

HOC (United Kingdom) Question time (5th - 6th January 2015)

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HOME DEPARTMENT

The Secretary of State was asked—

UQ1 - Border Exit Checks

1. Jenny Willott (Cardiff Central) (LD): What progress her Department has made on implementing exit checks at borders. [906743]

The Secretary of State for the Home Department (Mrs Theresa May): The Government are on track to deliver their commitment to introduce exit checks on scheduled commercial international air, sea and rail routes by April 2015.

Jenny Willott: It is clear that exit checks, which were scrapped by the previous Labour Government, are a critical part of any competent immigration system. I know that progress has been made, but how sure is the Home Secretary that she will hit the target of 100% exit checks by March?

Mrs May: As I indicated in my original answer, we are on track to ensure that we have exit checks in place by April 2015. My right hon. Friend is absolutely right to mention the significance of exit checks in the immigration system, and I would like to pay tribute to my right hon. Friends the Minister for Government Policy and Chancellor of the Duchy of Lancaster and the Minister for Schools who have together been supporting the Home Office to ensure that we can meet our commitment.

19. [906762]Alex Cunningham (Stockton North) (Lab): Given the situation at our border in Calais, does the Home Secretary regret scrapping fingerprinting, which used to help us to identify and deport those who were trying to enter our country illegally night after night?

Mrs May: We are doing a great deal of work with the French authorities in relation to the situation at Calais. The hon. Gentleman mentions fingerprinting, and it is important that those who are coming to Calais and trying to get across to the United Kingdom should be fingerprinted when they first enter the European Union. In most cases, they are coming in through Italy.

Andrew Gwynne (Denton and Reddish) (Lab): But what is the Home Secretary doing to identify the 50,00 failed asylum seekers that the Public Accounts Committee has said her Department has failed to identify?

Mrs May: I think it is a bit rich for Labour Members to stand up in the Chamber and complain about the immigration system when many of the problems that we are dealing with have been inherited from the last Labour Government's failed immigration policy.

Sir James Paice (South East Cambridgeshire) (Con): Does my right hon. Friend accept that the problem of illegal immigrants does not exist only in the locale of Calais? There is ample evidence that many of them are getting into lorries as far afield as Spain, and this is particularly affecting lorries bringing fresh food into this country, as their whole load has to

be condemned when the immigrants are discovered. Is she aware that our retail sector is becoming increasingly worried about fresh food supplies? Will she meet me and representatives of the industry to discuss ways of getting on top of this issue?

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Mrs May: I am certainly happy for either I or the Immigration Minister to meet my right hon. Friend and representatives of the industry. We are aware of this issue, and we are looking to introduce an improved ability to identify people in lorries when they pass through our juxtaposed controls in Calais, but as my right hon. Friend has said, the problem is that those people are often getting into the lorries further afield. Also, even if we find them at Calais, the load is still considered to have been damaged and contaminated.

Police and Crime Commissioners/Police Oversight

2. John Pugh (Southport) (LD): What assessment she has made of the effect of city deals and other forms of devolution on the future of police commissioners. [906744]

16. Mr Nicholas Brown (Newcastle upon Tyne East) (Lab): Whether her Department plans to devolve police oversight functions to city mayors outside London. [906759]

The Minister for Policing, Criminal Justice and Victims (Mike Penning): With permission, Mr Speaker, I shall answer questions 2 and 16 together.

Police and crime commissioners have brought direct accountability and localism to policing in this country, and, as we have seen in London, incorporating the role of the PCC in mayoral devolution has worked really well, especially under this excellent London Mayor.

Mr Speaker: I have to say that I have received no request for the grouping of questions 2 and 16, but we will see what we can do if the Minister continues to smile nicely.

John Pugh: I thank the Minister for that response. Given the terms of the Manchester city deal, does he agree that police and crime commissioners could become surplus to requirements? Would not culling them result in useful savings?

Mike Penning: No; the police and crime commissioners are doing an excellent job. They bring accountability. The only bid to incorporate the PCC role at the moment is the bid from Manchester, and I look forward to seeing it working on the ground.

Mr Nicholas Brown: How will these arrangements work in the north-east of England, which has one economic zone—incorporating Durham, Northumberland and Tyne and Wear—but two police authorities and two police and crime commissioners? Does the Home Office propose to merge the police authorities and their commissioners or to transfer their functions to a new individual?

Mike Penning: It is entirely up to the local community to decide what it wants. If we look at other parts of the country, we can see that West Mercia and Warwickshire are working closely together. If the police authorities in the right hon. Gentleman's area wanted to merge, they would need to put their business plan to us. It is not only the big cities that could come together; such proposals could involve rural areas as well.

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Mr John Spellar (Warley) (Lab): Does the Minister recognise that the police and crime commissioners can work only within the resources and policy frameworks that are set nationally? Will he take this opportunity to support community policing and to reject the ridiculous suggestion from Tom Winsor that the police should ignore offences such as shoplifting and antisocial behaviour?

Mike Penning: We will make sure that local communities decide what sort of policing goes on in their area, and PCCs have the role of making sure that is happening. There are excellent Labour and Conservative PCCs around the country, and I cannot understand why the Labour party wants to get rid of its own people who are doing a good job.

Mental Health

3. Mr David Jones (Clwyd West) (Con): What steps she is taking to improve the approach of the police to working with people with mental health problems. [906745]

6. Oliver Colvile (Plymouth, Sutton and Devonport) (Con): What steps she is taking to improve the approach of the police to working with people with mental health problems. [906748]

13. Bob Blackman (Harrow East) (Con): What steps she is taking to improve the approach of the police to working with people with mental health problems. [906756]

17. Nigel Mills (Amber Valley) (Con): What steps she is taking to improve the approach of the police to working with people with mental health problems. [906760]

The Secretary of State for the Home Department (Mrs Theresa May): We have taken a number of significant steps in this area: we have launched schemes including street triage, and liaison and diversion; we have reviewed the Mental Health Act 1983; and we have introduced an agreement supported by more than 20 partners nationally to improve the way the police and their partners deal with people with mental health problems. Police cells are now being used less frequently as a place of safety, and I am pleased to say that our work is already having an impact.

Mr Jones: My right hon. Friend mentioned the successful street triage initiative. Health is a devolved competence in Wales, so what work is her Department doing with the Welsh health authorities to ensure an efficient system of street triage there?

Mrs May: I am grateful to my right hon. Friend for pointing out that of course this matter has a different relevance in relation to Wales and the Welsh health authorities. We are working on health and policing with the Welsh Government, Welsh PCCs and the chief constables to spread best practice, but I am pleased to say that, through the non-devolved police aspects of this national work programme, funding from the Home Office innovation fund is supporting a pilot triage scheme in Dyfed-Powys—the first such initiative in Wales. It is another example of the benefits of PCCs, because it has been championed by Chris Salmon, the PCC there.

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Oliver Colvile: I wish you a happy new year, Mr Speaker.

Plymouth's Charles Cross police station reputedly has England's busiest custody suite. Does my right hon. Friend have any plans to locate a community mental health nurse at Charles Cross to help people with mental health and autistic challenges?

Mrs May: As my hon. Friend will know, the provision of mental health nurses in police custody suites is a local issue, but I am pleased to tell him that from April 2015 NHS England will commission liaison and diversion services across Devon and Cornwall, including in Charles Cross police station, and that will provide people in police custody who may have mental health issues and autistic challenges with access to mental health nursing.

Bob Blackman: It is clearly good news that the number of people detained overnight in police stations under the Mental Health Act has been reduced by 25% in the past year alone. Clearly, it is important that individuals who are ill need to be treated medically, rather than be detained in police stations. What further action can my right hon. Friend take to ensure that people who are ill receive the medical treatment they require?

Mrs May: I am grateful to my hon. Friend for pointing out the success of the work already being done across the country, including in London, to reduce the number of people with mental health problems who are being held in a police cell as a place of safety. Police cells should only ever be used as a place of safety for somebody with mental health problems in exceptional circumstances. We are encouraging police forces across the country to look at the success of the triage schemes that have already been undertaken and take on board the very good practice which is having a beneficial effect for those with mental health problems and for police resources.

Nigel Mills: May I urge the Home Secretary to make it absolutely clear that there is no place at all for children with mental illnesses being in our police cells? I believe she has confirmed that that is the case, but I would be grateful if she would do so again.

Mrs May: My hon. Friend is absolutely right to say that a police cell should not be a place of safety for a child with mental health problems—we are very clear about that. That is one issue that has emerged from the review we have undertaken, with the Department of Health, of sections 135 and 136 of the Mental Health Act, and I am clear that in future we should not see children being held in a police cell as a place of safety when they have mental health problems.

Mr Kevan Jones (North Durham) (Lab): Some 1,600 acute beds in mental health facilities have been lost on this Government's watch. What assessment has the Home Secretary made at local level about beds being available for people who actually need them? Does she really think it is acceptable that in some cases people are having to travel up to 200 miles to access a crisis bed? Is that not why people are ending up in police cells, rather than in mental health crisis beds where they should be?

Mrs May: Under this Government we are seeing a significant change in the way in which people with mental health problems are being dealt with by both the

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police and the NHS: it is this Government who have reviewed sections 135 and 136 of the Mental Health Act; it is this Government who have introduced the street triage pilots, whereby more and more people are being taken to proper places of safety in health care

settings rather than being put in police cells; and it is this Government who have put mental health clearly on the agenda in relation to health matters—unlike the Labour Government.

Kerry McCarthy (Bristol East) (Lab): Police officers locally tell me that because of the cuts they are being used far too frequently as the service of last resort because the other services are just not there to step into the breach. Distressed family members have come to me when they are worried about the behaviour of their relatives, who they fear might harm themselves or someone else, but they really do not want to go to the police. What is the Home Secretary doing to ensure that the police are absolutely used only as a last resort and that other agencies are there to step in?

Mrs May: The situation in which the police were being used as a first resort rather than a last resort—particularly for those with mental health problems—carried on year after year under the previous Labour Government with no action being taken. This Government have introduced the street triage pilots, the liaison and diversion services, and the care crisis concordat, which has been signed up to by 20 national bodies and which is having a real impact out on the streets. We have more to do in this area and we will be doing more. The number of people with mental health problems taken to a police cell as a place of safety has fallen, and it has fallen as a result of the action that we have taken.

Nicola Blackwood (Oxford West and Abingdon) (Con): I welcome the Home Secretary's statement that, under sections 135 and 136 of the Mental Health Act, police cells should not be used for children. In our inquiry into policing and mental health, the Home Affairs Committee heard distressing evidence from families and guardians of young people with mental health problems taken into police cells. Will the Secretary of State consult those families and guardians on how policing of mental health for children can be improved as a matter of urgency?

Mrs May: My hon. Friend is absolutely right and I am happy, as is my right hon. Friend the Minister responsible for policing, to ensure that we do more of what we are already doing, which is talking to people who have experienced this problem at first hand and therefore gaining more understanding of the issue. This matter has been addressed not only by the Home Affairs Committee but by the Health Committee, under the chairmanship of my hon. Friend the Member for Totnes (Dr Wollaston), which has produced a report making exactly that point about young people. It said that children should not be taken to police cells as a place of safety when they have mental health problems.

Migration Target

4. Nic Dakin (Scunthorpe) (Lab): What recent assessment she has made of the likelihood of the next migration target being met. [906746]

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The Secretary of State for the Home Department (Mrs Theresa May): Where we can control migration, our reforms have cut non-EU migration to levels close to those not seen since the 1990s. However, EU immigration has almost doubled to unprecedented levels in the past two years. Many EU migrants are coming to the UK to work because of this Government's success in rebuilding the economy and creating jobs.

Nic Dakin: Does the Home Secretary agree that when the Prime Minister said “no ifs, no buts” about getting net migration down to tens of thousands, he made a promise to the British people that he now appears to have broken?

Mrs May: I have been very clear and said publicly that yes, we have been blown off course in respect of our net migration target. I have just indicated that in the figures I mentioned in relation to EU migration. The Prime Minister has set out a number of ways in which we intend to address that particular issue, but it is this Government who have been addressing issues across the immigration system that have led to non-EU immigration coming down to levels close to those of the 1990s.

Mr James Gray (North Wiltshire) (Con): I strongly support the work that the Home Secretary has done with regard to controlling bogus student visa applications. That was a huge problem that she has got rid of. However, how would she answer my constituent Sir James Dyson, who said that if her latest remarks about automatically sending all students home on completion of their studies were taken literally, there would be dire consequences for businesses such as his which rely on engineers and scientists from overseas?

Mrs May: We have been very clear in all the changes we have made to the immigration system that we welcome the brightest and the best to the United Kingdom. We have no limit on the number of people who are coming here genuinely to study in a proper educational establishment. I am pleased to say that visa applications from university students rose by 2% in the year ending September 2014, with an increase of 4% for the Russell Group universities. We also need to recognise that the latest survey showed that in one year 121,000 students came in from overseas and only 50,000 left. Figures suggest that in the 2020s, we will see 600,000 overseas students each year in this country.

Meg Hillier (Hackney South and Shoreditch) (Lab/Co-op): Entrepreneurs in Shoreditch to whom I speak greatly welcome migration. The Home Secretary’s colleague the Business Secretary came to an event organised by Tech City News to applaud the input of migrants in Shoreditch, so who is right: the Home Secretary or her colleague the Business Secretary?

Mrs May: There is no difference between two members of a Cabinet in a Government who believe that the brightest and the best should be able to come to the United Kingdom to work. We listen to business, and when we changed the system for non-EU economic migration we made every effort to do it in a way that business applauded.

Mr Peter Bone (Wellingborough) (Con): Immigration from the EU is the No. 1 issue in my constituency and across north Northamptonshire. The Prime Minister is

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the only party leader who will make any attempt to reduce immigration from the EU, and he has given a further guarantee that if he fails to do that the British people will have the chance to vote in a referendum by 2017 to get out of the EU. I am looking forward to that referendum; is the Home Secretary, and might she be voting to come out?

Mrs May rose—

Mr Speaker: Order. The question relates purely to the likelihood of the next migration target being met, so this is not an occasion for a general dilation on the EU. I am sure that the hon. Gentleman was not hoping for any such thing.

Mrs May: My hon. Friend was attempting to tempt me, Mr Speaker, but I am grateful for your guidance in this matter. My hon. Friend is absolutely right that the Prime Minister is the only party leader who has set out an intention to deal with free movement in the European Union and to do it in a way that enables us to do what everybody wants and to have the degree of control over our borders that we wish to have.

Pete Wishart (Perth and North Perthshire) (SNP): Will not the Home Secretary just concede that her immigration cap did not work and could never work, because we live in an interconnected, globalised world of which the free movement of people is a key feature? Will she agree that any future attempt at a UKIP-inspired immigration cap will be as disastrous as the last UKIP-inspired immigration cap?

Mrs May: I said in my original answer that we have been blown off course from the net migration target. The hon. Gentleman says that it is impossible to bring about changes in net migration, but I remind him that migration from outside the European Union has come down to levels close to those of the 1990s.

Sir Tony Baldry (Banbury) (Con): It is clearly progress that net migration from non-EU countries is now at levels not seen since the 1990s. Will my right hon. Friend update the House on what action the Home Office is taking to ensure that those who have no right to be within the jurisdiction are removed from the country, such as foreign prisoners when they have completed their sentence of imprisonment and those who have been found by an immigration appeals tribunal to have no right to asylum here? What action is being taken to ensure that those people leave the country when they are told that they have no right to be in the country?

Mrs May: My right hon. Friend is right to raise the issue of dealing with those who have no right to be here. We are addressing it in a number of ways. For example, we are working hard with a number of other countries to ensure that they are willing to take back their foreign national offenders; we have ensured that there are fewer appeal routes for people who no longer have a right to be in the United Kingdom; some foreign national offenders have a right of appeal outside the country rather than inside the country; and we have undertaken a pilot with university students in the south-west to remind them when their visa comes to an end so that they leave the country. The issue is being addressed in a number of ways.

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5. Nick Smith (Blaenau Gwent) (Lab): When she next plans to meet the independent chief inspector of borders and immigration. [906747]

The Minister for Security and Immigration (James Brokenshire): I take this opportunity to thank John Vine, who left his post as the independent chief inspector of borders and immigration at the end of December. His work has been invaluable in assisting Ministers and improving the operation of the immigration system, and I shall meet his successor once appointed.

Nick Smith: Recent National Audit Office figures have shown that the Government's border management and immigration policies have not stopped 10,649 foreign national offenders sitting in British prisons. One of the Home Secretary's predecessors lost his job over this issue. A year on from the Department's latest plan of action on this matter, there is still no real impact on the figures. When will the Home Secretary and a new chief inspector get a grip and deal with the problem properly?

James Brokenshire: As the Home Secretary has already said, we have got a grip on the issue. We are taking further steps through the operation of the Immigration Act 2014 to ensure that if there are appeals, they are heard outside this country's jurisdiction, and that article 8—the right to family life—does not trump the ability to remove someone from the UK. It is that work and work across Government that are making sure that we are able to remove foreign national offenders from the UK.

Mr David Hanson (Delyn) (Lab): I join the Minister in paying tribute to John Vine for his work as chief inspector of borders and immigration.

The chief inspector's latest report on British citizenship applications shows that, on the Minister's watch, scant regard was given by the Department to checks on criminal behaviour, fraud or immigration status. Since that report's publication, what steps has the Minister taken to check histories and remove citizenship, if appropriate? Will he instigate proper investigation and record keeping? If he will not, a future Labour Government will.

James Brokenshire: Contrary to what the right hon. Gentleman just stated, the chief inspector was clear that criminal record checks had been carried out in all cases that were examined. We have reminded caseworkers of the need to ensure that the appropriate guidance is adhered to, but I would say to the right hon. Gentleman that the issues identified by the chief inspector arose in large measure from decisions of the last Labour Government to grant leave to people without going through the full requirements. We are still clearing up the mess that they put us in and we are focused on turning the ship around.

Crime Levels

7. John Howell (Henley) (Con): What assessment she has made of changes in the level of crime since May 2010. [906749]

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The Minister for Crime Prevention (Lynne Featherstone): Police reform is working and crime is down by more than a fifth under this Government, according to the independent crime survey for England and Wales. England and Wales are safer than they have been for decades, with the survey showing crime at the lowest level since it began, in 1981.

John Howell: I thank the Minister for that answer. Will she join me in congratulating Thames Valley police? We saw a 30% drop in recorded crime between June 2010 and June 2014. What does that say about the extent to which Thames Valley police are keeping my constituents safe?

Lynne Featherstone: I am happy to do as my hon. Friend suggests and congratulate Thames Valley police on all they have done in reducing crime by 30% in their area, but I also congratulate all police forces that are rising to the challenge of driving efficiency and cutting

crime. Effective policing plays a key part in reducing crime, as does tackling the underlying drivers of crime, which this coalition is also doing.

Mr Steve Reed (Croydon North) (Lab): The Minister does not have much to say about card crime, which is up by a quarter, or online banking fraud, which is up by 71%. More and more people shop online, particularly over Christmas and the new year, but Her Majesty's inspectorate of constabulary found that just 2% of police had any training in cybercrime. When will the Government stop being so complacent about crime that is still rising?

Lynne Featherstone: I welcome the hon. Gentleman to his place. Up to now, cybercrime has been a lesser interest. The hon. Gentleman is absolutely right to say that the trend among all people now is to buy online, but I would say that what is illegal offline is also illegal online. Policing cyberspace is just as important as policing the streets, and that is what our police force is doing.

Simon Kirby (Brighton, Kemptown) (Con): The police in my constituency do an excellent job. Will the Minister join me in congratulating them on reducing crime by 13% and keeping us all safe in the great city of Brighton and Hove?

Lynne Featherstone: I am more than happy to congratulate my hon. Friend's local police on their efforts to reduce crime and their success in doing so. As I said, I congratulate all police forces across the country who are managing the reductions efficiently and cutting crime.

Kevin Brennan (Cardiff West) (Lab): Does the Minister agree with Sir Tom Winsor that policing shoplifting is not necessarily to be done?

Lynne Featherstone: I might not have put it that way, but when one compares murder with shoplifting, that is one issue. The important point is that all crime should be tackled, regardless of what it is. Someone might start with shoplifting, but who knows where they will end up? Our objective is to cut all crime.

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Indefinite Leave to Remain

9. Mr David Ward (Bradford East) (LD): What assistance her Department offers to people without five years' residency applying for indefinite leave to remain, who have been delayed in entering the country on a spouse visa because they are waiting for a determination on a British passport application for a child born outside the UK due to delays in obtaining the initial spouse visa. [906751]

The Minister for Security and Immigration (James Brokenshire): In considering immigration applications, UK Visas and Immigration will not generally take into account the time taken to establish the British citizenship of a child of the applicant. That is because the child's status will affect the immigration requirements on the applicant, such as the minimum income threshold to be met by foreign spouses, which should be dealt with before an application is made.

Mr Ward: Is the Minister aware of the impact on family life of these long delays? Such are the delays that by the time the spouse's visa is granted, there may be one or two children, and then the mother will often have to make a decision about whether to stay abroad and be

delayed there by starting the probationary period or to come to this country and leave the children abroad.

James Brokenshire: I am obviously happy to look at any individual cases that my hon. Friend may wish to highlight and I can examine further. A British passport is not issued to a child born overseas until the Passport Office is satisfied that all the relevant identity, nationality and child protection issues have been identified. I am sure that my hon. Friend would support that.

Syrian Refugees (Vulnerable Persons Relocation Scheme)

10. Sarah Teather (Brent Central) (LD): How many Syrian refugees have been resettled in the UK under the Government's vulnerable persons relocation scheme to date. [906753]

The Minister for Security and Immigration (James Brokenshire): We remain on track to relocate several hundred people under the vulnerable persons relocation scheme over the next three years. Between the first group of arrivals on 25 March and the end of September, 90 people were relocated to the UK under the scheme. In addition, over 3,400 Syrians and their dependants have been granted asylum or other forms of leave to remain since the start of the crisis.

Sarah Teather: The Minister will no doubt be aware that 2015 has already seen two worrying trends for Syrians fleeing the violence of war: first, an increase in restrictions imposed on those seeking to settle in neighbouring countries such as Lebanon; and secondly, even more refugees boarding boats and taking risky journeys in the Mediterranean. Does he recognise that our unwillingness to offer anything more than tokenistic safe legal routes for resettlement and family reunification of refugees exacerbates both those trends? We have no moral standing when arguing with neighbouring countries that they should keep their borders open, and desperate people will take any route to try to improve their lives when facing violence such as Syria's.

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James Brokenshire: This Government have taken important steps by providing aid that is benefiting hundreds of thousands of people in the region, and focusing on some of the most vulnerable cases that the vulnerable persons relocation scheme is designed to address. On borders, we are supporting the United Nations High Commissioner for Refugees, and we are in dialogue with Syria's neighbours, recognising the importance of effective management and also the fact that international law is clear that refugees should not be turned back in these circumstances.

Nia Griffith (Llanelli) (Lab): Italian Ministers told the European Scrutiny Committee that increasingly people coming on boats and being rescued from them are refugees from areas such as Syria, not just economic migrants. When will the Government sign up to the UN programme so that we do our fair share, like other countries?

