



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

PROOF

Main Committee

APPROPRIATION BILL (NO. 1) 2009-2010

APPROPRIATION BILL (NO. 2) 2009-2010

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

Second Reading

SPEECH

Wednesday, 27 May 2009

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

SPEECH

Date Wednesday, 27 May 2009	Source House
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Questioner	Responder
Speaker Sidebottom, Sid, MP	Question No.

Mr SIDEBOTTOM (Braddon) (6.35 pm)—I am really pleased to be able to speak on Appropriation Bill (No. 1) 2009-2010 and the cognate bills because it gives me a chance to talk about the budget that was recently handed down by the Treasurer and to talk about how that budget affects both this nation and, most especially in my neck of the woods, Braddon, which is in north-west Tasmania and includes King Island. In a redistribution it will take in the west coast of Tasmania, and that has implications particularly as the west coast is a major mining area with a very rich mining history in terms of both Australian history and Tasmanian history. It has of course fared badly with the economic downturn which is the world financial crisis. Having listened to many on the other side—and this is not to say that some have not got some reasonable points to make about particular provisions in the budget—I have to say some of them should try to understand what a balanced debate is, because you would swear that we caused the global economic downturn, that we caused the worst recession in 70 years. You could not credit how some on the other side would not at least appreciate and acknowledge that this country is suffering just like others in this global economic downturn and that we are all experiencing it.

In comparative terms, Australia is faring better. That is nothing to crow about, except to say that we are faring better. When we compare ourselves with some of our comparable economic partners throughout the world, we see they are doing diabolically badly, very poorly indeed. So there are positives as to what is happening in Australia but of course it is not just by absolute chance. We do not deny the work of other governments prior to this in terms of their contributions to maintaining a sustainable economy and restructuring our economy through very difficult times so that we have a much better regulated financial aspect to our economy than most. We do recognise that. We also recognise that mistakes have been made in the past, particularly in terms of how we have directed the resources—and the revenues from those resources—that this country has been blessed with. We can argue about that all day and all night but what this government has done, warts and all, has been to attempt to stimulate this economy in the best way we believe possible in order to sustain jobs and to invest in infrastructure—and heaven knows we need it and have needed it for a long time—so that, firstly, we can cope with the changes we are experiencing now and, secondly, we can grow our economy into the future. That is at the heart of what this budget is about and what our previous budget was about and that is what drives our economic intentions and, of course, the social policy that flows from them.

So let us not deny that we live in the worst of times in terms of world economic circumstances—the worst in 70 years. We all hope and pray that we never experience the negatives of the years of the Great Depression. Australia and many other social democratic countries, and others, have attempted to collectively stimulate their economies and work towards continuing free trade so that the oil of the economic system, for all its faults, allows that system to continue to grind on and hopefully grind out of this much earlier rather than later.

What you do not hear from the other side is that Australia's debt, which they bang on about all the time in their scare campaign—and that is what it is: scaring the community rather than supporting the stimulus—is the lowest of any major advanced economy in the world. That is a fact. That is something we have to manage and we are seeking to manage for the future. But we cannot deny that the debt is the lowest of any major advanced economy in the world. Another fact: nearly 70 per cent of our economic stimulus is for nation-building infrastructure—something that has been neglected for many, many years and, I would argue, at both national and state levels. What better way to invest your nation's funds than by investing in needed infrastructure? It is not just about the immediate effects of investing in infrastructure, whether that be in the immediate term, the shorter term or the longer term, but also about investing in our future so that when the economic upturn occurs, and it will, we are able to grasp it, use it and have our infrastructure, our superstructure, ready for the economy to continue to grow. Of course, part and parcel of that is having our education, skills and training banks, if you like, ready to take up these challenges.

