

response to the Australian Law Reform Commission 2008 report into Australia's privacy laws, which I understand have not been updated for some 20 years. The ALRC made 295 recommendations to the government, which announced that it would respond in two stages. This bill addresses the first 197 of those recommendations and it is the first stage in an ongoing process.

The matters dealt with in this bill are extremely complex and will impact on individuals and corporations, as privacy laws govern many facets of Australian life. Additional complexities arise for the many organisations that now do business on a global scale where other countries do not have such robust privacy laws in place. The committee recognises that there remain a number of outstanding concerns raised by both industry and consumers. There is always a tension between balancing the requirements of business for streamlined processes and the rights of consumers to protection. In recognition of the matters raised in the 38 submissions received and the representations of those who appeared before the committee, the committee has recommended the passage of the bill through this House, as the member for Moreton has just said, but with some conditions attached.

Recommendation 2 calls on the Attorney-General to conduct a review of this legislation 12 months after the commencement date, so as to address a number of issues. I would just like to outline these issues. They are: the defence of contravention of APP8; the conflicting overseas laws; direct marketing and opt-out provisions; de-identified data provisions; the system regulating/preventing credit reporting information overseas—that is, the Australian link requirement; and the effect of the repayment history provisions on addresses stored on file.

Given the complexities in the legislation, the committee further recommends that the Attorney-General provides educational material and that it is to be made available before the commencement of these provisions. Many of the submissions the committee received outlined the matter of the complexities in the legislation and how confusing the legislation is to administer. There is little point in having legislation passed through this House that no-one understands and that is difficult to implement, so we believe as a committee that it is important that the Attorney-General's Department make information available to assist with the transition to the new measures.

This legislation will amend the existing Privacy Act 1988, creating the Australian Privacy Principles, and these which will replace the National Privacy Principles and the Information Privacy Principles that currently apply to both the private and the public sectors. These are a set of unified principles designed

to give clarity and consistency to the laws and more comprehensive privacy protection.

The bill also introduces an expansive credit-reporting system and clarifies the powers of the Privacy Commissioner to deal with complaints, conduct investigations, make use of external dispute resolution services and promote compliance.

I take this opportunity to thank the chair and members of the committee for their contribution to this work and the committee secretariat for managing a very large workload with great skill and competence.

BILLS

Privacy Amendment (Enhancing Privacy Protection) Bill 2012

Reference to Federation Chamber

Mr FITZGIBBON (Hunter—Chief Government Whip) (12:07): by leave—I move:

That the Privacy Amendment (Enhancing Privacy Protection) Bill 2012 be referred to the Federation Chamber for further consideration.

Question agreed to.

BUSINESS

Rearrangement

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (12:08): I move:

That so much of the standing and sessional orders be suspended as would prevent the Member for Wide Bay's private Members' business notice relating to the disallowance of the Road User Charge Determination (No. 1) 2012 made under the Fuel Tax Act 2006, being called on immediately.

Question agreed to.

MOTIONS

Road User Charge Determination (No. 1) 2012

Disallowance

Mr TRUSS (Wide Bay—Leader of The Nationals) (12:08): I move:

That the Road User Charge Determination (No. 1) 2012 made under the Fuel Tax Act 2006, be disallowed.

For many years, heavy vehicles have been charged to recover the part of road maintenance costs that are attributed to their road use. This cost is recovered in two parts: by the states and territories through registration charges and by the Commonwealth through the fuel based road user charge. The Fuel Tax Act 2006 establishes the mechanism for the collection of the road user charge by reducing the fuel tax credit provided to eligible businesses and non-profit bodies by the amount of the charge. The act provides that these entities are entitled to only a partial fuel tax credit for fuel used on a public road for business purposes in registered vehicles over 4.5 tonnes. The

fuel tax credit claimable is equal to the amount of the fuel excise minus the road user charge. The road user charge is designed as a cost recovery measure paying for the road maintenance and construction costs attributed to heavy vehicle road use.

In its February 2012 report to the Standing Council on Transport and Infrastructure, or SCOTI, the National Transport Commission provided an overview of its methodology. The NTC calculates the total cost base by gathering yearly figures from the states and territories on road expenditure and then adds this to the figure that local governments report to the ABS for road expenditure. The NTC deducts expenditure on non-road costs—for example, amenity expenses—to obtain the allocated cost base. The figure is allocated to the entire vehicle fleet by analysing the Survey of Motor Vehicle Usage, or SMVU, to determine how much should be collected from each vehicle class—that is, cars, each type of truck, motor bikes et cetera—taking into account the size in passenger car units, the weight, the kilometres driven and the equivalent standard number of axles. This allows the NTC to calculate how much is owed by the heavy vehicle industry for cost recovery. This figure is divided between the amount collected by the road user charge and state and territory registration fees on a basis of 62 to 38. The split is largely historical and reflects the revenue share between the Commonwealth and the states and territories at the time the national charges were implemented. Fuel consumption and vehicle number figures from the SMVU are used to derive the level of registration and road user charge to recover the cost of their impact on the road network.

In 2007 the former coalition government initiated a review of the formula and consultation processes in place for determining the appropriate level of the road user charge and state and territory registration fees. However, in March 2008, the coalition successfully disallowed Labor's proposed increase to the road user charge, on the basis that consultation processes were inadequate, and automatic indexation was introduced. The government sought to address these concerns, and so industry and the coalition have not opposed increases in the road user charge and registration fees since 2009.

In December 2011, the NTC invited public comment on a consultation document which set out the data and calculations used to determine options for reviewed heavy vehicle charges that would apply from 1 July 2012. During the four-week consultation period the NTC held public forums and received written submissions on the consultation document. In February 2012, the NTC recommended a rebalance of heavy vehicle charges according to new research on the road maintenance costs associated with different types of heavy vehicles. This recommendation saw most registration charges rise but others fall. Road

reconstruction expenditure from the 2010-11 natural disasters was to be excluded from the calculations. It also recommended an increase in the road user charge of 2.4 cents from 23.1 cents per litre to 25.5 cents per litre, an increase of 10.4 per cent. On 21 March 2012, the SCOTI considered the level of the road user charge and heavy vehicle registration fees. A majority of those present, or who participated in that meeting, adopted the NTC recommendation. It is clear from briefings with the department, the NTC and industry groups that there are a number of unresolved issues in relation to the proposed increase to the road user charge. The industry has expressed its dissatisfaction with the consultation process that was undertaken this year in the development of the determination. While commitments were made in 2008 to improve the relationship between industry and the NTC, and this seems to have worked successfully for the past few years, there is no doubt that issues have reoccurred in 2011-12 and those relationships have broken down. In this case, despite consultations beginning in late 2011 and the NTC providing its recommendation to SCOTI in February 2012, industry was not provided with detailed information on the formula used by the NTC or the input data and the assumptions it relies upon until March 2012—and only then as a result of a freedom of information request. So the consultation period expired without the information and details of the formula being used actually being made available to the industry.

There is a difference of opinion between the Australian Trucking Association—the ATA—and the NTC as to the most accurate number of trucks that should be used to calculate the cost attributable to the heavy vehicle industry. The NTC uses historic figures from the 2007-08 survey of motor vehicle usage to determine the number of heavy vehicles there are on our roads that must be charged to recover the costs of their road usage. The NTC believes this figure is appropriate as it provides an average of the number of trucks that would be associated with the seven-year rolling average of expenditure on roads that they use to determine the amount to be paid.

However, the ATA argues that it is more appropriate to use the actual registration information from the states and territories to determine vehicle numbers, particularly as the fuel usage figures used to determine how much should be paid by each truck are current figures. Even when using the number of trucks from the same year, the ATA and the NTC cannot agree on a number of trucks and they cannot agree why their numbers are different. The NTC believes that their figures are different because the ATA is including special purpose vehicles, which are registered but are given access to concessional registration rate or are not required to pay registration. The ATA rejects this claim and says that even if you exclude SPVs, there is still a

vast difference in truck numbers—in the order of 170,000 vehicles. There is a disagreement of 170,000 as to how many trucks there are in the country! The ATA believes that the flaws in the methodology used by the NTC in determining their recommendations results in an over-collection from the heavy vehicle industry. They estimate this over-collection at \$1.1 billion in 2012-13 alone.

The minister has said that the determination delivers:

... full recovery from heavy vehicle users and the removal of cross-subsidisation across heavy vehicle classes.

However, the Australian Livestock and Road Transporters Association asserts that the NTC's pricing model indicates it would see road trains overcharged by \$27.9 million per year, or by 40 per cent. This undermines the minister's statement. Using the NTC's own figures and pricing model, the livestock and road transporters association has shown that cross-subsidisation is occurring under his determination.

The department and the minister have confirmed that the additional stimulus expenditure outlaid during the global financial downturn has been included in the seven-year rolling average of road expenditure. The minister has said:

... heavy vehicles are already benefiting from past government investment in road infrastructure ... [and] The revised charges ... ensure that heavy vehicles pay their fair share of this investment.

However, this money was specifically designed to stimulate the economy and was not part of the general road construction and maintenance budget that would have been anticipated by the industry. It is unreasonable to recoup stimulus expenditure from the heavy vehicle industry after the fact to help balance the federal budget.

In May 2012 transport ministers agreed to a review of the formula, as it is generally accepted by all levels of government that it may not be an accurate reflection of the costs attributable to all heavy vehicle classes. The NTC has said that this review would look at the balance of charging mechanisms, the assumptions and methodology to 'ensure they are practical and fair'. I understand it is intended that the review be completed before the next determination on the road user charge is determined. So all ministers have now agreed that the formula is not working properly, that there is the potential for it to be significantly impractical and unfair, yet the government is insisting on an extraordinary increase this year—before that review has been completed.

Despite a majority of SCOTI ministers, or their representatives, agreeing to the increase, various state governments have subsequently implemented alternative proposals. The Northern Territory and Western Australian governments have implemented

significantly lower registration increases than would have flowed from this recommendation. The New South Wales and South Australian governments have announced concessions for certain truck configurations. It is interesting to note that the meeting at which the increase was decided was attended by more departmental officials than ministers and was, unusually, held when the Queensland government was in caretaker mode. If successful, this disallowance motion will have no effect on state government heavy vehicle registration charges, which are the responsibility of state and territory Governments. They can set them at whatever level they choose.

As a result of a readjustment in the way A-trailers are charged, the figures used to determine the amount owed by the heavy vehicle industry were recalculated. A historic underrecovery of the costs attributable to the heavy vehicle industry was identified by the NTC and corrected in this determination. In February 2012, the NTC admitted for the first time that the 'NTC's previous verification processes have revealed an under-recovery' and that, if it were not corrected, it would amount to \$144 million in 2012-13.

In this respect, it should be noted that the underrecovery was not contemplated in the 2011 consultation document released to the industry. There was no reference to a \$144 million shortfall during the industry consultation process. The industry was not told about this underrecovery. Possibly it was only discovered by the NTC after the consultation period was over, but they did not then go back, telling the industry that they had got all the numbers wrong, and reopen the consultation process to enable a fair and reasonable negotiation to continue. There should have been discussion with industry about whether or not there was indeed an underrecovery and, if so, how it should be addressed. Either this was incompetence or it was deceit and dishonesty. Whatever name you give it, the reality is that the consultation process with the industry—a fundamental part of the way these charges are settled, was seriously flawed. The industry and the consultation process took place on the basis of their needing to be a 5.7 per cent increase. But the government, after the consultation period was over, imposed a 10.4 per cent increase. That is clearly unfair and unjust.

In June, I wrote to the Minister for Infrastructure and Transport requesting that he withdraw his determination and replace it with a more modest increase, in line with previous annual adjustments of 5.7 per cent, pending the outcome of the current review process. The minister has rejected this offer. I have also written to the Independents, outlining the coalition's position and seeking their support for this motion so that there can indeed be seen to be a proper process. The government outlined and agreed a process in 2009, I think it was, to be properly followed. They

have not done that. If the comprehensive review currently underway is intended to ensure that the road user charge is fair and practical, it is only right that this process run its course before we impose such a large increase on the industry.

It is worth noting that it was the Howard government which introduced fuel tax credits in 2006 to give a better deal to the Australian trucking industry and other businesses that make heavy use of fuel. As the minister responsible, in 2006 I blocked moves by the Australian Transport Council and state Labor governments to increase registration charges for truck operators. In February 2008, when federal, state and territory Labor transport ministers increased taxes and charges on the trucking industry, I was dismayed by this move, as it would not only make the trucking industry worse off but see Australian families wear the flow-on effects to the prices of goods that we buy at supermarket checkouts.

The coalition's offer to the government to meet truck drivers halfway in reducing the road user charge remains on the table. If the government agrees to a reasonable 5.7 per cent increase rather than this arbitrary 10.4 per cent increase, the coalition will agree to the determination.

The DEPUTY SPEAKER (Mr Symon): Is the motion seconded?

Mr Randall: Yes, the motion is seconded.

The DEPUTY SPEAKER: I thank the member for Canning.

Ms KING (Ballarat—Parliamentary Secretary for Infrastructure and Transport and Parliamentary Secretary for Health and Ageing) (12:26): I rise to strongly object to the member for Wide Bay's motion. As parliamentary secretary for road safety, I want to spell out some of the inevitable consequences of the motion before the chamber. The member for Wide Bay's motion in essence will leave taxpayers to foot a bill of \$700 million for wear and tear of our roads that are caused by heavy vehicles. While the government are investing in our national road infrastructure, what we are seeing again is an opposition who want to rip funding out of road infrastructure.

