer quality of life for those people who live there. It is true that not all services can ever be available in every community. But that is why transport systems have to be designed from the very outset. However, I accept that long-term area planning can never be perfect. (*Time expired*)

ADJOURNMENT

The SPEAKER—Order! It being 9.30 pm, I propose the question:

That the House do now adjourn.

Rural Fire Service Awards

Mr BALDWIN (Paterson) (9.30 pm)—Tonight I rise to inform this House that on Saturday, 30 May, I attended a very special ceremony at the Bulahdelah Golf Club recognising the outstanding achievement of the members of the Great Lakes District brigades of the Rural Fire Service. I joined with former commissioner the Hon. Phil Koper-

berg; current Rural Fire Service Commissioner Shane Fitzsimmons; Chief Superintendent Steve Yorke; Superintendent Kam Baker; Inspector Cecil Miller; and many members of the local brigades and their families to recognise these local heroes. The Great Lakes District is made up of 23 brigades comprising 687 members, with 46 fire-fighting vehicles and two support vehicles. The Great Lakes District brigades attended 283 incidents in 2008 and 121 incidents to date in 2009, with significant out of area assistance in the recent tragic bushfires in Victoria.

The purpose of the event was to present nine National Medals, two First Clasp Awards, two Second Clasp Awards, one Third Clasp Award, 13 15-year long-service medals and 16 long-service awards to members of the Great Lakes District Rural Fire Service. The national medal is presented to members of the rural fire service in recognition of their years of diligent service that have gone above and beyond what is expected of active members within their brigade. Long-service awards are presented to members of the Rural Fire Service in recognition of their years of active service.

The recipients were Arthur Skinner, currently a member of the Tuncurry Catering Brigade, who received the National Medal and the First, Second and Third Clasp Awards for 59 years service; Norman Cunningham, currently a member of the Minimbah Brigade, who received the National Medal and the Second Clasp Award for 46 years service; Neal Cook, who received the National Medal for 25 years service as a member of the North Arm Cove Brigade; Kevin Johnson, who received the National Medal and the 15-year long-service award for 23 years service as a member of the Minimbah Brigade; Glyn Davies, who received the National Medal for 19 years service as a member of the Pacific Palms and

Bungwahl Brigades; Brent Williams, who received the National Medal, the First Clasp Award and the 15-year long-service award for 18 years service as a member of the Minimbah Brigade; Dennis Webb, who received the National Medal and 15-year long-service award for 17 years service as a member of the Minimbah Brigade; Gladys Pearce, currently a member of the Great Lakes Communications Brigade, who received the National Medal for 17 years service; Phil McAsey, who received the National Medal and 15-year long-service award for 16 years service as a member of the Green Point Brigade; Phil Hughes, who received the 15-year long-service award for 25 years service as a member of the North Arm Cove Point Brigade; Athol Blanch, who received the 15-year long-service award for 21 years service as a member of the Limeburners Creek Brigade; Max Mehan, who received the 15-year long-service award for 21 years service as a member of the Limeburners Creek Brigade; Mark Rimmer, who received the National Medal and 15-year long-service award for 20 years service as a member of the Minimbah Brigade; Paul Murrell, who received the 15-year long-service award for 20 years services as a member of the Green Point Brigade; Robert McMaster, who received the 15-year long-service award for 18 years service as a member of the Minimbah Brigade; Kim McDermott, who received the 15-year long-service award for 17 years service as a member of the Monkerai Brigade; Joe Karsenbarg, who received 15-year long-service award for 17 years service as a member of the Minimbah Brigade; Dennis Webb, who received the 15-year long-service award for 17 years service as a member of the Minimbah Brigade; Mark Johnson, who received the 15-year long-service award for 15 years service as a member of the Minimbah Brigade; John Murray, who received the 25-year long-service award for 31 years service as a

member of the Limeburners Creek Brigade; Alan Witt, who received the 25-year long-service award for 31 years service as the Limeburners Creek Brigade; and Lowell Reardon, who received the 25-year long-service award for 27 years service as a member of the Green Point Brigade.

These fine Australians and their fellow brigade members are our heroes. At a moment's notice, they regularly put their lives on the line to help people who they may not know to defend and save property that they do not own for a common bond that is uniquely Australian. This has been borne out in fighting fires not just across the region and not just across the state of New South Wales but indeed across all of Australia. They are not paid for their personal sacrifices, but they are truly respected and admired for them. To them and their families I, on behalf of this parliament, say thank you on a job well done. You serve your community and you serve your nation very well indeed.

Delegation to Dharamsala

Mr DANBY (Melbourne Ports) (9.34 pm)—At the end of next week when the House rises for the winter break, I will have the great privilege of leading the first Australian parliamentary delegation to Dharamsala, in India. This is the seat of the Tibetan government in exile, headed by His Holiness the Dalai Lama, who will be celebrating his 74th birthday. The delegation will consist of me, the honourable member for Fremantle, the honourable member for Fisher, Senator Ludlam, Senator Hanson-Young and Senator Xenophon. I must stress at the outset that this will not be an official parliamentary delegation. We will not be representing the parliament, the government, the opposition or even our political parties. The all party parliamentary group for Tibet, which I chair, is not even an official parliamentary group. In a parliamentary sense, we will be representing

only ourselves. But we will also be representing a very large number of Australians of all political persuasions who care about the freedom and human rights of oppressed nationalities.

Ever since the Chinese invasion of 1950, the people of Tibet have been denied not only their national independence but also the freedom to practise their culture and religion—although I acknowledge that the situation has improved somewhat since the dark days of the Cultural Revolution in China. Yet, as we saw during the extensive disturbances in Tibet last year, the people of that country—particularly the younger generation—have not lost their desire for national and personal freedom. It is estimated that there are up to 500,000 Chinese troops in Tibet, a region with a Tibetan population of only two million people—although there are five million Tibetans who live in wider areas of the People's Republic of China. There has been a systematic effort to settle Tibet with Han Chinese migrants in the hope of swamping the Tibetans and extinguishing their culture.

In Dharamsala, we will be meeting with the Dalai Lama, who is recognised by all Tibetans, inside and outside Tibet, as their national and spiritual leader. We will also be meeting Professor Samdong Rinpoche, the Prime Minister of the Tibetan government in exile, who was elected by the world community of Tibetans in exile.

I know that the Chinese Embassy in Australia told the *Age* last week that they had opposed our delegation's visit to Dharamsala as it would be an interference in Chinese sovereignty because we are supporting Tibetan independence. Let me say to this House, as I have said to successive Chinese ambassadors: I am not anti China. This delegation's visit to India is in no way an act of hostility towards China. I wish nothing but

happiness and prosperity for the great Chinese people. But, just as the Chinese people fought for many decades to free their country of foreign invaders and to re-establish their sovereignty, I hope our Chinese friends would understand that the people of Tibet wish to do the same for their country. There are 1.2 billion people in China. I find it hard to understand why they feel it necessary to deny self-government to a minority population of only five million in a remote area of their vast country. Many Chinese feel that they liberated Tibet from feudalism and they cannot understand why the Tibetans are not grateful for that. I am not here to defend the system that operated before 1950, but the Chinese themselves do not welcome changes brought to China by foreigners, even if those foreigners are well intentioned.

When I was at university, I studied Marxism under a great professor, Dr Frank Knopfmacher, who insisted that we read *Das Kapital* and the even more turgid *Die Grundrisse*. In those studies I learnt that one of the basic tenets of Marxism-Leninism is atheism, which is the official state ideology of China. It is very odd that a country with such an ideology would insist on appointing the spiritual second-in-command of the Dalai Lama's religion. The Panchen Lama—the authentic one—was 'disappeared' by agents of the Beijing regime when he was five years old. That is now many years ago.

The Dalai Lama has said that he accepts the Chinese assertion that China has historically exercised sovereignty over Tibet—although I note in passing that many historians in Tibet dispute this—and that he is willing to accept the same autonomous status that China has accepted for Hong Kong and Macau. I have to say that this seems a remarkably moderate position, given the sad history of oppression in Tibet since 1950. I hope that the Chinese leadership will eventually have the wisdom to accept the Dalai

Lama's proposal, although I do not expect it to happen soon.

Some people say to me that Tibet is a lost cause. My reply is that I am old enough to have seen the fall of the Berlin Wall, the end of apartheid, the demise of fascism in Spain and Communism in the Soviet Union and the establishment of independence in East Timor. I do not believe that any just cause is truly lost. The cause of the people of Tibet is a just case and one that I am proud to support.

Hinkler Electorate: Hervey Bay

Mr NEVILLE (Hinkler) (9.39 pm)—During the 2007 election, I campaigned on a commitment to secure \$1.5 million to help build the much needed community centre for the fast growing city of Hervey Bay in my electorate. If ever there was a project that cried out to heaven for completion, it is this one. It is hard to believe that a city of 50,000 people does not already have a centre, but new infrastructure is actually the biggest social challenge that Hervey Bay faces at the moment. It has grown like topsy and continues to grow. Assistance from state and federal governments with infrastructure is critical. Unfortunately, Labor failed to match my commitment to the project, and it seems that the government has followed through by rejecting a regional community and local infrastructure program funding application for this project. In fact, my opponent at the last federal election would not even commit to it.

On Friday, 22 May, I heard from the proponents, who were absolutely devastated that their high-quality application had been knocked back by the federal government. This project has a considerable history. Prior to the local government amalgamations in Queensland, Hervey Bay City Council committed \$1 million and land to the project—a commitment later reaffirmed by the newly amalgamated Fraser Coast Regional Council.

The Queensland government also made \$1.5 million available to the project, and many service clubs in town have been actively fundraising for it. All that was missing was the Commonwealth contribution under the RLCIP criteria. The project fitted that criteria beautifully. The community centre would have been a hub for a number of social services for children and youth, as well as counselling, mentoring and referral services and other information outlets. These would be delivered by semi-government organisations and NGOs. The proponents had already developed a plan for construction, costs were completed and two weeks ago the building permit was lodged. This is a shovel-ready project. It is an environmentally keen project with a six-star rating. This would have helped to create jobs in Hervey Bay while also providing much needed civic infrastructure. It has now been left high and dry due to some bureaucratic decision.

When we talk about vibrant regional communities, of course a robust local community is important. But what is also important in towns and cities are good places for people to live, where residents can enjoy quality of life and, if they fall into difficulties, be referred to proper services. One thing that is desperately needed in Hervey Bay is a community centre—a place where people can come together for assistance, support and guidance. I have spoken to a number of people about the funding knock-back and have given them an assurance that I will seek further information from the minister and the parliamentary secretary and that I will continue to fight to get Commonwealth funding. I put on the record the position that the community finds itself in, thanks to this decision. These words are direct quotes from a local resident—they are not mine. They state:

Presently, services in our community are delivered in a hodge-podge of inaccessible facilities, some of which are of asbestos laden.

Some people have access to emergency relief and others confidential services in parking lots, because they cannot fiscally get into a facility. Other services are forced to pay commercial scale rents, directly impacting on the level of service available to the homeless, the aged, challenged families and other targeted consumers.

In a community that has almost nothing; where jobs are few and far between at the best of times, we stand to lose in excess of \$2.5 million funding and a valuable community asset because the Commonwealth would not partner with us on this project.

As news of this poor decision becomes publicly known, people in our community will be justifiably outraged.

Bearing these words in mind, I urge the minister and the parliamentary secretary, who I might say have been very good to me to this point, to support this project and do the right thing for the people of Hervey Bay.

Petition: Coral Sea Heritage Park

Mr TURNOUR (Leichhardt) (9.44 pm)—I rise tonight to present a petition approved by the Standing Committee on Petitions. The petition has been organised by Mr Wayne Bayne, Mr Robert Erskine and other concerned citizens, who have since established the Coral Sea Access Alliance Group to campaign against the establishment of the Coral Sea Heritage Park as proposed by the Pew Environment Group. The Pew Environment Group's proposal would effectively ban fishing and a range of other uses in more than one million square kilometres of the Coral Sea. There have been 2,053 signatures collected in support of this petition. They are not in a format that allows them to be tabled tonight but I do have them here in my hand. Nine hundred signatures were collected in one night at a meeting I attended in Cairns, organised by Mr Bayne and local fishers.

The Pew Coral Sea Heritage Park would effectively ban fishing in an area bordered by the Great Barrier Reef Marine Park and our maritime border with PNG, the Solomon Islands and New Caledonia. This, as I said, is an area of more than one million square kilometres of sea. The petition raises concerns about government actions 'that will result in any usage restrictions, access or additional controls over the area known as the Coral Sea beyond those that exist under current legislation'.

I have discussed the Pew proposal with a broad cross-section of the community and representative groups, including recreational and professional fishers, tourism representatives, the Super Yacht Group and environmental groups. This is a large and broad cross-section of local stakeholders and interest groups, as well as many members of the local community. The vast majority of people see the Pew proposal as extreme and an ambit claim to lock up the Coral Sea. I share this view and have discussed this with the Minister for the Environment, Heritage and the Arts, the Hon. Peter Garrett. Sadly, the Pew proposal has divided the community and has sought to pre-empt a bioregional planning process being undertaken by the Australian government.

Since the petition was established, the environment minister has released the bioregional plan for the area and established a conservation zone covering the Coral Sea. I sought to ensure that any conservation zoning while the bioregional planning is proceeding would not impact on fishers in the Coral Sea. I am pleased that the minister has ensured that this has happened. The Pew group have not got their no-take zone and I will continue to fight any such proposal. Existing tourism operators and other commercial users of the area will have to obtain free permits to continue operating. Concerns about this permit process have been raised

with me by the Coral Sea Access Alliance and I will be raising these with the minister.

Yes, the government is moving forward with its bioregional planning process, including consultations on whether there needs to be increased protection in the area, but no final decision has been made. People do recognise that this is a valuable and important area and that there are areas that need to be protected, but we need to work through a proper process, which is what the Australian government is doing. I will continue working to ensure that fishing and other interests are considered in this process, as I did prior to the announcement of the conservation zone.

There are consultation meetings in Cairns today and tomorrow as part of the bioregional planning process. This petition highlights concerns about government consultation processes when it comes to environmental issues and seeks to ensure that any consultations be 'conducted transparently and not purely for the purpose of fulfilling a bureaucratic requirement'. In many ways people seem cynical about consultations, but it is very important that we do engage properly with the community about this process. I am committed to that. I can assure petitioners that I will be following with considerable interest these consultations and will continue to raise any issues and concerns with the minister.

Finally, the petition raises concerns about foreign based groups—in this case, Pew—instigating Australian environmental policy. I can assure petitioners that the Pew Environment Group, funded out of the United States, is not in control of environmental planning in Australia. The bioregional planning process was instigated and begun under the former Howard government, following the establishment of the Environment Protection and Biodiversity Conservation Act. The Rudd government is moving forward with this bio-

regional planning and I would encourage all those with an interest in the Coral Sea to engage in the consultation processes constructively. I congratulate Mr Bayne, Mr Erskine and all of the 2,053 people who have signed these petitions in support for actively participating in our Australian democracy. I look forward to the parliament's response to this petition.

The petition read as follows—

To the Honourable the Speaker and Members of the House of Representatives

This petition of the citizens of Australia.

Draws to the attention of the House:

Our concern over any possible actions by any government departments, ministers or government authorities that will result in any usage restrictions, access, or additional controls over the area known as The Coral Sea beyond those that exist under current legislation. We express considerable concern over several aspects of the PEW Foundation's proposal to establish the Coral Sea Heritage Park and demand that this proposal be dismissed immediately in its entirety. Public consultations on previous environmental issues have been extremely poorly advertised with little concern for the public opinions expressed.

We therefore ask the House to:

That any proposed environmental policies in Australia be instigated by Australian organisations and that Australian environmental policy be under the control of a duly elected Australian Government. In future we demand that the public consultation process be conducted transparently and not purely for the purpose of fulfilling a bureaucratic requirement.

from 1 citizen

Petition received.

Coral Sea Heritage Park

Herbert Electorate

Mr LINDSAY (Herbert) (9.49 pm)—I am pleased that the member for Leichhardt has raised this issue tonight and I would like to add my contribution in relation to it. I have long been on the public record calling for the

expansion of the Great Barrier Reef Marine Park to cover further coral reefs in that area. I have been particularly concerned about the impact on the shark fishery in that area. That is where there have been some very significant adverse effects from unscrupulous fishers, and the shark population should be better protected. I am hoping that will be an outcome of the current government's process in relation to the Coral Sea.

Tonight I want to raise the issue of how Townsville people have been done in the eye by the Rudd government and I will give several examples. The member for Blair will know that I have Australia's largest defence base in my electorate, and we have had this conversation previously. I may bring 9 FSB up to Townsville, sir, so watch out!

Standing at Lavarack Barracks on 12 November 2007, the current Prime Minister promised to increase defence spending by at least three per cent real annually to 2016. He said:

We believe that those in uniform, our men and women in uniform who serve our country with distinction deserve that level of certainty ...

Yet the heart of Labor's Pappas review into defence was to slash spending. In the 2009-10 budget, Defence has been required to make \$20 billion worth of savings over 10 years. It is a case of the Rudd government giving with one hand and then taking back with the other.

Then there is the other broken promise, which was particularly felt in my electorate of Herbert, where the Prime Minister and the shadow minister for defence at the time indicated that the first of the new family medical centres that Labor were promising would be opened in both Townsville and Darwin. Well, neither Townsville nor Darwin has received a family medical centre but other centres have. It is a clear broken promise in relation to the Australian Defence Force.

Look at the promise of the national broadband network. In March 2001 Mr Rudd said:

We're proposing to invest up to \$4.7 billion in this proposal ...

Mr Rudd also promised that it would be commenced in late 2008. Now there is a new plan, and the new plan will not cost \$4.7 billion but \$43 billion. The promise was that construction would commence by late 2008—yet another broken promise. There has been no construction commenced and we will not likely see any construction for some time. My community of Magnetic Island, near Townsville, is not even going to be covered by the national broadband network. That is quite extraordinary for a community like Magnetic Island.

In relation to roads, the Douglas arterial received \$55 million to become four lanes in the budget before last. Do you know how much work has been done on that four-laning project? None. We do not even know when it might start. The ring road is finished but the four-laning of the Douglas arterial, which was to take the extra volume of traffic generated by the ring road, does not even have a commencement date at this stage, yet it is supposed to be and is touted as being a nation-building project. How can it be a nation-building project if it is not being built?

In relation to private health insurance, in a letter to the Australian Health Insurance Association on 20 November 2007, Kevin Rudd said:

Federal Labor is committed to retaining the existing private health insurance rebates.

Never was an election promise given so emphatically and then broken so brazenly. It has had such a terrible flow-on into the public hospital system and the private hospital system in Townsville, but that is another story for another day. On ABC TV on Wednesday night the Prime Minister, under pressure from unions wanting the abolition of the

Australian Building and Construction Commissioner, was very quick to say:

We will be adhering to our pre-election commitment. I take absolutely seriously my commitment to the Australian people prior to the last election.

I just wish he would 'take absolutely seriously' all of his other commitments. Labor keep election promises when it suits them and break them when it does not. The Australian people cannot ever again trust what the Australian Labor Party tells them.

Mr Herbert Morton Olm

Mr NEUMANN (Blair) (9.54 pm)—I am speaking tonight about a remarkable individual. His name is Herbert Morton Olm. He was born at Ropeley in the Lockyer Valley on 7 August 1908. He is still with us. He is a much loved and respected and popular figure in the Laidley Tabeel aged-care home. Until recently he lived on the family farm at Ropeley with the support of his family. His grandson Joshua works for me as an electorate officer and is the treasurer of my branch of the ALP, the Raceview Flinders branch in Ipswich.

Herb is an interesting character. Herb joined the Labor Party in 1930. He would have joined earlier but in Queensland at that stage you had to wait until you were 21 to join the Labor Party. In Queensland now you can join the Labor Party at 15 years of age. He was made a life member of the party in 1978. In 1936 he married the love of his life, Maud, and they were blessed with eight children and many grandchildren and great-grandchildren. He was appointed a Justice of the Peace in 1934, one of only three in Gatton at the time, and he is Queensland's longest serving JP. The most remarkable thing about his life is this: he lived all his life in the Lockyer Valley, which has always been a fairly conservative area. It is part of my electorate but traditionally it has voted conservative. He has been involved in many coopera-

tive and society activities in the Lockyer Valley and is a Lockyer legend. In fact, the former conservative state member for Lockyer described him as a one of the 10 most important people in the Lockyer Valley.

One of the most interesting things about Herb is that in 1960 he managed to convince a very young police officer called Bill Hayden that he should run for the seat of Oxley. Oxley was created in 1949 and held by the then health minister, Don Cameron. Oxley had existed before, but it had been renamed Griffith in 1934. But it had never been held by the Labor Party. Bill won it with a remarkable swing of 9.4 per cent. Herb took nine months off from the family farm to go full-time campaigning with Bill Hayden. Herb wrote many speeches. Bill was a young fellow and he had Dallas with him in an old car and they drove around all over the place. Herb introduced Bill to many farmers, cattlemen and people involved in all kinds of activities in the Lockyer Valley.

On Herb's 100th birthday, Bill Hayden spoke movingly and brilliantly at the Gatton Shire Hall. Many people were there, including the Minister for Ageing, Justine Elliot. There were messages from all and sundry, from political leaders and one from the Queen. The mayor of the Lockyer Valley Regional Council was there, and I was honoured to be there among the 160 people. Bill attributed much of the swing that he got in 1961 to Herb. He spoke almost tearfully about what Herb had done for him: the mentoring, the advice, the counselling, the people Herb had introduced him to. His sage help was invaluable in Bill winning in 1961. I have Bill's old seat and it is very much as it was in 1961, except I have got Boonah instead of Esk.

People like Herb who have lived all their lives campaigning and being involved in community activities like Blue Care and

many other voluntary things should be honoured. We should cherish them. People like Herb are not just an institution and a legend in the Lockyer Valley; they are to be admired and respected. His generation is a great generation. His contribution to political life and community life in the Lockyer Valley cannot be underestimated. I want to pay tribute to Herb and thank him for his generational contribution: now his grandson is helping me and his family has been involved in helping run Labor Party campaigns and helping the cause of the labour movement for generations. Thank you, Herb, for the life you have lived. Thank you for what you have done for me, Bill Hayden and all those people who hold the principles of the Labor Party and the labour movement so dear. Well done, Herb.

Question agreed to.

House adjourned at 9.59 pm

Monday, 15 June 2009

The DEPUTY SPEAKER (Ms AE Burke) took the chair at 4.06 pm.

DEFENCE LEGISLATION AMENDMENT BILL (No. 1) 2009

Second Reading

Debate resumed from 14 May, on motion by **Mr Snowden**:

That this bill be now read a second time.

Mr ROBERT (Fadden) (4.06 pm)—I rise to make some brief comments on the Defence Legislation Amendment Bill (No. 1) 2009, notwithstanding some amendments we will seek to move with respect to parliamentary oversight. It is an important move forward for Defence to provide the standing military with an opportunity to provide ex gratia payments in the event of death or property and the destruction thereof. It is important to understand that defence, in combat operations, is operating in an ambiguous environment across land, sea and air, in conditions generally not of our choosing, on ground we did not select and operating more and more frequently in urban environments with highly technical gear. Whilst with a greater degree of precision in munitions and firepower, inevitably in all wars unfortunate civilian casualties occur. Whilst our Defence Force has made, and will continue to make, every effort to ensure that non-battle casualties are at best zero or at worst extremely minor, the harsh and brutal reality of combat operations is that fighting in difficult conditions, in difficult terrain, in unseasonable weather and against an enemy that at times is unidentifiable makes it extremely difficult. In such an environment, for a bill to come forward that provides a quick and easy manner for a battlefield commander to approve an ex gratia payment on the ground is most welcome. Whilst the death or, indeed, the destruction of property is unfortunate, for a commander to quickly and simply negotiate the issue, to achieve an agreed solution with communities and to exact payment on the ground within days or, indeed, hours will go a great way to ensuring strong relationships are built between Defence Force personnel and those in whose country we serve.

Presently the situation in the event of a civilian death, a non-battle casualty or the destruction of property may require an appropriation to Defence Force headquarters or perhaps even to parliament that can take weeks and, indeed, months, and during that intervening period the ability to build a relationship with the people of that community or that nation is substantially and, in many cases, irreparably damaged while the waiting process goes on. If a field commander of appropriate rank could approve a payment on the spot that allows reparations to be made at whatever the going rate in the community is, it will allow our Defence Force to build those bridges, to acknowledge wrong, to compensate at the appropriate rate and level as is culturally applicable, and to move on. In that respect the bill is strongly supported. What is needed of course is a strong accountability process and an ability to understand exactly what is occurring on the field; hence, the amendments to be moved by the coalition on reporting to an appropriate committee such as the Parliamentary Joint Committee on Intelligence and Security or the Defence Subcommittee of the Joint Standing Committee on Foreign Affairs, Defence and Trade.

There is also room, and I acknowledge the Parliamentary Secretary for Defence Support, to widen the legislation at some particular time. It is important that we look to the areas of intel-

MAIN COMMITTEE

ligence and security and look at exactly how we can widen the ability for payments to be made by field commanders on the ground to achieve a whole range of outcomes—not just in the ex gratia component of a compensatory nature, but also in other areas where intelligence and security works. With that, considering the parliamentary secretary and I both served operationally overseas, and we both know exactly where dollars and cents could be used by field commanders on the ground, I will leave it stated.

Dr KELLY (Eden-Monaro—Parliamentary Secretary for Defence Support and Parliamentary Secretary for Water) (4.10 pm)—It is a great pleasure to speak on this bill, and I acknowledge the words of my colleague the member for Fadden; he makes some very valid points. Certainly we have seen this sort of degree of discretion available amongst our colleagues in coalition environments such as the United States forces, who have what is known as the CERP funds available to them—the Commanders Emergency Response Program funds—which have been used to great effect in many operational environments. This legislation, for the tactical payments scheme and the defence homeowners assistance scheme, is vital for the two operational reasons of (1) dealing with our operational situation and enhancing our ability to operate in more difficult environments where there is no host nation authority available and (2) as an incentive towards retention and recruitment in the Australian Defence Force.

The tactical payment scheme is a defence-specific discretionary mechanism, which will be managed solely by Defence. This does not preclude Defence from having the option to use the existing act of grace provisions in the Financial Management and Accountability Act, but it does give the minister the power to authorise payments to a person who is not an Australian citizen who may suffer loss, damage or injury outside of Australia because of an incident that occurs in the course of the operations of the ADF, and the minister considers it appropriate. It acknowledges that in many cases and in many areas where the ADF operates, financial compensation for collateral damage to property or for injury or loss of life is often a common expectation of local cultures. In this respect, I claim some parentage in relation to this scheme in that the very first implementation of some sort of operational payments occurred in the context of Somalia, when the 1st Battalion, Royal Australian Regiment, was deployed to the area of the Bay province. I was very pleased to institute a tactical field payment system that relied upon the act of grace payments framework at that time. But it is interesting to refer to that experience to understand why this mechanism is so important.

My colleague the member for Fadden referred to those difficult operational environments akin to either counterinsurgency or stabilisation operations, also very similar to many peace operations contexts, where we have a situation where a host nation authority is nonexistent or is completely broken down, where the threat elements that you have to deal with may not be readily distinguishable from the civilian population and where the day-to-day operations of the troops may cause some incidental damage and disruption to civilian life. In Somalia that was the situation that applied. Quite often when we are dealing with the deployment of our troops to foreign environments in a normal context, we will have perhaps a status of forces agreement framework within which compensation arrangements can be managed. Of course that is not the case when the mechanisms of the state have completely broken down.

It is very important for deployed forces to show respect for the host nation culture that we operate in. It is very important that we take their complaints seriously, that we deal with them

as human beings. It is very important to do that to maintain the relationship between the deployed forces and the community. It also helps to build the support of that community in relation to the threat elements that we are dealing with. So there is a very real and practical purpose in an operational sense in instituting these measures, as well as the moral imperative of dealing with the compensation required for any damage that the force might cause. In Somalia we introduced a system whereby we had a complaints day, if you like, where any person who had a complaint or had suffered some damage as a consequence of the activities of the ADF could come forward to me and register their complaint. We issued the soldiers with field cards. They could hand these out to members of the civilian population who were aggrieved. The civilians could complete those cards and bring them forward to the complaints day. The soldiers would retain one stub of that so that the complaint could be investigated fully, appropriate compensation settled on and then the compensation paid.

It is interesting, though, that cultural circumstances do vary from time to time and some flexibility is required. In almost every operational environment that I have been deployed in there was some form of traditional dispute mechanism. In Somalia this was known as the 'dia'. The death of an individual within a tribe would be compensated with camels. If a male died it would be 100 camels that you had to compensate the tribe with; if a female died it was 50 camels. Unfortunately, there is a degree of inbuilt gender bias there but that was the cultural system. We did not have camels to deal with the community. There was some thought—as a joke—to maybe ship them over in *Tobruk*, but what we did was work out the dollar value of a camel. On the basis of about US\$100 per camel we worked out that compensation for any accidental death caused would be about US\$10,000. We did have a situation where that did arise.

In general terms we would always deal with situations where damage to property occurred; for example, where APCs accidentally knocked over walls et cetera. These payments had to be administered through a fairly cumbersome process relating back through financial processes to Australia, which led to significant delays. In this sort of environment the quicker you can operate the less angst and grief you will cause.

Somalia was not alone in having this sort of cultural dispute resolution mechanism. In Timor there is the 'adat' system. You will see similar versions of this in Iraq, for example, where they have the 'urf' system and in Rwanda the 'gacaca' system. There are many versions of these tribal systems of compensation that you will encounter in many different environments so it is a very welcome additional tool to the golf bag that the commander will bring to bear in these very complex environments to help smooth the way of our forces.

Our experience has shown that the administrative requirements involved in making these payments as act of grace claims makes that system unsuitable for use in operational environments. The new system will allow for small, expeditious capped payments to be made in operations overseas and that will operate independently of the act of grace system. It will be managed and operated by Defence. The payments will be capped at levels set by government, taking into account a number of factors including, as I have mentioned, the prevailing culture and society within the area. Recognition of such customs is vital in building our relationships with local communities. The small delays in making payments can have a negative impact on those relations and this has had a great deal of bearing on the shaping of this legislation.

The TPS will operate independently of the act of grace payment provisions. Currently payments of this nature can only be made by the government under the act of grace provisions in the Financial Management and Accountability Act 1997. Defence may, of course, continue to have recourse to act of grace provisions, particularly where these amounts are large in nature. The TPS scheme will not necessarily preclude any further legal action that an individual might take in relation to actions of the ADF. One caveat will be that the TPS payments cannot be made more than 12 months after the relevant incident. So there will be a time limitation factor involved there.