James Brokenshire: This country is doing its fair share in many different ways through the direct aid that is being provided—£700 million that is directly affecting and benefiting the lives of hundreds of thousands of people—and the asylum that is being granted through the vulnerable persons relocation scheme. We are also working overseas with countries affected to create a long-term settlement of this issue, as well as confronting the organised crime that exploits the vulnerable.

Diana Johnson (Kingston upon Hull North) (Lab): The UK does indeed have a very proud tradition of offering refuge to those in desperate need. The Government's relocation programme for Syrian refugees was supposed to help orphan children, sexually abused women, victims of torture, and those needing specialist medical treatment. Other European countries are providing this support, with 310 people going to Ireland, 1,000 people going to Norway, and 1,200 people going to Sweden. As the Minister said, in the UK last year only 90 people were accepted. How many victims—specifically, how many orphan children and sexually abused women—will the UK be offering support to this year?

James Brokenshire: We remain on track to support several hundred vulnerable individuals over the next three years. The figures underline that. Those who benefit from the scheme are chosen by the United Nations High Commissioner for Refugees, with whom we work in close co-operation. It is therefore the UNHCR that advances and puts forward individual cases based on the vulnerability-type factors that the hon. Lady identified.

Border Security (Calais)

11. Charlie Elphicke (Dover) (Con): What recent discussions she has had with the French authorities on border security at Calais. [906754]

The Minister for Security and Immigration (James Brokenshire): It is in the interests of both the UK and France to work together to tackle migratory pressures at Calais. The Home Secretary last met the French Interior Minister on 5 December. We continue to work closely with the French authorities on all matters of border security and cross-border criminality to maintain the integrity of our joint border controls.

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Charlie Elphicke: Can my hon. Friend confirm that the £12 million in the agreement will be spent on bolstering security and not on a welcome centre at Calais? Will he also reject representations from UKIP that the border controls at Calais should be scrapped and brought back to Dover?

James Brokenshire: I am very pleased to underline the points that my hon. Friend makes. We are not providing financial support for any day centres. Our financial support is focused on security at Calais and on confronting the organised criminality that seeks to take advantage of those trying to come to the UK. The juxtaposed controls absolutely benefit this country and we have no plans to change that.

Keith Vaz (Leicester East) (Lab): The hon. Member for East Worthing and Shoreham (Tim Loughton) and I saw for ourselves the security measures that have been introduced with the help of the Government, though part of the fence that we saw blew down over the Christmas holidays because of high winds. As the hon. Member for Dover (Charlie Elphicke) said, the area is now a magnet for those who wish to come to our country. Does the Minister agree that the problems in Calais are best addressed at the external frontiers of the EU? That means Frontex doing much more to ensure that the Mediterranean is policed properly but humanely, so that there is no repetition of what happened to the Ezadeen ship as it arrived in the EU very recently.

James Brokenshire: I agree that the problems lie beyond the UK's shores. That is why, for example, we have taken part in the Khartoum process, which is an EU-African Union

mechanism to focus on human trafficking. With reference to the EU border, Frontex has in place Operation Triton. As we are not within the Schengen zone, we do not participate directly, but are providing assistance. This is a matter that we continue to discuss with other EU Ministers.

Tim Loughton (East Worthing and Shoreham) (Con): The Chairman of the Home Affairs Committee is quite right about our trip to Calais, where we found that in the past year more than 10,000 potential migrants had been apprehended by the good work of the border police and by the investment of no less than £150 million by Eurotunnel on fencing over the past 10 years. Is not the real problem that when potential migrants are apprehended, the French police take them 2 miles outside town and release them without even taking their fingerprints, so they can come and do it all over again?

James Brokenshire: I agree with my hon. Friend on some of the incredibly good work being undertaken at the northern French ports, particularly the work of Border Force, and the investment that has been provided there. We are investing further in security at Calais. We continue to have discussions with the French authorities on how we can strengthen the response, and those discussions will continue in the weeks ahead.

Mark Reckless (Rochester and Strood) (UKIP): Given these discussions, why have the French authorities set up a Sangatte 2 camp in Calais? What effect does the Minister think that will have on the situation?

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James Brokenshire: The French Government will clearly make their own determinations and responses on matters relating to what happens on French soil. Our focus is on security at the juxtaposed controls and on combating organised crime, on which we have good joint working with the French and other Governments. It is clear that we should not establish measures that may act as some sort of magnet and may make the problem worse.

Regionalising Police Forces

12. Douglas Carswell (Clacton) (UKIP): What plans her Department has to regionalise police forces in England and Wales. [906755]

The Minister for Policing, Criminal Justice and Victims (Mike Penning): The Government have no plans to move away from the localism that local police forces give us. Localism is something for which the hon. Gentleman campaigned for many years.

Douglas Carswell: Does the Minister recognise that although there may be advantages to be gained by regionalisation, such as economies of scale, larger police forces could mean a greater distance between the public and the police and less local accountability?

Mike Penning: I am slightly confused, because the hon. Gentleman campaigned for the introduction of police and crime commissioners when he was a Conservative Member and sat on the Government Benches. Is he now saying that they should not be there? Perhaps it is just a UKIP policy: one day one thing, and the next day another. At the end of the day, local democracy means that local authorities can make decisions. If they want to amalgamate, they can submit a business plan to us. Manchester has done that, but it is the only one.

Steve Baker (Wycombe) (Con): Would not regionalising policing mean either the abolition of PCCs or a multiplication of several times over in the size of their constituencies? Does the Minister agree that either course would be a terrible slap in the face for those who campaigned so hard for so long for the system we now have?

Mike Penning: There are many present in the Chamber—including, perhaps, one Opposition Member—who have campaigned for localism over many years and who passionately believe in it. PCCs give that to the community and I cannot understand why anybody would change their mind about them.

Mr Philip Hollobone (Kettering) (Con): Proposals to merge Northamptonshire police with an east midlands police force, as advanced by the Labour party when it was in power, would have been disastrous for Northamptonshire. The present proposals from the police commissioner and the head of the local fire brigade to increasingly merge their operations make lot of sense on so many levels. Will my right hon. Friend encourage this?

Mike Penning: Not only will I encourage it, but I have seen it going on around the country. Taxpayers' money needs to be spent efficiently and it must be done in a way that is right for the emergency services. I have seen that happen, and if it happens in my hon. Friend's constituency then so be it, but it will be a local decision.

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Lincolnshire Police Budget

15. Robert Ffello (Stoke-on-Trent South) (Lab): What recent discussions she has had with the chief constable of Lincolnshire on the budget of the Lincolnshire police. [906758]

The Minister for Policing, Criminal Justice and Victims (Mike Penning): The Home Secretary and I meet all the chief constables regularly and I personally met the chief constable of Lincolnshire very recently.

Robert Ffello: With more than 8,000 front-line police officers out of 16,000 cut already, is not the Lincolnshire chief constable right to warn that the loss of a further 6,000 front-line officers, along with other cuts, will simply mean that police forces across the country will collapse? They will go and there will not be any need for PCCs because there will not be any forces.

Mike Penning: I am sure the residents and constituents of Stoke-on-Trent South will be interested to hear about the hon. Gentleman's interest in Lincolnshire. At the end of the day, it is for Lincolnshire and its chief constable to decide what they want to do and we will support them in those decisions. They do not have to be about a reduction in police officers; actually, we have seen an increase in the number of police officers on the ground in Lincolnshire.

Sir Edward Leigh (Gainsborough) (Con): I am surprised that my otherwise good friend the hon. Member for Stoke-on-Trent South (Robert Ffello) is suddenly taking such an interest in the Lincolnshire constabulary. To put things in perspective, the reason our budgets have suffered for many years is the sparsity factor formula put in place by the previous Labour Government which transferred resources from rural authorities to places such as Stoke-on-Trent. Having said that, we have still managed to cut crime in Lincolnshire by 20% over five years.

Mike Penning: To be honest, I perfectly understand that any chief constable and PCC will campaign for extra money, but at the same time I cannot understand the sudden interest taken in Lincolnshire by the hon. Member for Stoke-on-Trent South (Robert Ffello). When this Government came to power, 91% of police were on the front line; that figure is now 93%. My hon. Friend the Member for Gainsborough (Sir Edward Leigh) is absolutely right to say that there has been a 20% cut in crime in Lincolnshire.

Jack Dromey (Birmingham, Erdington) (Lab): Like many other chief constables around the country, the chief constable of an efficient and effective police service in Lincolnshire has made it clear that the Government's proposed cuts will see meaningful neighbourhood policing ceased; response times get longer; officer safety put at risk; the ability to investigate historical child sex exploitation cases limited; and public confidence in policing severely eroded. Is he right to say that and is it right for the Home Secretary to spend £50 million on next year's PCC elections when what the public want is for that money to be invested in front-line policing?

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Mike Penning: I do not recognise the figure of £50 million, but it is not unlike the Labour party to make up figures as it goes along. At the end of the day, Members either believe in localism or they do not, and running down the police of this country, as the Opposition do regularly, is not the answer. We need to support our police, make sure we can get the austerity through and make sure that more police are on the front line. That is what we are doing.

Special Demonstration Squad

18. Duncan Hames (Chippenham) (LD): What assessment she has made of the implications for her policies of the findings of the investigation by Chief Constable Mick Creedon into the activities of the special demonstration squad. [906761]

The Secretary of State for the Home Department (Mrs Theresa May): Operation Herne is conducting a criminal investigation into the conduct of former special demonstration squad officers, and that work is continuing. As I said in my statement to the House on 6 March 2014, there will be a public inquiry into undercover policing and the activities of the special demonstration squad and I will update the House on the public inquiry as soon as it is appropriate to do so.

Duncan Hames: I thank the Home Secretary for her attention to this matter. It has taken the Met nearly two years to reply to my freedom of information request about their theft of dead children's identities for undercover policing. From only three out of 18 year groups had a child's identity not been taken for the purpose of legend building. The so-called legends are broadly as likely to have been stolen from dead children as to have been invented from scratch. Given their feet dragging on this matter, what confidence can the Home Secretary have that police attitudes to undercover practices have truly changed?

Mrs May: I know my hon. Friend has taken up and worked very hard on this particular issue. I believe that one of the assistant commissioners from the Metropolitan police gave very clear evidence to the Home Affairs Committee on the fact that the approach to the use of dead children's names and identities has changed within the Metropolitan police. They are very

clear that this should not be happening now, and as I say, they have changed the action they take.

Citizenship Applications

20. Mr Andrew Turner (Isle of Wight) (Con): How many applicants have been granted citizenship over the last 20 years; and what estimate she has made of the number of errors or mistakes made in decisions on citizenship in that period. [906763]

The Minister for Security and Immigration (James Brokenshire): The published national statistics of British citizenship grants show that there have been more than 2.4 million grants of citizenship over the last 20 years. The recent report by the independent chief inspector of borders and immigration endorsed decision making in the overwhelming majority of cases examined.

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Mr Turner: None the less, will my hon. Friend say when errors were made and what the consequence of such changes would have been? Is he able to find out how many such citizenship errors should not have been made?

James Brokenshire: The Government are clear that the grant of UK citizenship is a privilege for those who deserve it, not an automatic right for those who do not. Some of the issues identified by the chief inspector relate to a decision in 2007 to grant a large number of people the right to remain here indefinitely even if they did not meet the rules, and we are working through a process on that. We have also tightened the rules so that if someone has a bad immigration history, they are banned from becoming a British citizen for at least 10 years.

Topical Questions

T1. [906823] Jeremy Lefroy (Stafford) (Con): If she will make a statement on her departmental responsibilities.

The Secretary of State for the Home Department (Mrs Theresa May): A few days before Christmas, Merseyside police officer Police Constable Neil Doyle was brutally killed while off duty. I am sure the whole House would want to express our condolences to his family, friends and colleagues.

Before the Christmas recess, I set out proposals further to reform policing in England and Wales. I announced plans to introduce a statutory limit of 28 days on pre-charge police bail to prevent individuals from spending months or, in some cases, years on bail only for no charges to be brought. I published joint proposals with the Department of Health to reform the use of sections 135 and 136 of the Mental Health Act 1983 to ensure that those with mental health problems, particularly children, receive proper health care and support, rather than the closing of a police cell door when they are in crisis.

Under this Government, police reform is working and continues to work. According to the independent crime survey for England and Wales, our reforms have seen crime fall by more than a fifth and the proportion of police officers on the front line rise to more than 90%.

Although police spending rose year on year when Labour was in power, we have successfully delivered savings to reduce the deficit while protecting the front line.

Jeremy Lefroy: I thank the Home Secretary for that reply. Has she noticed the progress made by Staffordshire police in dealing with the scourge of uninsured vehicles by confiscating and ultimately crushing them in public, and would she recommend the use of that practice elsewhere?

Mrs May: I am happy to applaud the work done by Staffordshire police. The issue of uninsured vehicles is a problem that affects people across the whole country, and I am sure that other police forces will want to look at the work of Staffordshire police force and its success.

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): May I join the Home Secretary in paying tribute to PC Neil Doyle, as well as his colleagues and his friends and family, and all police who take so many risks to keep us all safe?

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James Dyson has called the Home Secretary's new plan to expel overseas postgraduates "short-sighted", and has said that it will lead to "long-term economic decline". The Conservative former Minister for Universities and Science, the right hon. Member for Havant (Mr Willetts), has said that it is "mean-spirited" and will damage our exports and our universities. Even Conservative central office backed away from her policy yesterday, so does the Home Secretary stand by her plan? Does she believe that overseas graduates should all have to return home before they can even apply for a high-skilled job in British science or the NHS—yes or no?

Mrs May: The right hon. Lady will have heard my previous responses on that issue, and I am clear that our policies are right and ensure that the brightest and best are coming to the United Kingdom. Of course we want people who wish to come here to do genuine degrees at proper educational establishments, but the Government have been clearing up the abuse that was allowed to run rife with student visas under the previous Labour Government, and 800 colleges are no longer able to take in overseas students. We want the brightest and best to come to the UK, and that is exactly what our policies are destined to ensure.

Yvette Cooper: The Home Secretary has ducked the specific question of whether she wants overseas students to have to leave the country before they can apply for any high-skilled job in Britain. I hope that means that she is backing away from the policy and that it was simply a proposal from her special advisers—that is obviously why they have been banned from the Tory candidates list.

The Home Secretary needs to reflect on all her immigration policies because border checks have got weaker, asylum delays have risen by 70%, low-skilled migration is up, and her net migration target is in tatters, but the numbers of overseas university students fell last year. Criminals have been given citizenship, the Syrian scheme has been delayed, yet the Home Secretary claimed that her immigration policy is an achievement to be proud of. Will she tell the House whether she is proud of targeting postgraduates while illegal immigration gets worse? How proud is she of giving killers British citizenship while Syrian refugees are refused entry?

Mrs May: I will tell the right hon. Lady what I am proud of. I am proud that this Government have taken immigration seriously and looked across every route of migration into the United Kingdom. We have dealt with—and continue to deal with—abuse in the student visa system, which was allowed to increase significantly under the previous Labour Government, and non-EU migration is now at the levels of the late 1990s. That is a direct result of policies undertaken by this Government, and the Labour party needs to get its story in order. On the one hand people have been told to back off from conversations about immigration on the doorstep, yet on the other hand the right hon. Lady seems to want us to do a variety of things that her Labour Government failed to do when in office. We are dealing with the mess of the uncontrolled immigration system that was left by the previous Labour Government; this Government are getting to grips with our immigration system, unlike the Labour party.

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T2. [906825] Andrew Rosindell (Romford) (Con): Will the Minister join me in congratulating the Metropolitan police on a 14% reduction in crime over the past five years, and a 4% reduction in the last year alone? Does he agree that outer-London boroughs such as Havering need resources, as well as central London?

The Minister for Policing, Criminal Justice and Victims (Mike Penning): I congratulate the Metropolitan police on their excellent work—indeed, I was on patrol with them fairly recently and I know well the part of the world that my hon. Friend represents. Not only has crime fallen by 15%, but that has been done by increasing the amount of police on the front line from 86% to 91%. That is something we should all be proud of.

T3. [906826] Mr Jim Cunningham (Coventry South) (Lab): A recent study by the university of Bedfordshire and Victim Support found that one third of 11 to 17-year-olds have suffered physical violence in the past year. Will the Minister make it a priority to ensure that young people are taught how to report crimes and are fully supported throughout the process?

The Parliamentary Under-Secretary of State for the Home Department (Karen Bradley): The hon. Gentleman raises an important point. Abuse is not acceptable and victims of abuse need to know where to get the support they need. The Government are committed to ensuring that that is the case.

T4. [906827] Karen Lumley (Redditch) (Con): I welcome the Government's extra funds to support victims of sexual abuse, but will my right hon. Friend outline exactly how we will do that?

The Minister for Crime Prevention (Lynne Featherstone): The Government have announced an additional £7 million for victim groups that support survivors of sexual violence. Two million pounds is available for organisations that are reporting an increase in referrals prompted by the independent panel inquiry into sexual abuse. There is another £2.85 million Home Office fund for providers of support across England and Wales, and a £2.15 million uplift on current Ministry of Justice funding to 84 existing rape support centres. Effective, timely support for victims of child sexual abuse is a matter of national importance.

T5. [906828] Alex Cunningham (Stockton North) (Lab): There has been a net loss of 293 police officers from the Cleveland police service since 2010, and our police commissioner says that the budget has been cut by another 5.1%, which could further jeopardise public

safety. Does the Home Secretary agree that such losses and cuts are the reasons behind the drop in confidence in policing for the first time in a decade?

Mike Penning: Crime in Cleveland has dropped by 16% in the past four and a half years, and by another 2% this year. Cleveland police should be congratulated, not run down.

T7. [906830] Miss Anne McIntosh (Thirsk and Malton) (Con): Does the Home Secretary share my concern at the rise in rural crime, some of it organised, some of it opportunistic? Will she take this opportunity to make rural crime a target for police activity, so that action is taken to stamp it out?

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Karen Bradley: My hon. Friend will know that, in her force constabulary area, there has been a 16% cut in crime, thanks in large part to her excellent PCC, Julia Mulligan. As an MP for a rural constituency, I too take rural crime very seriously. My hon. Friend is right that much of rural crime, particularly that involving large agricultural vehicles, is undertaken by organised crime groups. I am pleased that the regional organised crime units are working with local forces to ensure that we tackle rural crime and make it a No. 1 issue.

T6. [906829] John Mann (Bassetlaw) (Lab): Considering the warning that Tony Robinson has been given about his obligations under the Official Secrets Act, what guarantee can the Home Secretary give that other special branch officers, former special branch officers and others with knowledge of prominent people and historical child abuse will be able to speak out without such obstructions again?

Mrs May: I am very clear that the Official Secrets Act is not a bar to giving evidence to the police or to the inquiry. Arrangements are in place that enable Crown servants to disclose such material when it relates to child abuse. I am clear that that lawful authority should be given in those cases, but I recognise that the hon. Gentleman has raised the issue on a number of occasions. I am willing to continue to look at it to ensure—I want this, as he does—that all evidence available is made available to the inquiry, and where appropriate to the police, for proper investigation.

T8. [906831] Sir Peter Luff (Mid Worcestershire) (Con): I listened carefully to the Home Secretary's earlier answers on immigration, but may I ask her to ensure that efforts to curb immigration will not harm our higher education system or deny British businesses access to skills that they can find only internationally as a result of any new restrictions on visas for graduates at British universities?

The Minister for Security and Immigration (James Brokenshire): My hon. Friend raises the important issue of the UK's excellent offer to international students. I am pleased that Britain remains the second most popular destination for international higher education students, but it is right that we clamp down on abuse. As the Home Secretary has indicated, there is a migration issue to address when 121,000 non-EU students come to Britain and stay for more than 12 months, and yet only 51,000 leave. Many universities are acting appropriately to ensure that students leave at the end of their studies, but we are clear that our policies support the brightest and the best coming to the country, and that they support the university sector in that way.

Ian Lucas (Wrexham) (Lab): The charity Youth with a Mission provides missionaries in Wrexham who help with food banks and work hard in the local community. On 23 December, the charity received notification that its highly trusted status was being suspended. Will the Home Secretary look closely at that faith-based organisation? Many churches within Wrexham have approached me because they are concerned that that help will be removed from my local community.

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Mrs May: I am not aware of the specific case the hon. Gentleman raises, but if he wishes to give me the full details of it, I will ensure that it is looked into.

Sir Bob Russell (Colchester) (LD): Drones have been a feature of this place for generations, but drones of the 21st century—unmanned aerial vehicles that provide a growing security threat, invasions of privacy and potentially criminal activity—are a matter of great concern. Does the Home Secretary agree that the current regulations need to be reviewed from her Department's perspective?

Mike Penning: The hon. Gentleman raises an important issue. We continue to keep a close eye on the regulations. I would not say that they are being reviewed, but we will look at whether they need to be addressed in view of that current threat.

Paul Blomfield (Sheffield Central) (Lab): Let me give the Home Secretary another chance to answer the question that she has failed to answer so far. When Sir James Dyson describes her plans to further restrict post-study work opportunities as a short-sighted attempt to win votes at the expense of the economic interests of the UK, it is a serious matter. Will she think again?

Mrs May: I say to the hon. Gentleman exactly what I have said in answer to the other questions that I have been asked on this matter. As a Government, we are very clear that the brightest and the best should be able to come here and we have no limit on the number of people who can come to an educational establishment to study for a genuine university degree, but we have sorted out, and continue to sort out, the abuse that remains from the system that was run by the last Labour Government.

Alistair Burt (North East Bedfordshire) (Con): I recently met the chief officer of the special constabulary in Bedfordshire, Mr Wayne Humberstone, who is leading a growing force that is about to start operating out of a rural police station in Riseley in my constituency. Will my hon. Friend take this opportunity to stress again the importance of the special constabulary to effective policing and to encourage employers to allow more employees to make such a contribution to society?

Mike Penning: All hon. Members should encourage employers in their constituencies to allow people who work for them to become specials and serve their community. I pay tribute to the work that has been done in Bedford. The specials in my constituency of Hemel Hempstead do a fantastic job and we should all encourage people to become specials.

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Julie Hilling (Bolton West) (Lab): A growing number of my constituents are victims of cyber-crime, but they complain that they hear nothing once the crime has been reported to Action Fraud. As the Minister could not tell me how many successful prosecutions there were for

cyber-crime or what proportion of cases reported to Action Fraud were investigated, how can we have any confidence in the crime figures and what will she do to ensure that cyber-crimes are properly investigated and prosecuted?

Karen Bradley: Cyber-crime is a crime that we are getting to grips with, and we are learning about the parameters of cyber-crime. Action Fraud is doing excellent work, but I agree that it needs to do more to make sure that people who report fraud get full information. I am working closely with Action Fraud to make sure that they do.

Fiona Bruce (Congleton) (Con): Will Ministers make it a priority to introduce mandatory reporting of female genital mutilation and to strengthen policies and procedures to provide victims of FGM with much needed appropriate support?