The truck industry is growing, and unfortunately the number of road crashes involving trucks is rising with it. Over the past 10 years, the number of kilometres travelled by commercial heavy vehicles around the country has increased by more than 20 per cent, and those of us who live in regional and country areas certainly know that the number of heavy vehicles that we see on roads that were never designed to take these vehicles is growing. Truck drivers are driving longer hours and longer distances with shorter deadlines.

During last year alone, over 200 people died from crashes involving articulated and heavy rigid trucks.

The statistics show that in the majority of circumstances these crashes occur on our national highways, which is why in the budget we announced a \$140 million extension to the Heavy Vehicle Safety and Productivity Program. The program improves safety and productivity for users of heavy vehicles. While we have invested to support the safety of our nation's road users by investing in road infrastructure, those opposite want to take away \$700 million of funding to maintain and improve our roads. That is the consequence of the motion before the chamber.

Under our Heavy Vehicle Safety and Productivity Program, we have already seen 236 projects delivered in its first four years. The importance of investing in new and upgraded rest areas cannot be overlooked in that process. Just last sitting I attended a parliamentary breakfast for TruckWeek hosted by the Australian Trucking Association. The guest speaker for that breakfast was Lisa Sharwood, a senior researcher who is undertaking her PhD at the moment, from the George Institute. She presented her finding on the frequency of sleep apnoea amongst Australian truck drivers. Her study found that more than 40 per cent of truck drivers could have significant sleep disorders which could significantly increase their risk of crashing. She clearly articulated significant risk factors faced by this Australian cohort of truck drivers. She clearly articulated the need for preventative measures: physical health checks; oxygen assistance at night to assist night breathing; diet; and preventative measures on smoking—and the need for proper rest breaks. I look forward to her research being published. Members opposite who were at the breakfast would have heard the clear evidence about the importance of rest for truck drivers and the impact of fatigue on road safety, particularly in a cohort that has a higher incidence of sleep apnoea than the general population. In order for truck drivers to rest, you need rest stops. To build rest stops, you have to have money for road infrastructure.

Let me tell those opposite some of the road safety statistics. From 2001 to 2006 almost 50 Australians died on our roads from heavy vehicles in the member for Murray's electorate; another 44 in the member for Barker's electorate. In Riverina there were 36; in Wannon, 35; in Parkes, 33; in Gippsland, 28—the list goes on. Even in the electorate of the member for Wide Bay we have seen the tragic death of 26 people who were involved in heavy vehicle crashes between 2001 and 2006.

It is for reasons such as this that we have doubled the funding dedicated to the Heavy Vehicle Safety and Productivity Program. What we see from the member for Wide Bay is a motion to disallow the increase of the road user charge—a charge which recognises the importance of industry paying its way in road infrastructure. The member has again shown his lack of vision for our nation's infrastructure and an absence of

support for the Heavy Vehicle Safety and Productivity Program. Where does the member think the \$700 million is going to come from for road infrastructure? The Heavy Vehicle Safety and Productivity Program has for the first time seen funding dedicated to rectifying the unacceptable lack of safe, modern roadside facilities along our nation's highways.

The government is taking many other steps to reduce the number of road deaths across Australia. We continue to invest more money in road infrastructure than any other government in this nation's history and, as it stands, the road budget is at a record \$28 billion over six years. This includes more building of truck stops and rest areas, and it is the largest investment in road infrastructure since the creation of the national highway network itself. We are continuing to inject more funding into the Black Spot and Roads to Recovery programs, and we are continuing to implement the action items in the National Road Safety Strategy to reduce the number of road crashes involving heavy vehicles.

The steps in that strategy include: the implementation of antilock braking systems and load proportioning brake systems for heavy vehicles, considering increasing heavy vehicle cabin strength, electronic stability control and lane departure warning systems for heavy vehicles, increasing the effective application of chain of responsibility legislation to prosecute heavy vehicle speeding offences, and harmonising legislation to assist cross-border enforcement. This is in addition to the Road Safety Remuneration Bill that the government introduced into this House, and that was another example of the lack of support for safety on our roads shown by those opposite.

It is unacceptable that while only three per cent of our nation's vehicle fleet are heavy vehicles, heavy vehicles are involved in 20 per cent of road deaths. It is unacceptable that over 200 deaths each year are the result of crashes involving heavy vehicles, with speed or fatigue being a major factor in a large proportion of these cases. Once again I appeal to those opposite to vote against this motion—particularly those National Party members in this House when the number of fatalities in their electorates involving heavy vehicles is so significant. More people die in crashes involving heavy vehicles in their electorates than in any others. The member for Wide Bay's motion contradicts the heavy vehicle charge principles that were supported under the Howard government back in 2004 and again in 2007. It is another example of members opposite putting negativity over common sense. I urge all members to support the safety of road users and vote against this motion.

Mr McCORMACK (Riverina) (12:33): This disallowance motion seeks to overturn the increase in

road user charges for heavy vehicles which came into effect on 1 July 2012 and which has seen heavy vehicle operators slugged by 2.4 cents, with the charge rising from 23.1 cents per litre to 25.5 cents per litre—an increase of 10.4 per cent. Heavy vehicles have been charged for a number of years to recover part of the road maintenance costs attributed to their road use. This cost is recovered in two ways: firstly by the states and territories through registration charges, and secondly by the Commonwealth through the fuel-based road user charge. In 2012-13 total collections are expected to be \$2.5 billion.

The Fuel Tax Act of 2006 established a mechanism for the collection of road user charges by reducing the fuel tax credit provided to eligible businesses and non-profit bodies by the amount of the charge. The act also ensures that these entities are entitled to only a partial fuel tax credit for fuel used on a public road for business purposes in registered vehicles over 4.5 tonnes. This tax credit is equal to the amount of the excise on the fuel minus the road user charge.

The National Transport Commission reported to the Standing Council on Transport and Infrastructure in February this year, giving an overview of its methodology. The NTC explained it calculates the total cost base by gathering yearly figures from the states and territories on road expenditure and then adds this to the figure local governments report to the Australian Bureau of Statistics for road expenditure. The NTC also deducts expenditure on non-road costs, for example, amenity expenses to obtain the allocated cost base. This figure is allocated to the entire vehicle fleet by analysing the survey of motor vehicle usage to determine how much should be collected from each vehicle class, taking into account size in passenger car units, weight, kilometres driven and equivalent standard number of accidents. This allows the NTC to calculate how much is owed by the heavy vehicle industry for cost recovery. This figure is divided between the amount collected by the road user charges and the state and territory registration fees on a basis of 62 to 38. The split is largely historical and reflects the revenue shares between the Commonwealth and the states and territories at the time the national charges were implemented.

Additionally, fuel consumption and vehicle number figures from the survey of motor vehicle usage are used to derive the level of registration and road user charge to recover the cost of their impact on the road network. In 2007, the former coalition government initiated a review of the formula and consultation processes in place for determining the appropriate level of the road user charge and state and territory registration fees. However, in March 2008, the coalition successfully moved to disallow Labor's proposed increase to the road user charge on the basis that consultation processes were inadequate and

automatic taxation was introduced. The government sought to address these concerns and industry and the coalition have not opposed increases to road user charges and registration fees since 2009.

The National Transport Commission invited public comment in December 2011 on a consultation document setting out the data and calculations used to determine options for a review of heavy vehicle charges to apply from 1 July 2012. During the four-week consultation period, the commission held public forums as well as receiving written submissions. In February 2012, the NTC recommended a rebalance of heavy vehicle charges according to new research on the road maintenance costs associated with different types of vehicles. This recommendation saw most registration charges increase but others fall, road reconstruction expenditure from the 2010-11 natural disasters excluded from calculations and an increase in the road user charge of 2.4c from 23.1c per litre to 25.5c per litre.

On 21 March 2012, the Standing Council on Transport and Infrastructure considered the level of the road user charge of heavy vehicles registration fees. The majority of those presents adopted the NTC recommendations. The coalition has some concerns about the increase to road use charges, which have stemmed from briefings with the department, the NTC and industry groups. The Nationals leader and shadow minister for infrastructure and transport called on the government to meet truckies halfway on the road user charges. The coalition called on the Gillard government to put the brakes on the massive increases to the road use at charges, all to no avail. This is why this disallowance motion has been brought to the House. The 10.4 per cent hike in the road user charges is in addition to be the effects of the carbon tax and comes at a time when the transport industry is struggling to survive the cost increases.

I know, certainly many of the operations throughout the Riverina, many of them family-owned and small fleets, are doing it tough. They meet all the stringent safety requirements, as they should, but they have higher fuel costs, labour costs and other expenses and they are doing it very hard and very difficult at a time when the carbon tax is certainly not helping.

The shadow minister wrote to the Minister for Infrastructure and Transport with a solution earlier this year to reduce the massive costs and to avert a political show down. The coalition's proposal would have reduced the increase to 5.7 per cent by eliminating an unexpected \$144 million surcharge being imposed to correct earlier miscalculations. Truck drivers need to be protected from the increased charges, arbitrary increases in registration and fuel excise costs. The trucking industry has been alarmed ever since the National Transport Commission decreed at 10.4 per

cent increase in heavy vehicle charges, which took effect from 1 July. The Australian Trucking Association says that the decision is based on outdated truck numbers which inflate the amount drivers must pay to the government in 2012-13 and overstated road building and maintenance calculations. Instead of counting the actual number of truck registrations, the ATA says the NTC took old registration figures and extrapolated a theoretical fleet size which will see drivers fork out \$700 million more than they actually should.

Making matters worse, as usual, consultation this year could well be described as shambolic. Documents provided to industry were later altered before being given to ministers for a decision. The industry was not provided with detailed information on the model used by the NTC, nor the input data or assumptions underpinning them. In fact, these were made available only after industry secured a freedom of information request, and even then only after the NTC's recommendations had already been accepted by the Standing Council on Transport and Infrastructure.

The ATA says that, despite the NTC's recommendation that flood recovery expenditure be excluded from the calculations, about 20 per cent of that expenditure remains in the formula. In addition, \$144 million was unexpectedly added to the amount to be collected because of a recalculation of past obligations under the model. The Australian Livestock Transporters Association estimates of the impact of the NTC's pricing model will result in road trains being overcharged by \$27.9 million per year, or by 40 per cent. As such, the principle of cost recovery by vehicle class is corrupted.

In May 2012 transport ministers agreed to review the NTC formula, accepting the general view that it may not be an accurate reflection of the costs attributable to all heavy vehicle classes. Despite SCOTI ministers agreeing to the increase, the Northern Territory and Western Australian governments have implemented significantly lower registration increases and the New South Wales and South Australian governments have announced concessions for certain truck configurations.

Since all parties seem to agree that the calculation model is in need of review, it would be palpably unfair to apply this model to justify such a massive increase. The road user charge is collected through the fuel excise system and truck registration fees, many of which will increase by more than 30 per cent. As I say, this is at a time when regional trucking companies are doing it very tough. The charge costs the road transport industry almost \$2.5 billion a year and is intended to cover road maintenance and construction costs attributable to the industry. The member for Ballarat spoke of the need for sleep for truck drivers and of the

tragic role that fatigue plays in road safety. Everybody in this House is very aware of the fact that truck drivers need to play by the rules, to certainly have the necessary sleep and to ensure that safety aspects are absolutely paramount. I am sure that truck owners and operators throughout the nation are also very aware of the absolute need for truck drivers, given the high incidence of their involvement in many fatal accidents and the weight their vehicles are carrying, to ensure that safety comes first and foremost.

The member for Ballarat alleged that the member for Wide Bay lacked vision for infrastructure, but I would say it is quite the opposite. The Nationals, of which the member for Wide Bay is our leader, have always known that our road networks are the arteries which feed the national economy. They are the highways which connect us as people and which deliver Australia's commodities to markets here and to our ports, which are the gateways to international markets for our regional produce, our food and fibre. Whether it is local roads and streets or national highways and railways, a quality land transport system is vital to a strong economy. No-one knows that more than the Nationals members of parliament.

It was John Anderson who drove the creation of AusLink, Australia's first national road and rail funding plan. Warren Truss, the member for Wide Bay, was the transport minister when the last coalition government committed the necessary funding to complete the four lanes of the Hume Highway between Sydney and Melbourne. I can honestly say that the improvements around Gundagai and Tarcutta in the Riverina electorate have certainly enabled far better safety aspects for that stretch of freeway.

We know that Australia's freight task will double by 2030, but along the eastern seaboard it will treble. Communities and commuters from Sydney to the Queensland border were promised a four-lane Pacific Highway for years. That is a highway that many heavy vehicles use. The government had pledged to duplicate the Pacific Highway by 2016 but, unfortunately, that has not occurred. Labor is saying that any future money from the Commonwealth will have to be matched 50-50 by the New South Wales coalition government, even though Labor paid more than 80 per cent of the cost of projects on the highway when the state Labor government was in office in New South Wales. Labor knows that the NSW government, which is deeply in debt, cannot afford a deal such as that. The people deserve no less than they were promised.

On Saturday, at the Nationals' Federal Conference here in Canberra, I am pleased to report, the member for Wide Bay, who does not lack any vision, as the member for Ballarat would allege, announced that the next Liberal-National coalition government—hopefully, that will be at the next election—will

provide the funding to complete the widening to four lanes of the Pacific Highway all the way from Sydney to the Queensland border. That was a very welcome announcement, because that particular stretch of road is used by many heavy vehicles transporting the wonderful produce of the regions to capital city ports and world markets. On top of the \$3.56 billion already included in the federal budget, the coalition will redirect \$2.08 billion that Labor had allocated to the Epping to Parramatta rail line, which the O'Farrell government does not regard as a priority at this time, to guarantee the completion of the Pacific Highway. I think everybody in this House should applaud that move. The new funding commitment brings the Commonwealth's funding offer up to the standard 80-20 ratio and puts an end to Labor's phoney and discredited stand-off with New South Wales.