The Defence Home Ownership Assistance Scheme that is also before us today is a scheme that I wholeheartedly welcome as well. This is a measure that was specifically designed and directed to deal with our recruitment and retention situation. As we know, the Defence Force has faced a significant challenge in recent times in relation to a very tight labour market, particularly in the area of our skilled Defence Force personnel, many of whom were drawn away to the mining industry. Something definitely had to be done in that respect. Now, of course, with the release of the white paper and the ambitious targets that have been set in relation to recruitment and the size of the Defence Force we require out to 2030, it will be important to implement measures along these lines.

I know from my contact with Defence personnel that this is a measure that was eagerly awaited, and lots of decisions about future career and separation from the Defence Force were put on hold pending the outcomes of the introduction of this legislation. Not only members of the regular forces but also those who render regular and committed service in the reserves will be supported and encouraged by this legislation. Introduced on 1 July 2008 as an initiative designed to improve that situation, the legislation provides for the payment of a subsidy on home loan interest for members and former members of the Defence Force. It encourages retention, as the scheme offers an incentive to members by rewarding them with increased assistance as a member passes specified career points. So there are aspects of this which relate to the amount of time that a member serves in a particular service, perhaps in active service or warlike operations overseas.

The legislation recognises that due to the nature of their careers defence families and members may find it difficult to purchase a home. This is a very significant point. We often have the situation these days that for a person to purchase a home it is essential that both partners work. But it is a regular requirement for our Defence Force personnel that they be moved around the country. In my own case that meant the sacrifice for my wife of her career, and you quite often become dependent on the single wage of the defence spouse. This is a significantly limiting factor in the ability of a Defence Force member to purchase a home. So this is only an equitable measure that we are taking for Defence Force personnel in distinction to the general community.

Since being introduced, the scheme's administrator, the Department of Veterans' Affairs, has issued 11,255 subsidy certificates to eligible ADF members and 5,197 have commenced receipt of the subsidy assistance. So it shows a very significant take-up of the scheme. The changes to the scheme will also remove the unintended windfall gain in the eligibility and entitlement of members who rejoined the ADF after a break in service prior to 1 July 2008 and will ensure members who rejoined the ADF prior to 1 July 2008 are provided with the same eligibility and entitlement as those who rejoined after that date. ADF service performed

before a break in service of greater than five years is not considered to be effective service for the purpose of calculation of a member's eligibility or entitlement. A break in service of not more than two years for members rejoining the reserves and not more than five years for members rejoining the permanent forces does not affect the member's eligibility or service credit. The bill also ensures that only those members who are buying a home for the first time while a member of the ADF have access to the subsidy lump sum payment option.

This legislation represents the continuing concern that this government has for the welfare of our Australian Defence Force personnel. There is no higher priority for us. There is no issue that is higher on our agenda. This government is introducing a raft of measures to ensure the welfare of our Defence Force personnel, bearing in mind the old homily we use in the Defence Force that you recruit the soldier, sailor and airman but you retain the family. It is when a member achieves that position in his or her career, where there has been quite an investment of training and a lot of dollars spent to create a skilled and professional member, that the issue starts to arise about their continued service in the ADF once they have acquired a spouse and family. We have to make sure we target that decision-making period in a defence member's life to ensure that we can hang on to that wonderful experience and professionalism. We have to be more flexible in their career design so that they can move in and out of reserve or permanent force service and bring back to us the civilian experience they have and perhaps find other creative ways to share their experience with industry but also make sure that when they render service, particularly in remote locations, we can provide them with the support they need in other areas, such as in health et cetera.

Added to the measures that we have debated here today, we will now be moving forward to the health test which is being rolled out in remote regions such as in Karratha and Tindal and across the north and, moving into phase 2, we will see that expanded to Townsville and Puckapunyal and other locations such as Darwin. Thousands of Defence personnel will benefit from those health support measures which will make sure that families of defence members will have access to free medical health.

There are a raft of issues that we are aware of. We are implementing policies to make sure that we do retain our professional and experienced personnel. We owe them that much. Those in the Defence Force have arduous careers. A lot of people focus on the hazards and the casualties that occur in operations overseas, but extreme endurance is required just to get to the point where you are able to be deployed. Acquiring those skills and surviving the training is quite a hazardous experience. It is well and truly above what a normal member of the community may be expected to experience or endure during their careers.

These are measures that I believe we owe to our defence members. They are measures that we need to implement to make sure that a career in the Defence Force is the career of choice for Australian citizens.

Dr JENSEN (Tangney) (4.26 pm)—The Defence Legislation Amendment Bill (No. 1) 2009 is welcome recognition—although it is very belated—of the changing nature of warfare. In the first half of the century since Federation we were involved in four major conflicts. There was the Anglo-Boer War, also known as the second Boer war, in addition to World War I, World War II and Korea. Those conflicts were essentially conventional in nature. They involved nation state against nation state and there were clearly codified rules of conduct with the warfare. In addition, peace treaties drawn up after the war were very conventional in form.

Subsequent to Korea, we have been involved in Vietnam, Iran, Afghanistan and a whole host of other what you could call brush fire wars. They certainly have not been conventional in nature. Indeed, the understanding of the conflict by the combatants is not the same as has been conventionally understood. Therefore, it is very necessary that there be some flexibility built into the system to ensure that—to use the terminology—we win the hearts and minds of the people we are at war with in addition to actually physically winning the military conflict. In these sorts of conflicts it is always the so-called peace that comes afterwards that is highly problematic.

In these situations we have to recognise the fact that things have changed. We are operating in different areas where there are different cultural niceties and sensitivities to observe. This is something we have not conventionally done. We have been very codified in the way that we do things. It is time for some flexibility to be built in. This is precisely what this legislation seeks to address. It allows payments to be made to families of people who have been killed, or otherwise reparations for damages or injury to be made, by an officer at lieutenant colonel rank or above or APS6 or higher. This is extremely welcome, but we believe there needs to be an accountability step included in this legislation. In our view, there needs to be reporting to a parliamentary committee or an oversight committee. Obviously, many of these payments will be sensitive in nature and you would not want those to be made public, but there should be that accountability step where parliament assesses not the legality but the ethics and morality associated with payments.

The other aspect of this bill that has been covered very ably by the parliamentary secretary concerned is defence homeownership. As he correctly stated, there are huge problems with defence personnel having to be shifted from different locations around the country. It is very appropriate that some assistance is provided for this. However, this bill removes the unintended windfall gain of members of the ADF who left the service prior to 1 July 2008 and have subsequently rejoined, effectively stopping the second bite of the cherry. It also ensures that only serving members purchasing a home for the first time have access to a lump sum payment. In summary, I and the opposition support the bill, both the tactical payment scheme and the defence homeownership provisions. However, with the tactical payment scheme it is our view that a further amendment needs to be put in, looking at aspects of parliamentary oversight.

Mr COMBET (Charlton—Minister for Defence Personnel, Materiel and Science and Minister Assisting the Minister for Climate Change) (4.31 pm)—The Defence Legislation Amendment Bill (No. 1) 2009 makes amendments for two separate measures. I will refer to them in summing up the debate. The first measure introduces a new part into the Defence Act 1903 to allow for a tactical payment scheme which will provide an efficient and effective means for making expeditious, no liability payments to persons who suffer damage, injury or loss due to ADF activities abroad. This is a very important amendment which is a direct response to Australian Defence Force operational experience, particularly, in recent years, in Iraq and Afghanistan.

I would like to thank all of those who have contributed to the debate. I also thank the honourable member for Lyne because he put forward a number of questions relating to the current act of grace scheme and why that scheme does not meet the needs of operational matters for defence. It highlighted recent experiences in Iraq and Afghanistan which have shown that the

current administrative requirements involved in making act of grace payments do not enable timely and responsive payments to deserving individuals. While Defence and the Department of Finance and Deregulation have developed, over a period of time, a close working arrangement to enable timely payments, the turnaround time is still at least three to five days. As locals have an expectation of immediate financial recompense for damage or for injury, any delay runs the risk of causing ill feeling. This in turn may affect the ability of the ADF to win the hearts and minds of the local communities in which they are deployed. Respect for, and recognition of, local customs is vital for building relationships with these communities. In turn, it enhances the safety and security of our deployed ADF personnel to make such timely payments.

As the members for Paterson and Herbert also made clear, it is critically important to empower our people on the ground to be able to take immediate action. The tactical payment scheme allows our deployed personnel to address such instances in very rapid time. The tactical payment scheme has been developed in close consultation with the Department of Finance and Deregulation as well to ensure that it meets the needs of Defence and the relevant financial transparency and accountability requirements. To allay concerns raised in the debate over the reporting requirements and accountability of the tactical payment scheme, I can inform the chamber that the tactical payment scheme will be bound by strict and transparent parameters. Although the bill does not explicitly outline reporting, this does not mean that there are no provisions for accountability and reporting.

While there is no specific mention in the bill, the effect of the Financial Management and Accountability Act 1997 is that there is an obligation to report in the Defence annual report. This is similar to other equivalent schemes, such as act of grace payments and special circumstances payments made under section 73 of the Public Service Act 1999. To put this issue beyond any doubt, my predecessor in the portfolio, Minister Snowdon, wrote to Minister Tanner, the Minister for Finance and Deregulation, who has agreed to amend the finance minister's order to explicitly recognise Defence's obligation to report on the tactical payments scheme in the Defence annual report. The report will identify by operation the total amount paid for casualties and for other damage. The tactical payments scheme may also be subject to audit by the Australian National Audit Office.

All payments made in theatre will be recorded at the time of payment, in accordance with guidance provided by Headquarters Joint Operations Command. Specific details of payments under the tactical payments scheme will not be made public for reasons of privacy and operational security: firstly, disclosure may be dangerous to the safety of the recipients and compromise their privacy and, secondly, Defence is obliged to avoid disclosure of operationally sensitive information, particularly where that could endanger the security of deployed personnel.

I would also like to confirm that there will be no additional financial impact for this legislation because the tactical payments scheme will cover the payments that in the past have been made by other means, particularly through the act of grace mechanism, which are Defence portfolio funded. In sum, the tactical payments scheme we believe is an overdue initiative to allow small expeditious payments to be made to locals adversely affected during ADF operations overseas. The scheme will be bound by strict transparency, accountability and reporting

procedures. Equally as important, it will allow Defence to remain respectful of individuals' right to privacy and the need to protect them from being targeted by enemy forces.

There have also been some contributions made by many speakers on the second amendment, which relates to the Defence Home Ownership Assistance Scheme Act 2008, which provides the legislative basis for the operation of the Defence Home Ownership Assistance Scheme itself. The Defence Home Ownership Assistance Scheme commenced on 1 July 2008, but a number of unintended outcomes, inconsistent with the initial policy intent, subsequently became apparent. I think a number of the speakers, including the member for Tangney, made reference to this. The bill addresses these issues, ensuring the scheme is consistent with the initial policy intent. Finally, I thank all the contributors to the debate on this amendment bill and commend the bill to the House.

Question agreed to.

Bill read a second time.

Message from the Governor-General recommending appropriation announced.

Ordered that this bill be reported to the House without amendment.

APPROPRIATION BILL (No. 1) 2009-2010

Cognate bills:

APPROPRIATION BILL (No. 2) 2009-2010

APPROPRIATION (PARLIAMENTARY DEPARTMENTS) BILL (No. 1) 2009-2010

Second Reading

Debate resumed from 4 June, on motion by **Mr Swan**:

That this bill be now read a second time.

Mrs D'ATH (Petrie) (4.38 pm)—I rise in support of the Appropriation Bill (No. 1) 2009-2010 and cognate bills before the chamber. Although the main purpose of the bills before the House is to propose appropriations from the Consolidated Revenue Fund to do with the 2009-10 budget, I believe the titles of the bills and explanatory memorandums do not do justice to what the 2009-10 budget delivered by the Treasurer will actually achieve for this country.

With the unemployment rate forecast to reach a peak of 8½ per cent during 2010-11, with a write-down of \$210 billion from the government revenue, the only thing that a responsible government could do is bring down a budget to deal with major investments in jobs now and infrastructure in the long term. Of course, the initiatives outlined in the 2009-10 budget built on the Rudd Labor government's stimulus package, which was announced late last year, that saw payments going to many people in need in the community. It delivered stimulus payments before the Christmas period, at a time when countries were under real pressures as a result of the global economic crisis—not the worst of it then but certainly a significant decline had occurred by then.

This federal government took very early action in pre-empting the decline in private investment. It saw the need for expenditure to be occurring in the community to support business. That stimulus package back in December 2008 provided stimulus for a very large sector in the electorate of Petrie—that is, the retail sector. We have seen figures in recent times that show that what we have experienced in Australia is extraordinary compared to what many of

the developed countries around the world have seen in retail. This country is experiencing growth where other countries are experiencing significant decline. No-one on any side of this House can deny that growth in the retail sector supports jobs. You cannot support jobs if you have rapidly declining growth in the retail sector.

In addition, this government announced the nation-building package back in February of this year. That built on the stimulus package and started putting initiatives in place, investment in infrastructure in the short term, that saw jobs being supported locally. In my electorate of Petrie, 34 schools have already been successful in rounds 1 and 2 for Pride funding. They are doing work such as painting of classrooms, carpeting, buying new furniture, putting in electronic whiteboards, building covered walkways and building shade areas over playgrounds. This is no doubt going to stimulate local jobs. It is going to support manufacturing. It is going to support businesses who provide the materials, who provide the furniture and who provide the whiteboards in my local area. Those businesses consequently will be able to retain people in employment.

But also, in talking about all these initiatives, we should not lose sight of the long-term benefits for schools in all this. I know some may hold the view that building halls and libraries, repainting classrooms, putting new carpet on floors and getting new furniture does not necessarily support furthering a child's education. I say to all of those people: go into those schools and talk to the principals, the teachers and, more importantly, the parents and the students who are benefiting from those changes in their schools. It changes the attitude of children when they go into a new classroom that is a fresh and vibrant place. It helps children learn.

No-one can tell me that sitting in a hall to have assemblies, concerts or graduation ceremonies does not put pride in a school and in its students compared to sitting on asphalt in the middle of winter or summer under a small covered area next to toilet blocks, which is what some of the schools in my electorate experience. I know one particular school that has to cancel the school parade every three or four weeks simply due to rain because the children are exposed to all of the elements by the current structure of the school. This school is very excited at the thought of having a school hall, which is something that they thought was never going to happen. That school is also getting an extension to the library and, with their Pride funding, doing many important refurbishments. Other schools are talking to me about how many electronic whiteboards they will have and that they will have enough to go around all of their classrooms because of previous investments that the schools have made in that technology. These are some of the initiatives that this budget builds on.

In my electorate we also have new social housing units going in. We have many social housing homes and units that are being repaired so that they can become available for people in the area of Petrie. I think one of the most important things that has come out of the 2009-10 budget by the Rudd Labor government has to be the investment in major infrastructure in this country. We have seen as a consequence of the two previous initiatives, the stimulus package and nation building, and importantly as a result of this budget the most significant investment in infrastructure that this country has seen in decades.

Without the government's action the level of GDP would have been 2¾ per cent lower in 2009-10 and 1½ per cent lower in 2010-11. We cannot ignore these figures. Government action is expected to support up to 210,000 jobs and without action the forecast for the unem-

ployment rate would reach 10 per cent. These may just sound like figures but in my electorate, my areas, my suburbs, that figure is certainly significant. With areas of my electorate already experiencing high youth unemployment before the global economic crisis we have to do everything possible to ensure that we support jobs and that is what this budget clearly does.

I commend this government for their \$8½ billion investment in our roads, rail and ports. I know I have spoken in this House previously about my commitment to support initiatives such as a Redcliffe rail line—something that has been rallied for for many years in my electorate. The elected representatives in the area—state, council and federal—all support the need for a rail line. Although we will continue to have that fight, it is important that I recognise and put on the record my support that this budget is committed to improving the metro rail network in Brisbane. Irrespective of a Redcliffe rail line, if we do not improve the rail network in our CBD area we will struggle to cope with the demand for the public system. It would be extremely difficult for the state government to put on any additional trains or services until such time as major investment is done in the CBD area. I see investing in our CBD area as a step forward for the proposal to eventually get a Redcliffe rail line. Improving the central public rail network consequently sets a framework to expand the rail networks out in the metropolitan areas.

In relation to the commitment on clean energy, with Moreton Bay as the backyard to my electorate, it is true to say that many of my constituents understand the importance of addressing climate change. They were extremely pleased when this government signed the Kyoto protocol. We are doing what we can to pursue the Carbon Pollution Reduction Scheme and, at the same time, investing in clean energy. Importantly, in this budget, this government has invested \$4½ billion in the Clean Energy Initiative, not only to assist Australia's transition to a low-pollution economy but also, equally, to help build the jobs for the future by investing \$2 billion over the next nine years to carbon capture and storage demonstration projects; \$1½ billion over the next six years for up to four large-scale solar electricity generation projects; and \$465 million to establish Renewables Australia—an independent body to support leading-edge renewable technology research and development.

This is, of course, on top of the commitment to the National Broadband Network, which is certainly welcomed in my electorate. I have many black spots. Despite being just outer metropolitan Brisbane, it is amazing how many broadband black spots there are in my electorate. I know that my local community have been eager to see the federal government commit to such an initiative and are pleased that we have done so in this budget.

I think it is very important to acknowledge the commitment in this budget to what is, I believe, a 25 per cent increase in research and development for business. When I was campaigning as a candidate, I lost count of how many times people said to me, 'Why don't we have a government that supports ideas and sees those ideas turn into businesses in Australia as opposed to watching these great ideas go overseas and grow from there?' I certainly welcomed the initiative to invest more in R&D in our businesses and to turn those ideas into commercial reality.

Another initiative I would like to address in relation to this budget is the important commitment to hospitals. The \$3.2 billion for the Health and Hospitals Fund will see much needed investment in the health sector. I am certainly pleased that we have one of the first GP super-

clinics announced in Queensland being built at Redcliffe, with a fantastic consortium—the Redcliffe Hospital Foundation and the University of Queensland. This clinic not only will provide care in relation to chronic disease and acute illnesses but also, importantly, will be concentrating on research and education—training up GPs, registrars, nurses and allied health professionals. We look forward to the day that that facility opens.

Lastly, I mention the commitment by this government to provide improvements to the payments to pensioners. I have 21,257 pensioner recipients who will benefit from this budget and this initiative. It is a welcome commitment by this government to increase the base rate of the pension payment. I know it will provide relief to many, many people in my electorate. It was an announcement that was certainly welcomed by many of the pensioners in my electorate. For all these reasons and many, many more that I will not have the time to outline, I commend these appropriation bills to the chamber.

Mr BYRNE (Holt—Parliamentary Secretary to the Prime Minister and Parliamentary Secretary for Trade) (4.54 pm)—I would like to talk about trade and the Appropriation Bill (No. 1) 2009-2010 and the Appropriation Bill (No. 2) 2009-2010. We know that trade has been hit hard by global recession. In fact, we know that the World Trade Organisation is predicting global exports will drop by nine per cent this year and that Australia forecasts that global trade flows could shrink by as much as 11 per cent this year. If realised, this would be the sharpest fall in world trade in the postwar period.

For export-reliant economies in the Asia-Pacific this downturn is being felt very hard. Jobs have been lost and incomes have fallen. In this region, both workers and decision makers understand that trade is integral to continued national prosperity. Under these tough circumstances many APEC economies have felt the pressure of calls for protectionism. It has been hard to contain these protectionist measures and pressures. The Australian government remains confident that we have the structure to deal with the worst of the protectionist tendencies—that structure is called the World Trade Organisation—and that there are effective disciplines within that system that guard against protectionism.

In April, G20 leaders also renewed their commitment to concluding the WTO's Doha Development Round, the successful conclusion to which would help underpin the global economic recovery. We have seen continued progress at the recent Cairns Group meeting in Bali, hosted by the Minister for Trade, Simon Crean. On 24 and 25 June, trade ministers will attend the OECD meetings in Paris, fittingly on the theme 'The crisis and beyond: building a stronger, cleaner and fairer world economy'. This provides another opportunity for discussions aimed at concluding the round at the political level ahead of the G8 summit in Italy in July. The G20 grouping has provided great leadership also, reaffirming the commitment of that grouping to avoid the past protectionist mistakes.

Protection and protectionism shackle growth in Australian employment, growth in Australian exports and growth in Australian prosperity. Protectionism leads to artificial barriers being created against higher quality, more competitive production and improvements in the volume of our exports. It actually borrows from Peter—and not Peter Costello—to pay Paul. Protectionism unites disparate political traditions—the collective wisdom is clearly on the side of free trade. In fact, somewhat incongruously, I quote former US President Ronald Reagan in his weekly radio address to the nation on 5 December 1988. He prefaced his remarks on trade by observing that the United States declared its independence for a variety of reasons, one of

which was the restriction of trade with other European powers. He made the following observations regarding the policies exemplified by the Smoot-Hawley Tariff Act:

America's most recent experiment with protectionism was a disaster for the working men and women of this country. When Congress passed the Smoot-Hawley Tariff in 1930, we were told that it would protect America from foreign competition and save jobs in this country—the same line we hear today—

over and over again. He went on:

The actual result was the Great Depression, the worst economic catastrophe in our history; one out of four Americans were thrown out of work. Two years later, when I—

that is, Ronald Reagan—

cast my first ballot for President, I voted for Franklin Delano Roosevelt, who opposed protectionism and called for the repeal of that disastrous tariff.

Ever since that time, the American people have stayed true to our heritage by rejecting the siren song of protectionism. In recent years, the trade deficit—

and this is more recently—

led some misguided politicians to call for protectionism, warning that otherwise we would lose jobs. But they were wrong again. In fact, the United States not only didn't lose jobs, we created more jobs than all the countries of Western Europe, Canada, and Japan combined. The record is clear that when America's total trade has increased, American jobs have also increased. And when our total trade has declined, so have the number of jobs.

Part of the difficulty in accepting the good news about trade is in our words. We too often talk about trade while using the vocabulary of war. In war, for one side to win, the other must lose. But commerce is not warfare. Trade is an economic alliance that benefits both countries; there are no losers, only winners. And trade helps strengthen the free world.

In fact, I will refer to another United States President on this very same issue. Upon signing the landmark Trade Expansion Act on 11 October 1962, Mr Kennedy said:

This act recognizes, fully and completely, that we cannot protect our economy by stagnating behind tariff walls, but that the best protection possible is a mutual lowering of tariff barriers among friendly nations so that all may benefit from a free flow of goods. Increased economic activity resulting from increased trade will provide more job opportunities for our workers ... Lowering of our tariffs will provide an increased flow of goods for our American consumers. Our industries will be stimulated by increased export opportunities and by freer competition with the industries of other nations for an even greater effort to develop an efficient, economic, and productive system. The results can bring a dynamic new era of growth.

That was in 1962, involving the same issues. Recently, following the G20 meeting in April, US President Barack Obama observed:

... we have rejected the protectionism that could deepen this crisis. History tells us that turning inward can help turn a downturn into a Depression. This cooperation between the world's leading economies signals our support for open markets, as does our multilateral commitment to trade finance that will grow our exports and create new jobs.

That is all on the growth front.

As you can see, Mr Deputy Speaker, there is a common theme emerging here historically. In his tribute to the late John Button in the *Australian* last year, former Prime Minister Paul Keating recounted a phone call to John Button—then the Minister for Industry, Technology and Commerce—on a Saturday morning in 1991 and urging him to commit to a reduction to

five per cent in the general manufacturing tariff by 2000. Paul Keating said, 'In for a penny, in for a quid,' and Button agreed. Keating described Button as someone who recognised that the historic economic defence of the Australian model was outmoded and as someone who saw his constituency interests in the longer term perspective. He was right.

The current account deficit for the March quarter 2009 fell 27 per cent to \$4.6 billion—the lowest quarterly deficit since the September quarter 2001. The March quarter trade surplus of \$5.1 billion was the largest recorded by the ABS since it began recording these figures in the September quarter of 1959. These positive figures exist because of a generalisation of sustained trade liberalisation and because we have rejected the insular and the protectionist impulse.

On 1 June this year, the Minister for Trade, Simon Crean, launched *The benefits of trade and trade liberalisation*, a report by the Centre for International Economics which demonstrated that trade liberalisation—the rejection of the protectionist approach—benefits Australian families to the tune of \$3,900 per year, with higher skilled and higher paying jobs. This is the perfect example of how trade is not to blame for the worldwide recession but can be part of the solution. Evidence shows that an increase of just one percentage point in the ratio of trade to gross domestic product can raise income per person by up to two per cent. On the upside, when economies do recover, there is every chance that trade can rebound just as fast as it fell.

The Australian government is doing its part to bolster the international community's effort to support recovery. We are implementing a nation-building and jobs plan, injecting fiscal stimulus into our economy in line with the efforts of the G20 and APEC countries. At the G20 summit, we joined with other countries in efforts to reform the international financial architecture. This is all consistent with solid and improving macroeconomic conditions in China that would suggest that recovery may not be too far away. Protectionism in this country would only stifle this recovery and lead into a downward spiral of retaliatory measures. As an example, China has been a major driver of export growth for Australia in the past decade and continues to be a major partner and a major destination for our exports. In this context, reported moves by the NSW government to ban exports from China and elsewhere—if this report is true—are entirely self-defeating.

The premise of this protectionist move is that it will protect jobs in New South Wales and Australia, reportedly, through an inbuilt discount of 20 per cent on Australian products when compared to products sourced overseas. This 'protection' is a misnomer. Protectionism reduces competitiveness. It does not promote growth. It leads to the closing of overseas markets for other producers. It protects nothing. I will tell you one thing: it will hurt Australian exporters if this example is followed. This is no doubt a well-intentioned approach to dealing with the global financial crisis but it will undermine the good work that this government is doing to open up new markets for Australian exports, protecting and creating jobs not just in New South Wales but throughout Australia through both more trade and trade that is free.

What would be the effect, for example, if this measure were followed federally? If you add North, South and South-East Asia, these regions together now account for about 68 per cent of our total merchandise exports. The contribution of this trade to Australia's prosperity is enormous. In 2008, Australia's merchandise exports to Asia as a whole were worth more than \$150 billion. We have gained and continue to gain real economic benefits from Asia's growth,

and trade has been the instrument that has tapped Australia into Asia's growth. If we fell for what President Reagan termed the 'siren call of protectionism', New South Wales and every other state would soon find doors closed on these opportunities in Asia, resulting in this country having lower prosperity and lower employment.

On 3 June, I had the great pleasure of attending the 2009 Australian Export Hero Awards presentation dinner. This dinner recognises, as the name suggests, export heroes, with an export hero being an individual who has demonstrated outstanding vision and made a significant and unique impact whilst achieving success for their organisation and Australia in the international marketplace. The Australian Export Heroes program recognises contributions made by Australians in building our modern export enterprises and helping to further develop a uniquely Australian export culture. This program is an initiative of the Australian Institute of Export and its partners and highlights outstanding careers, dedication and commitment to building Australia's export and international interest. It recognises the champions of Australia's export community. These export heroes are role models for future generations of Australian exporters. The Australian Export Heroes Awards recognise extraordinary contributions made by individual Australians in building our modern export enterprises and helping to further develop a uniquely Australian export culture. These are precisely the sort of people we need to be encouraging, again, by removing protectionist barriers rather than erecting them.

Pursuing further great trade integration with Asia remains vital to our national interest just as it is important for Asia's own economic development. It is clear that trade is a driver of economic recovery. For example, according to the IMF, evidence from past recessions in Asia shows that exports have been the main engine rooms of recovery. To be more precise, six of the 10 recoveries in Asia have been led by exports and, during the recovery phase, export growth has tended to rebound strongly. Asia's recovery can be export led as can ours in concert with a targeted, timely stimulus package. Trade reform is vital to helping our economy recover quickly and robustly. All the evidence shows that export-led recovery in Asia has also been accompanied by growth in developed markets, which is why—as G20 leaders have called for—a combined approach on the parts of governments injecting fiscal stimulus into their economies and committing themselves to reject trade protectionism is of the utmost importance. We in this country and the federal government are of course pushing hard against protectionism. For example, we have registered our strong opposition against the United States government's plans to introduce dairy export subsidies following on from the recent introduction of the European Union's dairy export subsidies. On a wider point about protectionism, it is a development we must resist if we are to see true economic growth return.

The IMF's latest outlook forecasts several Asian economies to continue to grow this year and the next. Looking ahead at 2010, Australia forecasts key Asian economies to be amongst those showing positive signs of growth. This is the area that we are most integrated into in trade at the present time. China is growing at eight per cent; Hong Kong, South Korea and Singapore are growing at 2¾ per cent; Indonesia, Malaysia, the Philippines, Thailand and Vietnam are growing at 2½ per cent; and India is growing at 4¾ per cent.

With our bilateral trade agenda, Australia is negotiating free trade agreements with China, Japan, Malaysia and the Gulf Cooperation Council. We held the first round of the free trade agreement negotiations with South Korea several weeks ago. Australia will also be joining negotiations towards a trans-Pacific partnership agreement, with other parties likely to be

New Zealand, Chile, Singapore, Brunei, Peru, the US and Vietnam. And, of course, there is the recently signed ASEAN-Australia-New Zealand FTA, which I will speak about briefly in a moment. If you are wondering why Australia is so vigorous in pursuit of these bilateral and regional trade agreements, it is because we strongly believe that they are the building blocks for multilateral trade liberalisation and regional economic integration. FTAs can make a positive contribution to the global trading system. Why and how? Because they are comprehensive and truly trade-liberalising across all sectors.

There is no better example of our benchmark for success than the ASEAN-Australia-New Zealand FTA, or AANZFTA, as it is known. Let me briefly outline why. This is the first FTA Australia has signed since the onset of the global financial crisis. In the face of rising pressures to put up trade barriers, there is no better demonstration of a resolve, putting our money on the table, to fight protectionism than settling a comprehensive regional free trade agreement. The AANZFTA has put our region at the front of the global efforts to fight protectionism. For Australia, it is the largest FTA we have ever negotiated. In 2008, our two-way trade in merchandise with ASEAN and New Zealand alone was worth \$88 billion, or 20 per cent of Australia's total merchandise trade. For ASEAN, AANZFTA is the most comprehensive trade agreement it has ever concluded. It covers goods, services, investment, intellectual property, intellectual commerce, temporary movement of businesspeople and economic cooperation. It provides for substantial commitments on tariff elimination and what is known as WTO-plus commitments in other areas. For example, it binds current low tariffs and eliminates tariffs over time from the more developed ASEAN member countries and Vietnam on between 90 per cent and 100 per cent of national tariff lines. These tariff cuts cover 96 per cent of our current exports to the region. Perhaps not surprisingly, few countries find it easy to cut trade barriers at the stroke of a pen. Opening up trade involves painstaking technical work and engagement at the political level. But the successful conclusion of the free trade agreement with ASEAN and New Zealand shows it can be done.