Lynne Featherstone: My hon. Friend will be aware that at the Girl Summit in July the Prime Minister announced our intention to introduce mandatory reporting of this unacceptable practice. We are consulting on how best to introduce the new duty. Alerting the police to cases of FGM will allow them to investigate the facts and increase the number of perpetrators apprehended. The NHS will support anyone affected by FGM and will offer appropriate advice and procedures when needed.

Tom Greatrex (Rutherglen and Hamilton West) (Lab/Co-op): In October the Immigration Minister said, in response to a National Audit Office report, that he intended that this country would join the Schengen information-sharing agreement, which would provide our border posts with information about people involved in serious crime—such as the person who murdered the son of my constituent, Mrs Elsie Giudici—during the course of the year. Is that facility now available, and if not, when does he expect that to happen?

James Brokenshire: We are finalising the arrangements for joining the second-generation Schengen information system for the benefits that I have identified and to which the hon. Gentleman refers. I regard it as an important enhancement to our work in identifying those with criminal records. It is being advanced and I expect it to be in place very shortly.

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Rail Network (Disruption)

3.33 pm

Michael Dugher (Barnsley East) (Lab) (Urgent Question): To ask the Secretary of State for Transport to make a statement on the major disruptions to Britain's rail network over the Christmas period.

The Secretary of State for Transport (Mr Patrick McLoughlin): As I made clear at the time, the disruption at King's Cross and Paddington after Christmas was totally unacceptable. Passengers deserve a reliable rail service, they deserve clear information, and they deserve rapid help when things go wrong. I am sorry that in this case they did not get those things.

Before I give the House further details of what happened, I wish to pay tribute to the 11,000 engineers who were working on the track across the country over the holiday period on 300 projects at some 2,000 work sites, often in difficult conditions—a record level of activity and investment and part of the £38 billion being invested in our railways by this Government, working to create capacity, increase reliability and make our railways safer. The vast majority

of complex projects were completed on time. For instance, a vital new flyover opened today at Reading—a complex scheme on time and on budget—and London Bridge reopened after key work on the Thameslink programme which will continue for some time. When things go wrong, however, we expect the industry to have proper contingency plans, so let me turn to what happened at Christmas and what is being done to put them right.

First, at King's Cross, Network Rail had in place a vital scheme to replace and modernise some seven sets of points and crossings, and associated track and overhead wiring. It involved the replacement of more than 1 km of track, some 12,000 tonnes of ballast and 14 dedicated engineering trains. That work needed to be done and was planned for Christmas to limit impact. It had been planned that two lines would be opened on 27 December to operate a limited service in and out of King's Cross, but some elements of the work took longer than expected. A decision was taken to run an alternative service terminating at Finsbury Park. As a result, many passenger journeys were seriously delayed and disrupted. The planned modified services were able to restart on Sunday 28 December.

Secondly, at Paddington, work on signalling was intended to allow lines to reopen in the morning. Safety testing meant that trains were able to operate only as far as Ealing Broadway until mid-afternoon. Neither of those situations should have occurred. It is inevitable that major investment in the railways will, from time to time, mean some disruption, but all of us who use the railways need Network Rail to complete such vital engineering works on time, as were most of its other schemes. Let me turn now to the response.

I worked closely with Network Rail on the day and afterwards, and I have left it in no doubt of the importance of getting this right. Mark Carne, the chief executive, ordered an urgent review of what went wrong. A report, which will be published, will be provided by the end of this week. One of the questions that needs to be answered relates to the timing of its major works programmes. The industry's conventional wisdom is that it is generally

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better to carry out major disruptive work over holiday periods when passenger numbers are lighter than usual. The Office of Rail Regulation is conducting its own parallel investigation, which will determine whether any regulatory enforcement action is required and ensure that lessons are learned. It will work closely with Passenger Focus.

I and my officials were briefed on key elements of Network Rail's engineering programme and the associated planned changes to services. We were not, however, involved in planning for the operational aspect of the works programme or the contingency planning. That is as it should be. Network Rail is an operationally independent body and it needs to be able to get on with its job without political interference. If it gets things wrong it will be held to account. We have made it clear to the company that we expect it to deliver the outcomes for which it has been funded over the current control period, including the largest programme of investment since the Victorian era and a reliable daily service. When services do not run as planned, passengers are entitled to be reimbursed if they are delayed significantly. Train operators have compensation schemes in place. In the new franchises, we are improving compensation compared with that left by the previous Government.

Things should have been done better. I have set out my understanding of the events at King's Cross and Paddington after Christmas. The level of disruption is wholly unacceptable and I

am confident that Network Rail will learn the necessary lessons to minimise the chances of it happening again.

Michael Dugher: In his new year message, the Prime Minister said that Britain faced a choice between competence or chaos. Ministers at the Department for Transport clearly did not get the memo, because at Christmas we saw both chaos and incompetence on our rail network, resulting in misery for passengers who have seen their fares rocket by more than 20% since 2010—three times faster than the growth of wages. The recent chaos all started with the Secretary of State’s decision to allow a near shutdown of train services on Boxing day, letting 17 operators run no service whatever with vastly reduced services everywhere else. The next day, work overran at more than 200 engineering sites, resulting in thousands of passengers facing appalling disruption.

It was right that Network Rail accepted its responsibilities, and so too should the contractors, but is it not also time for the Secretary of State finally to face up to his share of the responsibility? The Office of Rail Regulation published a damning report back in November on Network Rail’s performance. Was this report not a massive warning sign for Ministers that there would be serious delivery challenges associated with the planned maintenance work over Christmas? What assurances were sought by Ministers on whether the plans for the Boxing day shutdown were robust enough, whether adequate contingencies were in place and whether there was sufficient resilience in the system to ensure that continued disruption would not run into the weekend?

Where were Ministers during the rail chaos? They were AWOL. It was only after days of disarray that the Secretary of State finally put down his selection box and leapt to action, releasing a statement on the Saturday evening in a desperate attempt to shift the blame entirely

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on to others. On Sunday morning, the rail Minister, the Under-Secretary of State for Transport, the hon. Member for Devizes (Claire Perry), sent a message to the thousands of passengers who had had their Boxing day and weekend ruined. What words of sympathy and consolation did she offer? She said she was “so chuffed” with the state of the railways—Calamity Claire, the gift that keeps on giving.

These problems happened on this Government’s watch. The warning signs were there. The Secretary of State has spoken about the lessons that must be learned, but must they not be learned by Ministers too and an apology be made to the travelling public?

Mr McLoughlin: I am sorry the hon. Gentleman did not hear me apologise. I think his script was prepared before he heard my answer. I have made it fairly clear that what happened was unacceptable, whereas all we have heard from him is empty noise—from a party with no plan and no ideas, from a man who was special adviser at the Department for Transport when Railtrack collapsed and the network fell apart, from somebody who knows all about chaos, because that is exactly what he caused then. He called his predecessors “trainspotters” in the Daily Mirror, but now he pretends to know how to run the railways. I will not take too many lessons from him.

The hon. Gentleman says that fares have gone up by 20%, but in fact, in real terms, they have gone up by 3%, and this year's rise was the lowest in a decade. It was his party in government that put them up by 42% in cash terms—a policy that we have ended. He said that Network Rail's bonuses should reflect what has happened, and I agree, but will he add that the bonus payments agreed by Labour in 2009-10 were nine times this year's figures?

Michael Dugher: Where was the Secretary of State over Christmas?

Mr McLoughlin: Where was I at Christmas?

Mr Speaker: Order. The precise details of how the Secretary of State spent his Christmas are a matter for him, as they are for each of us individually. He is answering good-humouredly and should be given the opportunity to continue.

Mr McLoughlin: It will not surprise you, Mr Speaker, that I spent Christmas in Derbyshire, and I was in constant touch with Network Rail. Yes, I issued a statement on the Saturday—let me take the hon. Gentleman through these things: Christmas day was a Thursday, the problem occurred on Friday and I spoke to Mark Carne on the Friday and the Saturday and have spoken to him several times since the incident.

As I said earlier, this was the biggest set of engineering works taking place over Christmas. Is the hon. Gentleman saying that the Secretary of State should tell Network Rail which safety aspects and bits of engineering works it should not do? Is that the kind of micro-management we could expect from him? He needs to read Labour's last policy document before he was appointed—he is the third shadow Secretary of State I have encountered since becoming Secretary of State, and he obviously cannot keep up with what has been said before. Previously, Labour has said that the Secretary of State should not micro-manage the industry. I agree.

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Mr Simon Burns (Chelmsford) (Con): Does my right hon. Friend accept that the investment in financial terms and in the work done on improving and upgrading our rail network is warmly welcomed, but that the other side of coin is that there is a responsibility through Network Rail to ensure minimal disruption to commuters and passengers—not simply during key holiday periods but on every other weekend of the year—who too often hear on a Monday morning about the overrunning of engineering works and cancelled services? What can be done to hold Network Rail more to account to minimise such problems?

Mr McLoughlin: I agree with my right hon. Friend. The problem happens when we are doing the sort of massive upgrade to the system that we are doing. Over the five-year period between 2014 and 2019, some £38.5 billion will be spent on upgrading the railway infrastructure, and some of that will lead to delays through overrunning engineering works. I know that particular problems have affected my right hon. Friend's constituency over some weekends, and I think we should look further to see whether there is a better way of doing the engineering work. Let me point out that 18 months ago, over a period of eight weeks, Nottingham station was closed down while 2,000 people were working on it. That is sometimes an option, but when we are talking about the main London termini, that is really not an option. [Official Report, 7 January 2015, Vol. 590, c. 1MC.]

Mrs Louise Ellman (Liverpool, Riverside) (Lab/Co-op): Over Christmas too many passengers suffered twice—first from major disruption, when any contingency plan simply failed; and, secondly, from lack of information about what was going on. Does the Secretary of State believe that this was about individual events or was it indicative of a major problem with major works on the railways for which ministerial involvement was required?

Mr McLoughlin: I partly agree with the hon. Lady, and I know that her Select Committee will see both Mark Carne and Robin Gisby for a hearing next week. I am sure the Committee will pursue the matter with further questions. The truth of the matter is that there is no doubt that there was a failure to communicate with the passenger. The decision was an attempt in certain ways to help some passengers, but with hindsight Finsbury Park was never really an option for main trains to terminate, and perhaps that should not have been done. However, not to have done that would have meant cancelling at short notice many trains on which people were relying.

Mr John Redwood (Wokingham) (Con): Some of my constituents were badly inconvenienced, and I would like to hear the Secretary of State's confirmation that they can claim compensation, which would be some recompense. What else can be done to get it over to Network Rail that it needs to raise its standards of customer care, concern and efficiency, because it is still vastly inefficient by global standards?

Mr McLoughlin: I agree with my right hon. Friend. Compensation is something to which passengers are entitled if the delays were severe and over a certain period. That should happen. On the point about Network Rail overall, as I have said, a number of the projects

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undertaken have been completed successfully—not least one in Reading that affects my right hon. Friend's constituency. Anyone using that line can see the huge investment, not just in the station but in the new viaduct, which will have a huge impact on reliability for my right hon. Friend's constituents and others.

Cathy Jamieson (Kilmarnock and Loudoun) (Lab/Co-op): I note that the Secretary of State said that, with hindsight, Finsbury Park was perhaps not the best option. Would it not have been better to have had some foresight and some contingency planning in relation to that?

Mr McLoughlin: As I have pointed out, most of the schemes with which Network Rail was involved were done on time and to schedule. Of course lessons will be learned from the incidents around Finsbury Park; I would expect them to be. This brings us back to whether during huge engineering works we want to close down the whole system or take action at a time that one hopes will be the least inconvenient for the vast majority of travelling passengers. I believe that this country's railways and the people who work on them have seen the development of a hugely successful industry—moving from 750 million passenger journeys a year 20 years ago to 1.6 billion journeys last year. That should be regarded as a great success story.

Sir Alan Haselhurst (Saffron Walden) (Con): Is not what is happening on my right hon. Friend's watch a massive restoration and renewal of our railway system? That must carry more risk of delays, but experience shows that delays do not occur only at Christmas. Should Network Rail consider prescribing a rather longer period in which work should be completed?

Passengers will at least be understanding if they are reasonably confident that there will be a return to normal service at a given date, and that they will not be as massively disrupted as they were this Christmas.

Mr McLoughlin: I agree with my right hon. Friend. It may be possible for that issue to be revisited by the inquiry that is being conducted by the Office of Rail Regulation, and the industry's inquiry relating to the best time for big repair works to be carried out. In the past, the aim has always been to carry out repairs over the holiday period, because that disrupts fewer people. As I have said, there were works on nearly every section of the railway throughout the country: on the midland main line, on the Scotland, Anglia and Wales lines, at Reading, and on the west coast and east coast main lines, and a huge amount of work was also being done at London Bridge.

Kelvin Hopkins (Luton North) (Lab): Following another rail crisis some six years ago, it was decided to take many engineering staff in house. Now similar problems have arisen, so it can only be that Network Rail's management is at fault. Is it not time to seek a root-and-branch investigation of Network Rail's management systems, and to look again at the much better methods of operation employed by British Rail before the disaster of privatisation?

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Mr McLoughlin: The hon. Gentleman is renowned for his rose-tinted glasses, which are now returning him to a period when there were 750 million passenger journeys a year. Last year there were 1.6 billion, and I regard that as a tremendous success. More people are using the railways in this country than have done so for many a generation. It is only the hon. Gentleman—along with, perhaps, other Members who are sitting with him on that Bench—who looks back with rose-tinted glasses to a period when everything was fine.

Miss Anne McIntosh (Thirsk and Malton) (Con): Will my right hon. Friend explain from which budget the fines and compensation will be paid? Is it not perverse that the budget that should be paying for these very improvements is to be used to compensate the companies that have been inconvenienced? Will my right hon. Friend look very closely at the way in which the Office of Rail Regulation has operated since the changes were made, to establish whether it is fit for purpose and is holding Network Rail to account?

Mr McLoughlin: I think that the ORR does a good job in holding Network Rail to account, but I will of course take seriously what my hon. Friend has said about its performance. If she wants to send me further details of her complaints, I will certainly consider them.

Jeremy Corbyn (Islington North) (Lab): As the Member who represents Finsbury Park, may I ask the Secretary of State to say a big thank you to all the staff who coped with an utterly impossible position on Saturday 27 December, when the station was so overcrowded with passengers? They deserve our recognition and thanks for the hard work that they do.

The Secretary of State will recall that we had a meeting in his office last year about the future of Finsbury Park station, where a piecemeal improvement has been taking place over many years. Does he not agree that there should now be a serious examination of the capacity problem at that station, given the increasing number of rail passengers, the dangerously overcrowded underground platforms, and a management mix between Transport for London

and a train operator on the main line? Will he meet me again so that we can have a new discussion about Finsbury Park and the need for it to be improved?

Mr McLoughlin: I join the hon. Gentleman in thanking all the people who were involved in ensuring that the vast majority of the vast number of people who turned up at Finsbury Park were kept as informed as possible, in extremely difficult circumstances. This is certainly one of the issues in which I intend to take a further interest, and I shall be more than happy to meet the hon. Gentleman, possibly at Finsbury Park.

Sir Nicholas Soames (Mid Sussex) (Con): I agree with my right hon. Friend about the successful implementation of a very large number of works. Nevertheless, what happened at King's Cross was inexcusable, and—as will be discovered when the report is published—represents a failure of both management and leadership, with which I hope my right hon. Friend will deal.

May I also ask my right hon. Friend to turn his attention to the East Grinstead to Victoria line, which has been running with similar impediments and terrible

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inconvenience, largely because the rail companies cannot get enough people to drive the trains? Drivers are available, but they are apparently taking part in training courses. Things would be in a pretty pickle if British Airways did not have enough pilots, would they not?

Mr McLoughlin: I am grateful to my right hon. Friend for acknowledging some of the difficulties and the difficult conditions facing those engineers working over the Christmas period in getting, as I have said, most of the schemes they embarked on back up and running on time; so when things go wrong, it is particularly disappointing. As to his point about the East Grinstead line, I will look at that, along with the Under-Secretary of State for Transport, my hon. Friend the Member for Devizes (Claire Perry).

Douglas Carswell (Clacton) (UKIP): I wrote to the Secretary of State in early December suggesting that Network Rail was incompetent, responsible for serial disruptions on the line to Clacton and East Anglia and unaccountable. Rather than make excuses and justify shoddy performance, will he consider serious, grown-up reform to make sure that this public quango is properly and meaningfully accountable to the long-suffering public?

Mr McLoughlin: There is unprecedented development on the railway network. I think that is absolutely vital, and I am very keen that a lot of the first-class pieces of engineering done by Network Rail continue to be done by Network Rail, along with the huge investment that we are making in the whole system.

Ian Swales (Redcar) (LD): My constituents were caught up in the chaos on the east coast main line on the 27th, like so many others. They recall poor communication not just during their journey but in advance of it, for planning purposes. They were, of course, also caught up in the Finsbury Park chaos and held around Stevenage for anything up to two hours. What can the Secretary of State do to ensure that communication is improved and our public transport network is properly operational throughout holiday periods?

Mr McLoughlin: I do not want to keep on repeating myself. I have talked about the necessity of doing these big engineering projects over what is usually the less busy period, as opposed

to creating the scale of disruption that would occur if they were done in the normal working week or at other times of the year. We will need to look at this; some of the suggestions from my right hon. Friend the Member for Saffron Walden (Sir Alan Haselhurst) made that clear. On communications, I wholly agree with the hon. Gentleman: the communications were not up to scratch in any way, shape or form, and the whole industry has got to try to address that.

Alison Seabeck (Plymouth, Moor View) (Lab): The south-west was cut off from the UK last winter and Network Rail performed miracles in getting that line back up and running. I therefore find it extraordinary that reasons such as the weather have been used to excuse the chaos and incompetence of this debacle, particularly out of King's Cross. Why did the Secretary of State feel that it was not necessary for Ministers to ask for a basic reassurance that an overrun on any of

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the big programmes could be managed? Why were contingency plans not in place, and why was the rail regulator warning not adhered to?

Mr McLoughlin: The hon. Lady is absolutely right about Network Rail re-establishing the Dawlish link last winter. I would say that that also came after some very bad weather, which created the problem, and some of the work on that coastal line is still ongoing, 12 months later. On the work that was taking place over this Christmas period, there were 2,000 locations nationwide and the vast majority of work was done on time and to the accepted standards. Two locations had particular problems, and we need to learn the lessons from them and make sure they do not happen again.

Sir John Randall (Uxbridge and South Ruislip) (Con): I am grateful to my right hon. Friend for his remarks, and I agree with my right hon. Friends the Members for Chelmsford (Mr Burns) and for Saffron Walden (Sir Alan Haselhurst). One of the problems is that these works are not necessarily one-offs, and they are recognised only when they go wrong and not when they go well. My constituents in West Drayton will be pleased to know that they can get some compensation, but can the Secretary of State think of any way, perhaps from his previous incarnation, in which some incentivisation for Network Rail, whether by carrots or possibly sticks, might be useful?

Mr McLoughlin: I am not sure that thinking about a previous incarnation would serve me very effectively in my job as Secretary of State for Transport. I would point out to my right hon. Friend that the carrots are there, and that the Office of Rail Regulation might well be providing the sticks. It is right to record our recognition of the tremendous work that was done by many engineers across this period. As the hon. Member for Plymouth, Moor View (Alison Seabeck) has just said, last Easter most Members were praising Network Rail for the fantastic job it had done in restoring the Dawlish link.

Caroline Lucas (Brighton, Pavilion) (Green): Does the Secretary of State accept that an underlying problem is the fragmentation of the railways, with no single guiding mind responsible for providing an integrated railway system? Will he look again at my Railways Bill, which precisely would create a coherent railway system and bring it back into public ownership? This is not about nostalgia. We have only to look at the success of the east coast main line. When East Coast was in public ownership, it delivered far greater public satisfaction than any of the other lines.

Mr McLoughlin: No.

Stephen Hammond (Wimbledon) (Con): I join my right hon. Friend in congratulating Network Rail staff on the extraordinary maintenance programme and welcome his swift action in calling Network Rail to account. Will he assure the House that when Network Rail reports to him it will, first, ensure that the systemic failure at King's Cross is not repeated and does not become endemic across the industry; and, secondly, that, as more services become operational, punctuality is improved?

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Mr McLoughlin: Network Rail will publish the report that has been ordered by the chief executive by the end of this week, in time for the appearance of the chief executive and Robin Gisby before the Transport Select Committee. My hon. Friend is absolutely right about the importance to commuters of the railway's reliability.

Clive Efford (Eltham) (Lab): The Secretary of State should have had a warning about these problems from Network Rail's performance in the run-up to Christmas. If he had been travelling on Southeastern Trains, he would have suffered a great deal of disruption on several days during that period. If he had been on top of his game, he would have asked Network Rail about its capacity to manage the engineering schemes, but he failed to do so. What sanctions will he put in place so that the management of Network Rail can be held to account for their failures over the Christmas period?

Mr McLoughlin: I will go back to the Department and try to find the letter that the hon. Gentleman sent me warning me that the possibility of delays was so obvious. I think he is speaking with the benefit of hindsight, rather than having warned us about the delays beforehand. I travel on many different parts of the rail network, and I see the huge amount of work that is being carried out on it.

Crispin Blunt (Reigate) (Con): The Southern commuters I represent in Redhill faced a total suspension of services into London Bridge between 20 December and 4 January. They now face three years of reduced service and today, the first day back, the service collapsed, apparently because of signal problems. At a public meeting with me, Southern undertook to explore how it could reduce the cost of season tickets for those long-suffering commuters over this period, but it is now hiding behind its relationship with the Department for Transport. Will the Secretary of State and the rail Minister work with me and Southern to find a way of ensuring that my commuters pay a fair price for a much reduced service?

Mr McLoughlin: London Bridge is going through one of the biggest transformations that any station is likely to go through. It has some 220,000 daily users, and this work cannot be undertaken without causing some disruption. Those of us who were using St Pancras station when it was experiencing disruption for many years will know that, at the end of the day, we ended up with a far better station. I accept my hon. Friend's point about the in-between periods. The rail Minister and I will be more than happy to meet him and to talk through this programme, which is, as he says, going to go on for three years.

Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab): At what point was the Secretary of State aware of the contingency plan that Network Rail had put in place to funnel passengers to a clearly inadequate solution through Finsbury Park? Why were solutions such

as using the Hertford loop or allowing commuters from north Yorkshire, Teesside and the north-east to use their tickets to go through St Pancras to Sheffield and Leeds, so that they could connect with Transpennine and other services, not examined?

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Mr McLoughlin: The hon. Gentleman makes a valid point. I was told of the difficulties on the Saturday afternoon. I spoke to Mark Carne then or at least on the Saturday evening—I would have to check that exactly, as I had several conversations with him over the Christmas holiday period. The hon. Gentleman's point about re-routing on the Midland main line was interesting and I do want to check how the contingency arrangements were worked out, as I do not think they were worked out satisfactorily.

Martin Vickers (Cleethorpes) (Con): As my right hon. Friend has said, the situation was inadequate and unacceptable. Does he agree that when such situations occur passengers want information quickly, but that an inadequate number of staff were available? Does he also agree, however, that rather than jump to conclusions, as the shadow Minister has, the best way forward is to await the various reports? Will my right hon. Friend assure us that he will act on their recommendations?