Once this project is completed, Australia will have a four-lane national highway connecting the country's three largest cities—Melbourne, Sydney and Brisbane—with four-lane connections to Sale, Toowoomba, Gympie and other centres. That is a wonderful announcement that complements the coalition's existing announcement of new major roads projects in Sydney, Melbourne, Brisbane and Perth and its recommitment to Tasmania's Midland Highway and the Toowoomba Range crossing. There will be more to say on roads as the months progress, not just on highways but on local roads and bridges too.

In conclusion, road user charges are being imposed unfairly. That is why this disallowance motion is necessary and is imperative. I commend it to the House.

Mr PERRETT (Moreton) (12:47): I rise to oppose the irresponsible motion moved by the member for Wide Bay, as it puts at risk the extension of a vital program aimed at improving heavy vehicle safety and, in doing so, threatens our nation's road freight transport. It was great to hear the member for Riverina talk about the member for Wide Bay. I think the member for Riverina said that our roads are our arteries: under the supervision of the member for Wide Bay the arteries were starved of oxygen. We saw when we came to power that a major bypass was needed. It is amazing to think that the Leader of the Nationals, a former transport minister and a member whose electorate sits right on the Bruce Highway, could supervise such neglect of such an important highway as the Bruce Highway. It is great to see that he is committing to the Sydney-Brisbane highway, a road I know reasonably well—I drove from Sydney to Brisbane in January—but there has been no mention from the Nationals of what they are going to do in relation to duplication and flood proofing from Brisbane up to Cairns, which is something the member for Dawson has touched on regularly.

I think the member for Wide Bay, the shadow minister for transport and infrastructure, actually drove the family truckster that was full of Liberal and Nationals over Christmas from Cairns down to Brisbane, where they inspected the Bruce Highway. I think he was behind the wheel, as Minister Albanese has mentioned in question time. Not that Minister Albanese was responding to a question from the former transport minister the member for Wide Bay—he has not asked a question about transport of the Leader of the House. In my speech I will touch on why that might be the case.

The member for Wide Bay wants to disallow the legislative instrument that increases the heavy vehicle road use charge as at 1 July 2012. That negative, short-sighted move has the potential to leave taxpayers to foot a bill of up to \$700 million for the wear and tear caused to our roads by heavy vehicles. In this year's budget, the government announced a \$140 million extension to the Heavy Vehicle Safety and Productivity Program to allow the continued construction of rest areas, parking and decoupling bays, road enhancement projects and technology trials and projects that are aimed fairly and squarely at improving safety but also—for the economists out there—aimed at improving productivity. So it is good for the truckies, as it keeps them safe, which keeps other people on the road safe, so it is good for the public; but it is also good for the nation's economy.

In its first years, this program has delivered 236 projects, and there is a continuing strong demand for new and upgraded rest areas and other safety measures across the nation, in areas off the national road link and main highways, and in country areas. It is for this very reason that we doubled the amount of funding dedicated to the program—good for public safety but also good for productivity and for road users.

The extension of this important safety and productivity program comes on top of our recent establishment of the Road Safety Remuneration Tribunal to set safe rates to stem risky behaviour by heavy-vehicle drivers. The other day, in my electorate, I pulled in to grab some drinks at one of my servos, near Archerfield Airport—and this is, I was told by the truckies at the servo, the busiest servo in Australia in that it sells more diesel than any other servo in Australia—where I ran into a gentleman by the name of Steven Corcoran, who had me sign his survey. Now, I know Minister Ellis is a subscriber to *Big Rigs*, the free national transport newspaper, and there was an article in there about Steven Corcoran, who had been collecting signatures at truck stops and roadhouses about getting safer rates. The article quoted him as having said:

... truck drivers were 30 times more likely to die than other professions ...

So good on Steve Corcoran for taking the time to go into bat for this important cause. So people do care about our truck drivers and the safety of the public. Sadly, that does not seem to be the case from those opposite, which is why we have this disallowance motion before us.

Of course, there is our historic achievement of establishing the first ever National Heavy Vehicle Regulator. That will commence on 1 January 2013. That is despite Federation occurring 112 years ago. Now a Labor led Commonwealth government has been able to achieve this national regulator. That is a good thing too, especially with the way Campbell Newman is slashing jobs in transport in Queensland. It is amazing. What is the first thing Michael Caltabiano—who used to be Campbell Newman's council colleague in the Brisbane City Council—is doing as his new appointee in charge of Queensland transport? He is getting rid of front-line people in the transport department, the people who provide safety out on our roads. Thankfully this federal Labor government is able to bring in the new National Heavy Vehicle Regulator. The wheels of federation move slowly but, when Labor is at the wheel, they move surely—and certainly a lot faster than those opposite.

This historic reform will boost national income by up to \$30 billion over coming years by providing savings and boosting our productivity—as well as saving lives. These reforms are vitally important to the heavy vehicle transport sector, which employs hundreds of thousands of Australians and plays a central role in getting our goods and services to our towns, our cities, our airports and our ports.

As I mentioned, my electorate of Moreton is in the middle of many of those highways and train lines. It has 19,000 small businesses, many of them connected with the transport industry. There is the Acacia Ridge rail yard, which is basically the end of the standard gauge line that goes all the way to Perth, and the Moolabin rail yards as well. The Brisbane Urban Corridor goes straight through my electorate, which has some of its busiest intersections—I think the intersection of Kessels Road and Mains Road is the second busiest intersection in Queensland. Thankfully, I was able to secure \$300 million in funding to get a grade separation there, mainly because of the problems with trucks trying to do a hill start there in the afternoon—when people are trying to go north, south, east and west, having these big rigs trying to do hill starts creates a lot of problems. I have not seen an article about that in *Big Rigs* magazine yet, but I know Minister Ellis will keep me up to date.

Since 2007, the Labor government has invested a record \$36 billion in our nation's infrastructure, including doubling the roads budget. I think that might be the real reason the member for Wide Bay does not

ask Minister Albanese any questions about roads—we have doubled the roads budget. Compared to the former Howard government, we are investing more than twice as much in half the time: \$2.8 billion since we came to government compared with \$3.1 billion over 12 years. You can do the maths; anybody can do the maths: twice as much in half the time. You can dress the politics up anyway you want but these are the facts and, as I said, it might explain why the member for Wide Bay does not ask questions on transport in question time. Nothing better symbolises the neglect of our road infrastructure under 12 years of coalition government than the state of the Bruce Highway. I used to travel the Bruce Highway quite a lot: in 1988 I was teaching up at Babinda, up near Cairns, and I have gone north to Cairns ever since for holidays and when I worked for the Queensland Independent Education Union, the patch I looked after was from Longreach to Moranbah to Rockhampton and all the way down to Brisbane. So I knew that highway in intimate detail and I knew where you could get the best crab sandwiches, I knew where you could get a good cold drink as I knew every part of that highway. I think the place where you can get the best crab sandwiches might be in the member for Flynn's electorate, in Miriam Vale—if indeed that is part of the member for Flynn's electorate. So I knew that highway intimately, every bump, every rest stop and just about every hotel along it—although, obviously, I have not driven it as much since I have been a federal member of parliament.

Taking the Bruce Highway, look at what the federal Labor government is doing. We are building 20 new rest stops and upgrading a further nine under the Heavy Vehicle Safety and Productivity Program. In the early noughties I used to drive the Bruce Highway almost every other week, but how it has changed. This financial year we have seen the following investments along the Bruce Highway: construction of a new interchange at the intersection between the Bruce and Dawson highways, known as the Calliope Crossroads, near Gladstone, federal contribution \$150 million; straightening and raising the Bruce Highway between Sandy Corner and Collinsons Lagoon, federal contribution \$50 million; straightening and widening the Bruce Highway from Cabbage Tree Creek to Carman Road and across Back Creek Range, federal contribution \$100 million. That is at a place where I used to swear quite a bit, from memory, while on that Back Creek Range having got behind a slow farmer or a slow rig. Also, there is straightening the Bruce Highway just south of Gin Gin and upgrading of the intersection with the Bundaberg-Gin Gin road, federal contribution, \$20 million. In addition to major upgrades to key sections of the highway, our \$440 million safety package is installing 52 new overtaking lanes, fixing 100 dangerous black spots, and building

20 new rest areas and stopping places as well as upgrading a further nine existing rest areas. We are also laying audible edge-line markings. This is substantial progress, substantial investment, and it has all been delivered by a federal Labor government. As I said: twice the money in half the time; that is the maths.

If the opposition motion to disallow the Road User Charge increase succeeds, it will put at significant risk hundreds of new projects aimed at improving heavy vehicle safety and productivity. And what does that do? It puts lives at risk. That is what happens. When you do not have an overtaking lane and you have a slow caravan or a couple of trucks then people try to go around too many vehicles, and lives are lost. That is what happens on the Bruce.

Unfortunately, Premier Newman has sacked 1,400 people from the Department of Transport and Main Roads. There are only 9,200 in that department. That is one in seven sacked, and many of those are frontline operators who make sure that there is vehicle safety and that our roads are safe.

So the member for Wide Bay should direct his energies towards talking to Premier Newman rather than coming in here and holding up the Labor agenda. He is putting at risk rest stops; he is putting at risk road and bridge upgrades; he is putting at risk parking and decoupling bays—all needed to ensure improved heavy vehicle safety and productivity and to increase access to the road network.

The Bruce Highway is an interesting piece of road stretching from Brisbane all the way to Cairns. Many English people might think that it is named after a Monty Python sketch but it is not. It is actually named after Stanley Bruce—one of those rare prime ministers who was actually voted out of government while prime minister and voted out of his own seat. It has only happened twice in the history of Federation. Stanley Bruce was one and John Winston Howard was the other. Largely, that was because they did not recognise some of the concerns of Queensland. We are a decentralised state. In terms of transport links, we have a hub settlement pattern straight up the highway from the coast, but then we have rail spurs and roads west from Rockhampton out to Longreach and from Townsville to Mount Isa, Cairns et cetera. So we need to get it right.

The people on this road are an interesting mix of tourists, heavy vehicle operators, grey nomads, businesses and locals going between coastal businesses as well. So overtaking lanes are crucial—and rest stop areas for heavy vehicles are also crucial. So I would urge the House, I would urge all those members of the Liberal and National parties from Cairns all the way down to Brisbane, to vote against this opposition

motion which would disallow the road user charge determination because it will put lives at risk.

Mr O'DOWD (Flynn) (13:00): I rise today to speak on the disallowance motion which is currently before the House on the Road User Charge Determination No.1 2012, made under the Fuel Act 2006. The road transport industry is of great significance to the Australian economy and I am passionate about this industry. I myself have owned trucks for the last 30 years and, like the member for Moreton, I have travelled the Bruce Highway many, many times and done many, many miles between Rockhampton and Gin Gin, which unfortunately is the worst piece of the Bruce Highway on the Brisbane to Cairns run.

My heart goes out to an owner truck driver in Rolleston who, during the floods last year, could not move his truck for three months because of the flooding of the Panorama Creek in Rolleston. Later on, he could not move his truck for another three months because the roads where he had to get cattle off a farmer's property were too wet and boggy. So he went for six months without moving a wheel, and his registration at that time was \$22,000, so you can imagine how much out of pocket he was.

As it stands, heavy vehicle road users have been charged to recover the part of the road maintenance cost attributed to the road use. This is done in two parts: firstly, by the states and territories through registration charges and, secondly, by the Commonwealth through the fuel based road user charges. Public consultation by the National Transport Commission last year has resulted in a number of recommendations that are based on outdated and unfounded theoretical information. This is not an acceptable manner to make a decision. Any good business person will tell you how healthy, long-lasting and effective decisions are made with appropriate and timely consultation.

An increase of as much as 2.4c litre is an increase from 23c per litre to 25½c per litre or, putting it in percentage terms, 10.4 per cent. This increase should not be imposed on an industry that is key to preventing us from running out of essential stocks around our great nation. There is a lot of movement in the transport industry. Much transport is now done on roads rather than on rail. When I was in the game in a big way, in the heartland of Emerald in the Queensland Central Highlands, grain, cattle and fuel were all carted mostly by rail. Sadly these days it is all carted by trucks, which adds greatly to the use of our roads, where there is a fight between tourists, general road users in their motor cars and the heavy loads of the three industries I just mentioned. Plus there is the fact that we have large mining equipment being dropped off from the ports of Brisbane from America and other

places to supply the mines. This is also adding to the cluttering of our roads. Everyone is out there competing for the use of our roads. Our roads are deteriorating at a fast rate and we do need to do something urgently about it. Truck stops are virtually non-existent between Rockhampton and Gin Gin and after five o'clock at night you are very hard pushed to get through even the trucks parked on the road at Gin Gin. The Bruce Highway needs more upgrades—as the member for Moreton said, we need more passing lanes et cetera.

We do not need a mining tax to fix our roads. We need to fix the roads under the same terms and agreements that we had in future years. This business of saying 'We'll fix the roads if you introduce a mining tax' is just poppycock. We do not need these stipulations. We just need to get about fixing our roads and stop wasting money in other areas so that it can be applied to our roads. We are getting a return on our investment from our coal, gas, grain and cattle. They provide the money for those road upgrades—not the mining industry, which uses rail to transport coal and pipelines to produce gas and transfer it from the west to places like Gladstone.