Today the US charge d'affaires, Dan Clune, rejected the assertion in the *Australian* that the US Department of State assistant secretary-designate, Kurt Campbell, is opposed to the Prime Minister's plan for an Asia-Pacific community. In distancing Secretary-Designate Campbell from this perspective, Clune quoted Campbell, who said:

I think the fact that there is a greater interest in finding appropriate forums, not just in Australia, but in China, Japan, the United States, is a healthy thing—

appropriate forums being avenues for tackling the common problems we face, most obviously the global financial crisis, from all concerned nations, providing the framework for a sustained recovery and a return to economic growth. Through strengthening regional architecture, as Clune has observed, we are better able to pursue these collaborative opportunities. That is precisely what our government intends to do.

Mr TANNER (Melbourne—Minister for Finance and Deregulation) (5.13 pm)—I am pleased to bring the second reading debate on Appropriation Bill (No. 1) 2009-2010 and cognate bills to a close. The global recession has resulted in a rapid deterioration in Australia's economic outlook since the 2008-09 budget. The changed economic circumstances have adversely impacted on government revenues and led to successive downward revisions to estimated tax receipts since the 2008-09 budget, amounting to about \$210 billion over the forward estimates to 2012-13. As a result of the global recession and the associated drop in gov-

ernment revenue, the underlying cash deficit is expected to be \$57.6 billion, or 4.9 per cent of GDP in 2009-10. This compares strongly with other advanced economies.

In response to the global economic crisis the government considers that the only responsible course is to support the economy and jobs now. This means we will allow temporary deficits to unfold and cover those deficits with temporary borrowings. The government's budget has been crafted to protect and promote the interests of all Australians now and into the future. To support the economy through the global recession the government's fiscal stimulus program started with supporting household consumption and then moved to small-scale investments that could be implemented within a relatively short time frame. This budget marks the start of the next phase—a move into larger and longer term nation-building infrastructure projects. I will have more to say about this shortly.

The government's fiscal stimulus packages have helped to cushion the economy from the worst impacts of the global recession. This action is expected to support up to 210,000 jobs. Supporting jobs is a priority for the government. We understand the dignity that work provides and value the contribution that these 210,000 Australians can make to our country. The government is providing \$1.5 billion over five years through its Jobs and Training Compact. This program is aimed at providing relief and assistance to those directly affected by the economic downturn. It will also better position Australia in global growth returns by increasing the skills of our workforce.

This budget contains a significant infrastructure package. The government will invest \$22 billion over six years to improve the quality, adequacy and efficiency of transport, communications, energy, education and health infrastructure across Australia. The National Broadband Network, which is supported by an initial investment of \$4.7 billion, \$1 billion of which will be spent in 2009-10, is the biggest single nation-building infrastructure project in Australia's history. The government's investment coupled with changes to the existing telecommunications regulatory regime will fundamentally transform the competitive dynamics of the telecommunications sector for the benefit of all Australians.

The government is providing \$1.1 billion in this budget to invest in critical road, rail and port infrastructure to encourage more sustainable urban development and renewal and to lower transportation costs to ensure Australian businesses continue to be globally competitive. To complement investment in infrastructure and improve long-term productive capacity the government is supporting world-class higher education and hospital systems and investing in innovation. The government will invest \$1.39 billion in this budget from the Education Investment Fund for priority research and higher education infrastructure projects. In addition, the government will provide \$36.4 million in 2009-10 and \$491 million over four years to uncap the number of public university places from 2012, allowing an extra 50,000 students to commence studies over the next four years. The government will also provide \$29.4 million in 2009-10 and \$436.9 million over four years to universities to give students from disadvantaged backgrounds the opportunity of a university education.

In this budget the government is providing funding of \$465.7 million from the Health and Hospital Fund to support the development of health infrastructure projects of national significance. The government will invest an additional \$3.5 billion over nine years including \$400 million in 2009-10 for the establishment of the Clean Energy Initiative. The initiative will encourage further innovation in and large-scale commercialisation of clean energy generation

and low-emissions technologies which will contribute to Australia's transition to a low-carbon economy. The new measures will focus on carbon capture and storage and solar and non-solar renewable technologies.

In the 2008-09 budget the government committed to reform the pension system. Since that time the scale of the global recession has highlighted the importance of the pension as a safety net for those most vulnerable in our society. The government has found room under difficult circumstances to deliver on its commitment with increases in pension payments, reform of the payment structure for pensioners and more assistance for carers at a cost of \$16 billion over five years. As a result of some tough decisions and despite the ageing of the population, our secure and sustainable pension reform will be fully offset by 2020-21. To boost workforce participation in the long term and as part of its rebalancing of the family payment system, the government is spending \$731 million over five years to deliver a paid parental leave scheme. The scheme is due to commence operation from 1 January 2011.

Finally, it is necessary to inject some balance and perspective into the debate concerning the government's budget position. Australia's balance sheet is strong and will continue to be one of the strongest in the world. After peaking at 13.8 per cent of GDP in 2013-14, net debt is expected to fall to 3.7 per cent of GDP by 2019-20. In comparison, average net debt in advanced economies will continue to rise to a substantial 80.6 per cent of GDP in 2014.

The government's firm commitment to return the budget to surplus will ensure that fiscal sustainability is maintained. Meeting this commitment will involve further tough choices, but it is important because fiscal sustainability remains one of the key ingredients for sustainable economic growth. The government's approach seeks to support the economy and to protect jobs. It does so in large part by making substantial investments in worthwhile infrastructure that will yield benefits for the future. It is a budget, therefore, for all Australians and for future generations of Australians. I commend the Appropriation Bill (No. 1) 2009-2010 and the cognate bills to the House.

Consideration in Detail

Ms GILLARD (Lalor—Minister for Education, Minister for Employment and Workplace Relations and Minister for Social Inclusion) (5.20 pm)—May I suggest that it might suit the Main Committee to consider the items of proposed expenditure in the order shown in the schedule which has been circulated to honourable members. I also take the opportunity to indicate to the Main Committee that the proposed order for consideration of portfolios estimates has been discussed with the opposition and non-government members and there has been no objection to what is proposed.

The schedule read as follows—

Proposed order of consideration of Portfolios - Appropriation Bill (No. 1) 2009-10

Education, Employment and Workplace Relations Portfolio

Infrastructure, Transport, Regional Development and Local Government Portfolio

Health and Ageing Portfolio

Foreign Affairs and Trade Portfolio

Agriculture, Fisheries and Forestry Portfolio

The Environment, Water, Heritage and the Arts Portfolio

Families, Housing, Community Services and Indigenous Affairs Portfolio

Human Services Portfolio

Broadband, Communications and the Digital Economy Portfolio

Defence Portfolio

Resources, Energy and Tourism Portfolio

Immigration and Citizenship Portfolio

Attorney General's Portfolio

Innovation, Industry, Science and Research Portfolio

Finance and Deregulation Portfolio

Treasury Portfolio

Prime Minister and Cabinet Portfolio

The DEPUTY SPEAKER (Dr MJ Washer)—Is it the wish of the Main Committee to consider the items of the proposed expenditure in the order suggested by the minister? There being no objection it is so ordered.

Education, Employment and Workplace Relations Portfolio

Proposed expenditure, 7,601,757,000

The question is that the proposed expenditure be agreed to.

Mr PYNE—I am glad that the Minister for Education has come into the Main Committee to discuss the consideration in detail for education as often a parliamentary secretary or junior minister would be sent, and that is to her great credit. I have a few questions that I would like to put to the minister which she can either answer today or be prepared to take on notice and return to the House to answer at some point. They largely relate to the common youth allowance changes and also to the Education Investment Fund changes and then my colleagues, the members for Boothby, Stirling and Indi, will also fill the time allocated for education as there are a number of other issues within this portfolio which they handle.

What follows are my questions about the common youth allowance changes. The DEEWR fact sheets identify that 30,700 students are likely to miss out on youth allowance due to the tightening of the workforce participation criteria. I would like the minister to provide detail, if that is possible, on the composition of these 30,700 students. How many will come from rural and regional areas? How many will be ineligible because they come from farming backgrounds where the parental asset, the family farm, excludes them from receiving youth allowance irrespective of their parental income? How many will be ineligible because they come from small business families where the parental asset, the small business, excludes them from receiving youth allowance irrespective of parental income? I would also ask the minister if she is aware that, according to the ABARE farm survey results released in April 2009, the equity at 30 June 2008 of the average broadacre farm in Australia is \$3½ million dollars and that the average farm cash income from the same farm was \$62,400. Given that by these figures the average farm in Australia is well above the level for the personal assets test—approximately \$2.2 million this year—can the minister confirm that as a result of the government's reforms the child of an average farming couple in Australia is entitled to receive no assistance to pursue their higher education dreams unless they first work full-time for 18 months even though their parents' income would have been well within the range that would

qualify them to receive youth allowance were their parents receiving the same income from a salaried job in the city where the student would not even need to leave home to study? Is the minister able to release whatever analysis the Department of Education, Employment and Workplace Relations has done into the specific challenges facing students from rural and regional Australia who must leave their family home in order to access higher education?

I also ask: how many representations has the minister's office and the department received from members of the Australian public in relation to the amendments to youth allowance by email, by letter, by phone call or by personal visit? Will the minister consider making transitional arrangements that would allow those students who have taken a gap year in 2009 on advice from Centrelink officials and others at their schools in order to gain independent youth allowance in 2010 to be able to do so and therefore ensure that the government is not imposing effectively retrospective legislation on Australian students? They are my questions in relation to the common youth allowance. I am happy to let you answer those now or continue.

Ms Gillard—Please continue.

Mr PYNE—In relation to the Education Investment Fund, \$6.2 billion was assigned in the 2007-08 budget for a new Higher Education Endowment Fund, the HEEF, to provide an ongoing revenue source to pay for university infrastructure into the 21st century—an initiative that Peter Costello was closely involved with. Last year the Rudd government added \$2.5 billion from the last Costello surplus and renamed it the Education Investment Fund.

The minister has claimed to deliver a \$5.7 billion package in this budget for universities, research and higher education generally, but I ask the minister: isn't it true that to create this \$5.7 billion figure the government has had to include \$934 million of the EIF, the Education Investment Fund, round 2 projects; \$901 million of EIF funding for what the government has called its Super Science Initiative; \$750 million of undefined EIF future rounds; and \$400 million taken from EIF funds for the Clean Energy Initiative? Isn't it therefore the case that \$3 billion of the government's \$5.7 billion higher education package was in fact appropriated in Peter Costello's 2007-08 budget? How much of the \$750 million earmarked for EIF future rounds over the next three years will be spent on university infrastructure, how much will be spent on vocational education and training infrastructure, and how much will be diverted to programs unrelated to further education altogether?

I could speak at length about what I regard as the manifest failures of the government in respect of education, but I know my colleagues with responsibility for industrial relations, apprenticeships and training, and the member for Indi, who has responsibility for child care, have other questions, so I will leave it at that. I look forward to the minister's response. (*Time expired*)

Ms GILLARD (Lalor—Minister for Education, Minister for Employment and Workplace Relations and Minister for Social Inclusion) (5.28 pm)—I thank the shadow minister for his questions. It would be churlish of him indeed to try to criticise this government's record on education given the historically large new investments that are flowing into education as a result of this government's education revolution and particularly the expenditures in this budget. I understand that he cringes when he reflects on the parlous state that education was left in by the former government and that he finds it difficult to make any substantive or real criticisms of the government's programs.

I will come directly to the student financing questions that he raised. I want to give to the shadow minister an important statistic that I think he may not be aware of: under the previous government in the period 2002-07 regional participation rates in higher education fell. Under a Liberal government in which National Party members served in significant roles—at the most significant point as Deputy Prime Minister—a government that would have said it was doing things for rural and regional Australia, regional participation rates in higher education fell from 18.715 per cent to 18.08 per cent. That is against a population share of 25.4 per cent of the population.

So, even at the higher point, regional people were significantly underrepresented in higher education, and that problem was exacerbated during the life of the former Liberal-National Party government. And the bad news does not end there, because remote participation rates fell over the same period, from 1.27 per cent to 1.12 per cent. That was against a population share of 2.5 per cent, so already significantly below population share and falling under the Liberal government. In those circumstances obviously this government is very determined to make a difference for rural and regional education. That is why we have moved to the student financing package that is part of the budget papers. In very much expanding the number of families that will get benefits and in very much increasing the family income test for those families, this package will benefit rural and regional students. To give just a flavour of that, the parental income cut-off for two students 18 years of age or more and living away from home is \$139,388. That is a significant statistic for regional families who are very likely to have to have their students move away from home. We have taken the income test to that point from \$79,117 under the old system. So for rural and regional Australians, who tend on average to earn less than their city counterparts, such a huge extension in the family income test and the additional numbers of students that will benefit is very good news indeed.

On the question of farm assets, can I advise the shadow minister that the way the assets test works for families in those circumstances is that it takes account of current market values and it is net of business farm related debt, so obviously we are talking about a calculation that goes to the equity, if I can use that terminology. The valuation disregards the principal family home and up to two hectares of surrounding land. The limit currently set on that valuation is \$571,500 and it is indexed. However, for business assets, including farm assets, a 75 per cent discount is applied to this assets test. This means that youth allowance and Abstudy are obtainable for young people in small business and farmer families who have assets to the value of \$2.286 million. That is the way the assets test works, and I would direct the shadow minister's attention to each element of that so that he can accurately transmit that message. On the question of—(*Time expired*)

Mr PYNE (Sturt) (5.33 pm)—I have a couple more questions. The Building the Education Revolution is not part of my responsibilities but I would be interested to hear the Deputy Prime Minister's response as to what measure she has put in place or is going to put in place to deal with a number of issues that are arising in the so-called Building the Education Revolution. There are two which appear to be causing the most concern because they involve the use of Commonwealth taxpayers' money in a wasteful and poor fashion. One is skimming by state governments: the removal of state government spending on school infrastructure in what they see as a bonanza of Commonwealth taxpayers' money therefore giving them the capacity to remove their own funding. I know that the Prime Minister and the Deputy Prime Minister

have said they will not tolerate skimming by state governments, but even in my own state of South Australia we saw in the budget handed down about 10 days ago that the state government reduced their spending on state infrastructure in schools by 12 per cent. In most years you would expect a state government to be increasing their spending on school infrastructure, not decreasing it, so 12 per cent is a very dramatic decline in state government commitment to their schools, which of course they are responsible for. I am sure that pattern in South Australia is being repeated around Australia. In fact, there has been anecdotal evidence of that in Victoria in particular and it would be surprising if the hopeless and rancid New South Wales state government was not attempting to do similar things. So skimming is a big issue in terms of the Building the Education Revolution.

Another great concern to people is profiteering by private enterprise. There is a great deal of anecdotal evidence that tenders and bids on school infrastructure are being inflated by up to 30 per cent because bureaucrats are telling builders and business generally that they have to get this money spent and out the door as quickly as possible. We have already had examples in the parliament, such as Cleve Area School, of where profiteering appears to be occurring. I am sure that was not the intention of the Building the Education Revolution plan. I would hope that the minister would not, through vanity, refuse to accept that there is a failure in the delivery of these projects on the ground. I hope that she will in fact take the concerns raised by the opposition and others seriously and to heart. I hope she will adopt the call of the opposition to let the Auditor-General do a proper referral of the delivery of the Building the Education Revolution so that taxpayers' money is properly spent and accounted for.

There is also the issue of targeting. There are schools that already have very substantial infrastructure, have everything that a school could really want for its pupils, but are being given \$3 million grants. Meanwhile, there are other schools where the grants are much smaller but the needs are much greater. That is of great concern as well. No-one is suggesting that schools, especially non-government schools, should suddenly be discriminated against because they already have excellent infrastructure. A properly targeted \$14.7 billion program would take into account what schools already have and would ensure that those schools in areas of low-socioeconomic background in particular are properly provided for.

There is also the issue of the provision of unwanted infrastructure. There is anecdotal evidence on the Education for Australia website, educationforaustralia.com.au, which I have begun, of many schools that already have the infrastructure that the state department and the federal government are insisting that they build. There are examples of schools that already have gymnasiums that have been told they have to have a gymnasium. There are schools that have perfectly adequate school infrastructure today in terms of classrooms and that want those classrooms to be air-conditioned but are being told only if they knock those buildings down and build new buildings will they be able to include air-conditioning.

Finally, just to clear up one matter that the Deputy Prime Minister seemed to misunderstand today: when I was talking about Hastings Public School, I was not confused between New South Wales and Victoria. I was talking about the Hastings Public School in northern New South Wales. The evidence that she needs to perhaps go back to is from 2003, when they were provided with \$40,000 for a covered outdoor learning area. My question was entirely precise. They were provided with \$40,000 in 2003 for a covered outdoor learning area. They are now being provided with \$400,000 for a covered outdoor learning area. That, in anyone's

language, is a very large inflation rate. We will continue to ask questions because we are standing up for the Australian taxpayer. I hope that the Deputy Prime Minister will be big enough, woman enough, to accept that not everything she is doing is working and she needs to take another look at it.

Ms GILLARD (Lalor—Minister for Education, Minister for Employment and Workplace Relations and Minister for Social Inclusion) (5.38 pm)—I will address the comments in reverse order. On Building the Education Revolution, you heard it here first: a historic offer. On the issue of targeting, if the shadow minister would forward to me a list of the schools that he believes have adequate infrastructure and should miss out—the schools that he thinks should not benefit under the program—then I will publish that list for community discussion and input. I will wait to get that very quickly from the shadow minister, who says he is concerned about targeting. If he wants to give me the list of the 10, 20, 50 or 100 schools he says have everything they need and should miss out on the Building the Education Revolution program, I will undertake to publish that through all mechanisms available to the government for community debate. I look forward to the receipt of that as soon as he can get it to me. I would be happy to engage in publication of that as early as tomorrow morning.

On the various claims the opposition has made about Building the Education Revolution, the problem here for the shadow minister is that when we have got to matters of detail about his claims they simply have not stood up. His claims about the Cleve Area School did not stand up. Regarding his claims about the Hastings Public School today, it is not very helpful to just talk about covered outdoor learning areas and compare one cost to another and then allege profiteering. You have obviously got to see what is in the covered outdoor learning area. I know that the shadow minister had been excluded from question time, as he frequently is for poor conduct, by the time I added to an answer. What he may not appreciate about the Hastings Public School in New South Wales is that the covered outdoor learning area is a significant building with a solid roof. It also includes an amphitheatre, seating, a sound system to facilitate school assemblies and performances, and science and work spaces. We are talking about a very substantial construction with very substantial facilities.

On the other claims that the shadow minister has made from time to time—that we are giving money to schools that close. He was yelling about Gepps Cross in question time today. Those claims have not stood up to public scrutiny and I answered that fully in question time today.

On the question of our arrangements with state governments, our arrangements are very clear—that is, states will pay a very substantial penalty in terms of the withdrawal of funds if they do not maintain effort in school capital expenditure. That is very clear. The government is very determined about that. It has been made clear through COAG. If the shadow minister wants an undertaking that any such action by any state government would be acted upon by this government then I can give him that undertaking—it most certainly would be.

In the Building the Education Revolution we are talking about a huge and unprecedented investment being rolled out unashamedly quickly to support jobs. I know the position of the opposition is that not one school should benefit and not one Australian should have a job from this \$14.7 billion. I know that is their position and I know that, in a desperate attempt to justify that political position, from time to time, they throw up examples that they claim are

flaws with the Building the Education Revolution program. I think everybody can see through the political desperation that drives these inaccurate claims.

I am going to be frank and I have been frank with the Australian people about this—when you are delivering a program of this size quickly to support jobs, from time to time there are going to be concerns, comments, criticisms and complaints. On each and every occasion that such concerns or comments or criticisms come to us we act on the basis of them. Of course, what we do not respond to are things said by the opposition which, after the simplest inquiry, turn out to be completely factually inaccurate.

On the question of the Education Investment Fund I understand that today is a day to be very generous about Peter Costello's record in public life but, even being generous about Peter Costello's record, I do not think that he can claim to have delivered—as this government has delivered—more than \$5 billion in education infrastructure for higher education. One billion dollars of it came off budget and that was the Better Universities Renewal Fund. (*Extension of time granted*) I will just finish with this one sentence and then we will move to other members—having allowed the shadow minister to do the same. With more than \$5 billion invested in higher education infrastructure, vocational education and training infrastructure, I say this to the members opposite: it is very interesting to me that when called on to detail an education policy all they can do is criticise. I have not heard an education policy about early learning. I have not heard an education policy about school education. I have not heard an education policy about investing in important things like overcoming disadvantage in schools. I have not heard a substantive response to the Bradley reforms. This is the problem for the opposition—all they do is moan and complain but they are a policy-free zone. And the shadow minister for education more so than most.

Mr KEENAN (Stirling) (5.44 pm)—I want to move on to another area within this portfolio that we have been very interested in, which is the area of award modernisation. When I have had the opportunity to ask the Deputy Prime Minister questions about this in the past, her answers have been wholly inaccurate. What I am hoping for is that we would have a chance to go through some of the problems that are associated with the award modernisation process and get some sensible responses to how she feels that business, in particular small business, will be able to address some of the cost increases that she is going to impose, particularly in certain sectors.

I would like to start by referring to a letter that I received recently from a supermarket owner just outside of my electorate in Shenton Park. He talks about the new general retail industry award. Under the award modernisation changes he will need to pay his casual workforce working on a Sunday \$39.48 per hour. So that is almost \$40 an hour he will need to pay his casual workforce on a Sunday. He is a small supermarket owner; clearly he cannot sustain that increase in wage costs. He says in his letter to us that he is going to have to shed his casual staff. He has asked us to try to do something about it through the legislative process. We will do so during the transitional bill in the other place, but I would be very interested to hear how the minister responds to his queries and what she thinks he can do to stop getting rid of those staff once his costs base has increased substantially.

I want to put another few questions on the record for the minister to respond to. Clearly when the minister made the award modernisation requests, she asked the Industrial Relations Commission to do what most would consider to be impossible—that is, to not disadvantage

employees but also to not increase the cost base for employers. Clearly when you are dealing with these sorts of issues, you are dealing in a zero sum game. If you are taking away from one and adding to the other, it is literally impossible to implement that promise accurately. No matter what the commission does, there is really no chance that they could conform to the wishes and the request of the Deputy Prime Minister. I think that is clear to anyone who has any understanding about what this process entails.

And so I ask the minister: does she stand by her promise that no employee will be disadvantaged and that her award modernisation process will not increase the cost to business? I have asked her in this place before about advice that she has received about what the award modernisation is going to do to the labour market, and I would be interested in any advice she could share with House about what sort of information she has received from her department about how the award modernisation process is going to impact on the labour market. If she has not asked for such advice, then I would ask why she has not, as that would seem like a pretty basic aspect of due diligence when you are making such a major change. I would also like to know what she thinks will be the result of these massive increases in wage costs. If you are a small business owner and you are faced with a substantial increase in your wage costs, you could be operating on very tight profit margins. What does she expect the proprietor of these businesses to do?

I also ask that isn't it the case that under the minister's current arrangements the five-year phase-in period that she often talks about is only an option that is available to the commission to transition the new awards in? When we raise these issues about award modernisation, the minister will always respond by talking about the five-year phase-in period, which in itself is a reasonable option. The reality is of course that that is really up to the commission; the minister does not have any power to direct them to transition these awards in over that period. I also ask the minister to guarantee that the transition to modern awards will not cost one Australian job. Finally, I ask her why the jobs of workers in retail, aged care, horticulture and all the many other sectors that are going to be adversely impacted by this process are not as important to her as those in restaurants and cafes. The minister varied her award modernisation request to ask the commission to do a separate award arrangement for workers within that sector. Clearly that is an acknowledgement that this process has gone off the rails and when she was faced with the evidence that those changes were going to cost up to 8½ thousand jobs within that industry, she varied the request. Why won't she do so for other sectors?

Mr NEUMANN (Blair) (5.49 pm)—I have a number of questions around the Building the Education Revolution funding that relate to schools in my electorate. Certain schools have been the subject of some discussion and media notoriety.

Mr Keenan—Can't you just ask her? You've been sitting next to her for a couple of minutes.

Mr NEUMANN—Unlike the member for Stirling, the school communities in my electorate have warmly welcomed the funding. For example, on Friday I visited Brassall State School. Money for a multipurpose hall was repeatedly promised to the school by the previous coalition government. Well, the Rudd government is delivering \$3 million to Brassall State School. I spoke at the assembly on Friday and they warmly welcomed the funding.

Three schools in my electorate of Blair in South-East Queensland have been mentioned in the local and national media. The first is Bremer State High School, which is the biggest high

school in my electorate. It is a great school. I sent my two daughters to Bremer State High School. I am proud to say my youngest daughter was dux last year and my eldest daughter was dux two years before that. It is a great school and I am very supportive of it.

Mr Windsor—Name them!

Mr NEUMANN—My daughters? Jacqueline and Alexandra. They are both at the University of Queensland St Lucia campus and doing very well. Bremer State High School has over 1,200 students and, under round 2 of the National School Pride program, it received \$200,000 for revegetation and a fitness track. Bremer has been relocated from its current site to an area beside the University of Queensland Ipswich campus, near the site of the Ipswich golf course. There has been some discussion and criticism by the opposition about Bremer State High School and the funding we are providing. I have spoken to the principal about the issue, and I would like to minister to comment on that.

The other school is Dinmore State School. Dinmore State School is effectively being amalgamated into Riverview State School. Bremer is being relocated as part of the State Schools of Tomorrow program in South-East Queensland, but Dinmore State School is a small school. A lot of money is being put into Riverview State School, but Dinmore was one of the successful schools in round 2 of the National School Pride program. For a classroom upgrade it received \$75,000. I would like the Deputy Prime Minister to comment on where that money is going. Is it going to the existing school site or is it being rolled into the new school site, where Riverview State School is currently located? There is currently a lot of money being poured into that site by the state government.

The other school is Amberley State School. In the National School Pride program, Amberley State School received \$125,000 for SMART Board data projectors for classrooms and, in round 2 of Primary Schools for the 21st Century, received \$1 million for a new multipurpose hall and just over \$1 million for an outside school hours care facility. The current site of Amberley State School, Deputy Prime Minister, has been taken over by the redevelopment of the RAAF base at Amberley. It is being relocated to the neighbouring suburb of Yamanto in Ipswich. We have given the state government \$26.83 million to relocate because we are effectively purchasing the site to become part of the RAAF at Amberley. So the school is being relocated and a new school is being built at Yamanto in Ipswich. It is going to be a great school and I look forward to it being opened.

I seek the minister's comments in relation to that because there has been some criticism by those opposite. In fact, Dr Bruce Flegg, the opposition spokesperson for education in Queensland, described funding for schools in Ipswich as 'ludicrous'. So I am interested in the minister's comments in relation to Bremer, Dinmore and Amberley state schools.

Ms GILLARD (Lalor—Minister for Education, Minister for Employment and Workplace Relations and Minister for Social Inclusion) (5.53 pm)—I will respond to the questions that have been put to me. The response to the question asked by the shadow minister for employment and workplace relations is, I think, very clear. The government is engaged in a profound reform with award modernisation. I know that the Liberal Party does not really believe in safety nets. That was represented by its Work Choices legislation, where all aspects of the safety net could be stripped away apart from five minimum conditions which, when you held them up to the light, did not guarantee much at all. So I know that safety nets are not part of the Liberal Party's ethos because it believes in statutory individual employment agreements

that can strip the safety net away. But, even driven by that profound belief, in government the Liberal Party used to pretend that it was interested in the major reform of simplifying and modernising awards. It had a few goes at it and all of them were spectacular failures because reform is not an easy thing to do. It is an easy thing to give an interview about—and some members opposite do that from time to time—but it is actually not an easy thing to do.

Remarkably, this government, in pushing on with award modernisation with the Australian Industrial Relations Commission and working hard on it, is working through these issues and working through them very well. If the shadow minister was being fair, he would acknowledge that, overwhelmingly, the award modernisation process undertaken by the Australian Industrial Relations Commission is going very well indeed. They have made a large number of new modern awards. The level of stakeholder engagement in the making of them and the level of stakeholder acceptance of them once they are made is very high. The shadow minister might, therefore, want to congratulate the Australian Industrial Relations Commission for that work at some point.

The shadow minister points to some areas where concerns have been raised. The position of the government has been clear: we have been prepared to listen to concerns and to respond to them as necessary. I have varied the award modernisation request on more than one occasion. That is because I have responded to concerns from union stakeholders in relation to one variation and to concerns from employer stakeholders in relation to the restaurant and catering area that he raised. We are still in a process of engagement and dialogue about a series of other areas that he raised.

The shadow minister refuses to acknowledge that the commission not only has the task of making modern awards; they also have the task of making the five-year transitional arrangements. Many employer stakeholders are there at the commission, pressing to put a case about the nature of those five-year transitional arrangements and the commission is getting on with the job of making those transitional arrangements. We are allowing the independent umpire to do that work. I know that the Liberal Party does not believe in independent umpires in workplace relations, but we do. We are allowing the independent umpire to do that work. We will continue to keep it monitored and continue to have dialogue with employer stakeholders as necessary.

I know that from time to time the shadow minister says different things about award modernisation. On some occasions, he goes out and represents publicly that everything will change for employers on 1 January 2010. He knows that is not the case because there are the five-year transitional arrangements. Separately, on other occasions, he says that things should be frozen for the five years and that there should be a sudden, drop-dead date at the end of the five years. Both things represented by the opposition are ludicrous. It is not true to say that all things will change on 1 January 2010 with no transition or phase-in and it would be ludicrous to have a drop-dead date in five years time. I know workplace relations excites those opposite because they are there crying for Work Choices, but we will continue with this reform, which is in the interests of working people.