Mr McLoughlin: Indeed. I am grateful to my hon. Friend. I will not just get that report—he serves on the Transport Committee, along with the hon. Member for Liverpool, Riverside (Mrs Ellman), and I am sure it will also issue a report, which I will look at with great interest. The point just made by the hon. Member for Middlesbrough South and East Cleveland (Tom Blenkinsop) about communications in respect of alternative uses and other lines is valid.

Ms Diane Abbott (Hackney North and Stoke Newington) (Lab): Is the Secretary of State aware that, specifically in relation to what happened at King's Cross, the travelling public will not be impressed with his bland assertion that "some aspects" of the work were delayed? Does he know which aspects were delayed? Is he able to share that with the House? Does he accept that the travelling public, including those poor people caught up at Finsbury Park, feel that so long as Network Rail can get away with just saying, "Aspects of the work were delayed", these delays will continue to happen?

Mr McLoughlin: I referred at the start of my statement to the seven points being changed at King's Cross and the amount of work that was being done. The work over the Christmas period amounted to a £200 million investment—by far the biggest investment in the railways over the Christmas period for many years.

Mr Philip Hollobone (Kettering) (Con): Does my right hon. Friend agree that those Labour Members who are hostile to a privatised railway and yearn for a return to public sector railways need to be reminded that Network Rail is a public sector operator? Given that it is in the public sector, will he urgently review its governance structure, because the absurd sub-board of 30 to 50 supposedly independent members seems to be inadequately scrutinising the board of directors and the chief executive?

Mr McLoughlin: My hon. Friend makes interesting points that are worthy of a longer debate rather than just a very short answer. The truth is that Network Rail was reclassified last September when it came on to the public books. What I felt then was the most important thing, and still do, is that the work being done as a

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result of the huge investment that is going in to make the railway both safer and a better system should go on with minimal disruption. The executive board he mentions is not of the size he suggests, and it is a way of trying to involve the general public as well. But the points he makes concern issues I will certainly look at.

Ian Lucas (Wrexham) (Lab): We have heard much rhetoric from the Secretary of State about additional investment in the railways. In December, did not his Department, under his direction, cancel the investment in phases 1 and 2 of modular signalling improvements in north Wales? Will he confirm that he has authorised that?

Mr McLoughlin: What I will confirm is that we are investing some £38 billion in the railways, which is more than any previous Government have invested. In 13 years, Labour electrified 10 miles of track. We will be electrifying more than 800 miles, which is a record of which this Government are incredibly proud. [Official Report, 7 January 2015, Vol. 590, c. 1-2MC.]

Alec Shelbrooke (Elmet and Rothwell) (Con): Under nationalisation, the railways suffered from decades of neglect and under-investment. I pay tribute to Network Rail for the work it is doing to sort out that problem, particularly as my constituents of Elmet and Rothwell regularly use the east coast main line. Does my right hon. Friend find it incredible that many Opposition Members feel that the answer is to nationalise the railways and go back to the bad old days?

Mr McLoughlin: I am grateful to my hon. Friend for that question. As I have said, we have seen a tremendous increase in the importance of the railways. I do not want to bore the House, but I will repeat the figures that I have already mentioned. Under British Rail, 750 million journeys were made every year. Last year, the figure was 1.6 billion. Growth year on year is the result of the way in which the franchises are selling tickets and promoting the railways.

Barry Gardiner (Brent North) (Lab): The Secretary of State quite properly said that the network failure was unacceptable, and he quite properly said that Network Rail would be held to account. But he did not say how it would be held to account. Will he please advise the House what he is doing to hold it to account, and what penalties it will pay?

Mr McLoughlin: I have mentioned two reports that are under way. One will be given to the chief executive of Network Rail by the end of the week. It will be made public in time for his appearance before the Select Committee. The Office of Rail Regulation is rightly investigating what happened at King's Cross and Paddington. When I have those reports, I will consider what further action to take.

Sir Tony Baldry (Banbury) (Con): Is it not worth noting that some railway companies such as Chiltern Railways were able to run a service on Boxing day? Indeed, as a consequence of privatisation and investment by Chiltern Railways, running times between Banbury and London have been halved and we are now seeing more passengers being carried faster on certain railway lines than at any time in the history of the railways.

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Mr McLoughlin: Indeed, and my right hon. Friend is absolutely right about the improvement in services in his area. We are hearing further calls for even greater improvements,

particularly in capacity, as more people are using the railways. But I agree with him about what Chiltern Railways has done for his constituency and for the constituencies along that line.

Andrew Gwynne (Denton and Reddish) (Lab): What lessons has the Secretary of State learned from this sorry episode over the Christmas period? Does he recognise that the frustration comes not just from cancellations and long delays but from the complexity of the compensation system, with different train companies applying different terms and conditions? There are also times when people end up on a rail replacement bus having paid top fares for a rail journey.

Mr McLoughlin: The hon. Gentleman asks a number of questions. I will try to answer them all. The new franchises I am issuing have changed the way in which compensation is awarded, and they are a great improvement on those awarded by the previous Government. He also asked me about bus replacement services. If he wants us to carry out improvements on the network, alternatives have to be made available. I accept that our changes and improvements are an issue, but we are investing a record £38.5 billion in the railways between 2014 and 2019. [Official Report, 7 January 2015, Vol. 590, c. 2MC.]

Mr Bernard Jenkin (Harwich and North Essex) (Con): Would my right hon. Friend care to speculate on whether the report will be able to shed light on who was warning that the risks of this engineering programme were uncontrollable and likely to spill over into the commuting timetable? Is it not important that Network Rail improves its risk management and learns how to talk about risk more openly and publicly, rather than the report's simply allocating blame and punishment, which would not be a constructive way forward?

Mr McLoughlin: My hon. Friend is right that we need to learn the lessons from any such incident. I am not aware of receiving any letters from the shadow Secretary of State before the incident saying that we were trying to do too much. In fact, I am not sure that I had any representations from any Members saying that we were trying to do too much and were too adventurous. My hon. Friend is right that we must learn the lessons and ensure that we do not have similar incidents in the future.

Mark Reckless (Rochester and Strood) (UKIP): Why does the Secretary of State pretend he is in charge when the reality is that the Network Rail board reports to its members—the 46 public members identified by the hon. Member for Kettering (Mr Hollobone)—and a similar number of industry vested interests? Does the Secretary of State not understand that the board was set up in such a way by the previous Government only to try to get borrowing off the books? Now that that has failed, why does he not deal with this preposterous management structure?

Mr McLoughlin: As I said earlier, the simple fact is that Network Rail is challenged at the moment with the biggest investment in the railways since the Victorian era. Indeed, in the hon. Gentleman's own constituency

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a brand-new station is being built by Network Rail. Perhaps he wants it cancelled; I will take that as a representation.

Alistair Burt (North East Bedfordshire) (Con): My constituents coming from Biggleswade, Sandy and Arlesey into King's Cross were of course inconvenienced and annoyed by what happened, but they are sensible enough to appreciate that the improvements being done were for their benefit and for the benefit of the line, as they have seen over the past few years. May they also add their sensible voices to those expressing concern about any possible sanction impacting on investment in further improvements rather than on those who made the decisions in the first place?

Mr McLoughlin: I agree with my right hon. Friend. It is vital that we do nothing to put back the very ambitious programme for improvements to our railways that will, in the long term, benefit all our constituents.

Kevin Brennan (Cardiff West) (Lab): The Secretary of State seems to want to blame the shadow Secretary of State and other Members of the House for not warning him that this was about to happen. When he said sorry in his original reply, was he taking responsibility personally as Secretary of State for Transport for the chaos that occurred or was he simply apologising on somebody else's behalf?

Mr McLoughlin: I was saying as Secretary of State for Transport that I was very sorry for any inconvenience to passengers. Along with the chief executive of Network Rail, I have put in place measures to ensure that we learn from what went wrong in these incidents, which were clearly unacceptable. The point I would make to the hon. Gentleman is that when I made these points in the last Transport questions and in giving evidence to the Select Committee just before Christmas, nobody said that we were being over-ambitious.

Oliver Colville (Plymouth, Sutton and Devonport) (Con): I thank my right hon. Friend for the clear announcement he has made today and add my thanks for the work done by Network Rail in Dawlish. Will he confirm that improvements to signalling down to my Plymouth, Sutton and Devonport constituency will deliver a more sustainable railway line that will get trains there much more quickly—in three hours—and that trains will arrive in Plymouth before 9 o'clock in the morning?

Mr McLoughlin: I congratulate my hon. Friend on the valiant campaign he has led to ensure that he gets faster train services to his constituency, pointing out how important they are for his city. I hope to be able to improve on his campaign so that he gets the services that are wanted for the constituency.

Diana Johnson (Kingston upon Hull North) (Lab): After the Christmas shambles, I was pleased to see that the chief executive of Network Rail voluntarily said that he would not take his bonus of £34,000. Has the Secretary of State considered introducing performance-related pay for rail bosses, in the same way as his Government advocate it for teachers?

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Mr McLoughlin: I do not think I will take too many lessons from the Labour party about bonuses. In 2009-10, the bonuses paid to Network Rail were £2.3 billion; this year, it was going to be £260,000. I think there should be carrots and sticks, and, if the criteria set are met, a bonus is a way of rewarding the people directly involved in providing services. [Official Report, 7 January 2015, Vol. 590, c. 2-4MC.]

Bob Blackman (Harrow East) (Con): The football fixtures were published in July last year, with a full programme of matches scheduled for Boxing day. There were no national rail services that day—clearly that decision was taken at some stage during the year. What is inexcusable is the complete lack of communication to football fans across the country about what alternative arrangements should have been made. What can my right hon. Friend offer the inconvenienced football fans who were desperately seeking an alternative way to travel on Boxing day?

Mr McLoughlin: One of the things I am not responsible for—I do not think any member of the Government is—is the fixture list of football clubs. Perhaps they need to answer the question why some of the fixtures are so far apart in the country at a time when, as has been the case for many a year, there is no rail operation because of engineering work on the lines. My hon. Friend makes an interesting point about what should change in the considerations. I do not think football fixtures will be at the top of the priorities, but obviously we should take an interest.

Nic Dakin (Scunthorpe) (Lab): My constituents have been contacting me, concerned about the squeeze on their living standards from a 20% increase in rail fares since 2010. How can the Secretary of State make sure that there is no repeat of the chaos and that rail passengers get the service that they are more than paying for?

Mr McLoughlin: I do not know if that is a spending commitment that will be matched by those on the Opposition Front Bench. It is no good complaining about the level of investment taking place and then saying that somehow there is a bigger pot of money available to subsidise or support the rail industry. That is just not practicable.

Jeremy Lefroy (Stafford) (Con): I pay tribute to the Network Rail workers and contractors who performed such excellent work on the major renovation at Norton Bridge in Staffordshire, with the new flyover of the west coast main line, but will my right hon. Friend consider what more can be done to help travellers to complete disrupted rail journeys? Often, they find themselves in difficult places at 10 o'clock at night and cannot make the last leg of their journey. I believe that Network Rail has a responsibility in such circumstances. I had to go to Derby to pick up relatives and bring them back to Staffordshire, and as much as I love Derbyshire, I prefer to be in Staffordshire for Christmas.

Mr McLoughlin: I am pleased to hear that my hon. Friend loves Derbyshire. That may be a feeling the hon. Member for Bolsover (Mr Skinner) and I share with him. I would point out that, as he rightly says, the major bottleneck at Stafford and Norton Bridge has now been unblocked, enabling faster, more frequent and reliable

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services for passengers. Engineers carried out essential bridge and track work at Norton Bridge and renewed the signals and overhead wires at Stafford, forming a key part of an overall project costing some £250 million. Although my hon. Friend did suffer some inconvenience, I hope the benefits of the overall project will be longer lasting.

Jim Fitzpatrick (Poplar and Limehouse) (Lab): The Secretary of State is a man of integrity. He has apologised and he has accepted that both the contingency arrangements and communications were not adequate. Has he had a chance to assess whether the vast amount of

work that Network Rail undertook to do at King's Cross was in fact too much within the time available?

Mr McLoughlin: That is one of the questions I want the report to address. The hon. Gentleman is a member of the Transport Committee and I will be interested to see its report, knowing that Mark Carne and Robin Gisby will be giving evidence to the Committee next week.

Charlie Elphicke (Dover) (Con): Does the Secretary of State agree that this issue is not simply about late-running engineering works and engineering blockades but important infrastructure such as Dover Priory railway station car park, which is even more late-running than the engineering works we have seen? Does that not underline the need to look at the wider structure of Network Rail, the incentives for efficiency and excellence, and the delivery of projects on time?

Mr McLoughlin: As I said, the whole upgrading of the rail network cannot be done without disruption in certain areas, meaning that at certain stages closures have to take place. It would not otherwise be possible safely to do the work that has been required. My hon. Friend's wider point is a valid one that we will want to address following the experiences we had.

Kerry McCarthy (Bristol East) (Lab): First Great Western has assured me that it tried its utmost to keep passengers informed about what was going on at Paddington on 27 December, but one of the problems was that Network Rail seemed unable to give it any clear estimates of when the work would be completed, and there were lots of false assurances. How can the Secretary of State ensure that this will not happen again? It has been pointed out to me that it happened last year, in similar circumstances, and the year before as well. Can we be sure that it will not happen next year too?

Mr McLoughlin: I agree that a lot more can and should be done about communicating what is going on in the rail system, whether by Network Rail or individual train operating companies. When I meet the Rail Delivery Group and the management of Network Rail, I will stress that the whole industry has to address that in future.

House of Commons

Tuesday 6 January 2015

The House met at half-past Eleven o'clock

PRAYERS

[Mr Speaker in the Chair]

Oral Answers to Questions

DEPUTY PRIME MINISTER

The Deputy Prime Minister was asked—

Devolution of Power (Cities)

1. Mr David Ward (Bradford East) (LD): What steps he is taking to devolve power to Bradford and other cities and large metropolitan areas. [906783]

The Deputy Prime Minister (Mr Nick Clegg): The Government have agreed a city deal and growth deal with the Leeds city region, of which Bradford is, of course, a part. The result is new transport, housing and regeneration schemes, such as the One City park, which will directly benefit Bradford. The city deal has already ensured more than 600 new apprenticeships, and 69% of 16 and 17-year-olds involved in the devolved youth contract pilot have been supported into education, employment or training. We are also in active negotiations on a devolution deal to give the area more control over key policy levers, and we hope to make an announcement shortly.

Mr Ward: First, I wish the Deputy Prime Minister a very happy new year. I very much welcome his comments, but can we avoid having to have a metro mayor in the Yorkshire region? Will he reaffirm his belief that the greater devolution, which is very welcome, should not be at the cost of local people deciding the governance arrangements for the Yorkshire region?

The Deputy Prime Minister: I wish my hon. Friend, and Members on both sides of the House a happy new year. On the governance arrangements, clearly we need improved, strengthened governance when we give an area more power. As he rightly suggested, however, this should be a bottom-up process; there should not be a one-size-fits-all blueprint imposed from above. So it is not the Government's policy to say that every area that has a new devolution deal has to subscribe to a particular form of new governance, be it metro mayor or otherwise. That needs to be driven by each local area, and I suspect that they will arrive at different proposals, according to their needs.

Mr Gerry Sutcliffe (Bradford South) (Lab): Twenty-odd years ago, before I came to the House, I was the leader of Bradford city council. At that time, there was great budgetary flexibility and councillors had flexibility as to how they spent the money. That flexibility has now gone. Should we not be looking at merging some of these councils in order to cut the bureaucracy? We

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should keep the accountability but seek to merge some of the bureaucracy to improve the conditions for West Yorkshire.

The Deputy Prime Minister: I certainly agree with the hon. Gentleman that the more different local authorities can do things together to protect and improve front-line public services, the better. I do not entirely agree with his characterisation of the freedoms that local areas now have to use the moneys available to them. We have actually removed a lot of the ring fences that used to mean that Whitehall micro-managed the way money was spent locally, and we have also provided new borrowing powers. For example, tax increment financing is a major new financial innovation that local authorities can deploy.

Mark Pritchard (The Wrekin) (Con): I, too, wish the Deputy Prime Minister a happy new year. As he will know, Telford & Wrekin council represents a semi-rural area, yet a back-door deal is currently being done with Wolverhampton city council, which covers an urban area.

Does he agree that there should be a full consultation with the people of Telford & Wrekin before any such merger? I represent a semi-rural borough, not an urban area.

The Deputy Prime Minister: As we have discussed on numerous occasions, the devolution process is not just an urban phenomenon. We need to make sure that power flows from Whitehall to all parts of the country, be they suburban, urban or rural. It is for each area to decide, when entering a new growth deal, how much they do so not just for cities or city centres, but for the outlying areas. Again, that is left to local discretion.

Lisa Nandy (Wigan) (Lab): It is great to hear that the Deputy Prime Minister wants a bottom-up process for Bradford, but I wonder why he did not extend the same courtesy to the people of Greater Manchester. We now have an imposed mayor, appointed for several years before anyone gets a say at all. Will the Deputy Prime Minister give me a cast-iron guarantee that this imposed, appointed mayor will last no longer than 2017, which was the date mooted when this cosy backroom deal was announced? How long must my constituents be denied a voice?

The Deputy Prime Minister: I suggest that the hon. Lady speak to the leaders of all the councils in the area, including all the Labour leaders, as my understanding is that they advocated this—

Lisa Nandy: What about the people?

The Deputy Prime Minister: Well, it is not my problem if local Labour council leaders have not consulted people locally—they made this decision. As she will know, shortly afterwards, on the other side of the Pennines, we entered into a very ambitious deal devolving new powers to Sheffield, without following the metro mayor model entered into by council leaders in her area.

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9. 2. 2015 Prime Minister p. 75

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:39): My question is to the Prime Minister. Given that nearly half of his parliamentary colleagues, including two-thirds of his Liberal backbenchers, have today expressed a lack of confidence in the Prime Minister, how can the Prime Minister claim to have a mandate from this country?

Mr ABBOTT (Warringah—Prime Minister) (14:39): I can understand why the Leader of the Opposition does not want to remember the election. That would be something he would rather forget. This Prime Minister and this government did win an election and that is the mandate that we are carrying out.

Economy p. 76

Mr SUKKAR (Deakin) (14:40): My question is to the Prime Minister. Will the Prime Minister inform the House how the government will strengthen the Australian economy in 2015?

Opposition members interjecting—

The SPEAKER: There will be silence on my left—and that includes the member for Griffith.

Mr ABBOTT (Warringah—Prime Minister) (14:40): I very much thank the member for Deakin for his question. I accept that there are economic headwinds overseas, but the Australian economy is stronger today than it was 18 months ago.

Mr Perrett interjecting—

The SPEAKER: The member for Moreton has begun again. He will desist.

Mr ABBOTT: Our economy is stronger today than it was 18 months ago, and I am particularly pleased to say that the jobs market has strengthened. Our economy today is growing at an annual rate of 2.7 per cent, and this time last year, under the stewardship of members opposite, it had been growing at only 1.9 per cent.

Ms Butler interjecting—

The SPEAKER: The member for Griffith will remove herself under 94(a).

Mr ABBOTT: Over the last year, over calendar 2014, more than 200,000 jobs were created, and that is something that every member on this side of the House is pleased to see. The rate of jobs growth in 2014, under this government, was three times what it was under members opposite in 2013. Exports are growing strongly, with volumes up by over eight per cent over the past year. Building approvals are at near record levels and over 10 per cent higher than a year ago. The registration of new companies is at the highest levels on record. This is what happens when you have a government that is open for business and is always looking for ways to say yes to new proposals to invest, employ, create and deliver prosperity for the Australian people.

I was delighted to be with the member for Deakin, just last week, to visit Timbermate, a business in his electorate—a great Melbourne business that is benefiting from lower electricity prices after the removal of the carbon tax. It is also a business that will benefit from the free trade agreements which will reduce tariffs of up to nine per cent on its products in China and elsewhere. This is a government which is not resting on its laurels or defending the past—it is a government which is looking to the future. Shortly there will be a new small business and jobs package, there will be a tax cut for small business, there will be a new package for families focusing on child care. This is a government which is getting on with what the people of Australia elected us to do.

Budget p. 77

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:43): My question is to the Prime Minister. Is the Prime Minister planning to abandon any of his budget measures? Or is he just planning to abandon his Treasurer, as he did at the press conference today?

Mr ABBOTT (Warringah—Prime Minister) (14:43): I stand by my Treasurer. I stand by my Treasurer and I stand by my team. This is a government which is delivering the kind of fiscal responsibility which the electorate put us in to deliver. Thanks to the stewardship of the Treasurer and the Minister for Finance we are having real expenditure growth of less than one per cent compared to 3.6 per cent under members opposite. Is it any wonder that members opposite were never able to deliver a surplus—a surplus they promised time and time again. They did not just promise it; they said they had delivered it. The kind of fiscal responsibility and frugality that the Australian people need is being delivered by this government and this Treasurer.

New Colombo Plan p.77

Ms SCOTT (Lindsay) (14:44): My question is to the Minister for Foreign Affairs—and it was a wonderful pleasure to have the minister in my electorate on Thursday. Will the minister update the House on how—

Opposition members interjecting—

The SPEAKER: I think the honourable member had best begin her question again, and we will have some silence so we can hear it.

Ms SCOTT: My question is to the Minister for Foreign Affairs. Will the minister please update the House on how the government's New Colombo Plan is helping young Australians to live, study and work in the Indo-Pacific region?

Ms JULIE BISHOP (Curtin—Minister for Foreign Affairs) (14:45): I thank the member for Lindsay for her question. The New Colombo Plan is one of the government's signature foreign policy initiatives, and we are rolling it out across the Indian Ocean-Asia-Pacific region. We are now partnering with 38 nations in our region to provide young Australian undergraduates with the opportunity to study and live and work at locations in our region. I do not think members of the House should underestimate the impact that this signature policy is having in the region. Members will recall that President Xi Jinping referred to the New Colombo Plan and how China was ready to partner with Australia during his address to the joint sitting of the parliament last year. Indeed, Prime Minister Abe has also raised the New Colombo Plan as a great example of the strengthening and deepening of the relationship

between Australia and Japan. I have attended regional forums of ASEAN where the New Colombo Plan has been raised as a great example of the connectivity that is required in our region, building government-to-government links, people to people, university to university, business to business.

We have now announced this year's 69 12-month scholarships for students to study in the region and 3,150 mobility grants up to a semester long. So we have now announced that, in total, 4,600 students will have the opportunity to live, study and work under the New Colombo Plan in our region. Last Thursday, the member for Lindsay and I attended a number of events in her electorate, including at the University of Western Sydney. The university has received grants and scholarships for 188 students from that university to study in one of the 38 partner countries in our region. Six 12-month scholarships have been awarded and the rest in mobility and semester-long grants.