I believe it is important that the parliament agree on a compromise of a most modest increase of 5.7 per cent, which is in line with the annual adjustment used in previous years. A 10.4 per cent increase would cripple an industry that is already struggling in a lot of areas—and the carbon tax will not help that either. We cannot cripple an industry. The mining industry at the moment is going through very tough times with the high Australian dollar and low commodity prices. There comes a time when the last straw will break the camel's back, and this, I am afraid, could happen to the transport industry.

Approximately 25 per cent of that expenditure remains in the formula. In addition \$144 million was unexpectedly added to the amount to be collected because of the recalculation of the past obligations under the model. We really need to use some common sense here and look at the bigger picture of what an unsubstantiated increase of 10.4 per cent would mean for our road transport industry. I intend to raise a number of issues that I believe need to be addressed in relation to this bill. The issues are unresolved. Given the huge impact that the transport industry has on this country, I believe it is imperative that we pay close attention to some of these facts—facts such as that the Australian Livestock and Rural Transporters Association asserts that the National Transport Commission's pricing model indicates road trains would be overcharged by \$27.9 million per year, or by 40 per cent, and, as such, the principle of cost recovery by vehicle class would be undermined.

Furthermore, in May this year, the transport ministers agreed to review the National Transport Commission formula, accepting the general view that it may not be an accurate reflection of the costs attributable to the heavy vehicle classes. And, despite the majority of the transport ministers agreeing to the increase, various state governments have subsequently implemented alternative proposals. The Northern Territory and Western Australian governments, for example, have now implemented significantly lower registration increases, and the New South Wales and South Australian governments have announced concessions for certain truck configurations. Let me reinforce the view expressed by the member for Wide Bay, who said that, since all parties seem to agree that the calculation model is in need of review, it would be grossly unfair to apply this model to justify such a huge increase.

One of the most alarming issues in relation to this bill is the difference in opinion between the Australian Trucking Association and the National Transport Commission as to the most accurate number of trucks that should be used to calculate the cost attributable to the heavy vehicle industry. The National Transport Commission uses historic figures from the 2007-08 Survey of Motor Vehicle Usage to determine the number of heavy vehicles there are on our roads and what must be charged to recover the costs of their road usage. The National Transport Commission believe that figure is appropriate as it provides an average of the number of trucks that would be associated with the seven-year rolling average of expenditure on roads that they use to determine the amount to be paid.

However, on the other side of the coin, the Australian Trucking Association argues that it is more appropriate to use the actual registration information from the states and territories to determine the vehicle numbers, particularly as the fuel usage figures used to determine how much should be paid by each truck are current figures. The Australian Trucking Association believes that the flaws in the methodology used by the National Transport Commission in determining their recommendation results in an overcollection from the heavy vehicle industry. So we have a conflict. They estimate the overcollection will be \$1.1 billion in 2012-13 alone.

I am not surprised that once again this industry is being hit in the leg by an unfair system, a system that is not agreed to by both associations, and therefore will suffer. It is a shame to say that at least there should be an acceptable method to come to a conclusion. We need to protect truck drivers. We should not be imposing unfair, arbitrary increases in registration and fuel excise costs. While commitments were made in 2008 to improve the relationship between the industry and the National Transport Commission and this has worked successfully in the past few years, it appears

issues have reoccurred in 2011-12 and those relationships have now broken down. In this case, despite consultation beginning in late 2011 and the National Transport Commission providing its recommendations to the Standing Council on Transport and Infrastructure in February 2012, industry was not provided with detailed information on the formula used by the National Transport Commission or the input data and assumptions it relies on until March 2012. This information was discovered only as a result of a freedom of information request.

So that this parliament understands the process, I provide the following summary. The NTC calculates the total cost base by gathering yearly figures from the states and territories on road expenditure and then adds this to the figure local governments report to the ABS for road expenditure. The NTC deducts expenditure on non-road costs—for example, amenity expenses—to obtain the allocated cost base. This figure is allocated to the entire vehicle fleet by analysing the Survey of Motor Vehicle Usage to determine how much should be collected from each vehicle class, whether it be car, truck, motorbike, you name it. It takes into account weight, kilometres et cetera. This allows the NTC to calculate how much is owed by the heavy vehicle industry for cost recovery across the board, not just across a certain class. This figure is divided between the amount collected by the road user charge and state and territory registration fees on a basis of 62 to 38. The split is largely historical and reflects the revenue shared between the Commonwealth and the states and territories at the time the national charges were implemented. Fuel consumption and vehicle number figures from the SMVU are used to derive the level of registration and the road user charge to recover the cost of their impacts on the road network.

Conclusion: I believe that the coalition's proposal of, let me say, a more modest increase of 5.7 per cent, is a better solution to redefining the road user determination charge. As well as being in line with the annual adjustment used in previous years, it would eliminate an unexpected \$144 million surcharge being imposed to correct an earlier miscalculation.

Mr ALBANESE (Grayndler—Leader of the House and Minister for Infrastructure and Transport) (13:14): The member for Flynn does not seem to understand what this irresponsible motion would do. It is not to reduce the charge; it is to take it to zero. The government does not support this motion, which puts at risk the extension of a vital program aimed at improving heavy-vehicle safety and, in doing so, threatens our nation's road freight transport.

Opposition members interjecting—

Mr ALBANESE: For the benefit of the nongs opposite, I have not spoken in this debate. This is a motion from the member for Wide Bay.

Mr Robert: Settle down, big feller!

Mr ALBANESE: They now want to stop the minister from speaking on this motion. The member for Wide Bay's motion would disallow the legislative instrument increasing the heavy-vehicle road user charge as of 1 July 2012. What I say to them is there are a range of National Party ministers who sat around the table and made this decision not once but twice and who continue to support this decision. If they want to lobby they should lobby their own political party because the coalition, which is in government in Victoria, New South Wales, Queensland and Western Australia, has supported this decision.

This is a negative and short-sighted move. It has the potential to leave taxpayers footing a bill of up to \$700 million for wear and tear on our roads caused by heavy vehicles. That is an outcome that would clearly be unfair. Furthermore, in this year's budget the government announced a \$140 million extension to the Heavy Vehicle Safety and Productivity Program. This is a program initiated by this government. Before we came to office there was no such program. Members should consider the fact that this is a change under the Fuel Tax Act 2006. This is the coalition's legislation. This is the coalition's system that they established when they were in government. They determined the way the road user determination would occur by the National Transport Commission. It is possible it was the member for Wide Bay, when he was a minister, who did it. It might have been Mark Vaile, the former member for Lyne. But it was certainly done by the federal National Party. Then they come in here and complain and say, 'Oh no, the system's no good.'

Let us have a look at what we have done and what they did not do. They had charges without anything going back to the industry. The charges are based upon cost recovery, based upon costs already spent. We have invested record amounts into the nation's roads. We ensured with this determination that we discounted all of the road expenditure that occurred as a result of the floods in Queensland. What is more, we put in place the Heavy Vehicle Safety and Productivity Program, which is building rest stops in electorates, particularly those held by coalition members right around the country. It has already delivered 236 projects. Members, such as the member for Gippsland, have written to me—and they are going to vote against the funding for this program—about rest stops on the Princes Highway from Sale to the New South Wales border, saying that funding should be given for it. The funding comes from this program, which will cease to exist if this instrument is not carried and if the member for Wide Bay—

Mr Truss: That is not true!

Mr ALBANESE: The member for Wide Bay yet again shows his knowledge of economics and adding

up. I assure the member for Wide Bay, if you have a fund that comes from this determination, which we do, the fact is this program will not exist. It is something acknowledged by the ATA and the Livestock Transporters Association. A recent review, which included industry and jurisdictional road authorities, found there is an overwhelming positive response to this program continuing strong demand for new and upgraded rest areas and other safety measures across the nation. That is why we doubled the amount of funding dedicated to this program.

It is also for this reason that, when the member for New England approached me about increasing the funding available in the program and expanding the scope of projects eligible for funding, I said 'yes' to his representations. As a result, I can advise the House that the government will increase funding for the Heavy Vehicle Safety and Productivity Program by \$10 million, in the round. That will be announced in December. I have also expanded eligible projects under this program to include rural and regional heavy-vehicle infrastructure. That is something that has been asked for, particularly by the Livestock Transporters Association. They have made strong representations on this issue—unlike those opposite, who are simply trying to stop funding for this program.

I have also included demonstration projects to facilitate innovative safety measures across the heavy-vehicles sector. The member for Wide Bay, clearly, has not been paying attention, because these guidelines have already gone out—in rounds 1 and 2 that will be announced later this year. I have already met with the ATA, the Livestock Transporters Association and other industry groups about how we make the most of this program. The extension of this important program comes on top of our recent establishment of the Road Safety Remuneration Tribunal to set safe rates, to stem risky behaviour by heavy-vehicle drivers. And there is our historic achievement of establishing the first ever national heavy-vehicle regulator, which will commence on 1 January 2013.

The national heavy-vehicle regulator, along with the national maritime and rail safety regulators, will cut the number of transport regulators operating across Australia from 23 down to three. That is a boost to national income by up to \$30 billion over the next 20 years. It has been talked about for years, but delivered by this government.

These reforms are vitally important to the heavy-vehicle transport sector that employs hundreds of thousands of Australians and plays a central role in getting our goods and services to our towns, cities, airports and ports. The freight task is growing and it will continue to grow, putting even greater pressure on our road networks.

Heavy-vehicle crashes also contribute substantially to road trauma, often involving the occupants of light passenger vehicles and pedestrians. We see around 5,000 people seriously injured in trucking incidents each year, and 230 people killed in trucking incidents. The program is all about funding practical measures to reduce risk and improve road safety, not only for truckies but for all who share the roads with the big rigs.

Let me remind the member for Wide Bay that in 2004 the then Australian Transport Council established the pricing principles upon which heavy vehicles are calculated. These principles were further reinforced when COAG directed the ATC, in April 2007, to ensure that charges deliver, and continue to deliver, full cost recovery while removing cross-subsidisation between vehicle classes. These were principles agreed under the Howard government's watch and under National Party transport ministers. These pricing principles were instrumental in the calculation of charges agreed by transport ministers in March 2012.

Let's be clear: the charge calculation methodology has not changed. The principles have not changed. And that is why we see National Party roads ministers—in New South Wales, for example—voting in favour of this determination. But the shadow minister comes in here and says that he cannot possibly support it. Why doesn't he pick up the phone to Duncan Gay and other coalition ministers who have supported this determination?

The new charges agreed by transport ministers will see A-trailer charges reduced by over 50 per cent. We have heard nothing from those opposite about that. This delivers on a key 2011 industry call that governments address high A-trailer charges which were particularly impacting operators in the rural and agricultural sectors. The new charges also incorporate the 2012 annual adjustment to ensure ongoing cost recover consistent with the 2007 COAG directive.

The opposition's claim of over-recovery are simply not correct. The total amount of revenue to be collected from industry consistently reflect the trend in government road expenditure. Since 2007, this government has doubled the road expenditure. Look at any of the major roads around our country. Take, for example, the Pacific Highway: \$1.3 billion by those opposite over 12 long years. Even though they had transport ministers who were on the highway the expenditure over 12 years was \$1.3 billion. This government has spent \$4.1 billion already.

Look at the Bruce Highway. Again, those opposite spent \$1.3 billion over 12 years; this side of the House has spent \$2.8 billion. The member for Wide Bay goes around and says that the area from Cooroy to Curra—

Mr Truss: I rise on a point of order. This is a motion about the disallowance of the road-user charge.

This road-user charge is not used to fund the roads that the minister is talking about so his comments are irrelevant.

The DEPUTY SPEAKER (Mr Mitchell): It has been a pretty wide-ranging debate.

Mr ALBANESE: These shows how little this bloke understands. The road-user charge—

Mr Truss: He's out of order and—

Mr ALBANESE: Sit down and you might learn something. The road-user charge—

The DEPUTY SPEAKER: Order!

Mr ALBANESE: looks at the previous years' expenditure on roads. It calculates it over a period of time and then works on the formula that was established by those opposite to say, 'We'll recover the costs.' So our expenditure on the Bruce Highway, the Pacific Highway and the Hume Highway is absolutely relevant. That is the basis of the determination—and yet you have the shadow minister just show, with that point of order, how ignorant he is about the system. That is the most extraordinary point of order. I have seen some crackers in this House but none worse than that one, because what that did was expose that the shadow minister does not even understand how this determination occurs.

The more you spend on roads the greater the cost recovery under the system. That is the way it works. It works not on an annual formula but on a seven-year formula. So, because we have been in government for five years and we have doubled the road expenditure—guess what!—the road-user charge, which is there for cost recovery, goes up. It is not hard but this bloke showed, with that point of order, why his motion should be rejected. He showed, not only why it should be rejected but why he should be embarrassed.

This is a system established by the federal coalition. We have not changed the formula or the National Transport Commission. The person in charge of the National Transport Commission is the person that they appointed. Coalition state ministers voted for this change, and yet the opposition come in here and argue against it. And then they say that the spending on roads is not relevant. It is unbelievable, from those opposite. At the same time, they argue that there is no connection between the Heavy Vehicle Safety and Productivity Program and these charges. Well, there is no connection as far as they are concerned, because they never had one. What they had was increased charges giving nothing back to the industry. Well, we have not taken that view.