On the questions raised by the member for Blair, it is good to have a member here who knows the details of his local schools. Some opposition members may want to study his example, given some of the ludicrous claims that are made by opposition members about local schools. Can I assure the member for Blair that, despite publicity and opposition claims to the

contrary, the \$75,000 for Dinmore State School under the National School Pride Program is going to the continuing school, which is Riverview State School, so it will be there to benefit students. There have been publicity and claims by the opposition that were meant to give people the impression that revegetation and the construction of a fitness track at Bremer State High School are somehow being done at a school site that is closing. That publicity and those representations by the opposition are completely untrue. That is being constructed at the continuing school—the new school—and will be there for the benefit of students and I think that is terrific.

He has raised many issues associated with the Amberley school. It has been a major issue in his electorate and, obviously, that school is being moved to facilitate arrangements relating particularly to RAAF personnel and the study of their children. Of course, the money that the government is allocating is going to the new site where those students will continue to study happily and well—hopefully—for a very long period of time to come.

Dr SOUTHCOTT (Boothby) (6.00 pm)—I would like to ask the minister a question about Job Services Australia. With respect to the Job Services Australia tender, is the minister aware of any employment-services providers who were not preferred tenderers in a specific employment-service area on 5 March, and who were not advised by email in the department's communication of 16 March that they were preferred tenderers, but were subsequently offered business in that employment-service area on 2 April? Can the minister provide the reasons for these employment-services providers being offered additional business in each ESA in which this occurred? How were the employment-services providers, who were invited in at this stage, chosen? How were the ESAs chosen? Who made this decision? Can the minister advise in which employment-service areas this occurred?

Mr DREYFUS (Isaacs) (6.01 pm)—In these difficult times, the Rudd government is working hard to support jobs and businesses now, and build economic prosperity for the future. The Building the Education Revolution program is a critical part of this plan. The Education Revolution highlights this government's commitment to the thousands of students and parents around Australia who will benefit from investment in local communities and improved facilities in schools.

There has been \$62.7 million already allocated to schools in my electorate of Isaacs in rounds 1 and 2 of the primary school program. I am speaking constantly to school principals in my electorate and they tell me that this is a once-in-a-generation opportunity to boost learning resources and bring their schools into the 21st century. This funding will provide major infrastructure works in all schools across Isaacs, as well as essential maintenance which will rejuvenate our local schools by providing school refurbishments and upgrades to existing classrooms. Every primary school in my electorate will receive either a new hall, a library, a learning centre or classrooms. These new facilities will provide modern venues to enhance the learning experience of local students.

Just last Tuesday, I was joined by the Deputy Prime Minister, the Victorian Premier and the Victorian Education Minister, Ms Bronwyn Pike, at Chelsea Heights Primary School for the announcement of \$2.5 million in funding for a multipurpose hall there. Danny Mulqueen, the school principal, was ecstatic at the news, which he says will give his students a better and safer learning environment, in particular, for physical education and performing arts.

There is a range of other school projects which have been announced in round 2 of the Building the Education Revolution funding. This includes Rowellyn Park Primary School—a very large primary school in Carrum Downs—where there are \$3 million to build new classrooms and a learning resource centre; Carrum Downs Primary School, where there are \$3 million in funding to build a new multipurpose hall; Skye Primary School, which has been granted \$3 million to build new classrooms and a learning resource centre; St Joachim's Catholic Primary School, which has been granted \$2.5 million to build a new multipurpose hall; Patterson Lakes Primary School, which has received \$3 million to build a new multipurpose hall; St Louis de Montfort's Catholic Primary School, which has received \$3 million to build a new multipurpose hall and library; and St Anthony's Primary School, in Noble Park, which has received some \$3 million to build new classrooms and refurbish existing classrooms.

I went to St Anthony's Primary School just last week and spoke at length to the excellent principal of that school, Marg Batt, and some of her students and teachers. Indeed, I have spoken to principals, teachers and parents at each of the schools in my electorate, and I know from them directly just how delighted they are—along with the whole of their school community—with the funds that have been made available.

As the largest school modernisation program in Australia's history, it delivers long-term benefits to students and schools. I am proud to see funding for these works assisting schools in my electorate. These projects are supporting local jobs during this global economic downturn. I find it bizarre that members opposite have come out criticising these works. They are trying to run a dishonest scare campaign on debt, yet they have no alternative plan of action when it comes to dealing with the effects of the global financial crisis on local jobs or on the local economy.

This government has placed investment in education front and centre in its response to the current global economic crisis. As the global economy is experiencing its worst recession since the Great Depression, it is important for investment spending to take place now in order to support local employment and future productivity. This government understands the critical importance of education to future productivity growth in our economy. There is a strong link between the development of infrastructure and education services and an increase in productivity in the long term.

I have no doubt that these major infrastructure works that give our local primary schools new libraries, classrooms and multipurpose halls will help contribute to an increase in our nation's social capital. I look forward to seeing the fruits of this program when these major works are completed. I know that many workers in my electorate are thankful to the Rudd government for this stimulus spending, as it has helped keep them employed while delivering the infrastructure that our local schools need.

Mr WINDSOR (New England) (6.06 pm)—I congratulate the government on the education funding arrangements that are out there, not because they are part of the stimulus package but because they are very fair. They have treated all schools the same. That is something that governments should look at much more closely. The previous and current governments have the Roads to Recovery program, which is a very fair program. I congratulate the government for the initiative. Obviously, those funding arrangements are very welcome in all of our schools. The point raised in question time today really does need to be followed up. What is

the general response of the minister where the states are seen to be taking advantage of some of the federal funding—if, in fact, they are? That is something we really do need to keep an eye on.

The Minister for Education would be familiar with the Youth Allowance issue. I thank her staffer Jim Round for the assistance he has given me and some of my constituents in relation to their parental income circumstances. Minister, the issue that really does need to be addressed—and maybe the government will be forced to address this by way of amendment in the Senate when the legislation eventually gets to the Senate—is the requirement to be employed for 30 hours a week over 18 months to be considered independent. Essentially in many small communities—and the community I come from has only about 1,500 people—30 hours a week is a full-time job. There are no full-time jobs. For those young people to go down that path, they have to leave home to find a job to prove that they are independent of their parents so that they can go to university in two years time.

It really does need revisiting. I encourage the minister to address that issue for those students where it is going to be virtually impossible for them to access that work. The minister will probably say that the parental income test will allow many more students to access some degree of youth allowance—and she is quite correct in saying that—but there is a group of students who will miss out and, by missing out, they will not go to university at all. I do not think that is the general intent of the government.

Ms GILLARD (Lalor—Minister for Education, Minister for Employment and Workplace Relations and Minister for Social Inclusion) (6.10 pm)—In relation to the very specific question asked by the shadow minister for employment participation, training and sport, the member for Boothby, I can say that we will provide him with a detailed answer to that question. Obviously it goes to a set of communications which, he would appreciate, I do not have available to me here in the Main Committee, but I can give an undertaking to provide an answer to him expeditiously, and we will. On the issue relating to Building the Education Revolution raised by two members in their contributions, I thank them for that and I thank them for their understanding about how important this is to their local schools and for supporting local jobs. Whilst the member for New England may not have been in the Main Committee when this was asserted by the shadow minister for education, apprenticeships and training, the shadow minister is asserting that there are some schools that will not benefit at all from the program, and I have asked him to provide a list of those schools so that the government can publish it.

I know the member for New England is concerned about student financing and I very much appreciate the fact that in a very detailed way he has worked through with my office his set of concerns. I know that he appreciates that, overall, out of this package more students will benefit and I know that he appreciates that the substantial changes in the family income tests will be of real benefit for students in his community. I also know he appreciates that the government here is delivering a cost-neutral reform and that the aim is to have sustainability in the budget. Of course, we are in days of economic stimulus now, but that is economic stimulus at the time of the global recession; something like student financing is going to be in the forward estimates from now on for a very, very long time into the future. What we are endeavouring to put together is a package of reforms that is cost neutral on the forward estimates and that benefits more young Australians. But I anticipate that the member for New England will continue to raise these concerns with us and I look forward to that dialogue. I note that he has

always raised these concerns in a very constructive way and worked through them in a very honest and detailed way for members of his local community. So I thank him for that.

Mrs MIRABELLA (Indi) (6.13 pm)—I have some questions for the Minister for Education. In a ministerial statement on education, employment and workplace relations, on page 24 of the budget paper of 12 May, she announced, regarding phase 2:

The remaining up to 222 early learning and care centres will be considered when the child care market is settled and based on the experience of the priority centres.

There has been a considerable departure from the advice provided previously in this statement and in the fact sheet on the department website that states:

... the remaining up to 222 ELCCs would be established progressively by the end of 2014 and delivered as part of the Council of Australian Governments (COAG) National Partnership arrangements.

My questions to the minister are as follows: (1) now that it appears that the commitment has been shelved indefinitely, can you outline exactly what criteria will be used to determine when the childcare market is settled; (2) if an assessment of how the first 38 centres are operating will form part of the decision on whether to proceed with the other 222 centres, does that mean that a decision will not be made until all 38 are operational? Presumably that will be well after 2011 and, therefore, long after the next election. The minister has created an out by saying that the 222 centres are contingent on the experience of the first 38 centres, hasn't she? But she is not listening. This was not a caveat in Mr Rudd's much publicised election promise to build 260 new centres to end the dreaded double drop-off, was it? She is still not listening.

Regarding the work done on the government's paid parental leave to date, did the government pay any external consultants to work on the response to the Productivity Commission's report which was released with the budget? If yes, who were they and how much were they paid? If not, which department did the policy work and prepared the 29-page booklet, *Australia's paid parental leave scheme* which was released on budget night? Of the \$2.35 million budgeted for communication and evaluation expenses for the coming financial year, exactly how will that be spent given the scheme will not even be coming into effect until halfway through the following financial year?

According to the FaHCSIA budget statement, it will be this department which administers the program. Has a special group or task force been assembled to manage the introduction of paid parental leave? If so, how many people are currently employed in that capacity and what number is that expected to grow to over the coming years? What role will FaHCSIA play in the implementation of the scheme, given that businesses will be paymasters? Is it expected that Centrelink or another body would administer the scheme? In other words, whom would businesses have to deal with in order to ensure that they received the advance payments so that they could pay their employees?

On what modelling was the costing of the scheme based—was it the Productivity Commission's or another body's? On page 9 of the budget night booklet on paid parental leave it clearly states that an estimated 148,000 parents would be eligible for the PPL payments each year and it also says that they will on average be around \$2,000 better off under the current arrangements. Taking into account tax payable and changes in family payments et cetera, is that correct? Without even taking into account the cost of administering the scheme, that would mean a net cost of \$269 million a year. How does this equate with the claim on page 1

that the scheme would cost a total \$721 million over five years, which is an average of \$146 million a year. Even taking into account that the scheme will not start until mid-2011 does not that equal at least \$1.036 billion not \$721 million? While I understand there is a complex mixture of family payments affected, it is quite clear that either the figure of \$721 million is incorrect or the claim that families will be better off by an average of \$2,000 is incorrect.

Even the government has said that 14 per cent of working families would be worse off under this scheme and will have the option to remain under the current scheme. Isn't that correct? What are the factors that determine whether a family will be worse off? Part of it is timing, isn't it? Women who take their paid parental leave in the last 18 weeks of the financial year are likely to lose more in tax and family payments than women who take it at the beginning, especially if they intend to take the full 12-months maternity leave as most women do. What consideration has been given to the impact on maternity services if women time their pregnancies for the beginning of the financial year to maximise their benefit? Has any research been conducted on how our hospital system would cope? Of those 14 per cent of working women who would be worse off taking paid parental leave, exactly how will they determine whether they want to take parental leave or not? How accurately will they be able to determine their entitlement and by what method?

Will the \$150,000 threshold be indexed? The \$150,000 threshold applies to the primary carer's income not to the family income—is that correct—could you please confirm? A woman who earns a tidy \$140,000 and whose partner is a multimillionaire would be eligible for paid parental leave but a family couple who each earn around \$78,000 are not eligible for the baby bonus—is that correct? The fact is that only around 127,000 families in any given year would receive the paid parental leave and the other 154,000 would not receive any additional benefit. So the majority of new mothers would not benefit from this new scheme—is that correct?

I would like to clarify another point. On what modelling was the assumption made that this scheme would result in an increase of average leave taken by women after childbirth by around 10 weeks? Aren't the objectives of increasing workforce participation between pregnancies and at the same time increasing the length of time spent by women caring for their children when they are very young almost mutually exclusive? Is the message really that only the first 18 weeks are important or that six months, the figure referred to in the government booklet, is the right amount of time? Isn't it a fact, according to the Productivity Commission's own report, that at least 83 per cent of Australian women already stay at home with their babies for the first six months? Is the message from the government to these 83 per cent of women that they ought to be heading back to the workforce after just six months? In examining this particular scheme has the government given any consideration to the social capital of those women who do not choose to take time out of the paid workforce for a period? What signal does the government send to women who are often the mainstays of our schools, community groups and sporting clubs that their efforts are important to the nation?

Ms GILLARD (Lalor—Minister for Education, Minister for Employment and Workplace Relations and Minister for Social Inclusion) (6.19 pm)—On the many points raised by the member for Indi, I say as follows. She would be aware that there was a major disruption to the childcare market following the voluntary administration of ABC Learning. She would be aware of that from newspaper reports. She also may be aware of it because there were so

many Liberal Party members sitting around the board table of ABC Learning they could have had a branch meeting. They could have had a branch meeting at any time that they chose to whilst they were sitting there—including, of course, former minister Larry Anthony. So, if the member for Indi wishes to seek any advice about the nature of that disruption to the childcare market, she is not short of numbers in her telephone book to place a call to. And I suggest that she does place that call.

Of course, because of the policy and other settings of the former government when faced with the collapse of ABC Learning, we have had to sort out what was a huge mess. We have sorted it out piece by piece, bit by bit, working through it to give as much safety, certainty and security as we possibly could to Australian parents caught up in this. The shadow minister alludes to some centres that have closed. Yes, that is true: some centres have closed. But I invite her to consider what would have happened when ABC Learning announced it was going into voluntary administration if the Australian government had not stepped forward to ensure that there was an orderly process that worked its way through. At some point I would hope that members of the Liberal Party might volunteer some apologies to Australian parents who were caught up in that catastrophic corporate Liberal Party mix.

On the paid parental leave questions that the member asked me, I would say the following. We are, of course, dealing with budget estimates here. I would suggest to the member for Indi that she may want to take a leaf out of the book of the member for Boothby. What I would say about the member for Boothby is that he is a very vociferous user of the questions on notice process. He appreciates that—

Dr Southcott interjecting—

Ms GILLARD—And we get back to him with answers. I would invite the member for Boothby to compare my record in delivering answers with the record of any Howard minister that he wants to pick at random and then come and have a conversation with me about whether or not we get him answers. If you have detailed things that you want answers to, I would recommend questions on notice to the member for Indi. She is obviously not sure about that. She may want to talk to the member for Boothby about it.

The member for Indi raised a policy question. This is a government that supports choices by women and by families. This is a government that understands that families will make different decisions at the time that they have a child join their family. Some families will determine for the mother to take a period of time off and then return to the workforce. Some families will determine to take a longer period of time off. We support those choices and, consequently, the government's policy settings support those choices. It may be useful for the member for Indi to know that, if there is at any point any suggestion that the Liberal Party is going to have a childcare policy, a policy about paid parental leave or a policy about anything else in her portfolio area—for example, preschool or early learning—then we are all ears for it. But we have not heard anything yet. With those words, I think we are at the conclusion of this session.

Dr Southcott—I have a brief question.

Ms GILLARD—Maybe the brief question could be supplied to me and we will answer it. Can I say, Mr Deputy Speaker, that the time for this session has expired. I would remind the

members opposite, who are so interested in all of these proceedings, that the routine performance of the Howard ministry was not to attend and to send a parliamentary secretary.

Dr SOUTHCOTT (Boothby) (6.23 pm)—I have a brief question to the Deputy Prime Minister. I would like to ask her about the \$14.7 billion Building the Education Revolution, which she says will support jobs and which the department says is all about maximising jobs. I would like her estimate of how many jobs will be supported by the \$14.7 billion Building the Education Revolution. I would like her estimate of how many jobs will be created or supported by the \$600 million Jobs Fund. I would like her estimate on how many jobs will be created for young Australians through the Compact with Young Australians. I also ask the minister: is she aware that, of the 85,000 places set aside for apprenticeships in the Productivity Places Program, only 154 places have been taken up? Does she regard this as a success? Does she regard this as a failure? What is she going to do about it?

Ms GILLARD (Lalor—Deputy Prime Minister) (6.25 pm)—He has snuck one additional question in. I refer the member for Boothby to the macroeconomic forecasts in the budget papers, which make it perfectly clear—and it is something that his party should reflect on—that the government's economic stimulus endeavours are supporting employment. The difference is more than 200,000 jobs. The difference is a difference of 1½ per cent in the unemployment rate at what is predicted to be the peak of unemployment. That is very important in supporting Australians who want to work and in supporting their families. I think it is to be regretted that the Liberal Party did not see its way clear to support this economic stimulus and the jobs that it is supporting. I refer him to those macroeconomic forecasts.

On the Productivity Places Program, this program is working well. He knows that in fact it has been very, very strongly sought after. Indeed, so sought after has the program been that one of the common complaints I suspect he gets is from registered training organisations who want more places and rapid delivery. He would be aware that in this budget we are investing more than \$5 billion in apprenticeships and related measures.

Proposed expenditure—\$7,601,757—agreed to.

Debate (on motion by **Ms Jackson**) adjourned.

Sitting suspended from 6.27 pm to 6.40 pm

STATEMENTS BY MEMBERS

Type 2 Diabetes

Mrs MAY (McPherson) (6.39 pm)—Last Friday I visited Bond University to meet with participants in a free walking program for women aged 65 to 74 with type 2 diabetes. The program is a joint study being run by Bond University and Griffith University that was funded by the previous government and is designed to determine the amount of walking that has the most beneficial effect in managing type 2 diabetes in women of 65 to 74 years of age. Approximately 275 Australian adults are diagnosed with type 2 diabetes every day, and while regular exercise is known to prevent and manage type 2 diabetes how it does so is not well understood.

The walking program runs over 12 weeks, and participants walk either four days per week or two days per week at Bond University in Robina to determine the best dose of walking to improve health, diabetes and wellbeing. Professor Greg Gass and his dedicated team are on hand to monitor the participants' improvement and provide them with a large amount of in-

formation about their health, including detailed progress reports on the state of their health. The ladies are also encouraged to discuss their progress with their GPs to further manage their overall wellbeing. I spoke with a number of the participants, and all reported feeling better about their health and general wellbeing since starting the program. Some noted that they had increased their social interaction as a result of coming in on a regular basis to exercise with other women. With too many people relying on medication as a quick fix to their health problems, I commend the work Professor Gass and his team are doing to understand how regular exercise can be prescribed to prevent or manage type 2 diabetes. (*Time expired*)

Mr Steve Gianola

Ms PARKE (Fremantle) (6.41 pm)—I would like to pay tribute to a long-time Labor Party member, Steve Gianola, who sadly passed away on 13 April 2009 aged 79. Steve was born at Mornington Mills near Wokalup in the south-west of Western Australia, the son of Italian migrants. Steve joined the Western Australian railways at 17 and became a steam locomotive driver at 25, just like his idol, the great Ben Chifley. He joined the Australian Labor Party in 1956 and was very active in both the railway union and the Labor Party. In 1969 Steve was struck by what Chifley described as a 'shaft of fate' when he suffered heart trouble and could no longer work as an engine driver. Fortunately, he could find salaried work with the State Energy Commission as a floor supervisor at Muja and then as a turbine driver at the Bunbury Power Station until he retired in 1991.

Steve held many union and party executive positions and worked on all Labor campaigns in the Collie and Bunbury area, including my own unsuccessful bid for the state seat of Mitchell in the December 1996 election. I have very fond memories of Steve, who was always cheerful and would do anything to help. Steve was a very active branch and community worker and a Labor true believer in every sense of the phrase. Steve will be sadly missed by his family, the Eaton and Australind community and members of the ALP's Australind branch and Forrest electorate council. He is survived by his wife, Betty June; a son and daughter; and five grandchildren.

Maternity Services

Mr HAWKE (Mitchell) (6.42 pm)—I rise today in support of the mothers and midwives in my electorate who came to see me about their concerns over the Rudd government's failure to accommodate the needs of women choosing to birth at home with a private midwife. Midwives, of course, have a concern that after this budget they will not be allowed to attend home births due to the new national registration of health professionals planned to be implemented in July 2010. Of course, midwives are the only health professionals without any indemnity insurance, despite \$500 million being given in 2001, and this appears to me to be an extremely valid concern.

I want to note here that since 1993 the UK's official policy has been that women should have more choice in the place of birth, and this is a position which the coalition supports. We certainly support the choice of childbirth options for women. The government has not resolved this situation despite it being noted in the maternity services review, and from listening to the experiences of these midwives and mothers within my electorate I can understand their concern. Despite an overwhelming 53 per cent of responses to the recent maternity services review advocating more accessible home birth services, the outcome of the review appears to

take home births off the agenda and as a result could potentially make home birth with a midwife illegal.

I want to record that private maternity could be made more supportive and much cheaper if private midwifery were enabled and recognised. Indeed, it is something which the government ought to consider and take very seriously before the July deadline. The shadow minister for health has written personally to the Minister for Health and Ageing raising these concerns and requesting that the government act and resolve this situation, and we are currently developing our health policy. *(Time expired)*

Iran

Mr DANBY (Melbourne Ports) (6.44 pm)—A shiver went down the spine of the international community with the re-election of President Ahmadinejad in Iran just yesterday. An Iranian analyst has reported that in the Iranian election there is no requirement to vote near one's residence. Voter turnout at a particular voting station or even in a city can theoretically exceed the estimated number of eligible voters in that locality. A person's voting eligibility is determined by a birth certificate. In previous elections, reports surfaced that the Imam Khomeini committee, a large state charity affiliated with Supreme Leader Ali Khamenei, rented birth cards (BCs) belonging to the poor. According to the National Organisation for Civil Registration, the number of birth certificates considerably exceeds the number of Iranians. Many birth certificates are issued as replacements for reportedly lost ones and there is little to prevent people using duplicate BCs to vote at two different polling stations.

The victory of the Ahmadinejad regime was described by a very knowledgeable analyst this lunchtime as 'regime change'. Even the mullahs seem to have lost control of Iran, with the victory of what can only be described as a Revolutionary Guards government. The international community is very concerned that Iran respond positively to the appeals of President Obama for a more peaceful existence—*(Time expired)*

Health Services

Mr HARTSUYKER (Cowper) (6.46 pm)—As we approach June 30 we are nearing the deadline for one of the major election promises made by Kevin Rudd during the 2007 election campaign. 'When it comes to health, the buck stops with me,' Kevin Rudd told the Australian people prior to the last election. If the states did not improve their performance, he would take over the public health system. Well, since the Rudd government was elected, the public health system in New South Wales has continued to deteriorate, particularly along the North Coast. The North Coast Area Health Service is currently cutting 400 jobs, and hospitals such as Maclean in my electorate are being subjected to cutbacks. This is the hospital that the local community has been supporting for many decades. Over the past 18 months the local area health service has tried to sell off land at Maclean hospital. They are also attempting to erode the status of the hospital by abolishing the dual position of executive officer-director of nursing and making staff accountable to Grafton hospital, around 40 minutes drive away. The area health service is also planning to lay off permanent night security staff at the hospital, which means staff will no longer have the reassurance that they have the support of security staff in times of emergencies.

Kevin Rudd cannot walk away from our services, such as the one which is managing Maclean. He cannot walk away from Maclean hospital. Kevin Rudd has to be accountable to his promise that the buck stops with him on health. Hospitals such as Maclean must be supported.

Rt Hon. John Curtin

Ms PARKE (Fremantle) (6.47 pm)—John Curtin, former federal member for Fremantle and one of our greatest prime ministers, was an extraordinary figure in Australian history. He and his family lived in a modest house at 24 Jarrad Street, Cottesloe, which was then located in the federal electorate of Fremantle. The home in which the Curtin family lived for many years did not receive the attention it deserved. It sadly deteriorated over time and has not been open to the public. On 22 May the federal government announced that \$580,000 from the heritage component of the Jobs Fund would be allocated to restore John Curtin's house and preserve its history under the care of the National Trust of Australia WA and Curtin University of Technology. As Senator John Faulkner said when announcing the funds:

... this ordinary Australian home is, I think, part of an extraordinary Australian story. It tells us about the private life of a very public figure. After making a speech, after meeting electors, after campaign meetings, this is the place John Curtin came back to for a cuppa or a sing-along or to read the newspaper or listen to the wireless.

... ..

This house tells us a great deal about why. It is part of our national story. Its preservation will allow many more Australians to know and understand more about one of our greatest leaders.

As the current member for Fremantle and as a proud member of the Labor Party, to which Curtin gave so much, I am pleased, as are my constituents, that this house will be preserved and recognised as an important part of our nation's history.

Budget

Mr LINDSAY (Herbert) (6.48 pm)—On ABC TV news on Wednesday last week, under union pressure to abolish the ABCC, the Prime Minister said:

We will be adhering to our pre-election commitment.

... ..

I take absolutely seriously my commitment to the Australian people prior to the last election. It was given explicitly on this question ...

Sorry, Prime Minister. Your pre-election commitments cannot be taken seriously. In the lead-up to the last election, the PM was asked time and time again whether he would change the private health insurance rebate. Again and again he and his health minister said there would be no change. Never was an election promise given more emphatically and then broken so brazenly. Standing at Lavarack Barracks, Townsville on 12 November 2007, Kevin Rudd promised to increase defence spending by at least three per cent in real terms annually to 2016. He said:

We believe that those in uniform, our men and women in uniform who serve our country with distinction, deserve that level of certainty ...

Yet at the heart of Labor's Pappas review into defence was slashing spending. In the 2009-10 budget, defence is required to make \$20 billion worth of savings over 10 years—give with one hand and take back with the other. Then there is Mr Rudd's broken election promise to spend \$33 million on a free medical and dental surgery for families of ADF personnel in

Townsville—again, broken. It is the case that Labor keep election promises when it suits them and break them when it does not. The Australian people can never again trust what the Australian Labor Party say. *(Time expired)*

Hasluck Electorate: Biggest Morning Tea

Ms JACKSON (Hasluck) (6.50 pm)—I would like to use tonight to record my thanks to the Woodlupine Seniors Committee for their work with me on this year's Biggest Morning Tea in Forrestfield. We were joined by some 211 seniors in the electorate. A good time was had by all as we sang along, drank cups of tea and enjoyed some of the local produce of my seat of Hasluck. In addition to that, many seniors brought along items for raffle as well as a bric-a-brac stall and a cake display. Those seniors, many of whom are doing it hard themselves, in conjunction with the morning tea managed to raise over \$1,500. I want to thank them for that terrific effort on behalf of the Cancer Council of Australia and I look forward to next year's annual Biggest Morning Tea in Forrestfield. My thanks go to the Woodlupine Seniors Committee for their terrific efforts on behalf of all seniors in my electorate of Hasluck.

Cowan Electorate: Flaming Evangelical Ministry

Mr SIMPKINS (Cowan) (6.51 pm)—On Sunday I attended the Australian launch of the Flaming Evangelical Ministry. Flaming Evangelical Ministry is dedicated to the salvation of mankind and was founded in 1997 in Freetown in Sierra Leone by Bishop Frederick Abu Koroma. It is a strong church in that country. I met Bishop Koroma and while speaking at the church I expressed my view that he should be proud of what has been achieved by the leadership and members of the church, guided as they are by their faith. The ministry sees its mission as reaching beyond the church walls. In Sierra Leone, the Flaming Evangelical Ministry is involved in community development projects. Apart from education, it also helps the poor, disabled and needy.

In Australia the ministry's objective is to advance the Christian faith and bring people to a wholesome relationship with Jesus Christ. Their first church, established in the electorate of Cowan, was established to give hope to those who need it, specifically those of African origin. In Cowan, the church is led by Reverend Moses and his Assistant Pastor Sheriff. The church is assisted by the departmental team leaders, Amie Konneh, Princess Fahnbulleh, Paul Nawah and Beatrice Paye. The deacons are Thomas Gooding, Ares Ambarie, and Kelin Sesay. The elders are Catherine Rogers, Frances Kasseh and Jessie Kasseh. The church leaders were commissioned at the ceremony. There were more than 100 people present at the church. The people who have come from Africa have had difficult lives. Death and brutality is no stranger to many of them yet the members of the Flaming Evangelical church are strong of character and are further strengthened by their faith. They reach out to younger Africans. *(Time expired)*

Parliamentary Delegation to India

Mr DANBY (Melbourne Ports) (6.52 pm)—When this parliament concludes for the winter session, I will be leading a very disparate group of parliamentarians to Dharamsala in the far north of India to honor the 74th birthday of his Holiness the Dalai Lama. The delegation includes myself, the member for Fremantle who is here, the member for Fisher, Senator Xenophon, Senator Hanson-Young and Senator Ludlam. We will be going to Delhi first and I appreciate the fact that the Australian High Commission will enable us to meet some people from the Indian parliament in their famous parliament, the Lok Sabha. We will be very clearly

indicating to them the disgust that most Australians feel at the disgraceful attacks on Indian students and the prejudice that comes from it. Every action should be taken by state police organisations wherever there are international students or people travelling late at night on trains to protect their safety and look after their wellbeing. We will be doing a most important thing and I repudiate attacks on us by the Chinese embassy in Melbourne's *Age* on Friday that we are interfering in Chinese politics. We are supporting the Tibetans' moderate program of autonomy within a Chinese federation. We are not supporting Tibetan independence.

The DEPUTY SPEAKER (Hon. BC Scott)—Order! It being 6.55 pm in accordance with standing order 192A the time for members' statements has concluded.

PRIVATE MEMBERS' BUSINESS

Powers of Intervention

Debate resumed, on motion by **Dr Stone**:

That the House:

- (1) notes that under section 417 of the *Migration Act 1958*, the Minister for Immigration and Citizenship may intervene personally making decisions in relation to individuals;
- (2) encourages the Minister for Immigration and Citizenship to urgently resolve his ambivalence about using these ministerial powers of intervention, given the consequences for individuals and families whose urgent requests for intervention remain unresolved, in some cases for nearly a year; and
- (3) requests that the Minister for Immigration and Citizenship responds to the report he commissioned analysing the use of ministerial powers (the Elizabeth Proust Report) which has been with him since 29 January 2008.