One student, a young lady by the name of Jasmin Hammond, has come back from her New Colombo Plan experience from last year. She is the first Indigenous Australian to receive a scholarship under the New Colombo Plan. While she was studying at the Hong Kong University of Science and Technology—she was studying chemistry and physics, and her period there will be counted towards her degree in Australia—she decided that she wanted to study medicine. The experience in Hong Kong was such that she decided to transform her life and to try and get into medicine, and she has been accepted by the University of Western Sydney into medicine. She grew up back of Bourke, in a country town of about 1,500 people. She is now going to study medicine at the University of Western Sydney, because she wants to give back to her local community. This is the kind of transformational experience that young students are receiving under the New Colombo Plan. We are investing in our future. We invest our young people.

Abbott Government p. 78

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:48): My question is to the Prime Minister. I refer to the Liberal member for Brisbane's perceptive comments yesterday:

We cannot govern ourselves in an internal climate of fear and intimidation. And that is the unacceptable situation we have endured for the past five years.

Does the Prime Minister agree with the member for Brisbane?

Mr ABBOTT (Warringah—Prime Minister) (14:49): I certainly agree that it is time to get on with government. It is time to get on with government. That is exactly what we are doing, with a new families package that will focus on child care, with a jobs and small business package that will focus on a tax cut for small business. That builds on the work that this government has already done to repeal the carbon tax, a \$550-a-year benefit for every household; to repeal the mining tax; to restore Australia's reputation as a place to invest; and three free trade agreements that are setting up the future. So this is a government which is getting on with what is right for the people of Australia. We have a plan to improve our economy. All members opposite have is one long, loud complaint—no answers, just a complaint.

Higher Education

Ms McGOWAN (Indi) (14:50): My question is to the Minister for Education. Minister, your amended higher education bill includes a minimalist structural adjustment fund. Can you please give details of how the fund will be allocated, how its impact will be measured and the expected outcomes, and will you give an assurance to the House that regional students, families, businesses and employees will not be disadvantaged by this legislation?

Mr PYNE (Sturt—Leader of the House and Minister for Education and Training) (14:51): I can certainly give that assurance to the member for Indi. I can certainly give her that assurance that rural and regional businesses, parents, students and families will not be disadvantaged, because in fact one of the main purposes of the government's higher education reform bill is to support disadvantaged students and disadvantaged communities, and we are doing that in a number of ways. One of those the member has mentioned—the structural adjustment fund. I know that recently she conducted an educational forum in the La Trobe campus at Wodonga, and many of the people who presented and asked questions at that forum talked about the transformative impact of the government's higher education reform bill, particularly John Dewar, the vice-chancellor of La Trobe University, who talked about the massive expansion of the pathways programs, the pathways places, that would hugely advantage rural and regional Australia and give young people, who often use those programs to get into undergraduate degrees, an enormous boost. Typically, pathways programs are used by first-in-family university goers and people from rural and regional backgrounds or urban disadvantaged students. Through that expansion of the pathways programs, which will not happen without the reforms, we are supporting rural and regional Australia.

The member also mentioned the structural adjustment fund. As part of the new reform bill, picking up the concerns and interests of the crossbench in the Senate, and also my own colleagues here on the coalition side, and the crossbench in the House of Representatives, we have introduced a \$100 million over three years structural adjustment fund. That is to support those universities that are in areas where there is limited capacity to expand their revenue base and they are probably not doing the expensive research that would allow them to take full advantage of the government's reform agenda. Through the structural adjustment fund, we will be able to support those universities—typically ones like Charles Sturt University, Southern Cross, the Regional Universities Network campuses. The Regional Universities Network, which represents almost all of the regional universities in Australia, said:

... RUN considers that the only way the sector can maintain quality and remain internationally competitive is through the deregulation of student fees ...

The RUN universities, like all universities across Australia, recognise that the government's reform agenda in higher education is transformative and it is vital for disadvantaged students in particular to make our system the best university system in the world, with some of the best universities in the world.

Budget

Mr HOWARTH (Petrie) (14:54): My question is to the Treasurer. Will the Treasurer please update the House on the green shoots in the Australian economy over recent months? How will the government's policies help build a stronger, more prosperous economy with stronger growth and with more jobs?

Mr HOCKEY (North Sydney—The Treasurer) (14:54): That is a great question because it addresses the issues at the heart of the nation's thinking, and that is: how do we create more jobs and greater prosperity for everyday Australians? Despite inheriting a bit of a mess from the Labor Party, we have got on with the job of fixing the economy and fixing the budget. The challenge at the moment with the budget is that the government every day is spending \$100 million more than it receives. So we are spending \$100 million a day more than we collect in taxation revenue. As anyone involved in business knows—

Mr Champion interjecting—

The SPEAKER: The member for Wakefield!

Mr HOCKEY: and I note that the honourable member for Petrie was involved in small business—you cannot continue to write out cheques for more money than you collect. Every single day when we have to write out a cheque for \$100 million more than we collect, in day-to-day expenditure on health and education and welfare and all the other things government do, we have to make a borrowing of \$100 million to make the difference, and at the moment we are spending \$40 million a day on interest repayments on the debt that was left by Labor and the debt we continue to accrue. Despite all of that, over the last 12 months we have seen job growth in Australia grow at three times the amount of jobs each day that occurred under Labor. In fact, under us last year, 600 new jobs were created every day—

Mr Champion interjecting—

The SPEAKER: The member for Wakefield, one more time and you are out!

Mr HOCKEY: compared to 200 jobs a day under Labor. There are good green shoots before us. Job advertisement levels, as measured by the ANZ, are, as of today, at the highest level in over two years. Job ads are growing at 13.6 per cent over the year. That means more jobs for everyday Australians. Importantly, the Dun and Bradstreet Business Expectations Survey, which was released last week, identified that the outlook on employment is the most positive it has been in over a decade. So job ads—opportunities for jobs and growth—coming out at the moment, from Dun and Bradstreet, from ANZ and from a range of other surveys, indicate that the economy is strengthening. Despite all of that, the Labor Party unfortunately continues to oppose everything we do to try and create more jobs and greater prosperity for the Australian people. I would say to the Australian Labor Party: the best thing that the Labor Party can do for jobs is get out of the way.

Minister for Communications

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:57): My question is to the Minister for Communications. Minister, why are you still on the front bench?

The SPEAKER: That question is not in order.

Mr Burke: Madam Speaker, I rise on a point of order. Under Practice, a minister can be questioned on matters for which he or she is responsible or officially connected. If he is not responsible for his own role on the front bench, what is the point of question time at all?

The SPEAKER: There is no point of order.

Broadband

Mr COLEMAN (Banks) (14:58): My question is to the Minister for Communications. Will the minister update the House—

Mr Burke: Madam Speaker, I rise on a point of order. The Minister for Communications is asking for the opportunity to answer the question. He is indicating—

The SPEAKER: There is no point of order. The member will resume his seat. The member for Banks has the call.

Mr COLEMAN: My question is to the Minister for Communications. Will the minister update the House on how NBN Co's revised agreements with Optus and Telstra will assist in rolling out high-speed broadband to all Australians sooner, at less cost to taxpayers and more affordably for consumers?

Mr TURNBULL (Wentworth—Minister for Communications) (14:59): I want to thank the member for Banks for his question. When the Labor government established the NBN project, it entered into a most remarkably uncommercial set of agreements with Telstra and Optus whereby NBN Co and the Australian government would pay tens of billions of dollars to Telstra and Optus to switch off their copper networks, their cable TV networks and their hybrid fibre coax networks so that the NBN could overbuild it with fibre to the premises.

What was remarkable was that Senator Conroy and Prime Minister Gillard did not bother to reserve the right to use any part of that infrastructure they were paying Telstra and Optus to decommission. They paid them entirely for it—complete value—but had no right to use any part of it. What we have managed to do, and concluded at the end of last year—

Mr Champion interjecting—

The SPEAKER: The member for Wakefield will remove himself under 94(a).

The member for Wakefield then left the chamber .

Mr TURNBULL: was to agree with Telstra and Optus, for no additional payment—and I stress this: for no additional payment—to be able to use those copper and hybrid fibre coax networks to enable us to complete the project much sooner, much cheaper and much more affordably.

Now, turning to the member for Banks's electorate: 77 per cent of the premises in his electorate are passed with cable TV networks—the HFC networks. They would all have been switched off by the Labor Party, decommissioned and turned into junk. They can now be used to deliver—as they do today—100 megabit per second speeds and, with very straightforward modifications which are being deployed all over the world, to go right up to one gigabit per second speeds without having to roll out new cable infrastructure. You might think that is common sense but, of course, it was a penetrating glimpse of the obvious that was denied to the Labor Party—the most uncommercial deal.

Senator Conroy at one point said, 'Who would buy Telstra's copper?' Well, of course, we have not bought it; we have negotiated to acquire it for no extra cost. He said, 'Come on down! Alan Bond, Kerry Packer would be laughing all the way to the bank!—

Mr Clare: Speaker, I rise on a point of order, on relevance. The minister is only being about 39 per cent relevant and he needs to be 100 per cent relevant here—

The SPEAKER: The member will resume his seat! There is no point of order.

Mr TURNBULL: The shadow minister, like his leader, gets these zingers. They come in here with a zinger. It is like a bit of chewing tobacco. They roll it up against the top of their mouths, they roll it around their cheeks, their pupils dilate, there is a straining expression reminiscent to anyone who has had experience with young children and then—boom!—out it comes! A literary Exocet aimed at the heart of your victim! How can I take the pressure from the shadow minister? He is almost as deadly as his master!

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Abbott Government

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:00): My question is to the Prime Minister. The Prime Minister has promised 'good government starts today'. If good government starts today, what on earth has the Prime Minister been doing for the past 521 days?

Opposition members interjecting—

The SPEAKER: We will have some silence. The question has been asked and we will now listen to the answer.

Mr Husic interjecting—

The SPEAKER: And that includes the member for Chifley.

Mr ABBOTT (Warringah—Prime Minister) (14:01): Good government in this country stopped at the end of 2007. It started again in September 2013. It might have had a bit of a holiday last week, but it started again yesterday. That is exactly what has happened. I tell you what a good government does: it does not waste billions, it does not put lives at risk—

Mr Husic interjecting—

The SPEAKER: The member for Chifley will desist!

Mr ABBOTT: and it does not jeopardise key relationships with our important neighbours. The only problem this good government has had is in the Senate where the former members of a bad government are sabotaging the solutions to the problems that they created. That is what is happening.

This government said it would scrap the carbon tax. The carbon tax is gone—\$550 a year in the pockets of the average household. This government said it would stop the boats. The boats have stopped. As a result, hundreds of people are no longer dying at sea. This government said it would build the roads, and they are building. This government said it would repair the budget. Already, \$16 billion worth of budget repair has passed the Senate. This is a good government. Look over the aisle, Madam Speaker, and you see the former members of the worst government in Australia's history. They have learnt nothing and they cannot change. That is their problem and that is why they will never be back on this side of the chamber.

Mr Husic interjecting—

The SPEAKER: The member for Chifley is warned!

Free Trade Agreements

Ms HENDERSON (Corangamite) (14:03): My question is to the Prime Minister. Will the Prime Minister explain to the House how the three free trade agreements delivered by the government will help businesses in my electorate and right around the country gain access to new markets?

Mr ABBOTT (Warringah—Prime Minister) (14:04): What a great question from a great local member. She understands that trade means jobs and more trade means more jobs here in Australia. For six years members opposite were talking about free trade agreements and they delivered almost nothing. But after years and years of talk from members opposite, within 12 months the Minister for Trade had the trade trifecta—free trade agreements with Japan, with Korea and with China; free trade agreements covering 61 per cent of our merchandise exports. What that means is better markets for Australian farmers, better markets for Australian manufacturers and lower prices for Australian consumers.

The free trade agreement with Japan came into force on 15 January. It provides much better access for our key agricultural products—beef, cheese, horticulture and wine. It is a great windfall for Australian beef—by far our biggest agricultural export to Japan. It is a \$1.4 billion trade now. Tariffs will come down from almost 40 per cent to under 20 per cent as a result of this deal. The free trade agreement with Korea means that cars are cheaper already in this country. The free trade agreement with China means that when it is fully in place 93 per cent of our exports will go into China absolutely duty free. All of this is giving our manufacturers and our exporters a competitive advantage that they did not previously have.

Last week, I was at Bulla Dairy Foods in Colac with the member for Corangamite. This is a 100-year-old Australian family company now employing 500 people. Thanks to the free trade agreement, Bulla Dairy Foods will have a 10 to 19 per cent competitive advantage in its deals with China that it does not now have. The Australian Lamb Company—again, in Colac—is a local business employing 400 people. Under the free trade agreements, sheepmeat to China is duty free and sheepmeat to Japan is duty free. As a result of these deals, the Australian Lamb Company is putting on 25 more staff. That is good news from this government for the people of Colac. What we are on about is a stronger economy with more prosperous businesses, more jobs and happier families. That is what this government is delivering.

Abbott Government p.334

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:07): My question is for the Prime Minister. Since the Prime Minister has promised that 'good government starts today,' when is the Prime Minister going to scrap the GP tax, the \$100,000 fees and the \$6,000 cuts to families? When is the Prime Minister going to tell the truth—that in fact absolutely nothing is changing?

Honourable members interjecting—

The SPEAKER: There will be silence on my left. That includes the member for Gorton.

Mr ABBOTT (Warringah—Prime Minister) (14:07): The big lie came from members opposite going into the last election, when they told us that the deficit would be \$18 billion.

That was the big lie from members opposite, who went into the last election telling us that the deficit would be just \$18 billion. It turned out to be \$48 billion.

Honourable members interjecting—

The SPEAKER: The member for McMahon will desist.

Mr ABBOTT: A \$30 billion budget black hole that they knew about, that they would not tell us about and that they created.

Honourable members interjecting—

The SPEAKER: The member for Isaacs will desist.

Mr ABBOTT: Members opposite delivered a debt and deficit disaster, and this government is doing what it can—

Honourable members interjecting—

The SPEAKER: The member for Parramatta will desist or be warned, one or the other—

Mr ABBOTT: to end the intergenerational theft that members opposite have inflicted on our children and grandchildren. That is what this government is doing. We are saving our children and our grandchildren from the chaos that members opposite created.

Having created the problem, they are in denial about it and they are sabotaging the solution. Savings worth \$28 billion are currently being obstructed in the Senate by the Leader of the Opposition, including \$5 billion worth of savings that they supported before the election. This is a Leader of the Opposition with not a single positive idea for our country. Every single thing we have put forward is opposed by this Leader of the Opposition. The South Australian Premier actually come up with a positive idea. He said we better have a look at nuclear energy. The Leader of the Opposition is even against that.

Honourable members interjecting—

The SPEAKER: The member for Sydney will desist. The member for Sydney! The member for Sydney is warned.

Mr ABBOTT: He is so negative that he will not even say yes to a positive idea put forward by the South Australian Labor Premier. It is all very well to complain. It is all very well to engage in sneer and smear across this dispatch box, but you cannot become Prime Minister of this country without having a positive plan, and we have had absolutely nothing from this Leader of the Opposition except 'bring back the carbon tax'—

Honourable members interjecting—

The SPEAKER: The member for Rankin!

Mr ABBOTT: 'bring back the mining tax and bring back the people smugglers'. That is his plan.

Honourable members interjecting—

The SPEAKER: The level of noise is quite unacceptable. It will stop or there will be many people who will be ejected.

Mr WOOD (La Trobe) (14:10): My question is to the Minister for Foreign Affairs. I remind the minister of the recent atrocities committed by the Daesh death cult in Iraq and Syria. Will the minister update the House on the threat posed by foreign fighters and how the government is combating this threat?

Ms JULIE BISHOP (Curtin—Minister for Foreign Affairs) (14:11): I thank the member for La Trobe for his question, and I know the concern that he has about this issue. The world has expressed outrage over the further atrocities committed by Daesh, or ISIL, including the beheadings of two Japanese journalists and the burning alive of a captured Jordanian pilot. These brutal acts have been carried out or aided by foreign fighters, sickeningly, from countries that include Australia.

I can update the house on the latest details on foreign fighters. Approximately 16,000 foreign fighters from some 90 countries are believed to be in Syria and Iraq. Ninety Australians are believed to be in the conflict, along with 3,000 fighters from western European states—around 500 from the United Kingdom and from Germany, about 1000 from France and also from Russia, and we estimate about 100 to 200 from Indonesia. We believe that over 20 Australians have been killed in the conflict in Syria and Iraq. They are not martyrs. They are just cannon fodder for an evil cause. Disturbingly, the demographic of those fighting tends to be younger. There are people in their teens. We are seeing more women who either are seeking to join their foreign fighter husbands or are becoming what are called 'jihadi brides', and otherwise taking part in the conflict in Iraq and Syria. Per capita, Australia's number of foreign fighters is high—well above the United States, for example. That is why our defence personnel are in the Iraq. They are advising and assisting the Iraqi government so that it can bolster the Iraqi defence forces to take back territory and disrupt and defeat Daesh, or ISIL.

To address the threat we have cancelled around 90 passports of those seeking to travel to Iraq and Syria, or to return from there. I have suspended five passports under our new counter-terrorism legislation, and I have refused to issue a further 10 of those to people who we believe pose a national security threat.

We are working with our communities to counter the spread of radicalisation, to build resilience through a program worth about \$545 million, investing in social inclusion initiatives, a program to counter violent extremism, and other initiatives. Internationally, we have taken a lead role through co-sponsoring the UN Security Council resolution on foreign terrorist fighters, requiring all nations to prevent the activities of terrorists, through their financing, their travel and other activities. We are strengthening our cooperation with our partners, including Great Britain. Next week, our Attorney-General will attend a summit in Washington that will focus on a global response. This is a shared global challenge, and Australia has been playing a leading role in keeping our country and our people safe from terrorism.

The SPEAKER: I understand that the member for Sydney wishes to associate herself with those remarks.

Ms PLIBERSEK (Sydney—Deputy Leader of the Opposition) (14:14): On indulgence, Madam Speaker: I would like to say that of course the opposition continue to work with the government to combat Daesh and other foreign fighting organisations, and we share the

concerns of the government about the increasing number of Australians who have gone to fight in Syria.

Defence Procurement p. 336

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:15): My question is to the Prime Minister. Since the Prime Minister has promised that 'good government starts today', isn't it the case that, until the Prime Minister commits to a full and open tender process to build Australia's future submarines, nothing has changed at all?

Mr ABBOTT (Warringah—Prime Minister) (14:15): At least the Leader of the Opposition is now asking a question on a very important subject, and I am grateful for that. But that question is only being asked because the Labor Party did nothing for six years. They did absolutely nothing for six years. Decisions about the future submarine fleet should have been made years and years ago, but the Labor Party could not decide what mattered more—

Mr Dreyfus interjecting—

The SPEAKER: The member for Isaacs will desist!

Ms Macklin interjecting—

The SPEAKER: And the member for Jagajaga will also!

Mr ABBOTT: They could not decide what mattered more, electoral politics or the defence of this nation. That is what they were incapable of deciding.

I want to make it absolutely crystal clear that, one way or another, we will have a bigger submarine fleet, and more submarines means more jobs in South Australia. I want to make that absolutely crystal clear: more submarines means more jobs in South Australia.

Let us look at the fundamentals. The fundamentals are that we want the best possible submarines because it would be almost criminal to send Australian submariners to sea in anything other than the very best and most capable submarines. We want the best possible submarines at the best possible price—because, again, we have to be fair and reasonable to the taxpayers of this country. But of course, while we want the best possible subs and the best possible price, we want to maximise Australian participation in this particular arrangement. We do want to maximise Australian participation in this arrangement, so there will be a competitive process. Of course there will be a competitive process. You would expect a competitive process—

Mr Champion interjecting—

The SPEAKER: The member for Wakefield!

Mr ABBOTT: and Australian entities should be part of it. They are certainly encouraged to be part of it, and I expect them to be part of it. The bottom line—because we are at the beginning of this process; we are not at the end—is: more subs means more jobs for South Australia, and that is more good news for South Australia from the Abbott government.

Health Care p.337

Renewable Energy

Mr BANDT (Melbourne) (14:18): My question is to the Prime Minister. Now that you are listening to the public, will you firmly commit to ditching policies like the GP co-payment or the GP payment and your crusade against renewable energy, or will you just be putting your bad ideas through a competitive evaluation process?

Mr Conroy interjecting—

The SPEAKER: The member for Charlton will desist or leave us; the choice is his.

Mr ABBOTT (Warringah—Prime Minister) (14:18): We absolutely support renewable energy. We always have and we always will, but we want to support renewable energy in a way that delivers the lowest possible power prices for consumers. The thing to understand about members opposite is that, every chance they get, they want to increase power prices.

Ms Owens interjecting—

The SPEAKER: The member for Parramatta is warned!

Mr ABBOTT: Every chance they get, they want to increase power prices. They just cannot help themselves. They hate lower power prices. They want to bring back a carbon tax to slug Australian families—

Mr Hutchinson interjecting—

The SPEAKER: The member for Lyons will desist!

Mr ABBOTT: with \$550 a year more, and they want to keep the renewable energy target not at 20 per cent but at more like 27 per cent, which means much higher power prices for the people of Australia. That is the problem. They talked about a 20 per cent target. They want to deliver a 27 per cent target—typical of the deception and the duplicity of members opposite. They were incompetent in government, and they are wreckers from opposition. That is what members opposite are.

On the subject of Medicare, I was a health minister for four years, and I am proud of my record as a health minister for four years. I was the best friend that Medicare ever had as health minister, and I will be the best friend that Medicare now has as Prime Minister, because these are the principles.

Opposition members interjecting—

The SPEAKER: There will be some silence on my left!

Mr ABBOTT: These are the principles. We will protect the vulnerable. We will deliver a better health system. But, above all else, we will keep Medicare. Under members opposite, Medicare simply was unsustainable. We will ensure that we have a very good and strong Medicare system for ever. That is what you will get from this government.

Economy p.338

Small Business

Dr HENDY (Eden-Monaro) (14:20): My question is to the Treasurer. Will the Treasurer update the House on the green shoots in the economy? How will stronger and more profitable small businesses create more growth and jobs for all Australians?

Ms MacTiernan interjecting—

The SPEAKER: The member for Perth is warned! In fact, the member for Perth can leave under 94(a).

The member for Perth then left the chamber.

Mr HOCKEY (North Sydney—The Treasurer) (14:21): I thank the honourable member for Eden-Monaro for his question. I must say—

Mr Champion interjecting—

The SPEAKER: And the member for Wakefield can join her under 94(a).

The member for Wakefield then left the chamber.

Mr HOCKEY: That collectively lifted the IQ of the Labor Party! The member for Eden-Monaro raises a very good question. The question is: how can we help small business to be more profitable and more successful? Last week the member for Eden-Monaro and I visited the Central Cafe in Queanbeyan and met the Mastoris family. In that family business they employ 20 Australians from seven different countries. As I grew up in a small business and as so many of my colleagues have been involved in small businesses, we know that small business is the engine room of the Australian economy. We know that people in small businesses work damned hard to pay the bills.

Ms Collins interjecting—

The SPEAKER: The member for Franklin will desist.