The fact is that those opposite need to do more than just come out with rhetoric. We saw the farcical announcement of them delaying the Pacific Highway upgrade that they made over the weekend. We have seen, today, the complete failure to understand the

system that they are seeking to disallow with this motion here today. And, for no reason other than the point of order from the member for Wide Bay, he shows that his motion is not worthy of support.

Ms LEY (Farrer) (13:29): I am pleased to speak on this disallowance motion in the House tonight, after the shrieking of the minister, who had to leap into the debate because there were actually no government members prepared to speak on it—the list was very short.

Mr Albanese: Mr Deputy Speaker, I rise on a point of order. I ask that the member withdraw. I am the minister; I was always going to speak on this motion. It was brought on by my motion.

The DEPUTY SPEAKER (Hon. BC Scott): The member for Farrer would assist the chamber if she—

Ms LEY: I'm sorry—I—

The DEPUTY SPEAKER: Hang on; the member for Farrer has not got the call. The member for Farrer would assist the chamber if she would accept the call from the Leader of the House, who was down to speak.

Ms LEY: I do not wish to be petty; I will withdraw. The Road User Charge Determination (No. 1) 2012 slugs truckies with higher fees—that is what it does. If you were a small transport operator listening to the debate in the House today and just listened to the minister talk in such a petty and ill-meaning way about the trucking industry and about the rationale behind this determination, I think you would be disgusted. This is a determination that slugs truckies with higher fees.

This is classic Labor. Their methodology is always to tax, spend and interfere, and in this case they are calling this tax a 'reform'. We had the member for Moreton earlier in his remarks saying, 'Thankfully, we were able to build a national regulator,' as if we should all breathe a sigh of relief that Labor has once again found something to regulate and therefore increase charges to people—in this case, the trucking industry. For the Labor Party, rural Australia is not just another country; it may as well be another planet. This minister comes from western Sydney. It is clear from his remarks that he does not understand what it is like to drive the long, lonely roads of rural Australia as a trucking operator, the stress that family businesses are under, the stress that truck drivers are under or the stress surrounding an industry that struggles to make money, cannot pass on its costs and has to absorb every single increase—in this case, a significant increase to their budget.

What is this road user charge doing? It is increasing by 10 per cent the rate of the heavy vehicle road user charge from 23.1c a litre to 25.5c a litre, to, in the words of the determination:

... recover an attributable portion of heavy vehicle's share of increased government road expenditure to ensure they continue to pay their way.

That is Treasury terminology, and we understand that they do not understand the real world in some instances either. But I take offence, on behalf of the truck drivers I represent, to the phrase 'to ensure they continue to pay their way'—as if somehow the trucking industry has to bear the cost of the rehabilitation and maintenance of every road in Australia.

We do not criticise the road user charging system, because we created it, as the minister said. We recognise that fact. But we do really object to this particular tax—and that is what it is—being used, this bucket of money being increased, this system being plundered to pay for pink batts, BER, \$700 set-top boxes and other financial failings of this government. There is no proof that the money raised by this road user charge goes anywhere but straight into consolidated revenue. We do not have a clear link between this funding and improving the roads that Australia's truck drivers drive on. This increase from 1 July from 23.1c to 25.5c a litre is highly significant. Thirty to 35 per cent of trucking operators' budget is fuel costs. This will hit their bottom line, and it will hurt.

The government talks about savings, as if that should be a rationale for us to think that this is a good thing. The government would have us believe that this change to the road user charge was recommended by the National Transport Commission and agreed by the Commonwealth and state and territory transport ministers. The NTC is responsible for conducting an annual assessment of these charges to ensure they remain in line with heavy vehicle share of road use. It is our argument that documents provided to industry were altered before being given to those ministers for a decision. The industry was not provided with detailed information on the model used by the NTC or the input data and assumptions underpinning them. These documents were only made available after a freedom of information request, and even then only after the NTC's recommendations had already been accepted by the Standing Council on Transport and Infrastructure.

The Australian Trucking Association believes the decisions were based on outdated truck numbers which inflate the amount drivers must pay to the government and overstate road building and maintenance calculations. The ATA believes that, instead of counting the actual number of truck registrations, the NTC took old registration figures and concluded a theoretical fleet size, which will now see drivers fork out \$700 million more than they should.

The coalition agrees, and we called on the government for a halfway compromise. Not only are the increases based on flawed modelling; it is our view

the proposed 10 per cent hike in the charge comes in addition to the effects of the carbon tax and occurs at a time when the transport industry is already struggling to survive big cost increases. The charge is also collected through the fuel excise system and truck registration fees, many of which will rise, by more than 30 per cent in some cases—a classic double whammy for the industry, attacked at both ends at a time they can least afford it.

We also argue that, despite the National Transport Commission's recommendation that flood recovery expenditure be excluded from the calculations, about 25 per cent of that expenditure remains in the formula. In addition, \$144 million was unexpectedly added to the amount to be collected because of a recalculation of past obligations under the model—now, what does that mean? The Australian Livestock and Rural Transporters Association has also estimated the impact of the revised pricing model will see road trains overcharged by \$27.9 million each year. That is a 40 per cent hike that can and should be avoided.

In May this year, state and federal transport ministers agreed to review the NTC formula, accepting the general view that it may not be an accurate reflection of the costs attributable to all heavy vehicle classes. Since all parties seem to agree that the calculation model is in need of a review, it would be grossly unfair to apply this model to justify such a huge increase.

Deputy Speaker, as you have heard, we have not said: do not make increases. We have not said: do not ask truckies to pay their way. What we have said is: make it five per cent, not 10 per cent. Let's meet the government halfway. Let's recognise the reality for our struggling truck drivers. I represent 30 per cent of the state of New South Wales in the electorate of Farrer, so I have known a lot of trucks, a lot of truck drivers and a lot of family firms over the last 10 years. I called a few and asked them what they thought about this. I know that they are hardly going to say that it is a good thing. What I wanted to hear from them was what life was like for them, right here and now, as a small transport operator in rural Australia. I remind the House that there is nobody in the government benches, that I am aware of, that has had skin in this game. There does not seem to be anyone who has invested a dollar of their own money in a real job in rural Australia. There is nobody in the government who understands the life of the trucking operators that I represent. If there were, I would have expected to have more speakers lining up to speak on this bill and we would have had a more sympathetic response from the minister in terms of our offer to meet him half way.

As a trucking operator in Albury said to me this morning:

It's a huge issue for the industry!

With all the other costs hitting us it's going to devastate some of the smaller transport operators particularly.

Subcontracted Truckies simply can't pass on these costs, so must absorb them, reducing their margins to such an extent many are leaving the industry.

Add this to the other taxes, rising cost of parts, registration, compliance and general cost of living, this will be a fatal blow for some.

I spoke to my friend, Leann James, from Broken Hill whose husband runs a livestock transport business. She said:

It's disappointing to hear this federal government has again knocked money off the trucking industry and hit us so hard. We are aware that in 2014 we will be hit again with the carbon tax on diesel. Any increase in costs are going to have to be passed onto consumers. In a typical month we pay anywhere up to \$10,000 for our fuel. In a busy month this can and has been up to \$15,000.

We are continually getting rego price hikes and parts and oils are continually creeping up. It is very demoralising for any truck operator to see this continual whacking we are getting from the government. I would envisage the professional drivers, ie blokes like my husband who has been a truck driver for 42 years, might say that enough is enough if this trend keeps up. Hitting an industry already very competitive with pricing will only push the operators who are competent and good at their job out. It is unfair to continually use this industry as a milking cow.

She asks the federal government:

Can they name anything they buy, from furniture to fresh meat and vegetables that has not been on a truck? What plan would they have to service this huge country when the truckies say that enough is enough?

I want to reflect that frustration here in the House. If I go particularly to the far west of New South Wales and look at the life of a livestock transport operator—they get up at 4 am, come home at midnight, eat dust all day with a truck and two dog trailers, the yards are bad and the sheep are not running and they just do not have time to stop. They have a deadline and many rules and regulations. We should in this House be moving motions of support and thanks to the truck drivers of this country instead of saying, 'Oh, we've found another way of slugging you, of using your industry as a milking cow to help us attempt to put our books back into balance.'

I want the minister to demonstrate that every single cent that he raises from this charge, if he manages to get it through the House today, goes directly to support the roads that trucks drive on and not into consolidated revenue, which is where I strongly suspect it goes. We on this side of the House want to make a strong statement in support of small business generally and the truck driving industry in particular and say that we will resist this increase because we know how much it will hurt and we actually care.

Mr OAKESHOTT (Lyne) (13:41): In the short time I have before 90-second statements I will put on

the record that I am opposing government on this disallowance motion for different reasons than the ones that have been presented by the Leader of the National Party in introducing this disallowance, but they are important ones all the same.

Last week I wrote to the Leader of the National Party seeking confirmation that he is fully aware, in introducing this disallowance motion, that this road user charge increase has come about from agreement between federal and state roads ministers. Therefore, in blunt terms, it is the New South Wales National Party minister who has voted for and signed off on this road user charge increase. I therefore wrote last week to the Leader of the National Party for him to (a) acknowledge that it is a member of his own party in government in New South Wales who signed off on this road user charge increase, and (b) if he acknowledges that, to then get that New South Wales National Party roads minister to write directly to me and ask me to vote against this disallowance motion and against the vote that the New South Wales National Party took on this matter.

Unfortunately, over the last week I have had silence. There has been no response from the Leader of the National Party to that letter about the hypocrisy of the position being taken by the National Party when you compare their federal position to their state position in New South Wales. I would welcome that letter and I would welcome the explanation of how they are managing to walk both positions at once.

Despite that, I will still vote against this disallowance motion. I do it as someone whose first job was to work with the road transport forum, which has changed its name now, which used to be the peak lobby group for the long-distance road transport industry. It basically represents the 80 per cent of commodities that reach every home in Australia and arrive via the necessary transport model in a large country like ours and that is by road.

Those that move food and produce by road are quite often, understandably, given a bum steer by this chamber because the vast majority of people use cars and they do not like trucks on the road next to them. In reality 80 per cent of the products that hit our homes come via road. Yes, it would be preferable if it was rail or some other model, but it is not. In a country like ours they arrive by road and quite often public policy does not respect nor reflect that and we are seeking that again today. From here on in I am going to lay a challenge to this chamber and that is around linking road user charging to the broad sweep of comprehensive tax reform and to look at areas like urban congestion charges.

The DEPUTY SPEAKER: Order! The debate is interrupted in accordance with standing order 43. The debate may be resumed at a later hour and the member

for Lyne will have leave to continue speaking when the debate is resumed.

STATEMENTS BY MEMBERS

Club Rugby

Mr MORRISON (Cook) (13:45): It is my very melancholy obligation—to make good a promise to the member for North Sydney—in informing the House that sadly the Southern Districts Rebels went down 15 to 14 to the might of Sydney University on the weekend. The might, tradition and privilege of the University of Sydney in their eighth straight Shute Shield grand final aiming to take their 47th Sydney club rugby title while enjoying the recruiting privileges of the entire GPS system and offering university scholarships, networking and mentoring courtesy of old boys against the suburban battlers of Southern Districts, from Sylvania Waters, the Rebels who were in their very first grand final relying on locals, organising players' apprenticeships and selling beer to pay their salaries. This was a classic confrontation between two great teams of the rugby competition in Sydney.

It would be unsportsmanlike for me to mention that the *Sydney Morning Herald* put down the late game try that delivered it to Sydney University to a 'suspect pass, a controversial pass'. But as the coach, Cameron Blades, for the Rebels was in a very sportsmanlike fashion able to point out, this was a great game. It was a gut-wrenching result for the boys from Southern Districts. There were moments in the game where we could have closed it out but it was a good life lesson for these young men. To Sydney University and to the member for North Sydney, I offer my congratulations. Sydney rugby deserves to be supported by those further up the chain in the Wallabies and the franchise owners because club rugby is where the game is played.

International Day of Democracy

Ms PARKE (Fremantle) (13:46): I rise today to note the fact that Saturday 15 September was the International Day of Democracy, a day set aside by the UN General Assembly to celebrate democracy and remind us that the need to protect and promote democracy is as urgent now as ever before. In April this year the first Global Parliamentary Report was launched by the Inter-Parliamentary Union and the United Nations Development Programme. The report focuses on the relationship between parliaments and citizens and provides an assessment of the state of parliaments worldwide.

I am pleased to note that a democracy exhibition has been launched in Parliament House, which examines developments in democracy over the centuries, including Australia's contribution to parliamentary democracy. The exhibition pays special tribute to

MOTIONS

Road User Charge Determination (No. 1) 2012

Disallowance

Debate resumed on the motion:

That the Road User Charge Determination (No. 1) 2012 made under the Fuel Tax Act 2006, be disallowed.

Mr OAKESHOTT (Lyne) (15:18): In continuation, I finished by making the point that I will not be supporting the government on this disallowance motion even though I still await the letter from the Leader of the Nationals after having written to him last week seeking some guidance as to why on earth this House is being asked by the Leader of the Nationals federally to do what the New South Wales Nationals did not.

It is my understanding that the New South Wales Nationals roads minister, Duncan Gay, voted for this road user charge increase through state and federal processes. I have therefore asked for some guidance from the federal Leader of the Nationals to get the New South Wales roads minister to put in writing an explanation of why I should do what he did not when he was given the chance to do so.

If the Nationals as a body support the transport industry, the movers of product, the movers of food and the movers of 80 per cent of products to Australian households then surely this is a fight that should have been run and won through the processes of COAG and the National Transport Commission and the processes between the state and federal governments. It is disappointing now that it looks to be this House, the federal Nationals leader, myself and others who are now doing a job that should have been done by the New South Wales roads minister.