Dr STONE (Murray) (6.55 pm)—This is a matter of immigration ministerial discretion. The key intervention elements of the migration framework that were put in place in 1989 under former Senator Robert Ray included making sure that, besides the actual departmental review processes, there was a case where a minister could intervene. The view at the time was one that is still held by the coalition; that is, it is a sovereign right of the elected government to decide who meets the criteria to come to the country and remain. However, in recognition of the rigidity of the regulations criteria, the coalition in opposition supported the inclusion of a capacity for the Minister for Immigration to exercise his or her personal discretion to make a favourable decision but only after the application had been through a review process. The power is recognised as an important element in delivering a fair outcome in circumstances where the Minister for Immigration and Citizenship is confronted with a very complex set of human circumstances.

Since his earliest days in the ministry, the Minister for Immigration and Citizenship, Senator Chris Evans, has made a big deal about his ambivalence in using the ministerial discretion which goes with his office. In a number of speeches he has talked about not wanting to play God. For example at the national members conference of the Immigration and Refugee Review Tribunals in February 2008 he said:

One of the first things that struck me when I took on this role was what extraordinary powers I had as minister. The range of powers from determining the character of a person—such as Dr Haneef—to the deportation of long term residents with criminal convictions—to whether or not a new born baby can be allowed to live with his mother in community detention.

He then went on to say:

Yet ministerial intervention offers no guarantee of fairness.

This is quite an extraordinary statement: an unelected bureaucrat would be fairer than a minister elected by the people and accountable to the people. That is what the minister appeared to be saying. He goes on to say:

Maybe it is because I am new to the portfolio but my inclination is to support independent, transparent and appealable decision making in the resolution of immigration matters.

He goes on to say:

And if we are to limit the ministerial propensity to intervene, it is essential that there be public confidence in the legal system's ability to provide just and speedy outcomes in migration and refugee cases.

Quite clearly the minister is saying he has a better scheme in mind for cases which have been rejected by the tribunals, the Migration Review Tribunal and the Refugee Review Tribunal, and perhaps he is developing a long-term argument about there being a better way to deal with these cases. He asked Ms Elizabeth Proust to undertake a review, which she did, but that has now been languishing with the minister for 18 months without any response whatsoever.

Despite all this posturing and the endless words about a new regime, when it comes to exercising ministerial intervention, it has come to the coalition's attention that Minister Evans has in fact used his interventionary powers a staggering 1,000 times in the 18 months since he took office. When I say 'used his interventionary powers', that means he has overturned decisions of the tribunals or the courts over 1,000 times in 18 months. In the 18 months from September 2007 to March 2009, Minister Evans exercised his discretion 647 times under section 417 of the act and 347 times under section 351 of the act. In total therefore the minister who 'doesn't want to play God,' he says, 'who doubts that he can deliver a fair outcome compared to others' has overturned the decisions of the MRT and RRT over 1,000 times. Over 1,000 people who were found not to be refugees or who were to have their visas cancelled have had these decisions, made by the tribunals or by the courts, overturned by Minister Evans.

Let us compare this rate of intervention with others. Minister Ruddock intervened in 1,916 cases out of 27,000 between 1996-97 and 2003. Before that we had Labor ministers intervene much less. We call on this minister to tell us what is going on, what does he want to do and is he establishing an alternative system? If so, let us know so that it can be transparent and fair. We just do not know the how and why of his behaviour. This is the most extraordinary rate of interventions since any minister has been sworn in. (*Time expired*)

Ms JACKSON (Hasluck) (7.00 pm)—I find this an extraordinary proposition being promoted by the shadow minister for immigration tonight. It is quite an absurd motion that she has put forward. It is predicated on a number of falsehoods and completely disregards the facts. One could argue perhaps that this is not inconsistent with her past form in that it also offers no policy direction for the future and provides no clue as to the shadow minister's own views about how ministerial intervention powers are and should be used.

At least she was accurate in the part where she quoted from the Hon. Chris Evans' speech to members of the Migration Review Tribunal and Refugee Review Tribunal when he talked about his concerns regarding the use of section 417 ministerial intervention powers. He indicates that this is something that struck him very much when he first became the minister, because of the extraordinary powers that he had. He raises a number of concerns about how much the minister's involvement had become commonplace in individual cases and that there

had been a substantial expansion in requests over the preceding decade. For example, he cited that in 2006-07 over 4,000 requests for ministerial interventions were received by the department, and he contrasted that with earlier years: in a two-year period Minister Gerry Hand handled only 81 applications for the exercise of discretion. Senator Nick Bolkus, during his three years as minister, handled 311 and Philip Ruddock intervened on 2,513 occasions from 1996 to October 2003. The minister raised a couple of concerns. One was that it has become almost part and parcel of the immigration system—thanks to the previous government—that there is an expectation now that, as a matter of substance and form, there is an additional avenue for any individual to pursue their application for a visa and that is to make an individual complaint to the minister, which is quite a departure from what had previously existed. His other concern, which he clearly raised, was that there is no other minister with similar powers of intervention. Indeed, I am sure we would all agree with him.

Let us say the minister for social security had this power. If I were not happy with a Centrelink payment, the minister could intervene and grant a Centrelink payment—or, indeed, the Treasurer. If I did not like my Australian Taxation Office result, should the Treasurer have such extraordinary powers? These powers are part of a process to deal with exceptional circumstances such as in the nation's security. The minister himself says that he appreciates that it is appropriate in circumstances for the minister for immigration to have those powers. It is one thing to be exercising them in terms of a national security matter—a check on the system, in my opinion; it is quite another thing when it becomes just another avenue which an individual may pursue. To know that there are regularly some 2,000-odd appeals for ministerial intervention in the system is staggering. Frankly, I think the minister has done the right thing in putting in place a process to begin to address this very system.

The allegation of the shadow minister that the government has not responded to the Proust report handed down in July 2008 is absolute nonsense. Indeed, the minister has, on a number of occasions, indicated what steps have been taken with respect to the six recommendations made by the report. The shadow minister may like to examine the minister's media release of 9 July 2008 where it talks about the ministerial intervention powers under review and the steps he has taken since he commissioned the report to restore the integrity and transparency in the system of ministerial intervention after concerns were raised about the process. She may find that extremely instructive to her in her role as shadow minister. It is absurd to suggest that the minister has taken no action on the Proust report and it is absurd to suggest that the minister has been unclear. (*Time expired*)

Mr SIMPKINS (Cowan) (7.05 pm)—This motion is about the exercising of the discretion of the Minister for Immigration and Citizenship in relation to individual immigration cases. This issue is very important because the exercising of ministerial discretion and intervention in the cases of individuals whose circumstances fall outside the letter of the law allows a minister to take a humane and compassionate approach in such cases. It is the reality, and a necessary reality at that, that it is up to the government to decide who comes to this country; it is not up to the unelected courts. That is why we have laws that allow the immigration minister to take action and allow a person to be granted a visa, even when the Migration Review Tribunal or the Refugee Review Tribunal has already decided otherwise.

As the member for Cowan, I see a lot of success stories that have arisen from the successful migration of those who have embraced the values and the institutions of our society. I see

whole communities, such as the Vietnamese in Cowan, who greatly appreciate the freedoms and the opportunities that Australia allows them. Also in Cowan, the great heritage of Italian migration is evident across the electorate in the businesses, the history and even the resulting road signs that commemorate that heritage. The Italians and the Vietnamese are examples of the success of our immigration system, yet it is the case that such success was achieved under a system of immigration whose integrity was maintained through the policies of the former coalition government. While I am concerned that the same systemic integrity is now being eroded by the Rudd government, this matter is about individual cases that fall outside the anticipations of law. This matter is about the ordinary men, women and children whose cases do not fit the template and guidelines that exist.

It is a good opportunity to raise one of these cases. It may just be a name on a form residing within the bureaucracy; it may just be a name and another case on a letter in the minister's office. But this is a big issue for that person, their family and their friends. I speak on behalf of John Gagliardo, one such case where a man and his family and a lot of friends are in need of ministerial intervention and the granting of residency. John Gagliardo is a citizen of the United States. He first visited Australia in 1982 as a tourist. He returned in 1984, was employed on a mine site and chose not to leave Australia when his visa expired. Of course I do not condone that action, but the case of John Gagliardo is a case where one man, although doing the wrong thing almost 25 years ago, has nevertheless added great value to this country since then. John Gagliardo worked through till his 70s, when he retired to Fremantle. He paid taxes but did not claim through Medicare or other benefits. Since his retirement, he has lived from his savings and from the proceeds of a United States pension.

John has been a giver to this country and never a taker; economically, he has added value to Australia and never been a burden. Beyond the economics of his case, there has been a social side to John Gagliardo's life. His younger sister Leona and her husband Edward are my constituents. Leona has told me how much John is part of not only her life but also the lives of her children and grandchildren. I have seen the family photos and heard the accounts and strong endorsements from John's friends about the part he plays in their lives. In 2006, after a doctor's visit and being unable to provide a Medicare card, John Gagliardo came to the attention of the department of immigration. His application to stay was first rejected by the department and then rejected by the MRT. There is just one final chance for John, and that is the intervention of the minister. So here is a good example of where the minister can do the right thing and exercise his power for an individual, his family and a great many friends.

In looking at the guidelines for the exercising of ministerial powers, I clearly see the strong compassionate circumstances of damaging a close-knit Australian family. I also see grounds to allow John Gagliardo to stay based upon the time he spent in Australia and, by all reports, adding great value with his presence. Finally, I see that to repatriate him, after 25 years, to the United States, a country he rejected in favour of Australia, would not be compassionate based upon the harm and hardship it would cause to him. I reiterate that the exercising of these powers by the minister is important, and, in my view, he should do so in the case of John Gagliardo. The minister has acted a great many times in the last 18 months—over a thousand times—and, although the manner in which ministerial intervention occurred in certain cases under the former Labor government is questionable, this is a great example of where it should

be exercised for the right sort of person who has always had the right sort of values but has made just one mistake.

Mr DANBY (Melbourne Ports) (7.10 pm)—In light of the member for Murray's motion, it is important to make clear the government's position on section 417 ministerial intervention powers. The Minister for Immigration and Citizenship has said openly that he believes section 417, and other ministerial powers like it, give him too much power. He argues that you would not expect a minister for social security to make decisions on an individual's pension or a Treasurer to make a decision on your tax return and nor would the public accept such interventions as appropriate. That is an entirely legitimate political view of the whole issue of ministerial intervention and immigration. The member for Murray charges the minister with ambivalence in relation to his powers of ministerial intervention. However, it should be pointed out that on 26 February this year the minister stated:

Let us be clear on this. There is no question that as long as those powers in the act are available to the minister I will exercise them in accordance with my responsibilities.

In that regard the figures speak for themselves. In 2008 the minister finalised 2,241 ministerial intervention cases. That exceeds the number finalised in 2007, which was 1,840, and in 2006, which was 2,113. These statistics show that the minister has been getting on with making decisions while ministerial intervention powers remain available, and, in parallel, pursuing appropriate reforms.

It is just a political discussion, Member for Murray; I do not know why you are so agitated about a minister having open views about exercising his discretion. The member for Murray in her motion seeks to request the minister to respond to the Proust report. The short answer to this is that the minister has responded to it by taking appropriate action, and this work is ongoing. This may be an unfamiliar approach for those opposite, who over 3½ years ignored the Senate select committee, as Ms Proust observed:

It is surprising that so little use has been made of the report ...

By way of contrast, aspects of some of the recommendations in the Proust report had already been acted on by the time the report was released. For example, the minister noted in his media release, as the member for Hasluck said, that he had already taken steps to delegate some of the powers that he was able to delegate to the department in line with recommendation 3 in the Proust report. Other recommendations have been fully implemented since the report was released. For example, recommendation 1 of the Proust report, 'that the department commence immediately the practice of providing a recommendation on each file going to the minister for a decision', was fully implemented some time ago. Aspects of recommendation 2, which relates to improving transparency and confidence in current arrangements, have also been implemented. The minister has also acted upon recommendation 5, which recommends that almost all discretions currently exercised personally by the minister be delegated either to the department or to the Refugee Review Tribunal for appropriate review and oversight.

The Rudd Labor government expects to introduce legislation to bring in complementary protection later this year. Ms Proust noted that a system of complementary protection:

... has the advantage of transparency, efficiency, accountability and, for the applicant, gives more certainty and reduces the time involved in the processing.

If the member for Murray were serious in her concerns about the consequences of delay for individuals and families seeking ministerial intervention, she would get on board and support these government complementary protection decisions. Instead we heard from the member for Murray, as soon as parliament rose after the budget was announced, that the sky would fall in if we allowed people who faced the risk of torture or death to apply for a visa and have any decision to refuse the visa reviewed. However, we should not be surprised at the opposition's actions on this at that time. We have seen the opposition playing politics with the tragic events that claimed the lives of five people in April near Ashmore Reef. The member for Murray has continuously made claims in relation to the government's change in policy on asylum seekers and made claims that are patently not correct about Labor cutting resources for border protection. In fact, the figures on government expenditure show a slight increase, and they are published on my website.

As a member of the Joint Standing Committee on Migration, the member for Murray endorsed the reforms announced in our first report in December. She also criticised the abolition of the temporary protection visas but could not say whether she would reintroduce them. She supported the closure of the Nauru and Manus Island detention centres, yet her colleagues have left open the possibility of reopening the Pacific solution. As opposition spokesman, the only policy she has announced in 18 months is that she will hold an inquiry.

I can only endorse the paeans of praise made by the member for Cowan and the member for Murray about Greek, Italian, Vietnamese and other immigrants in Australia. But you cannot condemn the minister for being ambivalent and then question him for making all these interventions. (*Time expired*)

The DEPUTY SPEAKER (Hon. AR Bevis)—Order! The time allotted for this debate has expired. The debate is adjourned and the resumption of the debate will be made an order of the day for the next sitting.

Foot-and-Mouth Disease

Debate resumed, on motion by **Mr Bruce Scott**:

That the House:

- (1) notes that the report of the Beale review of Australia's quarantine and biosecurity arrangements, *One Biosecurity: a working partnership*, includes recommendation 59 relating to the importation, subject to strict conditions, of the live foot and mouth virus for use in research;
- (2) recognises that the risks associated with such importation far outweigh the possible benefits of research; and
- (3) calls on the:
 - (a) Minister for Agriculture, Fisheries and Forestry to unequivocally and indefinitely reject recommendation 59 of the 'Beale Report'; and
 - (b) Government to indefinitely and wholly prohibit the introduction of any live culture sample of foot and mouth disease for research or any other purpose.

Mr BRUCE SCOTT (Maranoa) (7.16 pm)—Australia would be devastated if foot-and-mouth disease were to ever enter our shores. I know there are some reports that it was perhaps in Australia in the very early 1800s, at a time when there was limited scientific evidence and limited records kept, but we must look at the fact that we have been free of this disease for more than 130 years. Over many decades Australian farmers have built themselves a strong,

world-class reputation as producers of clean, green and high-quality pork, beef, veal, lamb, venison and dairy products, but this could all be destroyed if Australia were to experience an outbreak of this devastating and highly contagious disease.

The most severe foot-and-mouth disease outbreak on record happened in 2001 in England. It caused a devastating loss of more than A\$19 billion to the British economy and to the farmers. Some five million sheep, 764,000 cattle and 435,000 pigs and goats—a total of more than six million animals—were destroyed because of an outbreak of foot-and-mouth disease. On top of the economic loss, it is estimated that the cost to the British government for the clean-up and for compensation for slaughtered animals was A\$6 billion. But no compensation can ever replace the genetic potential of the animals that are lost forever, genetics that have been bred up over years and years.

Should an outbreak happen in Australia, the genetics would be lost because the only control method is the total destruction of all affected animals. The devastating aspect of this disease is that, because it is so highly contagious, any animal that comes in contact with infected animals or is believed to have come into contact with infected animals must sadly be destroyed. If Australia were to experience an outbreak, we may find it difficult to contain due to our large feral pig, camel and goat populations. Imagine trying to clean up coastal areas where we have large populations of feral pigs—or feral goats, as is the case further west—during a wet season when you have to deal with the disruption to roads and the flooding that goes on. There is the potential for those feral animals to transport the disease over wide distances. It would be difficult to control and would add to the complexity.

Imagine the loss of the genetic potential of our superior gene stock in Australia. This year in May we had Beef 2009 in Rockhampton—one of the major events for the beef industry. People and breeders from many countries around the world came to Rockhampton to Beef 2009 to look at the superior genetics that we have in our beef herds in Australia—another major export earner for Australia. Of course, if there were a foot-and-mouth outbreak these superior ones would be caught up as well. It does not discriminate; there would be total destruction of all the animals in the infected area.

Just before Christmas last year, when the minister released the Beale report entitled *One Biosecurity: a working partnership*, I can assure you that word spread as fast as the potential that this disease has to spread that the report recommended the importation of a positive controlled sample of the virus for research purposes and that the Rudd government—and this is from the minister—had given its in-principle agreement to the recommendation. Farmers and their representative bodies, such as AgForce, the Cattle Council of Australia and the Australian Beef Association, were understandably up in arms about the possibility of this disease entering our shores.

One can certainly not accuse them of overreacting. The 2007 outbreak of foot-and-mouth disease in England—which came after the 2001 outbreak—was shown to have come from a secure animal health laboratory where the virus was held. After the 2001 outbreak in England the British beef processors were unable to resume trading for five years. Imagine how those affected UK farmers must have felt when in 2007 they were hit with this disease again. Imagine being part of an industry that was probably still repairing the damage done by the devastating 2001 outbreak only to cop it again because of a breach in what was a so-called secure

animal health laboratory. It was the only known location in the United Kingdom where that particular strain was held.

A report into the outbreak concluded that the virus had leaked out from drainage at the facility, which contaminated the surrounding soil and then was spread to a nearby farm on the wheels of cars. How easily it can spread—an accidental outbreak occurring from a so-called high-security animal health laboratory! That gives members here an idea of how devastatingly contagious this disease is. In a somewhat fortunate turn for the British farmers, because it was caught reasonably quickly, it was able to be contained to a number of farms. Nonetheless, it was devastating for the affected farmers. According to the President of Britain's National Farmers Union, Peter Kendall:

The effects of the outbreak were crippling for livestock farmers—milk had to be poured away, herds that had taken generations to breed had to be slaughtered, high quality livestock couldn't be exported or sold for breeding and instead had to go to slaughter, and animals couldn't be moved to fresh grazing and had to be left where they were.

They had to be left where they were if they were anywhere within the containment area, or they were destroyed. I still have visions in my mind of the fires when these animals were being destroyed. They were being burnt in situ, where they were, because that is one of the control measures. I would hate to ever see that sort of thing on our shores.

In accordance with the EU requirements, a total ban on the export of UK animal and meat products from susceptible species was imposed and it was only in December 2007 that the EU export restrictions were lifted. The World Organisation for Animal Health did not reinstate the country's foot-and-mouth disease-free status until February last year. That outbreak cost the farming industry in the UK some £100 million and insurmountable losses. Imagine if that had happened here in Australia. Imagine if our farmers were locked out of the global trade for even a year. Regional and rural communities would be economically gutted. The Department of Agriculture, Fisheries and Forestry estimates that a worst-case Australian foot-and-mouth disease infection would cost between \$8 billion and \$13 billion of gross domestic product. They are government figures; they are the department's figures.

The emotional toll on farmers who have long been battling the drought could not be calculated if they were to then have their animals destroyed as a result of an outbreak of foot-and-mouth disease. That is why the unequivocal and indefinite rejection of recommendation 59 of the Beale report is so important to the peace of mind of Australia's livestock producers. I acknowledge that the Minister for Agriculture, Fisheries and Forestry said that the Rudd government would only allow the importation of a live virus of foot-and-mouth disease if an outbreak in Australia had already occurred. I have got to say that is after the horse has bolted, and that comment also concerned me.

I note that the government intends to replace the 100-year-old Quarantine Act of 1908 with new legislation. I call on Minister Burke to use this opportunity when drafting our new quarantine legislation to make explicit and indefinite prohibition on the importation of foot-and-mouth virus for research purposes or, indeed, any other purpose, regardless of whether or not there has been an outbreak. We do not need to bring a live sample into this country. The Australian government scientists are already involved in offshore research in countries which have foot-and-mouth. We do not need to bring it onto our shores. Our billion dollar agricultural industry cannot afford the risk. (*Time expired*)

Mr ADAMS (Lyons) (7.26 pm)—It is very good to have a discussion about this issue. I spent some of my youth out in the electorate of the honourable member for Maranoa, in shearing sheds—

Mr Bruce Scott—That long ago!

Mr ADAMS—A long time ago. It was a great experience and I remember it well.

The issue of the report on biosecurity is an important one. It is a report of some good work and it needs the full attention of the parliament and the government. To put the words importer risk analysis and the national interest into some context for the member's motion, you really cannot have the full national interest of what the cost is to the government and to the country from losing costs and benefits. I think the panel would be quite happy to look at that approach but, of course, it is not consistent with the broader implications. I think the panel that wrote the report noted that the approach would not be consistent with Australia's obligation under the SPS Agreement with the World Trade Organisation. You start to get into those trade restriction requirements and issues of non-tariff barriers et cetera.

Australia has an important and strong interest in having a less restrictive agriculture trade environment in the world—and we lead some of those fights. The Cairns Group, others and trade ministers have fought those battles and we have a managing role to keep together our trade in the world for not only agriculture but lots of other things that we produce. We are an exporting country; our wealth comes from exports. So we have to really approach these things in a pretty sophisticated manner. I saw the words of the panel in the report on dealing with that full national interest issue and it is an important one.

With the problems with the quarantine system, we looked at border protection since 1901. Keeping things out, stopping everything and zero tolerance have really been our thinking up until now, but that has changed over the last 20 years. People still think that, and our legislation reflects that. There is a need to look at things in a much broader way. We do have to come to grips with risk analysis. We need to look at where things come from in the world and at the risks and then make some analysis. That is the important issue.

All of the problems with the quarantine system, which has been around a long time, have led the Minister for Agriculture, Fisheries and Forestry to seek an independent review to provide Australia with a more rigorous system to minimise the risk of pests and diseases entering our country. With globalisation and climate change the threats are enormously increased. We need to take them seriously and deal with them. With the present swine flu we think even more so about the increased international movement of people and goods, particularly from the areas that present higher biosecurity risks, and about the complications in identifying the risks at borders.

In my own state of Tasmania we have had fights about salmon and other things. We are an island on the periphery of this big island. We have fewer bugs and other things than many other areas. Our communities have a very high awareness of the value of biosecurity in securing access to quality-conscious, high-value and niche markets, especially overseas. We have done very well as a state in that area and hope to do well in the future. Being free of certain pathogens and other things in the biosecurity area gives us that opportunity.

We need very tight security across the country to ensure that foreign pathogens do not enter unexpectedly. We must be prepared. I believe we can be. Last year the minister released the

Beale report, an independent review on quarantine and biosecurity arrangements. The government's preliminary response is to accept the recommendations of the review in principle. Minister Burke felt that the report was an important step in this government's commitment to improve Australia's biosecurity scheme. It provides a comprehensive blueprint for meeting the biosecurity challenges of the future. While we agreed in principle, further detailed considerations will be critical to implementing the new scheme.

The honourable member for Maranoa raised recommendation 59. There will always be concerns about the implications of importing the foot-and-mouth virus or any other pathogen. However, he may have misinterpreted what the minister for agriculture said. He has already stated that the government would only consider importing live foot-and-mouth virus samples if there was an actual outbreak in Australia and it was advised that importing samples would contribute to the eradication of the disease. He was pretty specific. The report went further to say that, should an import permit application for foot-and-mouth disease virus be proposed, there would be extensive consultation with industry and other stakeholders before lodgement of a formal request. So, although the government's response may take a while, the in-principle agreement to recommendation 59 should not be interpreted as automatic entry for, or agreement to, the importation of any disease agent, including the foot-and-mouth disease virus.

Currently, there is no such application before government and the government does not intend to support any application at this stage. If we had to deal with an actual outbreak of foot-and-mouth then we might need to allow the Australian Animal Health Laboratory in Geelong to take undertake diagnostic research and be prepared for dealing with the crisis. We know that this has proved valuable in work that was done during the highly pathogenic avian influenza and, in 2008, in the case of the equine influenza outbreak. The Geelong laboratory was able to quickly confirm and identify the virus by using reference strains held in secure storage. The laboratory's access to virus agents enabled a faster and more effective response than would otherwise have been the case and the rapidity of the response was critically important to Australia's success in the eradication of the disease.

I understand the member's concern and I would be one of the first to stand up for the strictest biosecurity regime, but we are still getting dangerous pathogens here, despite all. I do not see that we are going to get rid of those by thinking—(*Time expired*)

Mr COULTON (Parkes) (7.36 pm)—I am very pleased to be standing here tonight supporting my colleague, the member for Maranoa, on what is a very important issue. I acknowledge the comments from the member for Lyons as well. There is probably agreement that foot-and-mouth disease poses probably one of the greatest threats if it came through to livestock production in Australia. I believe the recommendation in the Beale report to allow live virus into the country, even though it says 'after an outbreak has occurred', sends a mixed message and we need to make sure that we are unequivocal in the stand we take.

Agriculture and livestock, even in this economic downturn, is the one thing that did not reduce in the balance of payments. Indeed, carrying Australia to a large degree at the moment are our agricultural exports. We need to protect these at all costs. In 2006-07 Australian agriculture, fisheries and forestry industries contributed \$38.5 billion to the national economy and employed more than 270,000 people in rural and regional areas. The Department of Agriculture, Fisheries and Forestry estimates that a worst-case Australian foot-and-mouth disease infection would cost up to \$13 billion. Almost all of our animal exports would cease immedi-

ately and there would be a huge drop in demand for animal products on the domestic market. The tourist industry has suffered dramatically in every country where a foot-and-mouth disease outbreak has occurred. It goes without saying that we would see widespread losses in employment and Australia's rural economy would be devastated.

What I would like to focus briefly on tonight is that Australia is uniquely at risk. If foot-and-mouth disease came to Australia, we would not be able to control it. In the United Kingdom and other countries where foot-and-mouth disease has been in the past, they are relatively intensive, tightly managed agricultural units. The biggest threat that we have is if it got into the wild pig population. We are at risk. It would only take a seaman at Kooragang Island in Newcastle Harbour to throw the remains of his sandwich overboard with a bit of salami or something that he has brought with him from Brazil or wherever he has come from, and it could be picked up by the wild pigs.

Just in my own area, north-west New South Wales, and from my own personal experience, I know that several neighbours and I, employing a helicopter, have shot up to 500 pigs in one morning. That is without having any obvious signs; you never see them. The other thing about wild pigs is that they will travel 20 to 30 kilometres in one night in search of food, so they would spread this rapidly. There is no part of Australia, except maybe in the driest of deserts, where they are not a problem. I see the member for Solomon and the member for Flynn here, and I am sure they are very well aware of this and that, even in the tropical paradises that they come from, wild pigs would be a huge problem.

Mr Adams interjecting—

Mr COULTON—Not in Tassie. The member for Lyons would probably have the ability to turn them into a delicious treat of some sort. But I digress. In the United Kingdom there is a commercial vaccine production company that has the full nine strains of foot-and-mouth disease on file. They can have up to half a million cattle-equivalent doses for each of the nine strains, and if an outbreak were to occur we would have access to that within a matter of hours. While I understand the words the minister has said—that this would only be imported if an outbreak occurred—I think that is a slightly wavering message, and I would urge that they reword point No. 59 in the bill report so that there can be no mixed messages on the point that the live virus of foot-and-mouth disease should not be imported into Australia.

Mr TREVOR (Flynn) (7.41 pm)—Firstly, for the record, I say that the Minister for Agriculture, Fisheries and Forestry, Tony Burke, has clearly stated that there is only one case in which the government would consider importing live foot-and-mouth virus samples, and that is if there were an actual outbreak in Australia and the government were advised that importing samples would contribute to the eradication of the disease. It is no secret that the Australian Animal Health Laboratory in Geelong already holds a limited number of exotic viruses that it has used for a number of years under strict conditions for diagnostic research and disease preparedness. The Australian Animal Health Laboratory is the only facility in Australia which has the appropriate biocontainment capacity for handling the virus. Professor Alan Bell, chief of CSIRO Livestock Industries, has recently advised that the laboratory has no plans to seek permission to import live foot-and-mouth virus for research purposes.

It should be noted, however, that the government has been advised that it may be useful to have imported pure strains to produce test antigens depending on the size of the response required. Some have suggested that the government could rely on the overseas laboratory in

Thailand to carry out all necessary work related to FMD. However, that laboratory does not possess every possible known strain of FMD. Therefore, with respect, it is an act of gross vandalism by the opposition to suggest that the government rely on the work done by a foreign government to respond to an FMD outbreak in Australia. This motion—specifically clause 3—states quite clearly that we should not do all we possibly can to respond in the most effective way to an FMD outbreak.

Again, with respect, the coalition's record on quarantine and biosecurity is terrible. Let us take some examples. Firstly, there was the equine influenza outbreak. Despite many warnings from the horse-racing sector and veterinarians, the Howard government presided over a quarantine system which was dysfunctional, leading to the equine influenza outbreak in August 2007. Indeed, in the past 10 years alone, on the coalition's watch we saw white spot disease in prawns in Darwin in 2000; black sigatoka in bananas in 2001; fire ants in 2001; small hive beetle affecting bees in 2002; sugarcane smut in 2006; equine influenza; and citrus canker disease in 2004 in my electorate of Flynn, in Emerald.

Citrus canker, an exotic bacterial disease of citrus and other related plants, was detected in the Emerald district in June 2004. As the member for Maranoa will recall, it had a devastating impact on the Emerald community, which he once served. A pest quarantine area was established in July 2004 to prevent further spread and facilitate eradication of the disease. During 2004 and 2005 all high-risk host plants of citrus canker were removed from the pest quarantine area. Australia produces close to 700,000 tonnes of citrus each year. Citrus production is valued at \$420 million annually. Major markets for Australian citrus include Hong Kong, Malaysia, the United States, Singapore, Indonesia, Japan, New Zealand, Taiwan, Canada and Korea.

Citrus canker was declared eradicated from Queensland by the national management group on 23 January this year. All other states and territories have agreed to remove all citrus canker related movement and market access restrictions. As with the system that eradicated citrus canker, the Rudd Labor government recognises the importance of a rigorous system to minimise the risk of pests and disease, particularly as globalisation and climate change increase these threats. The government is now working towards implementing the reforms outlined in the Beale report, which are aimed at building a better system which fosters partnerships, improves governance structures and targets risks.