Mr HOCKEY: They work damned hard to make some money in order to give their families the quality of life that they would like to have. The coalition is the best friend of Australia's small businesses. One of the things that illustrates that is that last year more than 200,000 new businesses were started up in Australia—a record level of new businesses. It is the coalition that understands the challenges that small businesses face. That is why the Prime Minister identified that we have to remove the challenges that small business was facing under the Labor Party, such as the carbon tax. We got rid of the carbon tax and all of the pain associated with the carbon tax. We got rid of the red tape. Seventeen thousand pages of red tape were abolished by this government in just the first 12 months in government, with dedicated days in this parliament to repeal red tape. Importantly, we are starting to see the benefits flow through in retail sales figures, which are up by 4.1 per cent over the year. We are starting to see a fairer deal for small business on interest rates. But there is still much more work to be done.

The federal government, in operating its own budget, is no different to small business. We have to live within our means. Under the legacy of the Labor Party, the federal government spends \$100 million a day more than it collects in revenue. That is the equivalent of two new schools every day. That is the equivalent of 14 kilometres of new road. If we did not have to borrow that \$100 million a day to pay for excessive spending, we could build a new teaching hospital in Australia every week. On top of that, we have to pay \$40 million a day on the interest of Labor's debt. Just like any family business, the Australian government has to live within its means—and we will.

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:24): My question is to the Prime Minister. Liberal Senator Sean Edwards said in relation to the Future Submarine Project: 'I am very pleased with the decision of the Prime Minister that now commits the government to a full and open tender.' Did the Prime Minister start the week promising South Australian backbenchers a full and open tender, or is this just another case of the Prime Minister lying to obtain a vote?

The SPEAKER: The question in its current form is out of order. You will remove that unparliamentary term.

Mr SHORTEN: Thank you, Madam Speaker. I will rephrase it. Senator Sean Edwards has said that the Prime Minister—

The SPEAKER: We are familiar with that bit.

Mr SHORTEN: I beg your pardon?

The SPEAKER: It is the last bit where the offence is.

Mr SHORTEN: Okay. Did the Prime Minister start the week promising South Australian backbenchers a full and open tender, or is this just another case of the Prime Minister misleading people to get a vote?

The SPEAKER: Misleading is also an unparliamentary term. Try again.

Mr SHORTEN: I will have one more go.

Mr Pyne: Madam Speaker, on a point of order: You have generously given the Leader of the Opposition another opportunity to rephrase his question, and he has made another mistake. He should not be given a third chance. Clearly Labor are simply trying to make a political point. I believe the question should be ruled out of order, and the next member should be given the call.

The SPEAKER: The Leader of the House is making a very persuasive point. However, on this occasion I will give the Leader of the Opposition one more opportunity—but this applies for all questions. If there are any more that are out of order, there will be no opportunity to rephrase.

Mr SHORTEN: All right. Thank you, Madam Speaker. With regard to what Senator Sean Edwards said about a 'full and open tender', did the Prime Minister start the week promising South Australian backbenchers a full and open tender, or is this just another case of the Prime Minister being tricky to obtain a vote?

The SPEAKER: The question is out of order.

Mr Burke interjecting—

The SPEAKER: The Manager of Opposition Business will resume his seat.

Opposition members interjecting—

The SPEAKER: The Leader of the Opposition was given more than a fair chance.

Infrastructure p. 340

Mr MATHESON (Macarthur) (14:26): My question is to the Deputy Prime Minister and the Minister for Infrastructure and Regional Development. Will the Deputy Prime Minister update the House on how the government is delivering on its promise to build infrastructure for the 21st century for all Australians, particularly in Macarthur?

Mr TRUSS (Wide Bay—Deputy Prime Minister and Minister for Infrastructure and Regional Development) (14:27): The member for Macarthur certainly knows full well that this government is getting on with its commitment to build the infrastructure of the 21st century. Projects right across the nation are a demonstration of this commitment in action. Our \$50 billion commitment to infrastructure is a record—more than any other government has ever provided.

Mr Albanese interjecting—

The SPEAKER: The member for Grayndler will desist if wants to stay in the chamber.

Mr TRUSS: It is at least \$16.4 billion more than what Labor had committed over the same period and, if you take in the Asset Recycling Initiative, then Labor was behind another \$70-odd billion in the delivery of infrastructure. This is already creating thousands of jobs and increasing the capacity of our nation.

I was a bit surprised to see the shadow minister at a doorstep today making a quite extraordinary statement when referring to the roads of the 21st century. He said: 'Well, it's now been 16 months, and no projects have commenced.' There are 85 projects currently under construction and another 94 are in development. Many of them were never even dreamed of by the other side—and certainly were never funded. They had so many conditions attached to their funding that they were never going to come through. The money was coming out of the proceeds of the mining tax—the mining tax that did not raise any money.

The member for Macarthur was in his electorate when work began on the \$509 million Bringelly Road upgrade, which is a key part of the new roads of the Western Sydney project—

Mr Albanese interjecting—

The SPEAKER: The member for Grayndler will resume his seat.

Mr TRUSS: something Labor had never thought of.

The SPEAKER: I said the member for Grayndler will resume his seat. The minister has the call.

Mr TRUSS: Thank you, Madam Speaker. The NorthConnex project is under construction and will be completed by 2019. Over 60 per cent of the Pacific Highway has now been duplicated.

Mr Albanese interjecting—

The SPEAKER: The member for Grayndler is warned!

Mr TRUSS: And there is a range of projects underway. There are 11 projects presently underway on the Bruce Highway and many more to come. The Gateway upgrade in Brisbane—a project Labor had never thought of—is a \$1-billion project with work underway.

The North Sydney freight corridor, the North-South Road Corridor in Adelaide, the North West Coastal Highway in Western Australia, the Midland Highway—

Mr Albanese interjecting—

The SPEAKER: The member for Grayndler has been warned! One more utterance and he will leave the chamber.

Mr TRUSS: were projects that were being funded by Labor with mythical mining tax money. We are getting on with building the roads of the 21st century. The work is underway, there is a lot more to be done and the country will be so much the better for this superior infrastructure being provided.

Treasurer p. 341

Mr BOWEN (McMahon) (14:30): My question is to the Prime Minister. I refer to the Prime Minister's statement in the House last year that Senator Johnston enjoyed his 'full confidence' and deserved the full support of the parliament as Minister for Defence. Does the Treasurer similarly enjoy the Prime Minister's full confidence? And given the Prime Minister was last year so confident that Senator Johnston would still be Defence Minister come February, will the Prime Minister deliver a similar commitment that the member for North Sydney will deliver May's budget?

Mr ABBOTT (Warringah—Prime Minister) (14:31): I have full confidence in the Treasurer. I have full confidence in my team. Why wouldn't our nation have full confidence in a Treasurer—

Opposition members interjecting—

The SPEAKER: The only one who is going to be gone is someone on my left.

Mr ABBOTT: who has brought economic growth from 1.9 per cent a year ago to 2.7 per cent now, who has presided over an economy that has created more than 200,000 jobs in the last year—a jobs growth rate three times what was managed by the professional failure who asked that question—and who presided over an eight per cent increase in export volume and a 10 per cent increase in housing starts?

Ms Plibersek interjecting—

The SPEAKER: The member for Sydney has been warned and will desist or leave the chamber.

Mr ABBOTT: This is a Treasurer who is delivering for the people of Australia. While the member who asked that question—

Mr Conroy interjecting—

The SPEAKER: The member for Charlton will leave under 94(a).

The member for Charlton then left the chamber.

Mr ABBOTT: was a part of a succession of failures who presided over 3.6 per cent real growth in government spending over six years, he mortgaged the future of our children and grandchildren to pay for their political fantasies. That is what the person who asked the

question did. By contrast, this government is setting up Australia for the future with sound fiscal policies, with good budget management and with three free-trade agreements, which will be the foundation of future prosperity.

Independent Public Schools p.342

Mr ALEXANDER (Bennelong) (14:33): My question is to the Minister for Education. Will the minister update the House on the progress of the government's Independent Public Schools program designed to expand school autonomy?

Ms Kate Ellis interjecting—

The SPEAKER: The member for Adelaide will desist.

Mr PYNE (Sturt—Leader of the House and Minister for Education and Training) (14:33): I thank the member for Bennelong for his question. In more good news from the Abbott government, I can inform the House today that New South Wales has signed up with the Independent Public Schools initiative. Now New South Wales, the Northern Territory, Queensland, the ACT, Victoria and South Australia have all signed up to the government's Independent Public Schools initiative. We are delivering on more election promises made before September 2013. The only state that has not signed up is Western Australia and, to their great credit, it is because they have gone further than any other state and they want to be able to continue to go further than any other state in school autonomy and, amazingly, they want to pay for it themselves, which is a unique thing for a state or territory government and I welcome it. But New South Wales signed up today, which means we are spending \$70 million on independent public schooling, delivering on the promise we made before 2013 to expand autonomy across schools.

Mr Perrett interjecting—

The SPEAKER: The member for Moreton is warned!

Mr PYNE: It is very important to deliver as much autonomy in schools as possible. The jury is in on school autonomy but not for the Labor Party—the Leader of the Opposition is still happy to sing the tune of the Australian education union on school autonomy. He still opposes it—

Mr Perrett interjecting—

The SPEAKER: The member for Moreton can leave under 94(a).

The member for Moreton then left the chamber.

Mr PYNE: because he never put students first; he has a teachers-first policy. This government has a students-first policy. All the evidence indicates that the more autonomy in a school, the better for students. The higher the expectations on those students, the more likely that they will get better results. The UK schools white paper said:

Across the world, the case for the benefit of school autonomy has been established beyond doubt.

The OECD says:

PISA show a clear relationship between learning outcomes and the relative autonomy of schools in managing instructional policies and practices ...

So this government is unashamedly in favour of more autonomy in our schools across Australia. This Independent Public Schools initiative will deliver increasing delegation for principals to manage teacher under performance—

Ms Claydon interjecting—

The SPEAKER: The member for Newcastle is not in her seat and will desist.

Mr PYNE: school leadership training for principals; delegation of budget management to schools and capability building for school councils. So I am very pleased to welcome New South Wales into the Independent Public Schools initiative. Some states like Queensland and the Northern Territory will go further than other states but the reality is that we have delivered the promise that we made that 1,500 schools in Australia would have more autonomy over the next four years. We have delivered it in one year. Next year, 2,000 schools across Australia will benefit from the Independent Public Schools Initiative and that is good news for students and their parents.

Budget p. 343

Mr BURKE (Watson—Manager of Opposition Business) (14:36): My question is to the Minister for Communications. Under broadcasting licences issued by the Commonwealth, last year Australian television stations relayed footage of an interview the Minister for Communications did on the Alan Jones program. These broadcasts asserted that the minister said:

I support unreservedly and wholeheartedly every element in the Budget. Every single one.

Minister, were these broadcasts accurate and appropriate uses of the broadcasting licences?

Mr TURNBULL (Wentworth—Minister for Communications) (14:37): I have to compliment the honourable member on that rather elaborate way he has tried to make this question relevant to my portfolio. But of course every single member of the government supported every element in the budget—of course. We are a united government. The Labor Party make the great mistake of seeing their opponents through the prism of their own disunity, of imagining that we are as fractured and faction ridden as them, of imagining that we have dissension in our ranks in the way they do in the Labor Party.

I see the smiling opposition leader. This is the hero of the Hoang Hau lazy Susan. There he was, turning the table on his leader. He has not only deposed one leader; he has deposed two. He had second thoughts.

Mr Abbott: A second course!

Mr TURNBULL: A second course—the Prime Minister is quite right. The first course was Rudd, the second course was Gillard, and then he went back to the first course. Well, you can do that at a Vietnamese restaurant, I suppose. You can just go back to the beginning of the menu.

But really the truth of the matter is interviews with Alan Jones are always entertaining. He is a very colourful interviewer and I was delighted to see parts of that interview broadcast. It was

a colourful one and one where each of us stood our ground. You could say of Mr Jones, and I think he would probably say it of me, that we are often wrong but never in doubt. It is important to stand up to him and to not be bullied by him. I must say that over the years the great mistake that politicians have made—including, the member for Watson knows, a Labor Premier of New South Wales—is to allow yourself to be bullied by the media. It is absolutely vital to win the respect of the public and indeed of the media itself, to stand your ground, stand up for what you believe in and not be bullied into an echo chamber. That is the critical—

Mr Shorten interjecting—

Mr TURNBULL: 'Climate change,' says the Leader of the Opposition. This is the man that persuaded Kevin Rudd not to go to a double dissolution. This is the man that led Kevin Rudd over the cliff into an abyss, where he then stabbed him in the back. You have no credibility on integrity, Leader of the Opposition.

Child Care p. 344

Mrs SUDMALIS (Gilmore) (14:40): My question is to the Minister for Social Services. Will the minister update the House on the challenges facing families accessing the child care that they need so they can participate in the workforce if they choose to do so?

Mr MORRISON (Cook—Minister for Social Services) (14:41): I thank the member for Gilmore for her very important question on something that I know concerns many families all around this country. For many families, the choice to go back to work is a choice, and it is a choice that families make in consideration of their own circumstances. They may choose to have one parent stay at home, and that choice comes at a great cost to those families and they make that earnestly. Other families are in a position to choose to go back to work. But there are many families in this country where the choice for them to go back to work is a necessity. It is an absolute necessity and it is a necessity because, for them, to remain on two incomes gives their family the opportunity to get ahead. It gives their family the opportunity to provide for a better life for their family, to allow their children to have a good start. This is incredibly important.

This government and previous governments have spent a large amount of money to ensure that we can help people make these choices and they do not get caught in the childcare catch-22, where all they might do is go back to work simply to pay the childcare expenses. We want to help them get out of that, and this government is spending \$31 billion over four years. That is twice the amount those opposite were spending in the first four years. It is important that we continue to make this investment in these families so they can make these choices, so they can get ahead.

But we have to be honest about how we are spending this money and whether we are targeting it in the best way we possibly can to help these families get in a position where they can make these decisions for their families. We need to address the affordability issues, and it is true that under the previous government costs for child care did rise by over 50 per cent. That is true and it continues to rise at around seven per cent a year. We need to ensure that we are not feeding those price increases with inflationary policies in the way we deliver payments to families.

We also need to ensure that we do not just continue to shovel money at this problem in a way that does not deliver the outcome. The previous government increased the rebate from 30 to 50 per cent but at the same time it did not help more women in those situations, who are having families, go back to work when they needed to go back to work.

These are the honest issues we need to address. The previous government said they were going to build 260 centres, or thereabouts, and they built 30. But we need to have an honest assessment about how the \$6.6 billion we are spending is addressing the very real issues. So this government is going to do that through the package we are working on now—

Ms Kate Ellis: Can we see it?

Mr MORRISON: and I invite the opposition to be part of that debate and to be part of that process. We have a Productivity Commission report which will soon be released which will provide the opportunity for us to engage on this issue. I have indeed written to the shadow minister in this area just today about these issues and I look forward to her response. But these are the things we need to address in this portfolio to help families make the choices that help them get ahead and deal with the very serious issues that they are facing.

Budget p.345

Ms PLIBERSEK (Sydney—Deputy Leader of the Opposition) (14:44): My question is to the Minister for Foreign Affairs. This morning on Sky News the minister said, 'The whole cabinet has to take responsibility for the budget.' As a member of cabinet, does the minister take responsibility for not just the aid cuts but every element of this unfair budget?

Ms JULIE BISHOP (Curtin—Minister for Foreign Affairs) (14:44): The shadow deputy leader ought to understand that a budget process is a cabinet process. It is undertaken by the entire cabinet. I am sorry if that was not the case in the Rudd-Gillard-Rudd governments, but it certainly is in ours. In relation to the aid budget, I think it is worth noting that Labor ripped \$5.7 billion out of the aid budget in its last couple of years. Labor moved funding from the aid budget into the onshore processing of asylum seeker claims. Labor so debauched the aid budget that we had to stabilise the aid budget and introduce a new paradigm so that the spending would be more effective, more efficient and targeted to outcomes. This is a party that spent the aid budget on building a statue in the UN plaza in New York. This is a party that spent the aid budget on building a parliament house in the Caribbean, and this is coming from the shadow minister for foreign affairs who thinks that Africa is a country. Seriously!

Asylum Seekers p. 346

Mr PASIN (Barker) (14:46): My question is to the Minister for Immigration and Border Protection. Will the minister inform the House of the effect on Australia's humanitarian immigration program of the government regaining control of Australia's borders?

Mr DUTTON (Dickson—Minister for Immigration and Border Protection) (14:46): I thank the member for his question. There is a bit of a theme of the Rudd-Gillard-Rudd years in this question time today, and I would like to continue it in my response to this very important question. All Australians know that it is very important to maintain the integrity of our borders, and this government is absolutely determined to make sure that we keep our borders strong. The Howard government was successful at stopping the boats, and when the Rudd

government was elected in 2007 they changed the policy and the boats started again. They started again and they flooded in.

Under the Abbott government, the boats have stopped. The boats have stopped under the Abbott government and we are determined to make sure that we keep those boats stopped because of a few reasons. Firstly, we do not want people drowning at sea. During the Rudd-Gillard-Rudd chaotic and dysfunctional years, we had 1,200 people die at sea. So those people opposite who would get up on their high horse and preach to this government and somehow pretend to us that they are on some sort of higher moral ground, 1,200 people died at sea under the Labor Party and they should be ashamed of it. Not only that but over the course of the Rudd-Gillard-Rudd years, during which Bill Shorten was a member of that cabinet making those decisions, 800 boats arrived with over 50,000 people. John Howard stopped the boats, 50,000 people came under Labor's period of government, and we stopped the boats.

During 2014, one boat arrived. In 2013, under Labor, in a 12-month period 302 boats arrived. People die at sea. There are billions of dollars in cost blow-outs and all of that means that we cannot afford to put money into the humanitarian program. Not only have we saved billions of dollars by stopping boats but, more importantly, we have saved the lives of people who would otherwise have drowned at sea and we have been able to extend the humanitarian program from its current levels up to 18,750 places over the course of the next four years, which will make us one of the most compassionate countries in the world.

Labor took a decision to lock kids up in detention. Two thousand children were locked up in detention under Labor. We have got that number down to under 200 and it will reduce further. We are working to do that. But if we do not keep our borders strong, if we do not keep Labor out at the next election, the boats will start again, people will continue to die at sea, there will be cost blow-outs and the Labor Party will preside over the same dysfunction that the Leader of the Opposition presided over during the Rudd-Gillard-Rudd years. We do not want to return to Labor and, in particular, we do not want to return to Labor because the boats will not stop and people will drown at sea again.

Budget p. 347

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:49): My question is to the Prime Minister. Is there a single measure from the budget that the Prime Minister has abandoned since promising 'good government starts today'? And, Prime Minister, will you tell the truth? Absolutely nothing has changed.

Mr ABBOTT (Warringah—Prime Minister) (14:50): It is interesting that we should be asked this question, because some 80 per cent of the budget measures are actually implemented. Some 80 per cent of the budget measures are actually implemented and \$16 billion worth of savings over the forward estimates in this budget have already been implemented. But we are serious about giving our children and our grandchildren a financial future. We are serious about setting this country up.

Mr Burke: Madam Speaker, I raise a point of order on direct relevance. The question asked what has been abandoned—

The SPEAKER: The member will resume his seat. There is no point of order. The Prime Minister has the call.

Mr ABBOTT: Everyone knows that the budgetary position was simply unsustainable under the former government. The former government knew that the budgetary position was unsustainable; that is why they kept promising to deliver a surplus. In fact, they did not just promise to deliver a surplus; they said they had delivered a surplus when in fact in their last year the budget deficit was \$48 billion. It was \$48 billion in the financial year of their last budget. We are the solution, they are the problem. They are doing their best to sabotage the solution but we will not be deterred. We will not be deterred. We owe it to our children and our grandchildren to do the right thing by the future of this country—

Mr Dreyfus interjecting—

The SPEAKER: The member for Isaacs will desist or leave. The choice is his.

Mr ABBOTT: As for the Leader of the Opposition, what are his policies? Other than to say no to everything, his policies are: bring back the carbon tax, bring back the mining tax, and bring back the boats. Shame.

Agriculture p. 347

Mr BROAD (Mallee) (14:52): My question is for the Minister for Agriculture. As a farmer myself, a producer of prime Australian lamb, will the minister update the House on the government's plan for Australian agriculture for the coming year?

Mr JOYCE (New England—Minister for Agriculture) (14:52): I thank the honourable member for his question. I am happy to say that the other day I was loading sheep at \$99 per lamb. They were second run lambs, so that was very good. I was selling cows the other day, like yourself. They were over \$1,300 a head, which is very good. I was thinking about what a difference the government makes. I have been going through a few of the differences, and nothing tells a story like the numbers. Under those opposite, light steers out of Darwin were 165c a kilogram. Under us it is 270c per kilogram. That is up 63 per cent—63 per cent of a difference. Under those opposite, light heifers were 145c per kilogram. Under us it is 255c per kilogram. That is up 75 per cent because of our government. At the Roma Saleyards, big steers—over 500 kilograms—under them it was 160c a kilogram; under us, it is 232c a kilogram. That is up 45 per cent. If you go up to Roma, under them it was 164c a kilogram; under us it is 233c a kilogram. It is not just in the cattle market; go to dairy exports. Under them, Murray Goulburn opened up at 41c per litre. Under us, it has opened up this year at 44c per litre—up seven per cent.

Mr Fitzgibbon: Madam Speaker, I rise on a point of order. The minister was invited to share with the House his plan for agriculture.

The SPEAKER: What is the point of order?

Mr Fitzgibbon: It is obvious he does not have one.

The SPEAKER: The member will resume his seat.

Mr JOYCE: Our plan is exactly what we are doing. We are increasing the standard of living of people on the land by reason of our government. By reason, not just of rhetoric—what we are actually doing; what we are actually delivering. We are actually delivering a better price of dairy. We are actually delivering a better price for a sheep. We are actually delivering a better price for beef. Under them, the price of a bail of cotton was \$470 a bail; under us it is

\$520 a bail. Under them, lambs were 435c per kilogram; under us it is 664c per kilogram. Under us everything is better. Under us in agriculture everything is better.

Mr Brendan O'Connor interjecting—

The SPEAKER: The member for Gorton will desist.

Mr JOYCE: Under them we had the live animal debacle and we had the Murray-Darling debacle. They halved the sized of the agriculture department. They had three agricultural ministers, two Prime Ministers and they have still only got one farmer. I am checking the record and that one does not seem very reliable. Under them we had the carbon tax. Under us we have a formidable white paper that is actually going to make people's lives better. Under us we are actually going to build the dams, because we are not going to be held to ransom by the Greens. Under us we have the lowest interest rates on record. That is the plan under us. Our plan is a better future and we are delivering.

Budget p. 348

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:56): My question is to the Prime Minister. I refer to the Minister for Finance's statement on Sunday, and I quote: 'No minister has ever said to me that the budget was unfair.' So, just to be clear: has any minister in your government ever said to you that the budget is unfair?

Mr ABBOTT (Warringah—Prime Minister) (14:56): The unfairest thing of all is the intergenerational theft that members opposite perpetrated on our children and our grandchildren. That is the unfairest thing of all.