I would also like to make a point about where some of that money ends up going. There was an announcement over the weekend which, on the surface, looked to be a good announcement. It looked to be the completion of the Pacific Highway by 2016. It looked to be an new 80/20 agreement between the federal government and the state government. And it looked to be one that involves new money. It is this last point I would like some clarification on from the Nationals because I would like to remind them to look at the budget papers of the last two years if they are making this announcement based on a redirection of funds from the Epping to Parramatta rail line. If they look at the budget papers of 2011, they will see the four-year forward estimates for the Pacific Highway are around that \$1-billion mark. If they then compare that to the forward estimates from May this year, they will see a significant, in fact record, increase in funding from the Commonwealth to the Pacific Highway completion going from \$1 billion in 2011 up to \$3.56 billion in 2012. It is my understanding that at the same time the

Epping to Parramatta rail line forward estimates have moved roughly comparably, so there is only \$67 million in the 2012 budget for the forward estimates for the Epping to Parramatta rail line. Again, it is my understanding that that money has already been allocated for the record Commonwealth funding in the 2012-13 budget—and you cannot allocate it twice. As anyone knows: you cannot spend money twice. So, already, in the \$3.56 billion allocated in the May budget this year, the Epping to Parramatta rail-line money has been redirected. It is a good idea, which I saw come from the Nationals' federal conference over the weekend—it is just 12 months too late.

The question therefore is: are the Nationals double-accounting the money from the Epping to Parramatta rail-line? If they are, this is once again a trick from opposition that does not contribute to the completion of the Pacific Highway at all. If they are not, and if they are genuinely talking about new money, if they are talking about a new funding model that is different from the fifty-fifty split between the Commonwealth and the state of the Howard and Vaile years, and they are now talking about an eighty-twenty model funding arrangement between the federal government and the state, and if they are now locking into a 2016 completion deadline based on that model and based on new funding of \$2 billion coming in from somewhere, then I will back the Nationals and the Liberals 100 per cent for that commitment. But, if they are doing that based on redirecting Epping-to-Parramatta rail money that has already been redirected, I will not—that is a trick, that is a con and that adds to the cynicism of North Coast residents, who are completely sick of both political parties saying one thing in opposition and doing another in government. So I would ask for clarification on that.

The third point I would like to make—

Mr Hunt: You mean like a carbon tax!

Mr OAKESHOTT: Well, I have been completely consistent about an emissions trading scheme. I just wish the shadow minister was equally consistent for an emissions trading scheme. It is a great pity! I wish the person in the Chair had been as consistent on an emissions trading scheme!

Mr Tehan interjecting—

The DEPUTY SPEAKER (Ms AE Burke): Order! The member for Lyne is now reflecting on the Chair. He might not realise that. So I am going to ask him to stop dealing with the interjections and return to the motion before the House.

Mr OAKESHOTT: The third point I would like to make with regard to road funding relates to the situation of local government. Seventy per cent of the road network in Australia does fall under the local government network. I hope many members in this chamber are of a view that the local road network has

failed. The rate base of most councils, particularly regional councils, is low and has difficulty keeping pace with the current costs and current expectations in new local road building of roughly \$1 million per kilometre. Local councils cannot keep pace with that sort of—

Mr Tehan: Why did this government cut the grants to them!

The DEPUTY SPEAKER: Order! The member for Wannon is warned!

Mr OAKESHOTT: Thank you. If you don't want me to respond, please don't start it! Roughly \$1 million per kilometre, in 2012 terms, is too much of an ask for the 650-odd local councils in Australia. They do need a new funding model, and it does need some sort of conversation from both the state and federal governments, that is not only about highways, is not only about state and regional roads, but is also about the status of and the funding commitment to local roads.

I am going against this disallowance motion, not because it came from the Leader of the Nationals, and not because he has failed to get me this letter from the New South Wales National Party leader, who voted for this increase in road user charges; it is because I want to start to get better outcomes in comprehensive tax reform and a greater commitment from political leaders, federal and state, on some of the issues that have been talked about for too long and on which the conversation has failed to progress.

In my previous contribution I started to talk about urban congestion charging. It was recommended to government and opposition by Treasury, that the time has come for the conversation to begin on how we start to introduce, over time, something akin to urban congestion charging—as per the Henry tax reform report, and as per most who are trying to get better outcomes in road use funding models and the contribution back to things like public transport and local roads.

So if the idea is to once again just load up the heavy-transport sector, to once again load up those who produce the food and move the food—and move 80 per cent of the retail product to the homes of Australia—I am not interested, unless it is a comprehensive conversation around how we deliver better transport funding models across the board. We cannot keep picking off the truckies and leaving the rest of the conversation unaddressed. I know there are many in this House who will see that as political fodder, and probably attack me in the west of Sydney and in Melbourne, but if we are going to load up one sector, if we are going to load up regional Australia, if we are going to load up the trucking industry, we have to have a much better conversation across the board about how

we tax and transfer in the transport sector, and in the public transport sector, than we have today.

Mr WINDSOR (New England) (15:28): I would like to speak briefly to this motion. I will be supporting the government, and I will make some comments in relation to that in a moment. But I think it might be appropriate, if people are listening to this debate—because there are some interesting positions that have been taken by a number of people on this issue—to give some context, to look at the history of the decision-making process. One of the major determinants of my decision is that there has been a process in place, and that process has essentially been followed—and I would like to go through that. I had a similar recourse to process last week on the fishing industry debate. A process had been established, and in that case the government saw fit to walk outside that particular process.

Just for those who are not familiar with this particular issue, I will walk through it briefly. The National Road Transport Commission was formed in 1991. Prime Minister Howard, in 2003, beefed this up with the National Transport Commission Act. The National Transport Commission was then formed in 2004. The ministerial council was then called the Australian Transport Council and is now called the Standing Council on Transport and Infrastructure. This change occurred this year and was agreed to at the February 2011 meeting of the Australian Council of Australian Governments. The National Transport Commission presented a new charging model to the Standing Council on Transport and Infrastructure. The outcomes of the agenda papers clearly show that the National Transport Commission charging model recommended an increase in the road user charge from 23.1c to 25.5c a litre, on page 25 of the National Transport Commission's *Heavy vehicle charges* paper. Hence what came to be known as resolution 3(b), I think it is, of the meeting of the Standing Council on Transport and Infrastructure committee was passed.

There has been a lot of debate in here, and the member for Lyne a moment ago asked the shadow minister for transport for some documentation as to how New South Wales had voted on this particular issue. It is very clear, if one takes the time to go through the documentation, that in the New South Wales case the Hon. Duncan Gay—who was represented by Mr Tim Reardon, Deputy Director General, Policy and Regulation, Transport New South Wales—supported the resolution. I think, from memory, that the Northern Territory and Western Australia had some reservations in terms of the future model. But essentially all states, as part of that COAG process, through that National Transport Commission—or SCOTI—supported the concept.

So it is very strange, when you have had a process that has been supported by both sides of government—the Liberal-National government and the Labor Party, when it came to power—to suddenly find that there is a disallowance motion in this particular bill. That would not have anything to do with the nature of this particular parliament, of course—the fact that it is a hung parliament. I am sure that would not have entered into the political discussions that the various players have had. But I would adhere to the process in terms of this particular motion and hence will be supporting the government.

I have some history in relation to these issues, but particularly with the A-trailer issue that was raised a few years ago and is being addressed through this documentation as well. But there are also people within the transport sector who are supportive of the changes, who are supportive of the process. There are people who actually believe that safety is important in terms of this particular industry and that cost recovery, which a lot of political parties have spoken about over the years, is important in terms of the road users. This is about a road user charge. I could enter into a whole range of debates both with the government and with the opposition about the 38c per litre that car road users pay and the amount of that that is returned to the roads. For those who might be listening, that is about \$362 million that is raised.

There has been a lot of talk from time to time about the significance of Roads to Recovery, which is a good policy. It was put in place during the Howard Anderson years and has been substantially supported—and increased, actually, in a number of budgets—by the government. It is a good policy. But when people suggest that that is as far as the string should go, I would say that it is only about a cent per litre out of the 38c that is actually returned to the Roads to Recovery program. Something like \$2 billion in total is returned to roads, in associated grants and other things. But something like \$15 billion is raised. So a very small proportion of what is raised from the motorist actually goes back into some form of road construction.

Nonetheless, the transport industry and others—both sides of government, the Howard governments as well as the Rudd and Gillard governments—have supported the concept of cost recovery as a component of the structure of transport arrangements within the Australian nation. And the states and territories have supported that concept as well, because they are the recipients of some of that money. The Council of Australian Governments process was set up to deal with these issues. There are cross-border issues and different legislative structures are put in place. In this particular case, the various states and territories have walked through, they have agreed with the process, they have agreed with the increase. I could read out the actual wording, if people are interested in it, but 3(b) of

the agenda was accepted by all of them. And all of a sudden, because of the nature of this particular parliament—and I can hear them out there now—the dogs will be whistling about the way in which the votes are taken, and the man who just looked at me will be one of them; he will be whistling away at his dogs. I'll be running, and it will all be a tragedy.

Mr Hartsuyker: You'll be running soon!

Mr WINDSOR: It will all be a tragedy. I will be delighted to enter that debate. I know that the member in question was here over the weekend. The member resides along the Pacific Highway and I am absolutely delighted to see that the Independents, Rob Oakeshott, who actually has the Pacific Highway running through his seat, and I, are the cause of this great largesse that is going to be expended by the National Party, if in fact they do come to power at the next election. There seems to be some degree of debate about that in today's press.

I was so chuffed I left a message on the member for Lyne's phone to suggest that the Independents had had such a significant impact on these people that at a federal conference they would announce that they had even moved the Pacific Highway into my seat so that they can fund it and, in a theoretical sense, it will get rid of me at the next poll. I congratulate you, Member for Lyne. The recognition of the brand 'Independent' in this particular case is an outstanding one. I think the community along the Pacific Highway, as has quite rightly been pointed out, has been taken for granted for many years by past governments. It is on the agenda with both the current government and possibly with a future government, if they do come to power.

I would like the shadow minister for transport, if he could, to clarify the portion of the Pacific Highway that actually does go through my electorate so that I can make some release on the funding stream that will come across to what I call the New England Highway, but apparently it is being renamed.

Safety is a very important issue for the road transport industry. Irrespective of whether or not we agree with the Transport Workers' Union or various players within the industry, such owners of large fleets, all of us recognise the pressures that owner-drivers, particularly, and others, are put under from time to time in the delivery of their products. I am delighted to see that \$40 million out of these funds was going towards safety—lay-bys et cetera—that the road transport industry can take advantage of. In my discussions with the minister for transport he has indicated that another \$10 million will go towards the livestock and road transport industry, particularly in relation to sale yard safety, loading ramps, wash-down bays, the sort of things that the industry for many years has been crying out for. Even though, in a sense, this is about cost recovery—and the various states and the

Commonwealth have agreed to that—part of that cost recovery is a benefit back to those industry groups that are using the roads and have been subjected to quite great stresses in terms of safety. Whether it is wash-down bays, loading ramps or gates at sale yards where trucks are loaded, there will be an additional funding, which I think will be announced in December, available to various shires and interest groups and the industry itself to apply for to incorporate into the benefit that will flow to the industry in terms of safety.

I am very pleased to have been associated with this. I believe that the Australian Livestock and Rural Transporters Association, the CEO of which is Philip Halton, will be indicating by way of press release some of the issues they have raised—legitimate issues—through this process. I am pleased to see that they have been able to obtain some recompense for some of the issues they raised in terms of this additional \$10 million, as well as the \$40 million that was also going to be made available out of this funding, to go towards shoring up lay-bys and making sure that the roads are safer, particularly for the heavy vehicle road users, who use the system so effectively.

In conclusion, I refer people to a bit of historical documentation on this. We can all play the short-term game of politics, but there has been a fairly long established process that has been brought in by both sides of parliament. We need to try to adhere to those processes otherwise you have this convoluted tennis match going on where you can just score points against the other. It is quite obvious to me. I have great respect for Warren Truss. I hope he stays here and the other fellow stays where he is, because I think Australia would be better off with Warren Truss in this particular part of the parliament than some of the others who aspire to get here.

I say to Warren Truss that this is not the time to play a game with this particular process. This has obviously been adhered to by the states and territories and by the Commonwealth and I would be very reluctant to support bombing that process out. Hence I will not be supporting the disallowance.

Mr RAMSEY (Grey) (15:43): I rise to speak on the Road User Charge Determination (No. 1) 2012. I come from the electorate of Grey, which is almost 1,000 kilometres across and 1,000 kilometres from top to bottom. Transport is the lifeblood of an electorate like Grey. We are an agricultural region and a mining region. We supply resources to the rest of the state and the nation, and we pay freight both ways, so any policy artificially increasing the price of freight has a very real impact on all of my communities, and not just the truckies that service them.

We in the coalition have concerns there is overcharging in the case of the new road users charge, which I will explain later on. Mr Deputy Speaker, we

are dealing with a tax and spend government, a government that has spent itself into a very unviable position and is looking to try in any way possible to claw back any of the debt they have run up. Unfortunately, in this case it seems to be coming, at least partially, from the transport industry. The old sticker that we used to see on the back of windows that said 'Truckies carry Australia' is as true today as the day they were printed.