Ms MARINO (Forrest) (7.46 pm)—I am extremely concerned at the Rudd Labor government's decision to allow foot-and-mouth disease virus to be imported into Australia in any circumstances. We need to draw a very firm line on this issue. There should be no equivocation on foot-and-mouth disease. As soon as the Beale report was released, the government immediately announced its in-principle support for all of the 84 recommendations, which included recommendation 59, to import foot-and-mouth disease virus. This was announced without industry consultation and effectively places Australia's foot-and-mouth-free status at unnecessary risk. A decision to allow the import of foot-and-mouth disease virus for experimental purposes, even after an outbreak, will overturn years of government objection to its import. Australia's livestock industries have always vigorously resisted attempts by scientists to allow the virus into the Animal Health Laboratory in Geelong.

Foot-and-mouth disease is widespread across the world. According to the World Organisation for Animal Health, 51 countries reported incidences of infection between 2007 and 2008.

I discussed this issue with Senator Chris Back, a qualified veterinarian who has very serious concerns with this decision, some of which I will mention. Australian agriculture, especially but not exclusively the animal industries, would be devastated should foot-and-mouth disease become established in Australia; others could tell us the very immediate impact of that on GDP. If FMD got into Northern Australia, the most likely route of infection, it is probable we would never get rid of it from the feral camel population and the several million—and increasing—feral buffaloes, as well as rangeland cattle and feral pigs—you name it. We are an island continent. Our strongest protection against diseases such as FMD is to preserve our disease-free status as long as we can. Prevention is the most effective risk treatment measure in this case. There is no basis for us introducing the live FMD virus.

The Pirbright laboratory in the UK was regarded universally as a benchmark laboratory, but it was from this very laboratory that the virus escaped in 2007, with the resultant devastation of Britain's agriculture. The facility at Geelong is probably one of the best facilities of its type in the world, but this is no reason to allow a live virus into Australia. If we get the disease into Australia through biosecurity failure or other means, that is still no reason for us to bring the virus into the country. Australia already pays at least one overseas laboratory, if not two, to undertake diagnosis of serotypes et cetera and to produce quantities of vaccine in volumes far greater and quicker than any lab in Australia could. CSIRO scientists already work with overseas colleagues on FMD and other highly infectious diseases. Senator Back also said he could not believe there is or would be a scientifically valid reason for bringing the virus onto the Australian mainland. If there ever was a need to work with the virus on 'Australian territory', such work could be conducted on the Cocos Islands, where the federal government already owns assets.

From a risk management viewpoint, the only sensible course of action is prevention and I really cannot think of any reason why we would voluntarily introduce the FMD virus. We just need to look at the devastation the disease has caused in other countries, in Brazil and in the United Kingdom where six million animals were culled, causing financial losses of more than A\$19 billion. It cost the UK government the approximate equivalent of A\$6.1 billion in compensation for slaughtered animals and payments for disposal and clean-up costs. And Western Australia produces a wide range of meat products. We have sheep, cattle, right through to pigs, export and domestic productions. These industries provide major employment and regional economic benefits.

Australia is foot and mouth disease free. It certainly needs to stay that way. A Productivity Commission report in 2002 indicated that a major outbreak could cost Australia over \$9 billion in lost export earnings—and you can imagine what it would be now. That was 2002. The beef industry would be the most affected and there are several major abattoirs and butchering operations in my electorate as well as the state herd, which totalled 2.3 million head in 2007-08. They are very important industries. I support the motion by the member for Maranoa and I, too, call on the Labor government to recognise that because of the risks associated with such importation there needs to be unequivocal recognition of this issue. It is too important and the government must reject recommendation 59 of the Beale report.

Mr HALE (Solomon) (7.51 pm)—I acknowledge the member for Maranoa for putting this motion to the House and I am happy to add my contribution to the points he has raised. I would like to reiterate what the speakers on this side of the House have already said and that

is that the Minister for Agriculture, Fisheries and Forestry has clearly stated that there is only one case in which the government would consider importing live foot and mouth virus samples and that is only if there was an actual outbreak in Australia and if the government was advised that importing samples would contribute to the eradication of the disease.

Recently I had the privilege of hosting the Prime Minister's country task force in my electorate of Solomon. We had the pleasure of meeting with many primary producing industry groups. One of the groups we met with was the NT Cattlemen's Association. NTCA Executive Director, Luke Bowen, does a fantastic job in representing the industry and I know the industry speaks very highly of the Minister for Agriculture, Fisheries and Forestry and the work that he has done. They say that he is possibly the best ag minister they have ever had—and that includes the member for Wide Bay.

I am passionate about this issue because members of the NT Cattlemen's Association successfully manage in excess of 62,000 square kilometres or 9.6 per cent of the Australian landscape. The pastoral industry generates over \$300 million in direct benefits and flow-on benefits worth more than \$800 million to the local NT economy. That is about 75 per cent of the NT's gross value of agricultural production. Last year over 330,000 cattle were exported live through the Port of Darwin, a figure I know the NT Livestock Exporters Association is very proud of.

The significance of the cattle industry to the Territory is not something new to the proactive Minister for Agriculture, Fisheries and Forestry. In fact, I know the minister thoroughly enjoyed a very rewarding experience at a cattle station up in the Territory recently and only last week he was in the Kimberley opening new export yards and promoting Indigenous Australians in primary industry. The Beale review is an independent review of Australia's quarantine and biodiversity arrangements. The report is an important step in our government's commitment to improve Australia's biodiversity system. It provides a comprehensive blueprint for meeting the biodiversity challenges of the future and in principle we have to accept the recommendations of the review.

The chief of the CSIRO Livestock Industries, Professor Alan Bell, has advised that there are no plans to seek permission to import live foot and mouth disease virus for research purposes and that only after an extensive consultation process with industry and other stakeholders would they lodge a formal request should an import permit application for foot and mouth disease virus be required. In opposition, Labor expressed grave concerns about Australia's quarantine and biodiversity arrangements. As an example, despite the many warnings from the horse racing sector and veterinarians, the previous government were in control of a quarantine system which was dysfunctional. It led to the equine influenza outbreak back in 2007.

The then agriculture minister, the member for Wide Bay, ignored written warnings from the Australian Racing Board not to downgrade post-arrival equine quarantine inspections in 2004. He even wrote to the Australian Racing Board declaring that the outbreak could not occur under the current AQIS post-arrival protocols. Unfortunately for Australia's racing industry and all the others affected, we did have the outbreak. History will tell us that he was wrong. And, fair dinkum, now we have this private member's motion effectively wanting this government to state on record that if we were in the unfortunate position of an actual outbreak of

foot and mouth disease in Australia, the member for Maranoa wants us to do nothing—just like the member for Wide Bay did nothing in 2004.

The Rudd government recognises the importance of the rigorous system to minimise the risk of pests and disease, particularly as globalisation and climate change increase the threats. This government takes biosecurity seriously. This government listens to experts and industry, and this government takes decisive action. I have a lot of respect for the honourable member. In his first speech in 1990 he said:

This Government has the responsibility to put in place legislation which not only deals with today's issues but also has a beneficial effect on our children's future. Today's children are tomorrow's adults. Their future rests with today's decision-makers.

Surely this is a responsible thing to do to guarantee the future of our children. As a government, we do all that is possible to make sure that we can respond to threats to Australia's biosecurity in the most effective way.

PRIVATE MEMBERS' BUSINESS

Water Safety

Debate resumed, on motion by **Mr Neumann**:

That the House:

- (1) notes the Federal Government's 'Saving Lives in the Water' measure announced in the 2008-09 Budget and the priorities identified in the *Australian Water Safety Strategy 2008-2011*;
- (2) calls on the Federal Government to:
 - (a) create and implement an annual National Drowning and Prevention, Awareness and Memorial Day;
 - (b) provide assistance to schools and other education facilities so they are fully resourced to provide Cardiopulmonary Resuscitation (CPR) and First Aid training, and better able to educate students on water safety;
 - (c) establish a national code for pool compliance, legislating that all pool owners be trained, certified and up to date in CPR as part of their pool compliance;
 - (d) devise and support programs to teach water safety to children and toddlers; and
 - (e) implement a national rural and regional swimming program to better equip parents, carers and children in isolated communities.

Mr NEUMANN (Blair) (7.56 pm)—It is a really terrifying thought, but last year on average one little boy or little girl drowned every week. Drowning is the No. 1 preventable killer of toddlers in Australia. For parents, the really scary thing is that it can happen so quietly and so quickly: one moment they are playing, and the next moment they are at the bottom of the pool. Every day the lives of young Australians are being put at risk with so many private swimming pools lacking basic safety requirements and posing potential deathtraps to toddlers. Behind the drowning statistics are the sad stories of young lives cut tragically short and grieving families left to mourn their loss.

I have seen how devastating the loss of a child can be through one family in my constituency: Katherine and Andrew Plint, who lived in Laidley, and lost their daughter Hannah almost two years ago. On 4 October 2007, at nearly three years of age, Katherine and Andrew's daughter Hannah climbed onto a chair in the backyard of their family home, unlocked the gate to the family pool and fell into the pool. Tragically, Hannah died within minutes of dragging

the plastic chair to the pool gate. Hannah died in a non-compliant, unapproved, above-ground pool that her parents had purchased with their home in October 2006. Hannah's parents loved their daughter and would have done anything to ensure her safety. They thought the pool was compliant. It was only following her death that they discovered that their backyard pool was built illegally, no application had been submitted to the council to build the pool and no compliance checks were ever undertaken. This tragic incident impacted enormously on their family and the wider community.

With the grief of Hannah's passing, the Plints turned to helping those in need. They established Hannah's Foundation—drowning prevention, awareness and support. It is a registered charity. Commissioner Bob Atkinson, the Commissioner of the Queensland Police Service, is the patron. The Plints have struggled and strained and advocated for pool legislation reform following their daughter's coronial inquest. They have urged the state government and the federal government to overhaul a 20-year-old law.

One death by drowning is one death too many. A national drowning and prevention awareness memorial day would be appropriate to raise community awareness about the risks of drowning and to remember the young lives lost.

The Plints have asked me to thank the Minister for Families, Housing, Community Services and Indigenous Affairs, Jenny Macklin, for her message of support and her condolences on their memorial day on 4 October, which I had the privilege of attending in Laidley. In view of the wonderful advocacy of the Plints, it would be appropriate in the circumstances if 4 October could be set aside each year as the memorial day. Whilst it is important to teach our children to swim, it is crucial we equip our schools to provide CPR and first aid. This will save lives. Shockingly, in Queensland alone, reports show that up to 100,000 private swimming pools are failing basic safety requirements. Each of these pools is a potential death trap. We need to change the laws. Currently, in Queensland alone, there are approximately 11 different confusing sets of pool laws. An expert panel has recommended this be simplified to ensure we comply with the latest Australian standards. If we can do the Building the Education Revolution nationally and deal with the states and territories, we can ensure, along with the national curriculum, that we have a national approach to reform in this regard.

I commend Andrew and Katherine for their wonderful advocacy. Ken Chandler, who is also a constituent of mine, is the Executive Director of the Royal Life Saving Society of Australia. He advocates that pools should be safety audited every two years. Ken has a long history of involvement in sporting organisations, particularly in the area of swimming, where he helps young people in the Ipswich and West Moreton areas to learn about how to protect themselves and about water safety. One death is just too many for young people. Those of us who are parents in this place love our children. If we can help people like the Plints, we need to do everything we can to ensure a national approach to this issue. State reform has failed and council reform has failed. A national approach is required and a national day is appropriate under the circumstances. I put this motion before the House to ensure there are no parents having to go through what the Plints went through—the pain, the agony, the depression and the recrimination. In all these circumstances, I commend the motion to the House.

Mr CHESTER (Gippsland) (8.02 pm)—First, let me congratulate the member for raising this issue on water safety and acknowledge his thoughtful and constructive comments. There are many practical and commonsense proposals contained in there. The motion refers to the

Australian water safety strategy for 2008-11. I note that the key target of the strategy is to halve the number of drowning deaths by 50 per cent by 2020. It is a challenging target and, when you consider the complex issues which contribute to our annual drowning toll, it will require a true partnership between individuals, community groups, the business sector and governments at all levels to achieve.

In 2007-08, the national drowning toll was 261, which represented a small decrease on the previous year. I attended the launch of the national drowning report in this place last year and the trends that were revealed are a guide to the approach being taken by the Australian Water Safety Council in the development of its strategy. Those trends are quite clear. Men are three times more likely to drown than women, with young men overrepresenting those statistics and often with alcohol involved in the tragedy. Toddlers aged zero to five are also overrepresented in the toll, with 27 children drowning in that year—a constant reminder for parents about vigilance and the pool maintenance and other controls referred to by the previous speaker. With an ageing population, we need to develop better strategies to ensure that older people are safe when they enjoy boating, swimming or fishing activities.

Most drowning deaths are preventable, as can be seen by the success of the surf-lifesaving movement throughout Australia. In Victoria alone, there are about 55 surf-lifesaving clubs which provide patrols in the peak summer months. Last year, those clubs saved an estimated 1,000 lives in Victoria. I know from personal experience that surf-lifesaving clubs can play a critical role in preventing drowning deaths. In fact, three of my young children are involved in the Lakes Entrance Surf Life Saving Club nippers program, where they are taught surf skills and first aid. Providing these volunteer organisations with quality rescue equipment and facilities with which to teach first aid and treat patients are all critical elements of the effort to reduce the national drowning toll.

Many large corporations already make significant donations to such volunteer activity, and I believe governments at all levels can always do better in this regard. The club members themselves are often highly motivated and take a great deal of pride in their efforts to educate young people about surf safety, rescue techniques and first aid. But they could do with more help from government bodies. To the best of my knowledge, no-one has ever drowned at a patrolled Victorian beach whilst swimming between the flags. It is with that in mind that I support the general thrust of the motion before the House. There is no question that most drownings are preventable. Yes, they are always tragic and, yes, they often occur as a result of misfortune or accidents, but with better prevention measures, better planning and preparation and increased vigilance drownings are almost always preventable.

Time prevents me from expanding upon each point raised by the member for Blair but I would like to make a few general observations. Any strategy that is undertaken to implement a national rural and regional swimming program to better equip parents, carers and children in isolated communities must consider the socioeconomic factors. In many of our rural and regional communities the cost of attending swimming lessons—assuming there is a suitable facility nearby—often prevents participation by low-income earners and their families, particularly amongst the Indigenous community. A strategy that makes it more affordable, particularly for pre school-age children, to attend a recognised training course is a vital step towards making young children safer around water.

I also take up the point in relation to providing assistance to schools and other education facilities so they are fully resourced to provide CPR and first aid training, and they are also better able to educate students on water safety measures. This is a positive initiative put forward in the motion and it reflects a policy position that I actually helped to develop myself for the Victorian Nationals in the lead up to the 2006 Victorian state election.

Increasing the awareness of basic first aid will save lives and it is important that these skills are regularly upgraded, particularly as new treatment methods are developed. There are often changes to the treatment of various ailments as new information comes to hand and those of us who learned CPR as recently as just five years ago may not be aware that the preferred system of breaths and compressions has also changed in recent times. More generally, there needs to be increased education in the community about the changing nature of conditions on Australian beaches and other waterways. Those of us who are familiar with the beach environment know that conditions change quickly from hour to hour but many tourists or people from various ethnic and cultural groups may have little understanding of the dangers which exist on our beaches.

There have been many tragic drownings in Victoria in recent years where multiple members of the same family group have been victims as they have got into difficulties and those seeking to assist have also perished. We are seeing circumstances where a group have got into difficulty in the surf and the others have gone in to try and achieve a rescue situation and more than two or three members of the same family have passed away.

Of course, the ongoing drought has meant that conditions in our rivers, lakes and dams have also changed considerably and may pose a drowning risk to those who assume their favourite watering hole is unchanged from summer to summer. I support the general thrust of the motion before the House and see great merit in improving education, awareness and assistance for antidrowning activities across our nation.

Ms HALL (Shortland) (8.07 pm)—I acknowledge the contribution to the debate by both previous speakers, particularly the member for Blair for bringing this ever-so-important motion to the parliament tonight, and I do not think there would be a member in this House that did not support the sentiments that are expressed in this motion. Each and every year, particularly in the summer months, we hear of the drowning of young children in backyard pools. We hear about people who are swept out into the ocean when swimming where they should not be swimming. Time and time again we reflect on how this can be prevented.

The new Australian Water Safety Strategy was launched October last year and it was aimed at reducing drowning by 50 per cent. It was interesting to note the figures from the Royal Life Saving Association in their *National Drowning Report 2007* which showed that 277 Australians died during 2006-07. That is a lot of Australians that have lost their lives and all of these deaths are preventable. There are some drastic steps that are needed to reduce the number of drowning fatalities and aquatic related injuries. That is the one aspect that this motion does not pick up on: for every child that drowns there are a number of other children that suffer and who are affected for the rest of their lives because they almost drowned.

The Shortland electorate is a coastal electorate. It is an electorate where the lifesaving movement is very strong. There are a number of excellent surf lifesaving clubs within the electorate: Redhead, Belmont Swansea, Caves Beach, Catherine Hill Bay and The Lakes. Each of these surf lifesaving clubs actually patrol those beaches and make them safe for the

people that live in our area or who visit there on weekends or during the holiday period. It is also an area that attracts a lot of visitors.

There are very long stretches of surf and not all of the beaches are patrolled. You only have to walk along the beach to see that quite often there are nearly as many people swimming outside the flags as inside the flags. Yet the surf lifesaving clubs in my area—and I know in other regions as well—manage to pretty much keep that whole area safe and prevent people from drowning and losing their lives. So I think that one aspect of this motion that really needs to be noted here in this parliament tonight is the fine work that is done by surf lifesaving clubs, in the Shortland electorate and throughout Australia, in patrolling the beaches and preventing drownings, as well as visiting schools, providing education to students and teaching them about water safety. As has been previously identified, there are three key areas: children under five, which are those affected by the backyard pool drownings; men and alcohol—and I would say it is not only men and alcohol; people who are in that risk-taking age who do not take the proper care; and older people, 55-plus, and I must say I am in that category and, as a person that loves the surf and loves swimming, I will be a little bit more mindful of that now.

Another thing that I think is really important is emphasising water safety and making sure that every child learns to swim. From a very early age, children can be taught water safety. They need to be taken to the pool, they need to be taught to swim and they need to be taught survival techniques so that, if they fall in the pool, at least they can get themselves to the edge. Learning to swim can be quite expensive. I think it is really important that access to swimming lessons be made available to all children, because it will save our community a lot of money in the future. I commend the motion to the House.

Mr SIMPKINS (Cowan) (8.12 pm)—There is absolutely no doubt that we are all dedicated to the elimination of all deaths in Australia by drowning. As a father I feel very strongly about this, as do all members of the parliament who are parents or responsible adults. So I would like to commend the member for Blair for raising this important issue and allowing us to focus on this current situation. As a parent I feel very strongly about it. It was only in the last 12 months that we allowed our 10-year-old to go swimming at a friend's pool party, and that was only after being completely confident about the adult supervision from other parents. She attended swimming lessons with our school over the last two weeks. She went for her level 8 achievement and, I found out this evening, she passed that. My six-year-old daughter also undertook swimming lessons and passed level 5, so I am very proud, but there is no way in the foreseeable future that my six-year-old will be going anywhere near the water without me or my wife. The fact that I consider both my daughters to be very good swimmers does not ever allow me to fully relax or not be there when they are swimming. Children, of course, are much more vulnerable to drowning than adults. An unexpected mouthful of water or being out of their depth can cause them to panic, and their skills are not so ingrained as to be automatic when under pressure. The point is that when children are swimming adults can never fully relax.

I note that in this motion there are a number of suggestions for the federal government about first aid and safety training laws and swimming lessons as well as better awareness. I absolutely support the concept of an awareness day to focus Australians on this tragic and enduring problem. Yet I believe that in Western Australia the state laws and the by-laws of the local government are effective. The pool and spa fencing requirements are up to date and re-

flect an appropriate safety standard. The way I see it, national standards would not be any better than state prescribed standards and local government checks and enforcement. I worry that trying to impose a federal legislative enforcement regime will be more difficult not more effective. There is no doubt that fencing rules are required, but I cannot see that pool owner training and certification including resuscitation will be possible to achieve.

The point I come back to is that of parental or carer responsibility. That is the bottom line of all preventative action. Parents ensure their child's safety and that is the key. It comes down to knowing where your child is at all times. That may be harsh but it must be recalled that drowning of children can and does occur in places that are not pools or spas. The family bathtub is an example of where supervision of young children is critical and no amount of regulation can make up for that. Similarly, there is the modern common suburb feature of a lake or pond in close proximity to houses. In the rural areas dams and water tanks are common. These are risks to children that cannot be remedied by fencing or the regulating of owners. There is no doubt that I do favour the current arrangements of fencing and inspections in Western Australia, but children can get to bodies of water, either in or near to the home, and they can climb fences in many cases. Children have done so in the past and it has resulted in some drownings. The one and only sure thing to prevent a child drowning is effective adult supervision.

It would be wrong of me not to mention the point raised in the motion regarding CPR and first-aid training. In Western Australia secondary school students are required to conduct 20 hours of volunteer work; I would suggest that CPR and first-aid courses could count towards such a requirement. In general terms, I support grants to effective organisations that have profile and expertise in these areas—the Red Cross, Surf Life Saving Australia and the Royal Life Saving Society of Australia. I particularly advocate for the Royal Life Saving Society's Keep Watch program. As a Keep Watch ambassador myself I would say that the four Keep Watch strategies are very effective at protecting children. Those four strategies are to supervise your child, to provide barriers to water locations, to familiarise your child with water and to learn resuscitation. Ultimately, it comes down to parental responsibility, though.

As I said at the start of my contribution, there is no doubt that we all support better water safety. I greatly appreciate the opportunity to speak on the subject and applaud the member for Blair for raising it. I believe that the regulations and controls in place at state and local government levels are appropriate. I would, however, support making it easier for CPR and first-aid courses to be undertaken and, of course, any profile that can be given to the issue, with an important emphasis on the responsibility of parents and carers to do their job and keep watch over their children.

Mr HAYES (Werriwa) (8.17 pm)—I start by thanking the member for Blair for bringing this important issue to the attention of the parliament tonight. Water safety is a critical community issue across the country. You would not know it from the weather outside today; however, we enjoy a popular beach and water sport culture and we, as a government, have an obligation to promote water safety and commit to minimising the number of drowning deaths that we have in this country. Disturbingly, despite much of the hard work and positive results achieved over the past 10 years—a testament to all those who contributed to that: the various water safety agencies, community groups, individuals and government—over the last 12 months that appears to have been eroded with an increase in the number of drowning deaths.

Recently drowning deaths have increased and the record indicates that in 2007 alone there were approximately 270 deaths across Australia in swimming pools and rivers and at beaches. New South Wales recorded the highest number of deaths. Males are three times more likely to drown than women. These statistics tell only a small part of the problem. Every fatality causes untold grief to the family and friends of loved ones. The trauma is not only isolated to the immediate victims and their families; there is the collateral damage and the effect on many of our emergency services, and community groups, volunteers et cetera every time they attend such shocking incidents.

It is a fight that we can never totally win, but there are many things that we can and must do. We start by saying that the government wholly supports the Australian Water Safety Strategy 2008-2011 and the Australian Water Safety Council's aspirational goal to reduce the current number of Australian drowning deaths by 50 per cent by 2020. Some would say that this is an ambitious undertaking; however, I strongly believe that it is achievable. Certainly, through collaborative effort, coordination and goodwill amongst various agencies, I think this is something that we as a society can achieve.

To reverse the upward trend we must take urgent steps to build upon the knowledge that we have gained from previous water safety campaigns. In order to achieve a significant reduction in the number of deaths, the Australian Water Safety Council has identified three key drivers which will form the basis of the strategy. They include taking a life stages perspective, targeting high-risk locations and meeting key drowning challenges, particularly for those at-risk groups, such as Indigenous and other culturally and linguistically diverse communities across Australia.

As the member for Blair indicated in his motion, in order to prevent drowning deaths, we must allocate resources towards the major causes of drowning. The general community has a responsibility to contribute to the overall goal. That is something that we can all work towards. The Australian Water Safety Strategy seeks to do this by building awareness of the dangers of aquatic environments and by arming the community with the lifesaving skills necessary to prevent and to rescue. I note that in order to make a positive difference all parties with an interest and a stake in water safety must pull together to reduce drownings in our community. I offer my full support for the suggestion by my colleague the member for Blair of a national drowning day to promote water safety as well as to commemorate those that we have lost tragically through drowning deaths.

In the short time I have left to speak tonight I would like to quickly add that I am currently speaking with Royal Lifesaving Australia regarding a program for members of this House to gain their bronze medallion. The initiative would allow members to develop the level of knowledge, judgement, technical and physical ability required to carry out a safe water rescue. Equally important, they can demonstrate in their electorates their commitment to water safety by reducing the death toll. This is something that we parliamentarians can be part of. Royal Lifesaving Australia is very enthusiastic about delivering the training here in the parliamentary pool, and I would encourage all members to participate in this program. Finally, I would like to congratulate all those involved in this landmark strategy. I think the member for Blair has done well by raising this matter tonight. *(Time expired)*

Mr ROBERT (Fadden) (8.22 pm)—Two young heroes in the Gold Coast from All Saints school, Lachlan Vernon, who is 12, and his sister, Josephine, who is 14, in early May heard a man scream, ‘Does anyone know CPR?’ These two young students rushed down to a pool at about 3.30 pm to find that a young boy, eight years old, had been pulled from the pool by this man, but he did not know CPR. Lachlan and Josephine commenced CPR, as they had been taught at school, and put him in the recovery position, saving this little eight-year-old boy’s life. This is the story of two Gold Coast heroes from All Saints Anglican School. It is the story of an eight-year-old little boy who will live to grow up to play sport and hopefully one day get married and have kids of his own.

There have been 424 drownings of children aged zero to five since 1997-98—that is, in the last 10 years. And that is 424 too many. Campaigns such as Laurie Lawrence’s Kids Alive program have been instrumental in reducing the number of drowning fatalities and educating children and parents on pool and water safety. Since its inception, the Kids Alive show has been seen in 545 country towns and 44 remote communities and has been watched by over 225,000 children in Australia. It is also sad to note that there are something like 6½ thousand near drownings each year.

I support any creation of a national drowning and prevention awareness and memorial day. I support anything that will bring attention to these dreadful and horrifying statistics and encourage people to familiarise themselves with prevention techniques. I have a four-year-old son and a two-year-old son and another child on the way. The horror of losing a child in a drowning would be simply unimaginable, and I support anything that will empower parents, educate them, and encourage them to know what to do should the unthinkable happen.

Assisting schools in teaching their students CPR by introducing first aid as part of a school’s curriculum is an outstanding idea and will certainly ensure that tens of thousands of young adults who would normally not know how to perform what is a simple action will be able to do it correctly. It is interesting that most adults actually believe they know how to do CPR, yet testing by industry has shown that only about 50 per cent of them, when push comes to shove, actually do. Proper education, combined with vigilance and great parenting, saves lives.

Establishing a national code for pool compliance, including the need for all pool owners to be trained and certified in CPR, also makes a great deal of sense. As Laurie Lawrence says: ‘Fence the pool; shut the gate; teach your kids to swim—it’s great; supervise—watch your mate; and learn how to resuscitate.’ It is somewhat catchy, it is five simple steps and it makes an enormous amount of sense. Likewise, a national program of water safety would certainly ensure that not only the same message was learnt by everyone but also the right message is taught.

As well intentioned and well meaning as all these actions are—and they certainly enjoy my whole-hearted support—nothing will ever replace the vigilance of parents. Nothing will replace the supervision by parents to ensure that fences are properly constructed, the gates closed and, indeed, that self-locking mechanisms close by themselves. Only on Saturday I went round and checked all the locking mechanisms on our gates around the pool to make sure that they would close automatically within a second after I walked through them. Nothing will replace supervision by parents, and nothing should. But, if appropriate and sensible measures can be put in place to assist parents and to ensure that others in the community

know what to do in the time of an emergency, that certainly makes sense. Then, if the unthinkable happens, if the tragedy does occur where a child is found at the bottom of a pool, then we can be assured that young heroes like Lachlan and Josephine Vernon from All Saints Anglican School will have been trained and taught to know what to do. I certainly commend the motion to the House.

Ms OWENS (Parramatta) (8.27 pm)—I am pleased to support this motion which recognises the importance of reducing water drowning deaths in Australia. I commend the member for Blair for moving it. The importance of drowning prevention and education programs cannot be overestimated. Our earliest records put the Australian rate of drowning by death as high as 8.76 deaths per 100,000 people in 1920. In today's terms this rate would equate to approximately 1,800 drowning deaths per annum. A program of life-saving water safety drowning prevention and community action has resulted in a rate of less than two deaths per 100,000 population, or approximately 270 drowning deaths, in 2008. While we can congratulate the many people who worked so hard to bring about that reduction, every death is one too many. We must always remember that, the better we do in this area, the less visible will be the repercussions of a lack of action.

We all know of the surf-lifesaving associations in Australia—some of our great volunteer organisations that patrol our many beaches. Perhaps we are less aware of the work of the Royal Life Saving Society Australia, which works very hard to train community people and people working in the aquatic industry about safety. I am pleased to inform the House that an incredibly important piece of water safety infrastructure is about to be built in my electorate of Parramatta. Last month it was my pleasure to turn the first sod for the new \$6.5 million Royal Life Saving Society New South Wales aquatic training facility to be built at the Hills Sports High School at Seven Hills. The Australian government has contributed \$3 million to this project in partnership with the Royal Life Saving Society New South Wales.

The National Aquatic Safety Training Academy will be the first of its kind not only in New South Wales but in Australia. The academy will be a benchmark facility for the delivery of the highest quality vocational education and training in Australia, and I cannot imagine a more important area for this facility to be built. The new facility will enable the Royal Life Saving Society to continue to deliver high-quality water safety education programs. It will provide both recreation and vocational education and training programs to all members of the community, including students, teachers and parents, workers in emergency services and members of the aquatic and recreational industries.

The academy will also provide the society's mobile Indigenous training unit with a central base to carry out Indigenous-specific initiatives adapted to meet the various needs of the Indigenous and culturally linguistically diverse communities in Western Sydney. Again, this is a great location in Seven Hills, next door to Blacktown, which has the largest urban population of Indigenous people in the country. It is also the centre of a growing, culturally diverse community where the children of migrants are less likely to—

The DEPUTY SPEAKER (Hon. JE Moylan)—Order! The time allotted for this debate has expired. The debate is adjourned and resumption of the debate will be made an order of the day for the next sitting.

GRIEVANCE DEBATE

Debate resumed from 1 June.