Opposition members interjecting—

The SPEAKER: The member for Lingiari will desist, as will the member for Bendigo.

Mr ABBOTT: As a result of the profligacy of members opposite, as a result of the incapacity of members opposite to exercise fiscal discipline, this country is saddled with debt and deficit stretching as far as the eye can see. It is saddled with repaying a billion dollars every single month just to pay the interest on Labor's debt and deficit. That is the challenge that this government is dealing with.

Thanks to members opposite, thanks to the fundamental unfairness against the future, this government is wrestling with a big fiscal challenge—but we are up for it. Some 80 per cent of budget measures have already been implemented and some \$16 billion worth of budget savings are now in place. But what we are not going to do is rip off the future to satisfy ourselves. That is what members opposite did. They ripped off the future to try to buy an election. That is what they did. They were prepared to sacrifice our children and our grandchildren's future for their own political purposes. That is the ultimate unfairness and that is what we are saving this country from.

Government Services p. 349

Mr EWEN JONES (Herbert) (14:58): My question is to the Minister for Communications. Will the minister update the House on what is being done to bring government services into the 21st century and make sure that the Public Service is more efficient and productive?

Mr TURNBULL (Wentworth—Minister for Communications) (14:58): I thank the honourable member for his question and note his very keen interest in technology. Governments across the board represent a bit more than a third of our economy. Making government efficient is not simply a matter of cutting costs and saving money; it is a matter of making our whole economy much more efficient. The fundamental challenge that we face, which the Prime Minister and the Treasurer explain every day, is: how do we ensure that we as a high-wage, generous-social-welfare-net, developed economy maintain that in the face of a far more competitive world, where we have convergence, where developing countries that used to compete with the low-wage, low-skill jobs are now competing with the high-wage, high-skill jobs and of course where the internet and globalisation are making so many things trade exposed that were not before?

We are living in a world of much greater competition but much greater opportunity. So we have to, across the board, be more productive, more efficient, more innovative, more technologically sophisticated. And government is a big part of that; it is a third of the economy. So, the Prime Minister has established a Digital Transformation Office within my department, the Department of Communications. And its job, my goal, is to ensure that by 2017 all major transactions between citizens and government can be completed digitally online end to end. This is going to ensure that government services are vastly more compelling, vastly more attractive to citizens, and of course it will save them time and money.

Now, the human services minister, Senator Marise Payne, already has in her department an outstanding product, which I am sure many honourable members use, which is myGov. There are six million active users for myGov. This is a digital platform that is now being made available to state governments—and in time local governments as well. I was talking to the chief information officer of the Department of Human Services, Gary Sterrenberg, only the other day, when I was visiting a myGov shopfront. And he made the point that to bring a state government agency onto myGov costs only \$50,000 in onboarding costs. Now, we are going to make this platform available to all local and state government for no charge from the Commonwealth. This is going to revolutionise the way government services are delivered. It is going to make government more efficient. It is going to drive our national target of productivity, competitiveness and innovation that will deliver us the growth and ensure our children's jobs in the years to come.

11.2.2015 p.522

Indigenous Affairs

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:02): My question is to the Prime Minister. The rate of incarceration of Indigenous Australians has almost doubled in the last decade. Aboriginal and Torres Strait Islander people make up just over three per cent of our population yet they make up over 25 per cent of our prison population. This is shameful. Will the Prime Minister commit to a new justice target within the Closing the Gap framework?

Mr ABBOTT (Warringah—Prime Minister) (14:02): I appreciate this question from the Leader of the Opposition. I understand his quite appropriate concerns about this particular issue. Yes, the rate of incarceration of Indigenous Australians is horribly high—vastly disproportionate to their ratio in the population. We do need to get it down. I think the best

way to get it down is to get the fundamentals right and the fundamentals are getting kids to school, adults to work and communities safe.

I do want to see in all significant Indigenous communities—in all communities with a significant law and order problem—a resident police presence. Over the years there has not been a sufficiently strong resident police presence in so many of these remote Indigenous communities. For instance, in the last few years of the Howard government I was the minister with whole-of-government responsibility for the APY Lands in South Australia, an area about the size of Scotland with about 3,000 people, five significant communities and just eight resident police. The police lived at a place that had virtually no local people living there—Umuwa. I think you would remember it, shadow minister. It was called the Canberra of the lands. It was an administrative centre. It was not a place where anyone lived. I think all but two of the resident police lived there. By contrast, Ceduna, a town of about 3,000 people, had 27 resident police.

This is a very serious problem. It has been somewhat addressed in the days since then. The Northern Territory intervention was part of somewhat addressing this. There are other places like Aurukun in Cape York with about 1,200 people. When I was there last there were 12 resident police, so I think that is starting to approach the kinds of ratios you would expect.

I do take the Leader of the Opposition's question seriously. I think it is important to reduce incarceration, but the best way to reduce incarceration is to reduce crime. That is the best way to reduce incarceration—to reduce crime. We do that by having proper policing in these places. The other thing we should be looking at is the healthy wealthy card, which is an important part of the Forrest review, because if we can make this work it will ensure that people are spending their money on the kinds of things that will help them rather than the kinds of things that will hurt them.

National Security p. 523

Mr LAUNDY (Reid) (14:05): My question is to the Prime Minister. Will the Prime Minister update the House on the counter-terrorism operation in Sydney yesterday and the government's efforts to keep the community safe in my electorate of Reid and right around Australia?

Mr ABBOTT (Warringah—Prime Minister) (14:06): I am grateful for that question from the member for Reid. I appreciate his concerns. I appreciate the concerns of all members of this House to keep our community safe. I regret to say that this country has already had two brushes with terrorism: there was the attack on police officers in Victoria in September and then we had the terrorist incident in Martin Place in December. We could easily have had a third but for strong action by New South Wales Police and the joint counter-terrorist team yesterday.

Yesterday two people were arrested and charged for acts in preparation of a terrorist offence. Police found a large ISIL or Daesh flag, a machete, a hunting knife and a video recording of one suspect kneeling in front of the ISIL flag with the two knives whilst making a statement in Arabic. Police acted because they assessed that a terrorist attack was imminent. This was an imminent attack in Australia inspired by the ISIL or Daesh death cult.

It is absolutely imperative that we support our police and security agencies, and I thank them. I am sure that every member of the House would wish to thank them for their constant vigilance, their commitment and their professionalism, as demonstrated yet again just in these last 24 hours. This is a serious problem, and I fear it will get worse before it gets better. As we have seen again and again in recent times, the death cult is reaching out all around the world, including here in Australia, and, regrettably, there are people in this country who are susceptible to these incitements to extremism and even terrorism.

We know that some 90 Australians are currently fighting with the death cult in Syria and Iraq, and we think that about 20 Australians have been killed. About 20, we believe, have returned to Australia, and about 140 are actively supporting the death cult here onshore. Some 65 passports have been cancelled in the last year alone. The threat is real, but the government will act with greater funding for our agencies and with appropriate laws that will keep our country and our citizens as safe as they can humanly be.

Defence Procurement p. 523

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:09): Did the Prime Minister promise Senator Edwards on the weekend that there would be 'a full and open tender' to build Australia's future submarines? And, if the Prime Minister did not promise Senator Edwards 'a full and open tender', what precisely did the Prime Minister promise to obtain his vote?

Mr ABBOTT (Warringah—Prime Minister) (14:09): I said that there would be a competitive evaluation process. That is precisely the process that members opposite put in place for major defence procurement exercises themselves—a competitive evaluation process. It really does come a bit rich for this opposition to ask questions about the submarine procurement process when they procrastinated for fully six years. For six years they sat on their hands while the defence of Australia suffered; that is what they did. We all know that they cut billions and billions of dollars out of defence procurement.

Mr Dreyfus: Not true.

The SPEAKER: The member for Isaacs will desist!

Mr ABBOTT: We all know that on their watch not a single naval shipbuilding order was placed—not one, not one was placed under the members opposite. They sent the double hulling of HMAS Success to Singapore. They sent the icebreaker tender overseas. They bought a new amphibious ship from the Royal Navy. These are people who dumped on defence jobs throughout the six years that they were in power. Defence industry employment dropped by 10 per cent when the members opposite were in power.

What do they want now? They want an open tender. They do not understand the difference between an open tender and a competitive evaluation process. Do you know about an open tender? Anyone can compete. What the Leader of the Opposition wants is for anyone to be able to compete to provide Australia's next generation of submarines. He might want the Russians to compete—the Putin class subs. That is what we will get from the Leader of the Opposition. First of all, he attacks the Japanese in some bout of antediluvian xenophobia and says that we cannot possibly have Japanese involvement in the submarine contract because of what happened in Sydney Harbour. Now he says you have got to have an open tender. We

could have Kim Jong-il class submarines or Vladimir Putin submarines. You cannot trust the members opposite with the defence of this country, but you can trust this government.

National Security p. 524

Mr CRAIG KELLY (Hughes) (14:13): My question is to the Minister for Foreign Affairs. Will the minister update the House on the work the government is doing with our friends and allies to combat the terrorist threat?

Ms JULIE BISHOP (Curtin—Minister for Foreign Affairs) (14:13): The counter-terrorism raids in Sydney this morning remind us of the very real threat of terrorism to Australians here and overseas. It is a global threat and it demands a global response. I can confirm to the member for Hughes, and indeed to this House, that Australia is taking a lead role internationally to combat the terrorist threat, and we are working to strengthen our counter-terrorism cooperation with our friends, allies and partners. I can confirm that the list of those who are in pursuit of this task is growing.

Twenty Australian government agencies are working to improve the capacity of other countries in our region, including Indonesia, Malaysia and the Philippines, to combat terrorism in areas such as law enforcement, criminal justice, border and transport security and counter-terrorism financing. In the Middle East, along with the United States, United Kingdom, Canada and others, we are supporting international efforts to combat Daesh, this vile terrorist organisation, and we are building up our counter-terrorism networks to stem the flow of foreign fighters, including from Australia to Iraq and Syria.

During my recent visit to the United Arab Emirates, Foreign Minister Sheikh Abdullah and I discussed ways to strengthen our cooperation with countries of the Middle East to combat Daesh. The UAE and Jordan are conducting air strikes against Daesh targets in Syria. Australia, as part of international coalition, has taken part in hundreds of air strikes against Daesh targets to disrupt Daesh in Iraq. We have over 600 personnel in the Middle East. This is a substantial contribution to this global effort to combat terrorism. Alarming, we have indications that Daesh is seeking to spread its evil tentacles to Afghanistan, where it is actively seeking to recruit foreign fighters to its cause. I was briefed on this potentially evil connection during my visit to Afghanistan on Australia Day. I confirmed to President Ghani and Chief Executive Officer Abdullah Australia's ongoing commitment to combating the terrorist threat in Afghanistan and to building on the security gains in that country since 2001. We will continue to work closely with the US and the UK to strengthen cooperation, particularly through the Five Eyes intelligence arrangement. This was a key focus of last week's Australian-UK ministerial meeting in Sydney. We are also increasing the exchange of information, experiences and intelligence on foreign fighters throughout our region, throughout the Middle East and in Europe.

This government is utterly committed to taking a lead role in international efforts to combat terrorism so that we can keep our country and our people safe.

Defence Procurement

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:16): My question is to the Prime Minister. I refer to comments made by Senator Edwards about Australian workers building our future submarines. He said, 'Five o'clock Friday they were precluded; nine

o'clock Monday they were included.' Yet the finance minister has said, 'There is actually no change in policy.' Prime Minister, who is correct? When will the chaos and incompetence stop and when does this good government you promised actually start?

The SPEAKER: The last part of the question is sounding remarkably like debate, but I call the honourable the Prime Minister.

Mr ABBOTT (Warringah—Prime Minister) (14:17): As is absolutely crystal clear, there will be a competitive evaluation process, exactly the same kind of process that governments of both persuasions have put in place for all major defence procurement projects. There will be a competitive evaluation process and the Australian Submarine Corporation is welcome to be a part of it.

I am very happy to get questions from the Leader of the Opposition about this, because let's look at the record of the Labor Party. The Labor Party in government did not build HMAS Choules here in Australia. It went out and bought it from the Royal Navy. It did not build icebreakers in Australia; they are being built in Europe. It did not repair HMAS Success here in Australia. It sent it to Singapore to be double hulled. Immediately following the 2009 white paper, the Labor Party in government cut or deferred \$16 billion from Australia's defence budget. Decisions made by members opposite when they were in government led to 119 defence projects being delayed, 43 defence projects being reduced and eight projects cancelled, risking critical capability gaps.

If members opposite were serious about submarines, why did they sit on their hands for six years? They sat on their hands for six years while the defence of Australia suffered. That is what they did. I want to make it absolutely crystal clear to the Australian people: the defence of this country is safe in the hands of this government.

Health Care p.525

Mr WILKIE (Denison) (14:19): My question is to the Prime Minister. Prime Minister, the government claims the GP co-payment is necessary to rein in Medicare. However, GP services are a small fraction of Medicare costs and just one-fifth the size of the total hospital bill. The reality is that GPs keep down the cost of other health care, especially ER departments. Prime Minister, why would you target GPs when they are in fact saving money for taxpayers and when the Medicare blow-out lies elsewhere?

Mr ABBOTT (Warringah—Prime Minister) (14:19): I am happy to take the question from the member for Denison and to agree with him that in fact good general practice is an absolutely vital part of our healthcare system. I was the health minister for four years and I did everything I could to improve our health system, including the operation of general practice. There were bulk-billing incentive payments put in and there were GP care plans established and expanded under my stewardship of that portfolio. I appreciate, in a way that I suspect not all health ministers have, that GPs are not the gatekeepers to the system. They are certainly not just gatekeepers to the health system. They are at the heart of holistic patient care. Good general practice is at the absolute heart of holistic patient care.

I absolutely take the point that the member for Denison makes that general practice is but a part of our Medicare system. I might also make the point that the PBS is perhaps a fifth of our healthcare spend. There are co-payments in the PBS; there always have been, and those co-

payments are supported by all sides of this House, I presume. But I want to conclude the answer by reminding the member for Denison of the fundamental principles that this government is pursuing—

Mr Wilkie: Madam Speaker, I rise on a point of order on relevance. The question is: why are we targeting GPs?

The SPEAKER: The member will resume his seat. There is no point of order.

Mr ABBOTT: Just as I was the best friend of Medicare as health minister, I am determined to be the best friend of Medicare as Prime Minister. All of our changes in health are designed (a) to protect the vulnerable, (b) to ensure that our health system is strengthened for the long term and (c) to guarantee that our health services get better and better over time. That is why the health minister is now engaged in very extensive consultations and dialogue with a whole range of medical professionals, and I can assure the member and the House that the government will not be taking further proposals forward in this area without the backing of the medical profession.

Foreign Investment p. 526

Mr RAMSEY (Grey) (14:23): My question is to the Treasurer. Will the Treasurer update the House on how we are ensuring foreign investment in agriculture is in Australia's national interest, and how does responsible foreign investment help boost growth and jobs?

Mr HOCKEY (North Sydney—The Treasurer) (14:23): I thank the member for Grey for his question. The member for Grey's electorate, in the north of South Australia, is over 900,000 square kilometres, and 8,000 people in his electorate work in the agricultural sector. Like many people on this side of the House, he understands agriculture, and like many people on this side of the House he has farming experience.

Mr Perrett: How is your hobby farm going, Joe?

The SPEAKER: The member for Moreton!

Mr HOCKEY: That experience is hugely important—it is well understood on this side of the House that you need foreign investment, you need capital investment, to help drive better outcomes and greater productivity right across the economy but in particular in agriculture. It is vitally important that we have integrity, and are seen to have integrity, in our foreign investment regime. Since 2012 the Prime Minister, the Deputy Prime Minister, the Minister for Agriculture and a range of other colleagues have been consulting widely with the community about how we can continue to build confidence in the foreign investment regime particularly in relation to agriculture.

Mr Perrett: Don't forget Malcolm.

The SPEAKER: The member for Moreton is warned.

Mr HOCKEY: Today the Prime Minister has announced that from 1 March this year the screening threshold for foreign investment in agricultural land will be cut from \$252 million to \$15 million. That cut in the threshold to \$15 million is a cumulative total, so if a foreign investor currently holds \$13 million of agricultural land and they make an acquisition that extends beyond \$15 million, it is all triggered even though it might be less than the \$15

million for a single purchase. The reason we are doing this is that it is in the national interest to better understand the levels of foreign investment in agricultural land. There is more work to be done. Following the excellent work by the Parliamentary Secretary to the Treasurer, as chair of the House of Representatives committee, we will be saying more about the overall foreign investment regime and in particular in relation to residential land and residential purchases in Australia. We will also be saying more about how we can improve the transparency of ownership of land and in particular residential land in Australia. So from 1 March the new regime begins, and I say emphatically that this is the first word and not the last word on the integrity of the foreign investment regime.

Defence Procurement p. 527

Ms PLIBERSEK (Sydney—Deputy Leader of the Opposition) (14:26): My question is to the Prime Minister. Prime Minister, didn't the government promise before the election to build Australia's future submarines in Adelaide? Will they be built there?

Mr ABBOTT (Warringah—Prime Minister) (14:26): Where they are built depends upon the results of the competitive evaluation process. But I will tell you what—they will be built. If members opposite were still in government they would still be sitting on their hands, the procrastination would be continuing, and there would be a massive submarine capability gap at the end of the next decade.

Opposition members interjecting—

The SPEAKER: The member for Sydney has asked her question and will desist, as will the member for McMahon.

Mr ABBOTT: What we said pre-election was absolutely crystal clear—

Ms Rishworth: Yes, you would build 12 submarines in Adelaide.

The SPEAKER: The member for Kingston is warned.

Mr ABBOTT: What we said was that the Australian work on the new submarines would centre on the South Australian shipyards. There will be more subs, because we take the defence of Australia seriously. There will be more subs because the defence of Australia matters to people on this side of the parliament, and more subs means more jobs in South Australia.

Mr Burke: Madam Speaker, I rise on a point of order. It is difficult for the Prime Minister to be relevant without saying the word 'Adelaide'.

The SPEAKER: The member will resume his seat.

Infrastructure p. 528

Mr BUCHHOLZ (Wright—Government Whip) (14:28): My question is directed to the Deputy Prime Minister and Minister for Infrastructure and Regional Development. Will the minister update the House on the infrastructure projects that this government is funding and building?

Mr TRUSS (Wide Bay—Deputy Prime Minister and Minister for Infrastructure and Regional Development) (14:28): I thank the honourable member for Wright for his question. The facts

clearly are that this government's \$50 billion infrastructure program is already providing a major boost to our Australian economy. It is providing jobs and building the infrastructure needed for the 21st century.

Mr Albanese interjecting—

The SPEAKER: I was patient with the member for Grayndler yesterday but I will not be today.

Mr Albanese interjecting—

The SPEAKER: You can leave right now under 94(a).

Mr TRUSS: Twenty-two major new projects were commenced in 2014, and another 47 will be getting underway this year. I know members opposite like to take credit for the projects that have commenced under this government and will be commencing in the year ahead—

Dr Chalmers interjecting—

The SPEAKER: The member for Rankin is warned.

Mr Albanese interjecting—

The SPEAKER: The member for Grayndler, I said, may leave under 94(a)—now.

The member for Grayndler then left the chamber.

Mr TRUSS: Some of them were being funded from the mythical revenue from the mining tax—

Mr Burke: I rise on a point of order, Madam Speaker.

The SPEAKER: The Deputy Prime Minister will resume his seat. The Manager of Opposition Business on a point of order.

Mr Burke: Madam Speaker, that is now 300 times you have evicted members—

The SPEAKER: The member will resume his seat. You were called for a point of order and abused it. You will resume your seat. Resume your seat!

Mr TRUSS: Labor are seeking to take credit for projects that they had not funded, they had not built and, in some cases, they had not even talked about. The coalition is funding and delivering on its commitments in relation to infrastructure: \$2.9 billion for the Western Sydney roads package, including Bringelly Road, which I spoke about yesterday—no commitment from Labor to Western Sydney roads—and almost \$2 billion for the Toowoomba range crossing, a project of great interest to the member for Wright. Labor have never supported that project. Indeed, they have been a constant critic of it. What about the \$925 million for the Perth Freight Link? Again, Labor are critics of the project. They have not funded it and it is not on their list. What about the Outback Way or the Great Ocean Road, projects to which we have committed where Labor is lost in action? And the Pacific Highway—Labor in government walked away from the 2016 target completion date, then demanded that New South Wales pay 50 per cent of the cost, when the traditional arrangements were 80-20. The facts are: this government has restored the 80-20 funding mix, and we have got it back on track—\$3 billion committed, much more than Labor had ever

offered. And what about, for that matter, the Bruce Highway—an \$8.5 billion plan with the former Queensland government? Labor offered only \$4.1 billion. There are more than 30 projects that we will be building on the Bruce Highway that Labor never even thought of. What about, for that matter, WestConnex? Yes, they said they would build WestConnex, so long as there was no toll—and they would build Gateway North so long as there was a toll! The reality is: this government has delivered, where Labor— (Time expired)

Defence Procurement p. 529

Mr BUTLER (Port Adelaide) (14:32): My question is to the Prime Minister. Liberal Senator Sean Edwards said, in relation to the Future Submarine Project:

I'm very pleased with the decision of the Prime Minister ... it now commits the government to a full and open tender ...

Does the Prime Minister agree with the expletive-filled assessment from his junior infrastructure minister—reported in today's West Australian—that Senator Edwards was 'lying and deliberately misrepresenting the PM's position'?

Mr Champion: Trouble in paradise!

The SPEAKER: Unless the member for Wakefield is anxious to go to paradise, he will desist.

Opposition members interjecting—

The SPEAKER: We will have some silence now, thank you.

Mr Husic: There are some images that can't be unseen!

The SPEAKER: We will have some silence. The Prime Minister will resume his seat.

Opposition members interjecting—

The SPEAKER: It does sound like paradise lost.

Mr ABBOTT (Warringah—Prime Minister) (14:33): I am sure the member is interested in all the defence work that is being done in South Australia. There is \$1 billion worth of defence procurement and sustainment work being undertaken in South Australia.

Mr Butler interjecting—

The SPEAKER: The member has asked his question and will desist.

Mr ABBOTT: That includes 44 separate acquisition projects in South Australia, such as the work on the Air Warfare Destroyer Program, the support and upgrade of the Royal Australian Air Force's P3 Orion aircraft fleet—

Mr Burke: Madam Speaker, I rise on a point of order.

Mr ABBOTT: Don't you want the answer?

The SPEAKER: The Prime Minister will resume his seat. The Manager of Opposition Business on a point of order?

Mr Burke: Direct relevance, Madam Speaker. It is a long way away.

The SPEAKER: The Prime Minister has the call and will pay attention to the question.