Just to give some framework to the road user charge, I would also like to have a brief look at the recent changes in state taxation for road users. From 1 July 2012—apart from a couple of states, it must be said—the fuel tax credit claimed by truck operators decreased from 15.043c to 12.643c per litre, and so the effective tax paid by the industry increased by 10.4 per cent from 23.1c to 25.5c a litre. There was also a decision to increase many truck and trailer registration charges, even though the registration charge on an A-trailer did fall. Registration charges for multicomination prime movers increased by almost 22 per cent, with the charge for a three-axle multicomination prime mover increasing by \$1,693 from \$7,764 in 2011-12 to \$9,457 this year. The registration for many rigid trucks also increased substantially and the total registration charge for the trucks that really do service this area of Australia, my electorate—the nine-axle B-doubles—will fall \$1,300 from the \$15,000, but the registration charges for the triple road trains—and I might point out that B-doubles are not the flavour of the month in South Australia because we have the option of the B-triples—increased from \$13,693 to \$16,607.

It is certain the transport industry does not have a lot of friends in government, but it is also certain that there is a lot of public misinformation about trucks and truckies and the transport task in Australia. Truckies are constantly demonised for filling up the road with these monstrous great road trains. I point out to people that in the unfortunate case of an accident the effect of a car getting hit by a 22-tonne rigid tipper or a 90-tonne B-triple is exactly the same. If you do not have the B-triples on the road, you are going to have five to six times as many rigid tippers on the road. It would be a far more dangerous place. People should think about that argument before they start getting stuck into truckies. In fact, their safety record is very good. More often than not, when trucks are involved in an accident, it is not their fault.

Even before the carbon tax, which is set to give another effective 25 per cent increase to the road user charge in 2014, we have loaded up this industry. A large regional operator in the industry recently told me that, despite government rhetoric that transport will not pay carbon tax until 2014, since July almost all of his suppliers have raised prices, not blaming the carbon tax alone, it must be said, but citing the tax as part of the reason and taking the opportunity to lift prices. If they

had solely blamed the carbon tax they would have the government and the ACCC on their backs. But the increases have been significant.

The Australian Trucking Association has maintained since day 1 that the mechanism used to calculate the road user charge is flawed, leading to overcharging to the tune of \$700 million. I was listening to the member for Windsor's comments and he pointed to this side of the chamber and said we are playing politics because the House is hung. He said there is a process and we should follow it. But the problem is that the process is flawed. I would have thought that the member for Windsor would be backing a review of the process before these charges are implemented to make sure that we have the process right.

In effect, the National Transport Commission is using an estimate of truck numbers based on the 2008 figures. This figure is allocated to the entire vehicle fleet by analysing the survey of motor vehicle usage to determine how much should be collected from each vehicle class—that is, cars, each type of truck, motorbikes et cetera—taking into account size in passenger car units, weight, kilometres driven and the equivalent standard number of axles. Supposedly this allows the National Transport Commission to calculate how much is owed by the heavy vehicle industry for cost recovery.

However, the reality is that truck registrations are much higher than the survey of motor vehicle usage indicates—and it is not hard to find the correct figures. All NatRoad had to do was go to the state registration authorities and get the actual numbers. We do not need an estimate based on 2008 figures; we need the actual numbers. Why wouldn't the National Transport Commission use those actual numbers? It really does make one wonder if they are on the job.

If the number of registrations is higher, if there are more trucks on the road and their individual accounts are collected as a proportion of the total maintenance bill, obviously the collections will far exceed the required amount. That is not even an error; it is a dereliction of duty. If we are to raise taxes on the road by a significant amount, we should have the figures right. In fact, in South Australia alone, according to the National Transport Commission's formula, the government should collect \$75.4 million. That is, if they went off the current registrations, the tax would be \$75.4 million. However, based on the registration figures from 2008 extrapolated through to 2012 they will be collecting \$110 million—a \$35.6 million overrecovery. That is just in South Australia. The government's efforts to achieve national laws and regulation once again seem to be failing. These laws and regulations are not performing as we would all like them to and as I would hope the government would like them to do. Despite a majority of the ministers on

the Standing Council on Transport and Infrastructure agreeing to the increase, various state governments have subsequently implemented alternative proposals. I have drifted onto the registration area, so I will continue and then come back to the road user charge. The ministers did disagree, and the Northern Territory and Western Australian governments, as I alluded to earlier, have implemented significantly lower registration increases. There is not a coherent view across all governments in Australia at the moment. Quite simply, this is a problem that should not have arisen.

It seems clear to me that the government, in establishing its total road maintenance figure, have used the amount of money that was spent on roads in Australia in the financial year. In that case, it includes much of the flood reparations in Queensland. Flood damage can hardly be blamed on the truckers of Australia. It was an act of God. The government have imposed a levy on all Australians to help pay for the flood damage, yet they have still rolled that figure into the total road repair bill for the year to establish the total cost. So it is misleading, mean and sneaky. Not only is the mechanism flawed, because there are more trucks on the road than the extrapolated figures indicate; the government has been inflating the amount of money—the total road rebuilding figure—that is spent within Australia by adding in the Queensland flood figures. That simply should not be part of the equation. This is the reason for the disallowance motion: the sums are not right.

The government are trying to claw back money from the stimulus package. Remember, Mr Deputy Speaker, the stimulus package was about keeping the economy going. They are trying to draw back funds from the stimulus package and from the flood reparations and put them into the total road maintenance bill and say, 'This is what we spend on roads every year,' underestimating the number of trucks and then dividing it up between the truckies and the road. No wonder the trucking industry is not happy.

I support the disallowance motion because the increases in road user charges are based on dodgy modelling and are yet another example of a government seeking to cover its out-of-control spending.

Ms MARINO (Forrest—Opposition Whip) (15:55): I support the comments made by the member for Grey in relation to this road user charge determination disallowance motion moved by the member for Wide Bay. The member from Grey and I are from regional electorates and we do know about the cost of transport, we do know what job the trucking and transport industry does for us in regional areas and we do know that road transport is basically the artery of our lives, providing us with everything that we use, that we eat

and that we build with. It is the artery of life in rural and regional Australia.

Mr Hartsuyker: Absolutely right, member for Forrest!

Ms MARINO: Exactly. We do know, from listening to the member for Grey, that the government's modelling and process in coming to this increased cost are flawed. I will not go through it again, because the member for Grey has done so. I know not only that the transport sector is one of the most competitive in Australia but also that a lot of operators in my electorate—and, I suspect, right around Australia—are doing it particularly tough already. The question is: do they need another one of this government's taxes? No, they do not. They do not need to help this government recover all of its waste and mismanagement, but that is what they are being used for in this process.

We do know that there is an over-recovery in this program, and we heard the member for Grey express exactly what that was. I was very interested in one of the Independent's comments that additional funds for this would be used for other purposes. If it is just about cost recovery, why will additional funds be used for other purposes? Either it is overcharged or it is not. Either there is sufficient for cost recovery to go to the purpose intended or there is an additional amount being recovered from the transport industry to use for the government's alternative purposes because of the amount of money they have wasted right across the board.

For owner operators out there, truck drivers—I know a lot of them because I come from the industry—every single cent that adds to their cost of doing business means that they are less likely to be in business, or it is part of their profit margin that is very tight. It is an extremely competitive market and environment. We know that every single additional burden placed on the trucking companies and their drivers by this government is cumulative. They have seen it over and over and it has not stopped yet—we know the carbon tax will go directly onto fuel in 2014. They know this is just the next hike in taxes, not the last one.

The compounding impact on regional Australia is far greater than it is anywhere else. But unfortunately this government ignores regional Australia, does not consider how tough it is in regional Australia, does not consider the amount of kilometres we have to do both ways. My electorate is 12½ thousand square kilometres. So the tax applies both ways. It is 320 kilometres from Perth. The transport companies in my electorate travel thousands of kilometres interstate, and they are doing these kilometres day after day and night after night. That is what is required to get all that we need to us in rural and regional Australia. It does need

those people to be on the road, to be committed to the work that they do and do well.

What we see is a never-ending litany of government red tape, compliance, tax upon tax, and fees and charges. It is making the transport business not only more expensive but very difficult to manage. We know, as I said earlier, that the transport sector is the lifeblood of rural and regional Australia. It delivers the staples of life. The government seems to forget that. In rural and regional areas, we do not have choice. If it does not come on the back of a truck to us, it does not come—we do not have it; it does not arrive. Australia's 597,000 trucks travel 16.1 billion kilometres a year. It is an industry that employs 220,000 people. It is an extremely vital industry that we in regional areas know we cannot do without. We cannot walk around the corner to a shop. But even if we did, I guarantee you, even in a city, the majority of goods are delivered on the back of a truck—and those people go all night. I drive constantly throughout my electorate and I have enormous respect for the industry—not just because I was brought up in the industry but because I see those men and women on the road at all hours of the day and night doing a great job for Australia.

Western Australia has had the highest growth of total interstate road freight—from, to and through—from 1972 to 2007. As I said, my family is in the road transport, heavy haulage and earthmoving sector. My father was a pioneer of cartage, contracting and earthmoving in the south-west of Western Australia and my broader family is still involved. We were a small business—and my brother is still involved. I know that every single cent that adds to a small business is a cost that basically means they are less profitable, less able to stay in business. I understand exactly what every additional cent of cost adds to this industry and to these individuals.

Way back in 2007, Australian trucks transported 277 million tonnes of food and animals around our nation. Both the diesel fuel excise rise and the carbon tax will add cost to every single tonne, as will this road user charge. From what I can understand from listening to the debate today, a fair proportion of this is not going to cost recovery; it is going to go into consolidated revenue and be used for a range of purposes. We know that from what we have heard in the debate today. So that does not stack up. As the member for Grey mentioned, there is an overcharge of \$700 million. We know that it has been a flawed process.

The minister gave a fairly shocking rant earlier, I must say. The minister has never worked in this industry and does not understand how it works and what it takes on the ground. I would say that owner-drivers will find it very difficult to manage this additional cost impost in spite of what the minister said earlier. In my electorate there are people like Collie

Freightlines delivering daily general freight between Perth and the south-west. Whether you are a courier, or delivering waste bins or involved in freight of any sort, in freight and haulage every cent matters and every additional cost matters.

In spite of what the minister said, not every state minister agrees with this. The transport minister in Western Australia, Troy Buswell, who, incidentally, comes from my electorate, very directly understands the cost. He expressed his concern at those meetings about the additional cost for the transport sector in Western Australia. He understands our distances. Western Australia is a huge state where every additional sent in fuel costs has an impact.

What I have got back from my industry is about the additional cost of not only this but also the carbon tax. They know that this is going to add cost from 2014. It will come in the form of the reduction in the diesel fuel rebate of nearly 7c a litre. We are not talking fish and chips here. In anybody's terms, that is an awful lot of money in a fuel bill in any operator's situation. You know the number of litres it takes for the freight task in this nation—and this is 7c a litre on the truck transport sector from 2014. So that is what they have got to look forward to—and I am sure they are excited about that. And they are expected to absorb this. These are people who have already spent money on the Euro 5 and Euro 6 engines—they are applying the blue to their engines—and often the actual air that goes in comes out cleaner. They are doing their bit, and have done so for a long time. But they are going to have to pay a second time. We have got the road user charge and we have got the carbon tax as well. Any truck drivers out there watching this would literally be spitting chips. There is also an assumption that they are making great profits and can absorb this and the carbon tax easily.

I have seen the effect of this in my part of the world with Giacci's, Leeuwin Transport, Livestock Transporters, AgSpread, Couriers, Meeres, Dino's Bulk Haulage, Cawara Transport, Piacentini's, Catalano's—all of them. South West Express, a local transport company based in Bunbury, has already been hit by the carbon tax—through refrigerant. They have three trucks whose cooling units have broken down and needed to be replaced. The cost of the refrigerant has gone up by \$75 a kilo—and from July, following the imposition of the carbon tax, the cost of replacement gas is going to be \$750 more! That is just one example of how this is affecting South West Express.

And they are not the only ones. The amount of refrigerated transport that has to run from the city areas right through to the country areas and interstate is significant. Whereas it might previously have cost South West Express \$500 to regas each of their new trucks, it is now over \$1,000 a unit. So we are seeing layer upon layer of costs and the government just keeps

adding to that—taxing and increasing costs for the transport sector. Some of them can pass on the costs and some of them cannot—in particular, small businesses. And consumers who need to regas their car will find out exactly what this does as well. So on top of the 2.4c a litre rise in the diesel fuel excise this will mean greater costs and greater impact in regional areas. It is that compounding effect in regional Australia that the government just does not understand or does not want to understand—I am not sure which. It does not understand or it does not want to understand. We just keep loading up and adding cost to regional and rural businesses and regional and rural Australians. How much of a load does this government expect us to bear out in regional Australia? It is just compounding, and there is almost an absolute disrespect in the way that this government handles issues affecting rural and regional Australia.

As I said, perhaps the government could argue that we should be grateful for the two-year delay regarding the fuel excise. After all, we do know that mining, marine and rail services are all paying this additional tax right now. They are paying that right now. But someone should really point out to the Prime Minister that mining, oil and gas production and fishing generally take place in regional areas, so the impact is direct. I do not know where the government thinks Western Australia's wheat, gas and iron will come from if not a rural and regional area.

Concerns have been highlighted, also, by the Australian Trucking Association, who did not support these reforms, for so many reasons. The most worrying impact would be as a result of location charging, where it would appear that rural and regional Australia will suffer the consequences. They get it. They operate in our part of the world. They are part of us. They understand the impacts that this will have on them, their businesses, their drivers. I really want to stand up for the smaller operators in this discussion today. As I said earlier, it is the staples of life that the transport industry delivers to every Australian. Those of us who live in regional areas have enormous respect for that. We see these men and women working day and night to deliver the staples of life that we need, that we cannot do without.