The DEPUTY SPEAKER (Hon. JE Moylan)—The question is:

That grievances be noted.

Area Consultative Committees

Mr BILLSON (Dunkley) (8.30 pm)—Tonight I grieve not for the people involved but for the way they have been treated by this government. I talk about the area consultative committees, a network of regionally based economic and employment agencies spread right across this vast continent, supported and guided by local members of each of those communities providing their business expertise, their insights, their connections with the training and education community and their understanding of the economic and employment circumstances of their region. They have brought all of that knowledge and all of that volunteer insight, horsepower and talent to the job of making sure that Australian government policies landed as well as they could in those regions and that those regions were able to optimise the benefit of Australian government policy.

What we have seen, and the scandal that is unfolding, is the shameless neglect and offensive ignorance that this minister for regional development, the Hon. Anthony Albanese, is showing towards these good people. I do not say ‘good people’ purely because of some political affiliation. In fact, I would imagine that most were not affiliated with the former government. They were selected on merit and for their capacity to contribute to these area consultative committees and to provide that on-the-ground, regionally engaged insight into the policy development and decision making of the Australian government. They did that voluntarily and they have done that for many, many years.

Right across Australia, and in no case worse than in the state of Victoria, those good people and the organisations that have delivered so much for regional communities are being treated shamefully. I am not just using ‘regional’ in the sense of those outside metropolitan areas. These regional area consultative committees were regions within the metropolises of Australia, bringing that guidance and that expertise to their communities, and they are just being allowed to wither on the vine.

They have not had so much as a thankyou letter from the minister—not so much as the basic courtesy of advising these organisations and the volunteer board members that bring energy and insight to their task. The minister has completely ignored them. The department which he oversees refuses to give clarity to those area consultative committees about their future. They are just told nothing. They are just being treated like mushrooms—kept in the dark and fed some kind of political excrement from this minister—while all of their energies over more than a decade have just gone unappreciated, unacknowledged and completely ignored.

To add insult to injury, what is happening today? In the local area consultative committee that includes the electorate of Dunkley a letter was received. It was not a letter of thanks from the minister, not a letter of explanation from this government about what the future of the area consultative committees would be and not an inquiry about how these good people could continue to contribute to the communities—none of that. It was just a sterile, insensitive and ignorant bureaucratic letter from the minister’s department. It did not inquire about how or

where the minister could contact them to convey his appreciation on behalf of the nation. There was nothing like that at all. It was just a statement talking about 'likely cessation'—this is the language of this minister.

Are they going to survive or are they not? Area consultative committees are being done over by this Rudd Labor government, and the good people in the communities that they have supported deserve better than just being treated with contempt, shamelessly ignored and treated as throwaway instruments of the Labor government. They get a letter about the 'likely cessation of funding for your area consultative committee'. They are not told that they are going to be wound up or run through some Regional Development Australia outfit—just that they are going to be starved of resources. It is a matter of, 'If you want to keep going, keep going, but you are not going to get any money from this Rudd government,' so there is not even the courtesy of being upfront about the future of these area consultative committees. The letter goes on. It does not say thank you. There is not even the basic courtesy of thanks. It does not do that. It asks for more information to assist with the 'finalisation of your operational funding contract'. There is still no word about their future—just that their funding contracts are going to be killed.

This is atrophy of a community organisation that has added so much to so many regions across Australia. They are looking for financial positions and statements about staffing levels. These are the same staff that the minister is so disinterested in that they have not been advised, invited or even guided to participate in whatever their new arrangement will be under this Rudd Labor government. So distant is the area consultative committee from the Rudd government, Mr Albanese and his department have not even done the courtesy of engaging the staff about their future prospects, but they want to know about the finances. They want to show some kind of interest as to whether there are any entitlements outstanding so they can be dealt with, so that every element of area consultative committees can be swept under the carpet while some new regime comes in run by state government departments nice and close, nice and tight so that they do not possibly do anything that might be offensive to the Labor political interest.

They want them nice and tightly under the control of the government, losing the very independence, insight and pragmatic analysis that these people brought to the task of making sure that Commonwealth policies worked for their regions, worked for their communities and supported economic and employment prospects. The letter goes on to ask about where funds might come from to wrap them up without ever saying they are going to be wrapped up. It goes on to talk about whether there will be any surplus funds, 'Please tell us where they are because we want to know what you are going to do with them.' Not, 'Gee, we think we have killed your organisation and we are now no longer interested in area consultative committees.' None of those things—just a bureaucratic, insensitive letter from a general manager of a department branch without even the courtesy of a thankyou from the minister involved.

I am here tonight aggrieved for those people for not having the recognition that they deserve. I am not just talking about South East Development. I say on behalf of a grateful nation and this parliament, to all those people who volunteered their time in area consultative committees right across this country over the last dozen or so years, 'Thank you.' Thank you for your contribution, thank you for your insights, thank you for your dedication and thank you for putting up with being comprehensively stuffed around by this Rudd government without

the even the courtesy of being advised about their future. I say, 'Thank you.' I say that because that is what Minister Albanese should be doing. If he cannot bring himself to do that, get one of the minions, one of the parliamentary secretaries, to do it. Get somebody to just say 'thank you' to these people. He won't but I will tonight.

Thank you to the South East Development organisation for all you have done for the region of the south-east of Melbourne since your first meeting in November 1994. Thank you to each and every one of the 36 board members who, over a 15-year period, have provided such selfless service on a volunteer basis and added so much to ensuring that economic and employment opportunities in our region were secured and supported as best they could be from prevailing federal government policies.

I say a particular thankyou to the longest serving member, Charles Wilkins, the chairman, a man who has come via the TAFE sector with many insights into skill development, training and what the business community needs in our region. Thank you as the longest serving member and chairman at the time the rug was pulled out from underneath your organisation. Thank you to Sandra George, who is currently the deputy chair, for her 13½ years of service. Thank you to the staff who toiled away under the fog and ambiguity of not knowing what was going to happen to them but kept working and stayed focused on the interests of their region. To the only two executive officers South East Development has had since 17 November 1994: Richard Percy, thank you for your 12 years of service; Anita Buczkowsky, thank you for your 3½ years of service. Thank you to the office managers, Iwona Malinowski and Gayle Baulch for their service.

Thank you to all those involved in attracting more than \$5½ million of funding to the region from federal, state and sponsorship sources and for those that have supported the collaborative efforts of South East Development to get a further \$8 million in partnership funding to get projects off the ground. Those \$13.6 million of initiatives include the Regional Skills Audit; the Regional Home Based Business Project; regional business clusters; Careers Teacher Industry Focus; tourism projects for Casey and Cardinia; the Peninsula Job Team-New Apprenticeship Expo; the bits to build your business project; the Non-English-Speaking Background Home Based and Micro-Business Project; the Mature Age Employment Project; the Youth in Small Business video; the Heavy Road Transport Project; the Community Heritage Project; the Indigenous Cultural Awareness Project; the Peninsula Hospitality Project; the Synchrotron Project for the major projects they have helped get off the ground; the Business Incubator in Hastings; the Equine Industry Project—very important to our region; and the Wine Industry Project, promoting manufacturing to young people to have them realise it is not a dirty old industry, it is high-tech and needs to be world-class every day. That was pursued under the MTEC project. There is the Maximising Maturity in Manufacturing project; the business retention program; the agricultural audit in Casey and Cardinia; the Frankston tourism and marketing strategy; the digital land register that they oversaw; and particularly the very projects that you see around our region, such as the Frankston Visitor Information Centre in my electorate of Dunkley, the Phillip Island Visitor Information Centre, the Radio Port Phillip communications transmission tower replacement, the Southern Peninsula Performing Arts Centre, the Mornington Basketball Stadium and the Gembrook Community Arts Theatre.

These are just some of the projects that we have in our community because of South East Development and the area consultative committees. They deserve the thanks of our nation. They deserve a little more courtesy than the minister has displayed. They deserve a whole lot

more respect than these contemptuous letters that are sent out. They deserve a whole lot more credit than the nonsense that went on in Senate estimates, where Senator Conroy tried to fit them up with some grievance over Regional Partnerships. They deserve better. (*Time expired*)

Broadband

Ms COLLINS (Franklin) (8.40 pm)—I want to speak on behalf of my constituents, who are aggrieved and concerned about their current access to broadband in Tasmania. According to the Australian Bureau of Statistics, as of 30 June 2008 the proportion of Tasmanian households that had access to broadband at home was around 39 per cent. That compared to a national average of 52 per cent, so Tasmanians have been way behind the eight ball for a long time. We all know that the Liberal Party, whilst it was in government, had the view that the free market should reign; building nation-building infrastructure such as broadband was clearly not on their agenda. In fact, they spent almost 12 years in government, I think, coming up with 18 different plans for broadband, none of which were implemented. It has really taken a new government, the Rudd government, with the vision to see the full potential of investing in this communication infrastructure.

Since the announcement of the National Broadband Network and the process that has been undertaken by the Minister for Broadband, Communications and the Digital Economy, of course, we have had lots of criticism, but in the National Broadband Network my home state of Tasmania is actually to lead the nation. The Rudd government's announcement about embarking on this nation-building project, which will see Tasmania in particular progress through the 21st century, has been very well received in Tasmania. We all know that the eyes not just of the nation but of the world are on Tasmania in relation to this broadband project that has been announced. It will revolutionise our day-to-day lives. The NBN will be the largest nation-building infrastructure project in Australia's history when it is complete. It is a long-term investment in communication infrastructure that will ensure that all Australians remain competitive with other leading countries. It will also be the biggest reform in telecommunications in the past two decades.

Building this network, we know, is important for the economy. It is also important for small business and for government service delivery, and it will change the way we access things like health services and education. This has required real vision and leadership. After almost 12 years of inaction, we are pretty much in the technological dark age. In fact, we have one of the slowest and most expensive broadband networks across all developed countries. Australia is at the bottom of the OECD table when it comes to speed, when it comes to price and when you consider the number of people using it—or, in this case, not using the internet, particularly in my home state of Tasmania, as I said. When you look at our network compared to those of countries like Korea, Iceland, the Netherlands, Denmark, Japan, Norway, Sweden, Canada and the UK, you see they are all leading the way when it comes to the number of households accessing broadband. I think that the Rudd government's announcement in relation to the National Broadband Network is a great step forward, and it will certainly be a great step forward for my home state of Tasmania. Information technology has increased massively on a global scale, and it has revolutionised the way people communicate and interact. I was reading an interesting statistic today: internet traffic has increased by 9,000 per cent in the last seven years. It certainly shows how vital this piece of communication is to all Australians and, as I said, particularly in my home state of Tasmania.

I was talking recently to both the federal minister for communications and the state government on what this Broadband Network will actually mean for Tasmania. We will really start to roll out this Broadband Network in the next few months, and Tasmanian homes, schools and workplaces in urban and regional towns will be connected with optic fibre—that is, fibre to the premises—delivering speeds of up to 100 megabits per second. That is, as we know, much faster than is currently used by most people. In fact, it is estimated that around 200,000 premises, or around 80 per cent of Tasmanians, are likely to get fibre to the premises, with others receiving wireless in towns that are much smaller, because of the topography of Tasmania. We are also delivering the technology to all of our hospitals and to 90 per cent of our schools. That will particularly benefit rural and remote areas of Tasmania. It will mean that they will be able to do things like telehealth—that is, they will be able to have specialists and diagnostic services available in real time online. It will also be really important for rural and regional students, who will be able to have online live classrooms. They will be able to get feedback from peers—students—and also from teachers in relation to their educational needs. So it will be a very big deal in Tasmania.

Everybody I have spoken to in Tasmania, including the industry and the education and health services, is extremely excited about this project. My understanding is that we will start building this network in the next few months. Not only will it have huge benefits for health, education and other services because of its speed, but it will also have the impact of supporting local jobs in Tasmania. I understand that the broadband network is expected to support around 25,000 jobs each and every year of the rollout, and that rollout is expected to take seven to eight years across the country. It is a really big infrastructure project in Tasmania, and I am really pleased that Tasmania is going to be first cab off the rank. We will be having all sorts of discussions with local communities, small businesses and health and education services about where to start this network and about how it will be rolled out.

I congratulate the current state government on its submission and also the government business enterprise Aurora for its assistance with that submission, but Tasmania had already invested some time ago because of the vision of the late former Premier Jim Bacon, whom I worked for. Around 10 years ago Tasmania started its gas rollout. The former Premier was smart enough at the time to put fibre in the trenches when they were laying the gas, so Tasmania has a backbone of fibre network connecting Hobart, Launceston, Devonport and Burnie—and it actually goes just past Burnie. We will be able to connect and start getting people on board much faster than anywhere else in the country, which is why Tasmania has been chosen as one of the first sites in the country. It will be really significant for our state.

Apart from Tasmania being the first cab off the rank, this broadband network will obviously go nationwide. It will reach Australians far and wide, and we want to ensure that the National Broadband Network is accessible by everyone. I think we have committed to access for around 90 per cent of all Australians, and for those who cannot access fibre optic to the premises there will be faster broadband through wireless networks and new satellite technologies. We have taken the lead, we have taken the hard decisions and we are moving forward with this. We have announced that we will establish a national broadband network company, which will be responsible for the planning, construction and operation of this new, fast National Broadband Network, and that the Australian taxpayers, through the government, will actually be the majority shareholder of this company. We are obviously expecting and antici-

pating some significant private sector investment, as this project will help boost Australia in terms of bringing us into the 21st century, improving our technologies and improving the services that are available to us through fibre optics. This project will help the local economy, and it is also about supporting jobs in this global financial crisis.

This investment goes hand in hand with nation building. Up until recently, communications infrastructure has not been seen as infrastructure. It has not been seen as something real and tangible. I am proud to be part of a government that has recognised its importance to the future economy of Australia and also to the advancement of things like education, health and other things for which this technology will be used. It will improve the quality of our day-to-day lives, it will change the way governments deliver services and it will certainly deliver benefits for the people of my electorate of Franklin.

This government is about fixing the wrongs of the past in delivering a competitive telecommunications sector and investing in Australia's future beyond this global recession. The delivery of this high-speed broadband will open up a new window of opportunity, a technological advancement that will afford opportunities in many areas. Under the Rudd government, we hope every person and business in Australia, no matter where they are located, will have access to this affordable, fast broadband and to the nation-building infrastructure investment that will support and stimulate jobs in the short term while making a long-term investment in Australia's future. I am sure that the people of my electorate of Franklin, the people of Tasmania and, ultimately, people around the country will come to appreciate what that will mean as this broadband network is rolled out and as they start to see its benefits. It is very hard to explain to people just how important its benefits will be, because people just think there will be faster internet downloads. But it is so much more than that, and it is so much more exciting than that. I hope that all Australians get to see the opportunities that this network will provide as it starts rolling out around the country, starting in a few months time in my home state of Tasmania.

Building the Education Revolution Program

Mr RAMSEY (Grey) (8.50 pm)—I would like to speak about the great concerns I have with the government's Building the Education Revolution, which appears by the day to be running into more and more horror stories of maladministration and profiteering. The government is attempting to shovel more than \$14 billion into the construction sector at such a rate as to cause widespread distortions and cost blow-outs across Australia. It is difficult to believe that the program is focused on educational outcomes rather than base political outcomes. I raised just such a case in question time in parliament two weeks ago, highlighting the cost blow-outs occurring across Australia in this sector. This was the debacle of the Cleve Area School in my electorate. I quote from parts of the public letter from the school council:

In March this year, our school applied for the \$2 million National School Pride grant that we qualified for. We were led to believe that we could afford a structure similar to the Hewitt Primary School (built in 2005 for \$1.8 million) after investigating the construction costs, factoring in a post-Olympic reduction in material costs and even allowing for the imposition of the grossly inequitable country loading.

We also believed that by using a standard design, the building should have remained affordable. According to your article on the National School Pride program in March edition of Education news ...“standardising buildings leads to efficiencies and standardisation of the building industry...using standardised building means that the delivery process is optimised”.

Our delight in being successful in our Round 1 Application turned to disappointment when in April we were informed that we could not afford the 8-room Hewitt Model, which would now cost \$3.3 million to supply in Cleve. We were told that we would get the 6 or 7 room Woodside model that did not meet all our requirements, but would have been an acceptable result.

Early last week—

This was three weeks ago—

however, this also suddenly became “unaffordable”, and our allocation was a 4-room structure, half the size of our original plans. As if this was not frustrating enough, within the next working day, that was also out of our reach (at a cost of over half a million dollars a classroom), and we had only hours to commit to a cheaper, smaller and less appealing structure.

We reiterate that this was just hours to decide on a building that would stand in our school for years to come, as a representation of your government’s investment in the advancement of education for the students of Cleve. We negotiated an extra two days to make a decision, allowing for staff and Governing Council to meet, discuss our options and try to make an informed decision that supported our initial education goals and requirements.

They go on to articulate how disappointed and bewildered they were and how they ended up settling for:

... the only structure that fell within our price range, a collection of transportable classrooms with decking.

I am pleased to report that following on from my raising this issue in the House, the South Australian education department, DECS, have reopened their negotiations with the school and are attempting to come to a much better value agreement with a local builder, and I thank the Minister for Education for any influence she may have had in that area. But this is systemic. It is a recurring theme running through this whole program—rip-offs; inflexible guidelines; state governments top, bottom and middle slicing the payments at every opportunity. Schools in South Australia and Australian taxpayers are being ripped off.

I have had a great deal of contact with people on this and similar issues. Disturbingly, while schools are prepared to come and tell me about the blatant ripping off of the taxpayers in this exercise, there is a great reluctance to go on the record publicly because they are afraid of retaliation from both state and federal governments. What an indictment! They are too scared to speak out about the systemic ripping off of the system. What does this tell us about the respective governments? One school principal—and I point out that South Australian principals are prohibited from speaking out on the issue—told me that the building they had selected was going to cost \$1.4 million. When the school showed the plans to a local builder, he said he could not possibly charge more than \$800,000. That is not quite double, but it is getting there. Other schools are being offered structures called COLAs, covered outdoor learning areas. Basically they are haysheds—that is, a roof with legs. In one instance, they are costing more to build with the program preferred builder than a similar structure quoted by a local builder—the same size, with walls, with a concrete floor and fitted out with interior structures for considerably less money. Roofs are cheap. The money is in the walls and the floor. Just what is going on?

Mr Gary Thornley from Reed Construction Data, who is quoted as the industry bible on building costs, said in last Saturday’s *Australian*:

... an average school hall should cost no more than \$1000 per square metre to build.

... ..

... schools with more than 400 students can apply for \$3m in funding to build a multipurpose hall ...

Mr Thornley is quoted as saying schools should be able to build halls for about half that figure, and that figure is generous. That underlines my assertion. We are seeing a 100 per cent blow-out in costs. Even if we believe the package is well guided and will have significant positive effects on educational outcomes—and that is a brave assumption—we are likely to get less than \$7 billion worth of value.

Another principal has told me that their school was sent a list by DECS of long-term maintenance issues and told to use the School Pride funding for that purpose. This is clearly a case of cost shifting by the state government and is against the guidelines. But, once again, the school leadership believe that if they go public they will be penalised. Further to that, in South Australia we have seen a reduction in the school maintenance budget of about \$10 million. Is the minister simply unaware of this cost shifting by the state administration to the federal sphere or is she actually supportive of the effective propping up of the state governments?

It is not delivering value for money for the taxpayer. You would think there would be enormous support for the government on this issue. After all, they are giving away money, albeit borrowed money. You would imagine they would receive enormous support. In fact, it is generating a lot of anger. That is because schools were rightfully expecting to get \$300,000 worth of improvements for \$300,000. They did not expect to only get a \$150,000 structure. They were expecting to get \$3 million worth of goods for \$3 million, not \$1½ million worth. That is not an unreasonable expectation.

It is a tragedy, because government largesse of this type will probably never happen again—for many reasons, but chiefly because we will be paying off this lot and the accumulated interest for as many years to come as we can see. In this environment governments will find it extremely difficult to maintain their contributions to schools, let alone shower them with gifts. Given that this big spend in schools may be ill targeted, given the school halls, nice as they are, may not improve educational outcomes and given all the money is borrowed and will have to be paid back by kids currently at school, we now find that instead of getting \$14 billion worth of school buildings we may get as little as \$7 billion worth. It is a disgrace.

The government has taken great delight in saying that the opposition voted against this package but now we welcome the funding in our communities on an individual basis. The schools funding was presented as just one part of the \$42 million stimulus package. Individual parts were not presented for approval; it was a big bundle. It was the biggest ever and we were told to take it or leave it. We chose to leave it, and it is a decision I am proud of. It was a brave decision. We knew the government would portray us as being against spending in schools but we also knew it was an irresponsible and poorly designed package. Nothing has changed my mind. The \$14 billion cash splash is stupid policy. It is a poorly targeted stimulus: much of it has been saved; some has been sent to dead people; some sent to people living overseas; and a great proportion was spent on imports, thus sending it out of the country at the first opportunity.

We could have converted large slabs of our electricity generation to low-emission generation, built a string of major desalination plants around Australia to fix our water crisis or built ourselves a major road or port facility to generate new growth for when we come out of the

recession. Instead, we gave away cash, and we have the debt to prove it. The \$14 billion for schools is too much too fast in too narrow a sector of the economy and was always going to cause distortions. That is exactly what is happening today. In 10 years time we will look around and say: 'Why did we put that thing there? Why did we build it like that? Is that all we got for the money?'

The government asserts that we welcome the funding locally—you bet we do. It is my job to make sure that my electorate gets its fair share of the action because it certainly will get its fair share of the debt. If I were to stand up and say, 'Don't give us the money; we can't afford it,' would that help? No, of course not. The money would be spent elsewhere and we would still get our share of the bill. Of course I welcome our share. I will actively campaign for it. That is my job. I urge the minister to get on top of this program and implement some value-for-money clauses that will stop the blatant ripping off of the people of Australia and ensure that the money spent will improve educational prospects, not just the electoral prospects of the government.

National Rugby League

Mr BRADBURY (Lindsay) (9.00 pm)—This year has been a testing time for the game of rugby league. Many of the recent revelations regarding the behaviour of individuals associated with the game have been shocking and such conduct must be condemned. There can be no excuses for bad behaviour, especially when it involves criminality, indecency, disrespect or violence. Personally, I have been deeply disturbed by those incidents that have evidenced a lack of respect for women. These incidents have been met with a swift reaction from the community and in the main an equally swift response from the administrators of the game.

For many fans these incidents may have eroded their passion for the game. Some may have stopped attending games and others may have sought to discourage their children from playing or supporting the code. I am not one of those people. In fact, these incidents have had the opposite effect upon me and have made me even more passionate about the game that was once a boyhood obsession. The recent wave of bad press that rugby league has been receiving made me even more determined to head down to CUA Stadium at Penrith last Saturday night with my wife, my three daughters and my son to watch the mighty Panthers take on the Sea Eagles and throw our support behind the game's women in league celebrations.

In celebrating the role of women in league, the night was an opportunity to recognise the efforts of the Panthers Women in League group which was established in 2006 by an enthusiastic group of female panther supporters who saw the opportunity to make a difference in our community. Diane Langmack, Anne McLaren, Jill Hoff, Jenny Matthews and Chris Rhind have committed themselves to this cause for the last few years and have to date raised over \$85,000. Throwing their support behind the women in league celebrations, the Penrith players, dubbed the 'Pink Panthers', donned pink jerseys and encouraged their supporters to wear pink to celebrate the role of women in league. Equal to the task, a number of the Manly players dyed their beards pink. The pink jerseys—and in Jarrod Sammut's case his pink boots—have been signed by the players and are being auctioned online this week. The team also grew beards and had these shaved off on Sunday to raise even more funds. All proceeds from the event will go to the National Breast Cancer Foundation, the Nepean cancer unit and the Cure the Future Foundation.

With over 15,000 fans in attendance, many wearing pink, the events of Saturday evening have confirmed my belief that the game of rugby league is an overwhelmingly positive force in our community. Scandals make good headlines and the stuff that good journalistic careers can be made of. It seems that those consuming news are rarely interested in the good news stories—or at least this is what those who decide what makes the news believe. I am a proud supporter of my local NRL team, the Penrith Panthers. The Panthers are a source of pride for our city. I am also proud to call myself a supporter of the game of rugby league. I remember as a young schoolboy, watching the young rising star Greg Alexander playing for Patrician Brothers' College, Fairfield—which would one day become my school—lead his team to victory in the Commonwealth Bank Cup final, the pinnacle of schoolboy football. I did not know that Greg Alexander would go on to captain the Panthers and represent New South Wales and Australia and, frankly, at the time Greg was already a hero to me as were players like Peter Sterling, Paul Langmack, Mick Cronin and Steve Rogers, role models that a young boy in his formative years could look up to.

I played the game for 13 years from the age of four and refereed the game for about eight years. Rugby league taught me many things and augmented many of the values that I had been taught at home and at school, like discipline, respect for others including those in authority, sportsmanship, the importance of looking after your physical health and it taught me about mateship and teamwork. The lessons that football taught me both on and off the field have shaped the person I am today in a very positive sense.

Rugby league's roots are unashamedly working class, and it is no surprise that the places where it has been the dominant code have been areas like Western Sydney or the outer suburbs of Brisbane. While society has changed, rugby league has provided a pathway to greater social mobility for many kids from socioeconomically disadvantaged communities. Most importantly, rugby league has provided many young people with the role models needed to develop a sense of purpose and aspirations for a better life. Far from being the source of our community's problems, I believe that rugby league can be and in many cases already is emerging as a part of the solution to many of our society's problems. This is particularly important in communities such as Western Sydney where many boys are being brought up in single-parent families without male role models.

The last census showed that across the 150 electorates represented in federal parliament, six Western Sydney electorates, including my electorate of Lindsay, are in the top 25 electorates containing one-parent families. In these communities there is an even greater need for strong male role models, inspiring young boys to develop a sense of respect, especially for women, and to work hard and realise their full potential in life. This need is being met by many outstanding individuals involved in rugby league, whose voices and contributions I fear have been drowned out in the static of the latest rugby league scandals.

Last Friday I was honoured to speak at the official launch of the Panthers Bytes Bus. The bus is run by the Penrith Panthers community development foundation, Panthers on the Prowl, and is funded by the Commonwealth with support from corporate sponsors. It is full of notebook computers with wireless internet access and big-screen TVs and is decked out with images of Panthers players. It travels to schools in Western Sydney to teach children about the benefits of a healthy, nutritious lifestyle. The bus is just one of a number of community based programs run by Panthers on the Prowl. They also facilitate adult literacy courses to help and

encourage parents to read with their children, run breakfast clubs at some of our most disadvantaged schools, and run special classes held at the Panthers on the Prowl classroom at CUA Stadium, approved by the New South Wales Department of education to target children at risk.

The key to the success of Panthers on the Prowl is the involvement of the players themselves. Many of the players assist as trained teachers' aides. They are important role models to children and adults and their influence can often and has often helped to break the cycle of destructive and antisocial behaviour. Programs such as these are changing the lives of young people in my community every day. In my view, you do not hear enough about these outstanding contributions, nor do you hear much about Panthers CEO Glenn Matthews participating in the St Vincent de Paul Society's CEOs Winter Sleep Out. Nor do we hear enough about the great leadership, on and off the field, demonstrated by Panthers captain, Petero Civoniceva, or the positive contributions of players and former players like Tony Puletua, Preston Campbell, Luke Priddis and Nigel Vagana.

From its humble working-class roots, many aspects of the game have changed massively. With the game becoming more professional, the stakes are higher. The players are paid well. Their faces are on billboards and television and their every action is met with scrutiny that very few other individuals or occupations face. They are also judged by some very strict standards, as they should be. However, I cannot help but think that sometimes these are standards which many of the people commenting on the behaviour of the players would themselves struggle to observe. Indeed, I am certain that the weekend and nocturnal activities of many individuals occupying positions of even greater responsibility in society but facing less scrutiny would not always meet the standards that we expect of league players. I know there are players who fail to live by these standards and their punishments and their attempts at rehabilitation are played out very publicly, and so they should be. But there are many more who not only live up to these standards, but would put the rest of us to shame in their dedication to their work, their families and their communities. My fear is that these days many clubs are afraid to trumpet the good news stories because these stories inevitably make their team more of a target for ridicule if a player from their club ends up letting their club down.

Tonight I hope I have been able to shine a light on some of those positive stories. I just hope that the extraordinary scrutiny and constant adverse publicity directed towards rugby league players does not smother the many great contributions of those players who are outstanding male role models for our young people. Regardless of whether it be in politics, law, sport, rugby league or any other facet of life, generalisations are always very dangerous. In the end, we must work to ensure that adverse generalisations cast upon some of our rugby league players do not impede or restrict those other good players out there from coming forward, making a great contribution and being the role models that we hope they will be.

Queensland and New South Wales Floods

Mr HARTSUYKER (Cowper) (9.09 pm)—Two weeks ago I brought to the attention of the House the injustice of the Rudd government's decision to deny Coffs Coast and Clarence Valley residents affected by the March 31 floods one-off Centrelink cash payments. On 31 March more than 400 millimetres of rain fell in 24 hours. In some areas 600 millimetres fell. In one three-hour period 250 millimetres fell in many areas. The Coffs Coast region and the Clarence Valley were declared a national disaster area. Since then the Rudd government has

on numerous occasions rejected requests for one-off cash payments of \$1,000 per adult and \$400 per child, as were provided to flood victims in North Queensland in February and as were later provided to those affected by the flood event on the North Coast in May of this year. Since 31 March the Prime Minister's office and the Minister for Families, Housing, Community Services and Indigenous Affairs have continued to invent new excuses on why Coffs Coast flood victims do not deserve to be treated the same as flood victims of the New South Wales Northern Rivers and Queensland. Firstly, it was because they believed the damage was primarily to public infrastructure. When such advice was shown to be misinformed, a new excuse—that there were only four local government areas affected on 31 March, as compared with 24 council areas affected in May—was put forward. This is simply hollow rhetoric to the thousands of people who were impacted by the March event.

I believe the Prime Minister has also misled the parliament on this matter. On 25 May he told the parliament that those affected by the May floods would receive assistance which included one-off cash payments. The Prime Minister then told the House that he 'authorised this assistance for people affected by the earlier floods in New South Wales in late March'. Less than 24 hours later the Prime Minister's office told me that the same one-off cash assistance would not be provided to Coffs Coast residents impacted by the March 31 event. The hollowmen had obviously had their say in the Prime Minister's speech the previous day but, when it came to actually providing the support, the Prime Minister's office reneged on the commitment. It is obviously beyond comprehension that this government would turn its back on ordinary Australians in their hour of greatest need. It is morally reprehensible that they could offer such lame, mindless excuses which ignore the cold hard reality that the March 31 flood had a devastating impact on so many people. Today, almost 11 weeks after the event, our local community is angry—in fact they are outraged by the Rudd government's complete disregard for treating all Australians equally. The general feeling is that assistance was not provided to Coffs Coast residents because it is not a seat held by the Labor Party.