Mr ABBOTT: I was asked about defence in South Australia, and that is exactly what I am talking about. The government will spend \$34 million in South Australia on the Future Submarine program, building our competencies and knowledge base in cooperation with industry. South Australia is also home to 58 separate sustainment programs, including the sustainment of the Collins class submarine and the Jindalee over-the-horizon radar network. So there is \$1 billion worth of defence procurement going on in South Australia right now and, on that, the member for Mayo and Senator Edwards are absolutely in agreement. They love it. They both love it, as they should. But I tell you what we are not going to do. We will have a competitive overvaluation process, but I tell you what: we will not go to open tender, because only Labor wants to see Australian submarines possibly built in Russia or North Korea.

Foreign Investment p. 530

Mr HOGAN (Page) (14:35): My question is to the Minister for Agriculture. Will the minister update the House on how the government is better monitoring foreign investment in Australian agriculture?

Opposition members interjecting—

Mr Bowen: This'll be a good one!

The SPEAKER: We will have some silence for the answer, particularly from the member for McMahan.

Mr JOYCE (New England—Minister for Agriculture) (14:36): I thank the honourable member for his question, because it is vitally important, being someone who actually owns a property, to understand how we want to make sure that we have got better oversight on the purchase of our most precious asset, which is the land we stand on. This nation is defined by the land we stand on. It is precious to the Indigenous people, it is precious to everybody else and we want to have proper controls and a proper understanding of exactly who owns that asset and where that asset is held. If we run out of gold, we can always dig deeper to find better and find more, but there is no more land. In fact, the stock of land throughout the globe is actually getting less. So it is definitely the most precious asset—because it is what we feed ourselves with.

Of course, it is not very important to those opposite, because when we went to the Australian people it was made absolutely abundantly clear to us that \$240 million—now \$252 million—was vastly too high. The idea that someone, on one day, could go to the north of a town and buy a place for \$250 million, come back the next day and buy more land to the south for \$250 million, come back the next day and buy something to the west for \$250 million and then, on the next day—the final day—buy more land for \$250 million and never be triggered to go to the Foreign Investment Review Board was an absolute absurdity. It was as relevant to the people of the western suburbs as it was to the people of the Western District.

I will tell you who it was not relevant to—that is the Australian Labor Party. Senator Wong and the shadow minister for agriculture said that they unilaterally want to move it to \$1 billion. What that would mean, at \$500 an acre, would be that you would have to buy a

property in excess of three times the size of the ACT before it would trigger an investigation by the Foreign Investment Review Board.

This is a policy that you stand by right now, and this is a policy that the Australian people are hearing loud and clear. The only way you feel you are going to pay off your debt is to sell the place—sell the joint. That is exactly how it is going to work under the Labor Party. You have no respect for the views of the Australian people.

Mr Burke: Madam Speaker, I rise on a point of order.

The SPEAKER: Has the minister completed his answer?

Mr JOYCE: No.

Mr Burke: Madam Speaker, could you ask the minister, for the remainder of his answer, to address his remarks through the chair.

The SPEAKER: The minister has the call and will so address his remarks.

Mr JOYCE: We have a policy debate, and that is something that rarely happens here. On the other side the Australian Labor Party support moving the limit to \$1 billion. The Australian people have to understand that if you vote for them they want to move the limit to \$1 billion—one thousand million dollars. On this side the limit is \$15 million. There is a policy debate. There is something we can discuss on 2GB or on whatever talkback radio station you want to go on.

Defence Procurement p. 531

Mr FEENEY (Batman) (14:40): Can the Prime Minister please advise the House as to whether he, or anyone acting on his behalf, has entered into an agreement with Prime Minister Abe and/or the government of Japan concerning the Future Submarine Project. If so, what is the nature of such an agreement?

Mr ABBOTT (Warringah—Prime Minister) (14:40): Of course we are exploring the potential for defence cooperation with Japan. Of course we are exploring the potential for defence cooperation with Japan. Is this another outbreak of xenophobia amongst members opposite? Is this the latest example of the kind of ranting we saw from the Leader of the Opposition at the ASC shipyard a few months ago?

Opposition members interjecting—

The SPEAKER: There will be silence on my left. The member for Lingiari and the member for Isaacs will desist.

Mr ABBOTT: Of course we are looking at defence cooperation with Japan. And, yes, we have agreements for defence cooperation with Japan. We openly engaged in those when I was in Japan in about June of last year.

Mr Snowdon interjecting—

The SPEAKER: The member for Lingiari will desist immediately.

Mr ABBOTT: So we are certainly talking to the Japanese about a whole range of defence cooperation—a whole range of defence procurement. But we are not talking just to the

Japanese. We are talking to the French. We are talking to the Germans. And we are talking to the Australian Submarine Corporation. That is what sensible governments do.

Members opposite sat on their hands for six years. They sat on their hands for six years. They were just paralysed. So what is happening here is that, yet again, this government is fixing up another bit of Labor chaos. That is what we are doing. More Labor chaos is being fixed up by us.

I will just make the fundamental principles clear. We want the best possible subs for the best possible price. We want the world's best conventional submarines. Who builds them and where they are built will depend upon a competitive evaluation process. That is as it should be. That is what an adult government does. What we have, I am afraid, in this parliament today, is an utterly unprincipled and utterly unscrupulous opposition. They were incompetent in government and now they are determined to be wreckers in opposition. Frankly, this kind of behaviour is just shameful.

Honourable members interjecting—

The SPEAKER: There will be silence—and that includes the member for Isaacs and the member for Parramatta.

Education: Remote Schools p. 532

Ms PRICE (Durack) (14:43): My question is to the Minister for Education and Training. Will the minister update the House on the government's program to expand direct and explicit instruction in 34 remote schools in Western Australia and the Northern Territory?

Mr PYNE (Sturt—Leader of the House and Minister for Education and Training) (14:43): I can tell the member for Durack that, in more good news from the coalition government, we are moving decisively to try and address the gap in Indigenous education through some of the methods that we are employing since being elected.

We believe—and I am sure that this would be a bipartisan view—that we have to close the gap between Indigenous and non-Indigenous Australians around education. Therefore, today is a good day to talk about some of the measures the government has implemented.

I can tell you that we have put \$900 million, over the next four years, into the extra Indigenous loading for Indigenous students as part of the new school funding model. I personally reversed the cut that Labor made to the boarding schools for Indigenous students, putting \$6.8 million back into support Indigenous students in Australian boarding schools. The member for Solomon played a very large part in bringing that about.

Today I can announce that 300 teachers—

Mr Snowdon interjecting—

The SPEAKER: The member for Lingiari will desist or leave!

Mr PYNE: He took the money out, Madam Speaker, so he is a bit embarrassed that we put it back in!

Today I can announce that 300 teachers have been trained intensively in explicit and direct instruction as part of the \$22 million-program that the government announced last year and

that we implemented as part of last year's budget to expand explicit and direct instruction, back-to-basics teaching in very remote and remote schools—34 across Western Australia, Queensland and the Northern Territory.

This is great news. It means that the transformative program run by Noel Pearson's Cape York council for the last few years—the Good to Great Schools program—will get a much wider airing across rural, remote and very remote schools. It is a trial program—it is a pilot—because I see 34 schools as the beginning of that program. I would like to see that expanded further so that all students who need access to explicit and direct instruction get it.

The transformative impact of being able to address education disadvantage must be known to everyone in this House. Getting students to school and keeping them there is going to happen much more easily if, when they are there, they are having a good experience—they are learning. And explicit and direct instruction has proved in Cape York that it does transform the lives and the attitudes of young Indigenous students. It makes them want to go to school and it makes them want to learn. And if we can address education, and if we can address jobs and the rule of law in Indigenous communities, we will go a long way to closing the gap between Indigenous and non-Indigenous Australians.

Budget p. 533

Mr BOWEN (McMahon) (14:46): My question is to the Prime Minister. This morning the Treasurer said that the independent pre-election economic forecast was wrong. But in June, the Minister for Social Services—a person who has an interest in such matters—said, and I quote:

... as we know, the PEFO is where the officials tell the truth about what the budget really is ...

Prime Minister: who is right? The Treasurer? The wannabe Treasurer? Or should we check with the member for Wentworth?

Mr ABBOTT (Warringah—Prime Minister) (14:47): Well, Madam Speaker, I can tell you who is always wrong, and that is the members opposite.

Every single budget prediction was always wrong! They said the right thing: they said that we needed a stronger budget for a stronger economy. They said a budget surplus was important. But they never, ever delivered. They thought the budget surplus was so important that they claimed actually to have delivered one! The Leader of the Opposition himself was constantly bombarding his own electorate with claims that a budget surplus had already been achieved.

Let's look at what members opposite said before the election and what actually happened. They said as we were going into the election that the budget deficit for 2013-14 would be \$18 billion. Well, it turned out not to be \$18 billion but \$48 billion, a budget black hole of unparalleled proportions that they created, that they knew about and that they should have been up-front and honest about. They were fundamentally dishonest before the election. And no wonder that this government has had to take very strong action—very strong action—to bring the budget under control.

We know what this Leader of the Opposition is against. He is against budget reform and he is against any savings whatsoever—even savings that he supported in government. He supported

the savings in government and he banked them, but he failed to legislate them and then he opposes them in opposition! That is the kind of fraudulence that we get from the Leader of the Opposition.

This Leader of the Opposition is against anything that might be unpopular. He is even against a South Australian Labor government studying nuclear energy. So far this Leader of the Opposition's only contribution to public policy is to run around the country screaming, 'That's unfair!' What is unfair is the fact that this Leader of the Opposition helped to create a budget disaster. They booby-trapped the budget in government and now they are sabotaging the task of budget repair. Well, the Australian people are awake to this guy.

Mr Dreyfus: They're awake to you!

The SPEAKER: The member for Isaacs will desist!

Mr ABBOTT: The Australian people understand: Shorten by name, shorten by nature—short on trust, short on credibility and short on any sense of budget responsibility.

Indigenous Employment p. 534

Mr WILSON (O'Connor) (14:50): My question is to the Assistant Minister for Employment. Will the minister update the House on how the government's new employment services system will improve employment outcomes for Indigenous job seekers?

Mr HARTSUYKER (Cowper—Deputy Leader of the House and Assistant Minister for Employment) (14:50): I thank the member for his question. Might I say that employment is one of the keys to closing the gap and creating a brighter future for Indigenous Australians.

The Prime Minister's Closing the gap report makes it clear that much more work is needed to close the gap on Indigenous employment. The majority of Indigenous job seekers live in regional and metropolitan Australia and are supported by the government's employment services system. Some nine per cent of the current employment services case load—or about 74,000 job seekers—identify as Indigenous, and if we are to close the gap it is vital that these job seekers get the support they need to get and keep a job. To provide this support, the government has included specific reform to boost Indigenous employment outcomes in the new employment services system that will start on 1 July this year.

I have made some significant improvements in the system to address this concern. For the first time there will be targets for Indigenous employment such that employment service providers will not be able to pay lip service to the important task of getting more Indigenous job seekers into work. The system will be changed to provide more incentive to deliver results, and the important outcome that we want is to get more Indigenous job seekers off welfare and into work.

I will be holding employment service providers accountable through the star-rating system to ensure they are meeting their obligation to get appropriate numbers of Indigenous job seekers into work—to ensure that they are meeting their Indigenous employment targets. To support them in their work, we are providing subsidies for employers to take on more Indigenous Australians and offer those Australians the opportunity to work. I am pleased to note that many companies have recently announced that they are taking on more Indigenous Australians—companies such as QANTAS, Westpac and Leighton—giving some of our first

Australians a leg-up into the workforce, giving them the opportunities that employment would bring. I would certainly be encouraging all Australian employers to consider taking on an Indigenous job seeker to give them the benefits of work and to enable them to enjoy the opportunities that work can bring.

Treasurer p. 535

Mr BOWEN (McMahon) (14:53): My question is to the Prime Minister. Last night the Treasurer referred to the 'Labor controlled Senate' and said of the Labor Party, 'They have the biggest block of votes in the Senate.' Prime Minister, given Labor has 25 seats in the Senate, while the coalition has 33, does the Prime Minister have confidence in a Treasurer who cannot count?

Honourable members interjecting—

The SPEAKER: There will be silence on my right! There will also be silence on my left!

Mr ABBOTT (Warringah—Prime Minister) (14:53): The Labor Party and their Greens coalition partners are the largest block in the Senate, by far. I am very pleased to say that last night the Senate did finally pass a measure that members opposite embraced while in government. They banked it, but they did not legislate it. Then they opposed it when we came into government. They opposed it tooth and nail. They opposed it up hill and down dale, but, as a sign of the careful, painstaking, courteous and collegial approach that this government takes with the Senate, we got it through last night.

I am pleased to say that there were some 400 budget measures last year. Well over 300 have been implemented. As of yesterday, there were some \$16 billion worth of budget improvements to the bottom line. I am pleased that that has now been supplemented by \$1.3 billion because, while members opposite do nothing but obstruct, nothing but complain, nothing but wreck, there is at least some sense of responsibility on the crossbench, and we are always prepared to work with responsible people in the Senate.

Mr Bowen: I seek leave to table the composition of the Senate. It even has a pie chart to make it easier for the Treasurer.

The SPEAKER: No. The member will resume his seat.

Healthcare p. 535

Mr TEHAN (Wannon) (14:56): My question is to the Minister for Health. Would the minister please explain what the government is doing to improve cancer services in my electorate of Wannon?

Ms LEY (Farrer—Minister for Health and Minister for Sport) (14:56): May I thank my friend the member for Wannon for his question. I know that cancer treatment is a strong focus for him. He is co-chair of Parliamentarians Supporting Cancer Causes, so he joins all members and senators, across parties, in wanting to see better outcomes, better screening, better diagnoses, better treatment and better medicines for cancer, which is the major cause of illness in Australia. As we all know—because everyone has been touched by someone's cancer story and cancer journey—cancer has a significant impact on individuals, families and the health system.

The good news is that our survival rates are amongst the best in the world, but, as the member for Wannon would be acutely aware, mortality rates for all types of cancer combined are significantly higher in rural, remote and very remote areas of Australia—much more so than in our major cities. Every regional member of parliament is determined to address this. Women living in remote and very remote areas of Australia have over three times the mortality rate of cervical cancer. There is 1.3 times the rate of lung cancer and breast cancer for people in rural Australia compared with our major cities. In the period 2006 to 2010, five-year survival from all cancers combined was higher in major cities than regional areas. So, the bad news is: the further you live from a metropolitan city, the less likely you are to reach a five-year survival target if you have a cancer diagnosis.

The member for Wannon is absolutely committed to this cause. The coalition committed \$10 million during the election campaign to fund a vital piece of health infrastructure in his electorate. He lobbied hard to secure Commonwealth funding for Peter's Project, a fully integrated, state-of-the-art cancer centre in Warrnambool, right there in rural Australia, where it counts. This is a perfect example of the coalition's targeted spending on frontline health services—something we are absolutely committed to. It is fantastic to see positive projects like this that will make a real difference to the lives of country people. Amongst other things, the facility will provide two radiotherapy bunkers, a CT simulator, a physics laboratory, a wellness centre, therapy rooms, oncology consulting suites, a clinical trials office and spaces for treatment—real frontline services that will have a real impact on the lives of those within the member's electorate and the surrounding areas of rural Victoria who have been diagnosed with cancer. I commend the member for Wannon for his excellent advocacy.

Budget p. 536

Mr SHORTEN (Maribyrnong—Leader of the Opposition) (14:59): My question is to the Prime Minister. I refer to an interview that the Treasurer conducted on radio this morning. When he was asked why he has gone from a rooster to a feather duster in a very short time, the Treasurer replied, 'That's a bit unfair.' Prime Minister, what is more unfair: the Treasurer's hurt feelings or his rotten budget hurting millions of Australians?

Honourable members interjecting—

The SPEAKER: There will be silence for the answer, and that includes the member for Charlton!

Mr ABBOTT (Warringah—Prime Minister) (15:00): Do you know why I respect and admire this Treasurer? I respect and admire this Treasurer because he is serious about grappling with the problems that this country faces. This Treasurer and this government are serious about tackling the long-term problems that this country faces, but members opposite are just in denial. They are simply in denial. There is something deeply distressing for the future of our country when the alternative government is in denial—

Ms Plibersek interjecting—

The SPEAKER: The member for Sydney will desist!

Mr ABBOTT: about the problem that it created, because that is the situation that we are in now. Members opposite know that a surplus is important. They know that no country can persistently run up—

Ms Owens interjecting—

The SPEAKER: The member for Parramatta is warned!

Mr ABBOTT: deficit after deficit after deficit. After running up more than a quarter of a trillion dollars in cumulative deficits, after giving us the six worst budget results in Australian history, after giving us a cumulative projected debt of \$667 billion 10 years out and \$123 billion of projected further deficits—after doing all of that—after booby trapping the budget with unsustainable spending years and years into the future, now they are trying to sabotage the solution. That is what they are doing. They booby trapped the budget for their own political purposes, and now they are trying to sabotage the solution. Frankly, it is absolutely contemptible.

Ms Butler interjecting—

The SPEAKER: The member for Griffith is warned!

Mr ABBOTT: This government is serious. We have made a good start on the task of budget repair. We have made a very good start on the task of budget repair. More than three-quarters of the budget measures are now fully implemented—some \$17 billion worth of fiscal improvement over the forward estimates. We have made a good start.

And the tragedy is that the Labor Party, the once-great Labor Party that used to have a long-term commitment to the economic future of this country, have completely abdicated. They have completely abdicated. What that shows is that the Leader of the Opposition has an entirely failed the ultimate test of leadership. He was a senior part of the worst government in our history. He has learnt nothing, and he cannot change.

Free Trade Agreements p. 537

Mr NIKOLIC (Bass) (15:03): My question is to the Minister for Trade and Investment.

Honourable members interjecting—

The SPEAKER: Just wait. I have been very patient, and I have warned a number. We will have silence for the rest of question time so we can hear both the answers and the questions; otherwise, people will leave.

Mr NIKOLIC: My question is to the Minister for Trade and Investment. I remind the minister that two of the three landmark free trade agreements concluded with our North Asian neighbours are now in force. Will the minister inform the House of any immediate benefits that have resulted from their introduction, particularly in my home state of Tasmania?

Mr ROBB (Goldstein—Minister for Trade and Investment) (15:03): I thank the member for Bass. He is proving to be an extremely strong and effective member for that seat. He is out and about already promoting the benefits of the free trade agreements. Of course, the Korean one took effect in the middle of December, and the Japanese one took effect in the middle of January. The member for Bass has already received some great feedback recently from a Launceston cray fisherman, Karl Krause.

The SPEAKER: The member for Lalor is not in her seat.

Mr ROBB: He fishes the waters off Flinders Island. Karl said: 'Our crays are now in hot demand in both countries, with tariffs at 20 per cent going to zero, ensuring enduring price gains for years and years.'

Of course, the member for Bass has also been one of the great advocates for the irrigation projects in Tasmania, including of a shovel-ready project in Scottsdale, which I happened to visit a couple of years ago with the now member for Bass. Scottsdale is a former great town in the north-east. A few years ago, an earlier Labor government closed three timber mills by closing down forestry in Scottsdale. They killed jobs and they killed growth in that area. We are breathing life back into those jobs and that place. We are supporting irrigation projects—

Ms Chesters interjecting—

The SPEAKER: I said there will be silence. The member for Bendigo can leave under 94(a).

The member for Bendigo then left the chamber.

Mr ROBB: which will allow advantage to be taken of these free trade agreements. We will see tariffs on potatoes down from 304 per cent to zero; tariffs on carrots from 30 per cent to zero; turnips, 30 per cent to zero; wine, 15 per cent to zero; and so many more. All of these things will be advantaged by these developments that we have with the free trade agreements.

Ms Collins interjecting—

The SPEAKER: The member for Franklin will desist!

Mr ROBB: We are seeing evidence of this from Reid Fruits. They are one of the biggest cherry-exporting companies in Australia. They are in Tasmania. They have already signed contracts and shipped 183 tonnes of cherries to Korea. Last year they shipped five tonnes. Because of the tariff reduction, they are now shipping 183 tonnes, worth nearly \$3 million. That is 600 people, 600 jobs, at the peak of the season. With a 24 per cent tariff reduction, they are now making millions of dollars.

From day one, we have been on about growth and jobs. In this regard, the free trade agreements are having an immediate impact in Tasmania and the rest of the country.

United Nations Climate Change Conference p. 538

Ms PLIBERSEK (Sydney—Deputy Leader of the Opposition) (15:07): My question is to the Minister for Foreign Affairs. I refer to reports last year that the minister went bananas because the Prime Minister's office insisted she be accompanied by the trade minister to the UN climate change conference in Lima. In this new era of good government, can the foreign minister advise whether she will be allowed to represent Australia at the UN climate change meeting in Paris unsupervised?

Ms JULIE BISHOP (Curtin—Minister for Foreign Affairs) (15:07): I thank the member for her question, but that is so yesterday.

Mr Dreyfus interjecting—

The SPEAKER: The foreign minister has the call. The member for Isaacs will desist or leave. The choice is his.

Ms JULIE BISHOP: What surprises me about this question is that the shadow foreign minister had such a poor record in government as a member of a cabinet that did so little to promote Australia's reputation and image overseas; that she was a member of a cabinet that so trashed our reputation. Whereas the coalition believes that our job in foreign policy is to project and protect our reputation as—

Mr Perrett interjecting—

The SPEAKER: The member for Moreton will leave forthwith under 94(a). He is lucky not to be named.

The member for Moreton then left the chamber.

Ms JULIE BISHOP: an open, liberal, Western democracy committed to freedom, committed to human rights; that we are an open, export-oriented economy, and all that we do in foreign policy is designed to project and protect that image and that reputation.

Mr Conroy interjecting—

The SPEAKER: The member for Charlton will join him under 94(a).

The member for Charlton then left the chamber.

Ms JULIE BISHOP: I am just surprised that the member would even pop her head up today, because yesterday, when she asked me about the aid budget, she refused to acknowledge that the aid budget is in this position, because the opposition will not even pass savings that they took to the last election; that they so trashed our budget that we had a \$48 billion deficit. Of course the cuts to the aid budget sit fairly and squarely with this shadow foreign minister as part of the cabinet that so destroyed our financial standing. What amazes me is that she actually has the gall to stand up here when she still believes that Africa is a country. I raise this because the shadow foreign minister has repeatedly said that Africa is a country, to the point where the 54 countries in Africa have started a campaign that 'Africa is not a country'.

The SPEAKER: We will not have any props, thank you. The foreign minister will not use props.

Ms JULIE BISHOP: This is a campaign begun by schools in Africa who want to reject the stereotypes, the misinformation—

Mr Burke: Madam Speaker, on a point of order—

The SPEAKER: The member for Watson will resume his seat.

Mr Dreyfus interjecting—

The SPEAKER: The member for Isaacs will leave under 94(a). I think I might name the member for Isaacs. I name the member for Isaacs.

Mr PYNE (Sturt—Leader of the House and Minister for Education and Training) (15:10): Madam Speaker, I move:

That the member for Isaacs be suspended from the service of the House.

The SPEAKER: The question is that the member for Isaacs be suspended from the House.

The SPEAKER (15:18): The honourable member for Isaacs is suspended from the service of the House for 24 hours under standing order 94(b).

The member for Isaac s then left the chamber.

Mr Abbott: I ask that further questions be placed on the Notice Paper.