We hear a lot of complaints about truck drivers, and we do know that a lot of those are totally inaccurate. I would say in this place that I have enormous respect for those who work in this industry in any form of the transport, freight, heavy haulage and earthmoving sector. I understand the job you do for us. Yes, my family has been and is part of it. That is quite possibly the reason why I have a far greater understanding than this government and many members on the opposite side.

Mr HARTSUYKER (Cowper) (16:10): I welcome the opportunity to speak on this disallowance motion because it is the coalition who understands the difficulty the transport industry is facing at the moment. It is the coalition that understands the stresses that are imposed on small business. We recognise that many small business operators have their house on the line. Every time that truck goes out it has to make a profit because they have repayments to make, they have the bank to keep happy. It is a very difficult environment.

And what does this government do when businesses are facing falling traffic volumes, falling freight volumes and falling profitability? It increases the road user charge by some 10.4 per cent. That is the action of a government that does not understand business. That is the action of a government that does not understand the fact that the heavy lifting in the freight task is done by the heavy haulage industry, that every item we export begins its journey on a local road. It is transported—so much of it—on the back of a truck. Rail has its place in the transport task but, unfortunately, road will still be doing the major part of the heavy lifting, particularly in regional and rural Australia.

Those regional electorates will be facing and bearing the biggest brunt of this cost increase that will be passed on. It will be impossible, given business conditions at the moment, for businesses to absorb increased transport costs. Businesses are too competitive. The environment is too competitive. But, rather than listen to the concerns of business, we have a government pushing up the road user charge by 10.4 per cent. That is why the coalition, in introducing this disallowance motion, is bringing some common sense to this debate. We need a viable road transport industry. We need viable trucking operators. We need to support small business. We need to keep transport costs as low as possible because it is vitally important for the people of regional Australia and the Australian economy more generally.

We saw the coalition at the weekend, at the national party conference, pledging to invest \$5.6 billion in the Pacific Highway to make our freight task more efficient, to make the transport industry more efficient—\$5.6 billion, \$2 billion of new money. It took the coalition in opposition to commit the funds that are needed to finish the Pacific Highway. We have a government that pledged funds in the budget and we had the member for Lyne come out and say he had expended all this political capital on securing certain concessions in the budget. But what really happened was not a budget commitment. It was a hoax; it was a confidence trick. Because that \$3.5 billion commitment depended on matching funding from the state—funding that the states did not have. It was a cruel hoax on the people who live on the North Coast.

We had that same budget announcement supported by the member for Page, also supporting the cruel hoax. The member for Page knew, the member for Lyne knew and the government knew that the state government could not match that funding, and there was a \$2 billion hole. That caused a \$2 billion hole in that commitment, because the state in financial difficulty just could not match it.

There is a clear choice in the election that is coming up, between the coalition, who are committing \$5.6 billion in real money, and the Labor Party and the member for Lyne and the member for Page, who are peddling an illusion. The difference is in the order of \$4 billion. A vote for Labor and the member for Lyne and the member for Page at the next election is a vote to have \$4 billion less committed to the Pacific Highway. A vote for the coalition is an additional \$4 billion over what the current government and what the Independents and what the member for Page are promising to commit to the project. It was a cruel hoax; it was a confidence trick. The current minister for transport knew the states could not match the funding. So he thought he was on pretty safe ground. He could claim the moral high ground—'We're putting extra funding into the Pacific Highway'—in the full knowledge that that funding would not be drawn down because of the condition he put on that it had to be matched dollar for dollar by the state of New South Wales, and he knew that that was just not going to happen. The people in my electorate and the people on the North Coast know the importance of the Pacific Highway to the freight transport task and to safe travel along the highway. They know the importance of getting those heavy vehicles out of the main street. They know the benefits in transport time and travel time that will be achieved through an improved highway. But what did we have? We had the government, with the support of the Independents, contriving a confidence trick—to be seen putting money into the highway when, in fact, the investment was going to be substantially less because New South Wales could not match the funding. That shows the depth of their commitment: a \$4 billion gap now between what the coalition will put into the highway and what the Independents, the member for Page and the government are going to put into the highway. It is a gap in our productivity.

A completed Pacific Highway will mean greater national productivity. It will mean a massive return on investment in the funds already invested in the road by reducing travel time. It is a project that is welcomed not only by people on the east coast but also by the entire country, because we are increasing the productivity of our nation through improved transport. I welcome the opportunity to talk on this disallowance motion. Reducing costs to the transport sector is vital. Having a more sensible approach to the road-user

charge, as proposed by the coalition, is an important step in providing some relief to the transport industry and at the same balancing the need for some degree of increase in the road-user charge—but one that is manageable, not 10.4 per cent, which is not a manageable increase. That flies in the face of business doing it tough. That flies in the face of common sense.

We also see the transport industry, I am sure, looking forward to 2014. We will have the member for Lyne, if he is re-elected, the member for New England and the member for Page queuing up to vote for a carbon tax on the heavy vehicle industry, to put further burden on the transport industry—to make it that much tougher. Not happy with a 10.4 per cent increase in the road-user charge today they will be backing up their cart again to put more burden on the transport industry and to have a carbon tax on heavy transport as of 2014. That is a further burden that this industry cannot afford to bear. So they should hang their heads in shame that they would propose a carbon tax that is going to ultimately be foisted on the road-transport industry.

Again, as with the Pacific Highway, people have a clear choice. A vote for the coalition is a vote to get rid of the carbon tax. It is a vote to take pressure off the transport industry and a vote for a party, a coalition, that knows what the transport industry needs, that knows how small business works and that knows we need to have an efficient transport sector free from the cost burdens that this government seeks to impose. I look forward to this disallowance motion being voted on in the House. It is very important that the motion is successful, because we have a government that is out of touch—out of touch with the transport sector, out of touch with the needs of small business and out of touch with ordinary Australians. Through proposing a 10.4 per cent increase in the road-user charge they just make it even more clear how out of touch they are.

Question put.

The House divided. [16:22]

(The Deputy Speaker—Ms AE Burke)

Ayes 65
 Noes 65
 Majority 0

AYES

- | | |
|---------------------|---------------|
| Alexander, JG | Andrews, KJ |
| Andrews, KL | Baldwin, RC |
| Billson, BF | Bishop, BK |
| Bishop, JI | Briggs, JE |
| Broadbent, RE | Chester, D |
| Ciobo, SM | Cobb, JK |
| Coulton, M (teller) | Crook, AJ |
| Dutton, PC | Entsch, WG |
| Fletcher, PW | Forrest, JA |
| Gambaro, T | Gash, J |
| Griggs, NL | Hartsuyker, L |
| Hawke, AG | Hockey, JB |
| Hunt, GA | Irons, SJ |
| Jensen, DG | Jones, ET |

- Katter, RC
- Laming, A
- Macfarlane, IE
- Markus, LE
- McCormack, MF
- Morrison, SJ
- Neville, PC
- O'Dowd, KD
- Prentice, J
- Ramsey, RE
- Robert, SR
- Schultz, AJ
- Secker, PD *Teller
- Somlyay, AM
- Stone, SN
- Truss, WE
- Turnbull, MB
- Vasta, RX
- Wyatt, KG

AYES

- Kelly, C
- Ley, SP
- Marino, NB
- Matheson, RG
- Mirabella, S
- Moylan, JE
- Oakeshott, RJM
- O'Dwyer, KM
- Pyne, CM
- Randall, DJ
- Ruddock, PM
- Scott, BC
- Smith, ADH
- Southcott, AJ
- Tehan, DT
- Tudge, AE
- Van Manen, AJ
- Washer, MJ

NOES

- | | |
|----------------|--------------------|
| Adams, DGH | Albanese, AN |
| Bandt, AP | Bird, SL |
| Bowen, CE | Bradbury, DJ |
| Brodtmann, G | Burke, AS |
| Butler, MC | Byrne, AM |
| Champion, ND | Cheeseman, DL |
| Collins, JM | Crean, SF |
| D'Ath, YM | Dreyfus, MA |
| Elliot, MJ | Ellis, KM |
| Emerson, CA | Ferguson, MJ |
| Garrett, PR | Georganas, S |
| Gibbons, SW | Grierson, SJ |
| Griffin, AP | Hall, JG (teller) |
| Hayes, CP | Husic, EN (teller) |
| Jenkins, HA | Jones, SP |
| Kelly, MJ | King, CF |
| Leigh, AK | Livermore, KF |
| Lyons, GR | Macklin, JL |
| Marles, RD | McClelland, RB |
| Melham, D | Mitchell, RG |
| Murphy, JP | Neumann, SK |
| O'Neill, DM | Owens, J |
| Parke, M | Perrett, GD |
| Plibersek, TJ | Ripoll, BF |
| Rishworth, AL | Rowland, MA |
| Roxon, NL | Rudd, KM |
| Saffin, JA | Shorten, WR |
| Sidebottom, PS | Smyth, L |
| Snowdon, WE | Swan, WM |
| Symon, MS | Thomson, CR |
| Thomson, KJ | Vamvakinou, M |
| Wilkie, AD | Windsor, AHC |
| Zappia, A | |

PAIRS

- | | |
|-----------------|----------------|
| Abbott, AJ | Gillard, JE |
| Buchholz, S | O'Connor, BPJ |
| Christensen, GR | Fitzgibbon, JA |
| Frydenberg, JA | Danby, M |
| Haase, BW | Ferguson, LDT |
| Keenan, M | Clare, JD |
| Roy, WB | Smith, SF |
| Simpkins, LXL | Combet, GI |

The numbers for the “Ayes” and the “Noes” being equal, the Deputy Speaker gave her casting vote with the “Noes” saying that she did so in accordance with precedents for retaining a proposition in its original state.

Question negatived.

PRIVILEGE

Mr NEUMANN (Blair) (16:27): Deputy Speaker, I rise to inform the House about a possible matter of privilege. This morning the House of Representatives Standing Committee on Aboriginal and Torres Strait Islander Affairs tabled its report, *Our land our languages*. On Friday 14 September the committee provided embargoed copies of the report to selected media outlets. I provided interviews to some media outlets, they knowing that the report was embargoed until tabled.

I inform the House that at midnight yesterday the *Australian* newspaper published an article on its website with information about the recommendations in the committee report. The same article was published by the *Australian* in its print newspaper release this morning in advance of the tabling of the committee report. The Aboriginal and Torres Strait Islander Affairs Committee will discuss this matter of unauthorised disclosure at its meeting on Thursday. Following this the committee will provide a report to the House.

PERSONAL EXPLANATIONS

Mr RUDDOCK (Berowra) (16:29): I wish to make a personal explanation.

The DEPUTY SPEAKER (Ms AE Burke): Does the honourable member claim to have been misrepresented?

Mr RUDDOCK: Yes.

The DEPUTY SPEAKER: Please proceed.

Mr RUDDOCK: In the *Sydney Morning Herald* today it says:

A spokeswoman for the Immigration Minister, Chris Bowen, said the former attorney-general Philip Ruddock had rejected calls in 2007 for the group to be banned.

The group that was being referred to was Hizb ut-Tahrir. In 2007, when there was concern about Hizb ut-Tahrir, I sought advice from the competent agency as to whether there was sufficient evidence for that matter—that is, the matter of prescription—to be considered, and the agency at that time said there was insufficient evidence.

COMMITTEES

Public Works Committee

Report

Ms SAFFIN (Page) (16:29): On behalf of the Parliamentary Standing Committee on Public Works, I

present the fifth report of 2012, addressing *Referrals made May and June 2012*.

In accordance with standing order 39(f) the report was made a parliamentary paper.

Ms SAFFIN: by leave—This report deals with four referrals, with an estimated total cost of almost \$1.12 billion. The majority of this cost is a Defence project estimated at \$870 million. This is the largest single project that my committee has scrutinised in the current parliament. The other three referrals together account for the remaining \$250 million. For each of the four referrals, the committee recommends the House of Representatives agree to the works proceeding.

The first inquiry examined a Defence Housing Australia proposal for the development and construction of housing for Defence personnel at a site in Kellyville, Sydney, New South Wales. The key objective of the project is to assist in reducing the proportion of Defence families residing in private rental accommodation in the Richmond region of Sydney to below the target of 15 per cent. The current proportion of Defence families in private rental accommodation in the Richmond region is 19 per cent.

Defence Housing Australia plans to develop road and civil infrastructure for 65 serviced allotments on a greenfield site close to the Rouse Hill Town Centre. Defence Housing Australia then intends to construct 34 dwellings for Defence personnel. Five of these dwellings will incorporate what is known as a 'Fonzie flat'—named after the character Fonzie in the *Happy Days* television series—a small self-contained unit built above the garage. The remaining allotments will be offered for individual sale. Defence Housing Australia gave a comprehensive briefing on social and community amenities in the locality. The committee considers that the location of the development will provide significant benefit and amenity for future residents.

I will now speak to the second of the four inquiries covered by this report. The high voltage electrical distribution upgrade project aims to improve the electrical supply and distribution network at Holsworthy Barracks. This will be achieved by ensuring a more reliable electrical supply, with adequate capacity to service growing demand at the barracks. The project will deliver a new 33-kilovolt electrical supply to the barracks and improve existing electrical infrastructure. The committee heard that in 2012 there has been an average of 1.72 power outages per week affecting the barracks. Most of this is due to storm damage to overhead cables. Therefore, where possible, electrical distribution infrastructure will be located underground. The project also includes additional capacity to meet anticipated growing demand to 2030.