I will shortly be tabling a petition in the House of more than 6,000 signatures. The petition calls on the government to provide the same assistance to the March flood victims as was provided to those of the May event in northern New South Wales and South-East Queensland. The petition was organised through our local newspaper the *Coffs Coast Advocate*, and I trust that the government will acknowledge the support it has received and realise that it is not too late to help a lot of people still in genuine need. There are still many people in my electorate who have either lost everything they own or have no idea what the future holds. Many of them are elderly and many of them are from low-income households. The *Coffs Coast Advocate* reported last week that 89-year-old Athol Hardie, an ex-serviceman, has lost everything. He has no home and all his possessions are gone. I would like to take this opportunity to detail to the House some of the correspondence I have received from local residents and representatives from organisations which have been affected by the floods. It really puts a human face on the issues and clearly highlights the toll that the March floods had on local residents. It also shows that the Minister for Families, Housing, Community Services and Indigenous Affairs is either inept or incompetent. I will start with a letter received late last week from Judy Harrison from Bellingen Neighbourhood Centre. Recently Judy wrote to the Prime Minister and she forwarded me a copy. I quote the following lines:

I am very concerned about the decision of your government to not pay emergency one off grants to residents of the Urunga Township affected by the March 31st 2009 storm. This town has a small population with a high number of retirees.

In my role as Neighbour Aid coordinator I have first hand knowledge of the trauma suffered by the elderly victims of this storm. Of my 28 Urunga clients 17 received major damage to their residence, 8 lost all belongings and 7 are still not able to return home. One of these victims is an 87 year old Changi vet. Since March 31st this man has resided in 4 different locations and is still three months away from having his little unit liveable. He, like all my other affected clients, is finding it very gruelling, financially and emotionally, to survive.

It is very difficult for these victims to understand that if they were residing in another area of Australia affected by flood they would receive this Federal Government support yet as residents of this little town they don't. I certainly can't explain it to them because I do not understand it either.

Here is an extract from another letter I received from a constituent who I will not name. This is what she had to say:

I was disgusted that I had used my vote in 2007 to help elect a government that was so out of touch with the community when I read that Jenny Macklin had determined that the March 31 storm event, predominantly affected infrastructure rather than personal property.

Try and explain that to my 15 year old daughter and 17 year old son, who lost everything they have ever owned when their bedrooms were completely lost to the flood water. Please explain why my 17 year old is sleeping on the floor of his younger brothers room in his HSC year and why my 15 year old daughter is sleeping on the floor between her 6 yr old brothers bed and the babies cot when she is trying to complete year 11, if their loss was not personal. Please explain that to my 6 year old son, whom we had to hold down to prise his bike out of his hands to throw on the rubbish truck.

And this is what the Sawtell Chamber of Commerce had to say in their letter to the Prime Minister:

Perhaps you need to come and look at the aged living in mildewed walls, bare floors, warped kitchens and bathroom cupboards and doors and very little furniture, waiting for insurance companies who cannot get their act together. They have to buy meals—\$1000 would have gone a long way to helping them. It is time all Australians were treated equally when their area is declared a natural disaster!

And, if any members are still in any doubt as to the impact of this major event, here is another tragic letter from a constituent, Brian Glover, who lives at Urunga. He writes:

We had been renting the house and although the flood rendered it uninhabitable, we found it impossible to find somewhere else to live. As a result, we had to live for five (5) weeks in the flood infested house. Having lost just about everything, including the refrigerator, we had to sleep on a mattress on the concrete floor. It was five horrendous weeks before we were able to secure somewhere else to live.

Then a fortnight later after moving in, on 20 May, my partner Maureen Nederlof died suddenly at home while 000 was instructing me, until the ambulance arrived, what to do when she had collapsed. She said she had no history of heart trouble. I feel that the strain on her resulting from the flood took its toll.

Her age was 68, my age 72.

This clearly shows the level of stress that the March flood has created in so many families. Although it is almost 11 weeks since the Coffs Coast and parts of the Clarence Valley experienced the deluge, there are still many people who are struggling to rebuild their lives and make ends meet. The Rudd government has clearly made a mistake in failing to treat all Australians equally. However, despite the injustices, despite the double standards and despite the anger which local residents are feeling, the government still has the opportunity to do the right

thing. I have today written to the Prime Minister again asking him to review the decision not to provide one-off cash payments. If the government was being true to itself and fair to the residents of the Coffs Coast and Clarence Valley it would acknowledge its mistake and immediately provide flood victims with the required support of \$1,000 per adult and \$400 per child.

Attacks on Indian Students

Mr PERRETT (Moreton) (9.18 pm)—I rise tonight to respond to the violent attacks on Indian students in Sydney and Melbourne. Thankfully, I do not have to refer to anything that occurred in my electorate of Moreton in Brisbane. Irrespective of whether these attacks are racially motivated, I am appalled by the violence. Any kind of violence and intolerance is an affront to most good-hearted Australians. Indian students like all of us are entitled to live without fear of violence or intimidation. I understand that many Indian students are very angry and that they have protested the violence a number of times in Sydney and in Melbourne. There is no room whatsoever in Australian society for violence and victimisation against anyone. Obviously, Indian students are anxious to have these issues resolved; however, I support the Prime Minister's call for students to leave these matters in the hands of the professionals, the police. Retaliation is never the answer.

I would also urge international students, or any victim of such violence, to find constructive ways to respond and to cooperate fully with the police. I would point out that they should never underestimate the unrelenting thoroughness of the police. It does not take place in 40 minutes with a couple of ads, but the police seem to always get their man or woman. That is the best way to ensure that those found responsible for the attacks will be dealt with by the courts.

Racial disputes, if left unresolved, have the potential to cause ongoing hurt in our communities. We can learn this by looking at some of the experiences in Australia's history. Over the last 200 years, we have been scarred by some racial and religious violence, but, thankfully, not on the scale we see in many other parts of the world. We turn our minds back to conflicts like the Myall Creek massacre of Indigenous Australians in 1838 and the Lambing Flat riots against the Chinese miners on the goldfields in 1861.

If I look a bit closer at the electorate of Moreton, in Brisbane in 1888—the year of the centenary celebrations—the windows of nearly every Chinese business in Brisbane were smashed during a four-hour race riot that spread out from the valley. Ironically, the valley is now seen as a bit of a tourist destination for people wanting to visit Chinatown—although I do point out that the real Chinatown is in my electorate, in the suburbs of Sunnybank, Robertson and Macgregor. Also closer to home, following the September 11 attacks, the Kuraby mosque in my electorate was fire bombed by a crazy person—or, I should say, a confused person; sorry. This was despite the best efforts of the local Islamic community to promote tolerance and to build understanding throughout the community. But I can tell you that, since then, we have been striving even harder for harmony. We have been working especially hard to encourage young people on the south side.

The Rudd government is committed to a harmonious, multicultural Australia. It was the Australian Labor Party in 1975 under the leadership of Gough Whitlam that abolished the White Australia policy and opened up Australia to a new era of multiculturalism. I say a 'new era' policy wise, because there already was practical multiculturalism. Despite some of the blemishes in our past—for example, the ones that I referred to earlier—today, when it comes

to multiculturalism, most countries look to Australia as a glowing example of success. In a meeting with the UNHCR representatives earlier this year, they made the point that European countries need to look to us as a guide as to how to get it right. Why do we get it right? We put resources towards making sure that people are integrated into our community—supported, integrated and accepted.

Most Australians are fair, decent, welcoming people who extend the hand of friendship to others, no matter the colour of their skin or where they come from—or even the football team that they support. And our immigration and settlement programs have ensured for the most part that new Australians receive appropriate support and the best opportunity to make a new life in Australia. But we can always do better. That is why I welcome the initiatives of this government to set up a task force on crimes against international students and a separate international student security task force.

I have spoken often before in this chamber about the rich cultural and ethnic diversity that we experience on Brisbane's south side. It is amazing how Queensland has changed from being the state that had the lowest percentage of people from overseas and now we are the state that is taking the highest percentage of people from overseas. We have changed from the closed-minded redneck past to being a much more welcoming state with a vision for the future.

I represent an electorate where one in three residents was born overseas. I am sure there might be other MPs that have similar electorates; however, mine is completely diverse, rather than just one particular group. For the most part, irrespective of where they come from, we all settle in and get on well together, because mine is a vibrant, strong and healthy multicultural community. We have a significant representation of people who have come from Muslim communities of Zimbabwe in South Africa—people who have come to Australia as business migrants, particularly—and a significant Chinese community, to the extent that I have my business cards done in Mandarin. I even have a Mandarin name—Bai Ge. It is not quite as well known in the Chinese community as Lu Kewen or Kevin Rudd, but I am doing my bit to make sure that I am known—because, apparently, in Mandarin, 'Graham Perrett' does not read well.

In my electorate there is also a very significant African community, particularly from the troubled region of the Sudan. They live particularly in the suburb of Moorooka, where I live. There are also significant Indian and Korean communities, to name others. I particularly wanted to mention the Indian community because the president of my Lions Club, the proud Lions Club of MacGregor, is an Indian gentleman by the name of Surendra—although no-one ever calls him that; everyone just calls him Sam—Prasad. I think the incoming president of the MacGregor Lions is also Indian—Vaska Desha. I would also mention another significant Indian community leader, Dr Ashim Majumdar, who is President of the Federation of Indian Communities of Queensland, which is the umbrella organisation looking after many of the Indian groups.

Even though I had taught a little bit of Indian history when I was a schoolteacher, until I went to the Indian Bazaar last year I had no understanding of how many different Indian communities, Indian foods, Indian religions et cetera there were. I guess it would be like saying that all Australians are the same: no, there is actually a Queensland contingent, a New South Wales contingent et cetera—even Victorians!

When these reports of trouble from down south in Sydney and Melbourne came I spoke with the local police and the Indian community leaders to see what we needed to do in Moreton. Thankfully, the police, the Indian community leaders and the universities that I made contact with reported next to zero complaints or violence targeted against Indian students in Brisbane. This is very encouraging news. However, the price of racial harmony is eternal vigilance and that is why I and the Queensland government are stepping up our efforts to ensure any simmering issues in the community are dealt with constructively and positively.

Australia is home to more than 150,000 people born in India. My wife is not one of them, but her grandparents certainly are from India. Eleven thousand people of Indian descent live in my state of Queensland and many, obviously, in my electorate of Moreton—especially the many who have fled the oppression and intolerance of Fiji and found a safe haven on the south side. Indian-born people make a great contribution to this country and especially to my electorate. Many are professional and highly skilled people: doctors, teachers, computer programmers and engineers. There are many teachers that I have met over the years.

Australia is also home to around 90,000 Indian students, who last year contributed around \$2 billion to the Australian economy. That is a hell of a lot of coal trains. Apart from our shared obsession with cricket, India and Australia have another thing in common, and that is a diverse multicultural community. Indian people bring a rich and diverse culture to Australia and we are all the richer for it. I am perhaps a little bit chubbier because of my love of curries.

I particularly want to recognise the efforts of the Indian Senior Citizens Association and the Indian Cultural Association in my electorate. These groups play a crucial part in promoting Indian culture on Brisbane's south side. I was particularly pleased to be involved in the Indian Bazaar at Mount Gravatt last year and I look forward to doing so again this year. It is truly a tremendous celebration of Indian culture. I thank all Indian-born Australians for the many and varied contributions they make to our society and to my community.

The DEPUTY SPEAKER (Ms AE Burke)—Order! In accordance with standing order 192B, the time for the grievance debate has expired. The debate is adjourned and the resumption of the debate will be made an order of the day for the next sitting.

Main Committee adjourned at 9.29 pm

QUESTIONS IN WRITING

Small Business

(Question No. 663)

Mr Ciobo asked the Minister representing the Minister for Immigration and Citizenship, in writing, on 19 March 2009:

(1) From 3 December 2007 to 19 March 2009: (a) how many and what percentage of payments made by the Minister's Department to small businesses were not made within (i) 30, and (ii) 60 days of receipt of the goods or services and an invoice; and (b) what was the average time lapsed between invoice received and payments made by the Minister's Department to small businesses.

Mr McClelland—The Minister for Immigration and Citizenship has provided the following answer to the honourable member's question:

The response is based on the last small business survey submitted to the Department of Innovation, Industry, Science and Research for the period 1 July 2007 to 30 June 2008.

- (1) (a) Between 1 July 2007 and 30 June 2008 the Department paid:
- (i) 1210 invoices, representing 11.3% of payments by volume and 8.4% of payments by value, to small businesses which were not within 30 days of receipt of an invoice.
 - (ii) 140 invoices, representing 1.3% of payments by volume and 1.2% of payments by value, to small businesses which were not within 60 days from receipt of an invoice.
- (b) Between 1 July 2007 and 30 June 2008 the average time lapsed between receipt of an invoice and payment to small businesses was 27 days.

Small Business

(Question No. 670)

Mr Ciobo asked the Minister for Finance and Deregulation, in writing, on 19 March 2009:

- (1) From 3 December 2007 to 19 March 2009: (a) how many and what percentage of payments made by the Minister's department to small businesses were not made within (i) 30, and (ii) 60 days of receipt of the goods or services and an invoice; and (b) what was the average time lapsed between invoice received and payments made by the Minister's department to small businesses.

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

- (1) (a) Please refer to the below table for details of payments made between 1 July 2007 and 30 June 2008.

	TOTAL not paid within 30 days	TOTAL not paid within 60 days
Number of invoices	126	18
% of invoices by number	1.06%	0.15%

- (1) (b) For payments made between 1 July 2007 and 30 June 2008 the average time lapsed between invoice received and payments made by the Minister's Department to small businesses was 17 days.

Immigration and Citizenship: Moncrieff Electorate**(Question No. 686)**

Mr Ciobo asked the Minister representing the Minister for Immigration and Citizenship, in writing, on 12 May 2009:

In respect of the Government's funding of organisations and projects between 3 December 2007 and 20 January 2009:

- (a) which organisations and projects based in the Moncrieff electorate received funding from the Minister's department;
- (b) what sum of funding did each organisation or project receive; and
- (c) for what purpose was each funding commitment made.

Mr McClelland—The Minister for Immigration and Citizenship has provided the following answer to the honourable member's question:

Details of grants given by the Department are available on the Department's website within seven days of approval of the grants.

- (a) The only direct funding to organisations within the Moncrieff electorate is to the Multicultural Families Organisation Inc (MFOI).

The MFOI received a two year grant from the Settlement Grants Program on 29 May 2007, which included some payments over the period requested. This was for the "Orientation to Australia, Developing Communities and Integration services to Humanitarian and eligible Family stream entrants on the Gold Coast" project.

The MFOI received an additional grant on 30 May 2008 for the "Integration - Inclusion and Participation services to Humanitarian and Family stream entrants in Gold Coast SSD" project.

- (b) The initial grant in 2007 was for \$170 000 per year for 2007-08 and 2008-09. During the period requested, the sum of the initial grant provided to MFOI was \$170 000.

The sum of the additional grant provided to MFOI in 2008 was \$38 500.

- (c) The 2007 project focussed on services to Humanitarian entrants as well as family stream migrant women. The project included orientation to education, employment, life skills, volunteering, youth and community leadership development.

The 2008 project focused on assisting eligible family stream entrants in the Gold Coast to integrate into the broader community through a driver education program, homework group and volunteer work service.

Climate Change: Moncrieff Electorate**(Question No. 691)**

Mr Ciobo asked the Minister representing the Minister for Climate Change, in writing, on 12 May 2009:

In respect of the Government's funding of organisations and projects between 3 December 2007 and 20 January 2009: (a) which organisations and projects based in the Moncrieff electorate received funding from the Minister's department; (b) what sum of funding did each organisation and project receive; and (c) for what purpose was each funding commitment made.

Mr Swan—The Minister for Climate Change and Water has provided the following answer to the honourable member's question:

The Department of Climate Change has provided funding to the following organisations and projects within the Moncrieff electorate:

Organisation	Amount \$ (excl GST)	Purpose
Gold Coast City Council	50,000	Funding under the Local Adaptation Pathways Program is provided to help councils undertake climate change risk assessments and develop action plans to prepare for the likely local impacts of climate change to Council operations.
Griffith University	50,000	To undertake a risk assessment and develop adaptation responses for the Gold Coast region, focussing on health impacts of climate change, specifically heat and flooding

Note that the two projects above have a regional or local government span that extends beyond the Moncrieff electorate.

Computers in Schools Program

(Question No. 696)

Mr Pyne asked the Minister for Education, in writing, on 12 May 2009:

How many of the schools successful in securing funding under each round of the National Computers in Schools Program have

- (a) had the computers delivered, and
- (b) commenced using the computers in the classroom.

Ms Gillard—The answer to the honourable member's question is as follows:

2701 schools have had their applications finalised for Rounds One, Two and 2.1 of the National Secondary School Computer Fund. This will deliver almost 295,000 new computers to bring these schools to a computer to student ratio of 1:2.

To date, over 58,000 computers have been delivered and installed in over 690 schools. This includes 461 schools from Round 1 and 232 schools from Round 2

National Action Plan on Literacy and Numeracy

(Question No. 697)

Mr Pyne asked the Minister for Education, in writing, on 12 May 2009:

In respect of the National Action Plan on Literacy and Numeracy: (1) Which literacy and numeracy programs delivered until 2008 have been evaluated under the Plan. (2) Has the consultation process for the Plan concluded; if so, (a) who was consulted, (b) on what dates were they consulted, (c) how were they consulted, and (d) what is the outcome of the consultations; if not, to 12 May 2009, (e) who was consulted, (f) on what dates were they consulted, (g) how were they consulted, and (h) what is the outcome of the consultations. (3) Which programs have been redirected into the Plan for 2009. (4) What guidelines have been provided to Federal, State and Territory officials responsible for literacy and numeracy programs to facilitate the Plan.

Ms Gillard—The answer to the honourable member's question is as follows:

- (1) The National Action Plan on Literacy and Numeracy will not evaluate programs prior to 2008. Evaluation of previous activities will be undertaken as part of the operation of those activities.
- (2) (a) (b), (c) and (d) There has not been a public consultation process on the National Action Plan. The major elements of the National Action Plan have been progressed through individual negotiations on the National Partnership for Literacy and Numeracy (NP) and the Literacy and Numeracy Pilots in Low SES communities (the Pilots).
- (e) (f) and (g) The Pilots were agreed to by MCEETYA in June 2008, and progressed via negotiation with state, territory and non government education authorities as funding agreements. The

NP was agreed to by COAG in November 2008 and is being progressed via negotiation with state and territory education departments. In addition, a Pilots forum was held in October 2008, involving state, territory and non government education authorities, school principals and academic partners, on the pilot guidelines and to agree an approach to capturing pilot outcomes.

- (h) To date, the outcome of negotiation on the Pilots is the establishment of thirty funding agreements with state, territory and non government education authorities for the conduct of the literacy and numeracy pilots across Australia. The outcome of negotiation on the NP is that state and territory implementation plans for the NP are expected be finalised by October 2009.
- (3) Funding for *An Even Start: National Tuition Program*, *Summer Schools for Teachers Program* and the *Rewarding Schools for Improving Literacy and Numeracy Outcomes Program* has been redirected into the National Action Plan for Literacy and Numeracy.
- (4) The guidelines for the operation of the NP are set out in the National Partnership Agreement for Literacy and Numeracy. **A copy of The guidelines for the Pilots can be obtained from the House of Representatives Table Office.**

Building the Education Revolution Program

(Question No. 699)

Mr Pyne asked the Minister for Education, in writing, on 12 May 2009:

In respect of the Building the Education Revolution Program, and the Government's announcement on 3 February 2009 that its \$42 billion Nation Building and Jobs Plan is to support up to 90,000 Australian jobs over the next two years: (a) from 2008-10, how many of those jobs will be (i) created, and (ii) supported, as a result of the program; and (b) does her department have specific performance indicators or expectations for these jobs; if so, what are the details.

Ms Gillard—The answer to the honourable member's question is as follows:

The Nation Building and Jobs Plan is made up of a number of elements of which Building the Education Revolution is one.

The Government's estimates of the impacts of stimulus measures assume that a stimulus of 1 per cent of GDP can be expected to increase GDP growth by between ½ and 1 percentage point. This is based on the assumption of a fiscal multiplier of between 0.5 and 1 (that is, each additional dollar of fiscal stimulus results in additional GDP of between fifty cents and one dollar). Estimates of the number of jobs supported by stimulus measures are derived using an employment elasticity of 0.75 (that is, each 1 percentage point increase in GDP growth is associated, on average, with a 0.75 percentage point increase in employment).

The Budget provided estimates of the combined impacts of the Government's stimulus packages. The stimulus packages are expected to raise GDP by 2¾ per cent in 2009-10 and 1½ per cent in 2010-11, supporting up to 210,000 jobs.

The Building the Education Revolution program builds on the Government's commitment to deliver a world-class education to all Australian schools. The funding provided will help to stimulate national and local economies through the scale and pace of construction work undertaken.

The Commonwealth has in place with each state and territory education authority a Bilateral Agreement on the Nation Building and Jobs Plan. This agreement includes a requirement for reporting and performance benchmarks. At the commencement of a project, state and territory education authorities are required to submit details of the estimated numbers of jobs to be supported by the project. This includes the numbers of Indigenous and non-Indigenous apprentices/trainees and other workers. The first monthly reporting is due to be submitted by education authorities to the Department of Education, Employment and Workplace Relations by 15 June 2009.

The key performance indicator for the Building the Education Revolution is the number of new or refurbished facilities, including libraries and multipurpose halls in primary schools and science and language laboratories in secondary schools.

The Commonwealth will measure this key performance indicator by measuring:

- (i) funding application rounds undertaken;
- (ii) construction milestones met and milestone payments made;
- (iii) completion of projects on time;
- (iv) amount of funding spent; and
- (v) number of jobs supported through Building the Education Revolution projects.

Building the Education Revolution Program

(Question No. 700)

Mr Pyne asked the Minister for Education, in writing, on 12 May 2009:

In respect of the Government's Building the Education Revolution Program and guidelines, and the application by Sunrise Christian Schools (SCS) for separate funding for each of its campuses under the initiative—(1) Is she aware that the SCS has sought special consideration in relation to its application under the Program. (2) Did her office receive a phone call from SCS regarding the guidelines for 2009; if so, (a) what advice was given to the school, particularly in respect of the guidelines, and (b) was there further communication between her department and SCS. (3) If there was further communication: (a) on what date/s did it occur; (b) what further advice was given by her department to the SCS; (c) is she aware that the SCS has five distinct schools that operate under the one administrative umbrella; and (d) will she consider the SCS's case; if not, why not. (4) Why are multi-campus schools collectively treated as a single school under the guidelines for the Program, when previous program guidelines (Investing in Our Schools, for example) treated each campus as a single school. (5) How many (a) multi-campus schools, and (b) campuses, exist in Australia.

Ms Gillard—The answer to the honourable member's question is as follows:

For the purpose of funding under the Building the Education Revolution (BER), schools with multiple campuses will be treated as a single school. For non-government schools, this is defined by whether the school is recognised separately under the *Schools Assistance Act 2008*

(i.e. with a separate Socio Economic Status (SES) score and entitlement to General Recurrent Grants).

Sunrise Christian School (covering the five campuses) has a single SES score and receives only one payment in relation to the General Recurrent Grants and is, therefore, classified as a single school for the purposes of BER. The notional allocation of funding for the school has been based on the combined full time equivalent (FTE) enrolments for all its campuses.

On 3 April 2009, I wrote to Sunrise Christian School advising them of the BER Guidelines as they relate to multi-purpose schools. I am advised that my Department wrote to the school in a similar fashion on 23 March 2009.

The treatment of multi-campus schools under the BER is consistent with other Federal Government funding programs, such as the National Secondary School Computer Fund and Local Schools Working Together program.

According to my Department's records, there are 274 multi-campus schools in Australia.

Quarry Park
(Question No. 705)

Mr Abbott asked the Minister for the Environment, Heritage and the Arts, in writing, on 12 May 2009:

- (1) Is he aware that the New South Wales (NSW) Government is planning to sell, for development, a parcel of bushland in Amourin Street in North Manly, Sydney, which has for many years formed part of Quarry Park.
- (2) Is he aware that this park, including the bushland that the NSW Government is proposing to sell, is listed with the NSW Heritage Council.
- (3) Has the Government had any discussions with the NSW Government about the presence of rare or threatened species on this site.
- (4) What steps can and will he take to ensure that this sale is not contrary to any Commonwealth law, regulation or policy.
- (5) Are there any instances of the Commonwealth purchasing land for environmental purposes; if so, what are the details.
- (6) Will the Government consider obtaining this land for permanent inclusion in the park.

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

- (1) & (2) I was not previously aware of the details of the proposal in question.
- (3) Officers from my Department have confirmed with the New South Wales Crown Lands Department that the threatened species *Acacia terminalis* subsp *terminalis* occurs on the North Manly site.
- (4) The New South Wales Crown Lands Department also indicated that the land will be withdrawn from sale and reserved under the *Crown Lands Act 1989* (NSW) for an appropriate conservation purpose and ongoing management of the site will be assigned to Warringah Council.
- (5) The Australian Government can assist private conservation organisations and state conservation agencies to purchase priority land for conservation, by providing up to two-thirds of the land purchase price. To take advantage of this initiative, a buyer who is interested in purchasing the land to manage it for conservation as part of the National Reserve System would need to come forward. Provided the prospective purchaser has one-third of the money to support the purchase, they would be able to seek funding to purchase the land under the Australian Government's *Caring for our Country* initiative.
- (6) In reference to the parcel of land at 13A Amourin Street, North Manly, an initial assessment of the conservation values of this parcel of land against national priorities reveals that while there may be local or regional values on the parcel, other parcels of land may have a higher priority for inclusion in the NRS.

Australian Vertebrate Animals
(Question No. 712)

Dr Jensen asked the Minister for the Environment, Heritage and the Arts, in writing, on 12 May 2009:

For every calendar year since 1990,

- (a) what number of Australian vertebrate animals have been collected by various government agencies for the purposes of scientific and other research, and
- (b) how many of these animals have died or been killed in this process.

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

- (a) & (b) The information you have requested is not collected by the Department of the Environment, Water, Heritage and the Arts.

Roe Highway
(Question No. 713)

Dr Jensen asked the Minister for Infrastructure, Transport, Regional Development and Local Government, in writing, on 12 May 2009:

Further to his answer to question No. 549 (*Hansard*, 4 February 2009, page 525): did any former Federal governments commit to providing funding for the construction of Roe Highway Stage 8, west of the Kwinana Freeway in Western Australia; if so,

- (a) was funding allocated in any previous budgets;
- (b) what was the total sum of the funding; and
- (c) what has happened to that funding.

Mr Albanese—The answer to the honourable member's question is as follows:
No.

Business Enterprise Centres
(Question No. 723)

Mr Ciobo asked the Minister for Small Business, Independent Contractors and the Service Economy, in writing, on 13 May 2009:

- (1) In respect of the twice-annual reporting requirement for federally funded Business Enterprises Centres (BECs): (a) on what dates are BECs required to submit their reports to his department; (b) how many reporting dates have lapsed since this requirement was implemented; (c) how many BECs have reported within the specified timeframe; (d) have any BECs not met their reporting obligations; if so, (i) what are their names, and (ii) what penalty measures has he implemented; (e) what specific services have been offered by each BEC as a result of the Government's funding; (f) what cost has been incurred to provide each service; and (g) how many businesses have benefited from each of these services in each BEC.
- (2) In respect of the obligations of business advisory organisations funded through his 10 October 2008 announcement: (a) what reporting obligations does each advisory organisation have; (b) if reporting obligations exist, what penalty measures has he implemented for organisations that fail to comply with them; and (c) have any of these organisations submitted reports to his department outlining the services available as a result of the funding.

Dr Emerson—The answer to the honourable member's question is as follows:

- (1) (a) Progress reports - 21st May and 21st November each year.
- (b) and (c) All 36 Business Enterprise Centres (BECs) have provided their progress reports within the specified timeframe.
- (d) No (i) Not Applicable (ii) Not Applicable
- (e) The following services are offered by each funded BEC:
 - Mentoring for new business
 - Planning diagnostics
 - Planning advice and development services
 - Advice on loans and banking products
 - Marketing plan preparation

- Advice on legal services
 - Accounting services
 - Leasing guidance
 - Regulatory compliance advice
 - Staff training programs
- (f) Two BECs receive \$100,000 per annum, three BECs receive \$150,000 per annum, 11 BECs receive \$250,000 per annum, 15 BECs receive \$300,000 per annum and five BECs receive \$350,000 per annum for the provision of these services.
- (g) The number of businesses that have benefited from that range of services are:
- 4558 Mentoring for new business
 - 2074 Planning diagnostics
 - 3243 Planning advice and development services
 - 863 Advice on loans and banking products
 - 2080 Marketing plan preparation
 - 965 Advice on Legal services
 - 1242 Accounting services
 - 451 Leasing guidance
 - 2033 Regulatory compliance advice
 - 666 Staff training programs
 - 18175 Total businesses
- (2) An announcement was made on 24 October 2008 on support for small business during the global financial crisis. Assuming this is the announcement the member is referring to:
- (a) Progress reports are required by 21st August 2009 and 21st January 2010. Financial and audit reports are required by 1st March 2010.
- (b) All reports must be satisfactory to the Commonwealth. If the Commonwealth is not satisfied with the detail provided in a report, or any part of a report, the Commonwealth can reject the report, or any part of the report, and require the report to be resubmitted at the expense of the organisation in question.
- (c) Not Applicable. The first progress report is due 21st August 2009.

Mr Keith Mortimer

(Question No. 755)

Mr Oakeshott asked the Minister for Foreign Affairs, in writing, on 14 May 2009:

What is the status of Mr Keith Mortimer who continues to be held against his will along with four other Australian citizens, following a joy flight to the Indonesian province of Merauke, West Papua, in September 2008.

Mr Stephen Smith—The answer to the honourable member's question is as follows:

Mr Mortimer is subject to "city detention" in Merauke, in the Indonesian Province of Papua, pending the outcome of an appeal by the prosecution in his case to the Supreme Court of Indonesia. The Department is continuing to provide consular assistance to Mr Mortimer.