We have the biggest school modernisation program in Australia's history, but you would not believe it when you listen to some of those on the other side speak. I listened to the member for Paterson. There was not one positive comment in the whole speech. There were denials of any positive investment in this country. The investment in our schools and the modernisation of our schools is not only a good thing; it is necessary. I do

not hear many communities, schools or students tell me that they think this is a negative—not one—yet you would not believe it if you listen to the other side. Of course those on the other side will celebrate with those communities the investments in infrastructure that will be part of their communities—I understand that—but I suppose it is very difficult for a lot to be able to say, ‘I didn’t vote for it, though. I totally opposed it.’ That is something they will have to sort out, and that is part and parcel of politics, isn’t it? I think everybody celebrates the investment in our schools. It is much needed, very necessary and it has been a long time coming.

We are investing in our roads, rail and ports. I hope every electorate in Australia, from all sides of politics, is going to benefit from these investments, because we need them. We are investing in hospitals, contrary to exaggerated statements on the other side that our hospital systems are not improving. Our hospital systems are improving—not quick enough, I agree, but they are improving. We are actually putting more money into our public hospitals to tackle the waiting lists, to tackle the depreciation in equipment, to try and support increased training for those who provide those health services, to try and get more doctors and specialists and to use the health dollar better. With all its problems, we are investing in it, and you cannot deny that, particularly after we have had a decade of underinvestment. The days of blaming the states and the Commonwealth, toing and froing between them, are finished. The public now want that investment. It is taking place. It might not be quick enough, it might not be enough at the moment, but it is taking place and we cannot deny it. This budget continues that process.

We are investing in a national network for broadband. I am really pleased to say that Tasmania will be the first cab off the rank, through a partnership with the Tasmanian government and Aurora in Tasmania. I hope that many other communities throughout Australia will benefit from the lessons we learn from this rollout. It will be really exciting, and we will get into as many nooks and crannies in my beautiful state as possible the fastest broadband speeds and access possible. If we cannot get the fibre to the premises then we commit to the best technologies possible in wireless and satellite and to the fastest speeds possible via those means. This is a massive investment in this nation. It is a terrific investment in Tassie. We hope that this will get underway in July. So I am more than happy to update the parliament and you, colleagues, about how it is going.

I hope we can replicate this in other parts of Australia, too. It will have great implications both in training and in education, particularly for business and small business. Boy, what it will mean for people who want to use home as their base to create their businesses. And what types of exciting technologies are going to be available to us in the world of communications and getting our news and information. It is just phenomenal to think that we could work at speeds of 100 megabits per second. It is fantastic. This government is investing in it. Unfortunately you do not hear much support for that on the other side, but I know they will benefit from it.

Of course we are investing heavily in major solar energy projects. I am really pleased to note, and it is great to know, that the legislation is coming forward in terms of renewable energy. We certainly look forward to it in Tasmania, where, in my own neck of the woods, there is the potential for a nearly billion-dollar wind farm to come into existence. That would, again, add to the renewable energy stock in Tasmania, which is, after all, the renewable energy capital of this whole region. That is just some of the investment that we are dealing with in terms of infrastructure.

Why is the government doing this? We are doing it because we have to. It is not a question of, ‘Will you?’ ‘Maybe. Might.’ It is a question of having to stimulate our economy now, to support and sustain jobs now, to support and sustain small businesses now. That means that we have to go into a deficit. Several months ago we would not mention the word ‘deficit’. In fact it would not be mentioned anywhere in what would be regarded as orthodox economic discussions. But of course we share the deficit with just about every other country in the world. I hear some others say, ‘It is shocking that we are going into a deficit.’ I do not mind having that discussion so long as I know exactly what the alternative plan is or would be. So I look forward to hearing that, very much so. I know that some of my colleagues on the other side will be jumping up fairly soon to tell me exactly what their alternative would be. I will be reading that *Hansard* with much interest.

If we do not do something, we will have a deeper recession than we are going to have. There will be a slower recovery and—this is where we get to the nitty-gritty of it—we will have hundreds and thousands more Australians, our colleagues, our fellow citizens, out of work. They are people. They are human beings. They have families. They have obligations, responsibilities and feelings like everyone else. So what we are doing, warts and all, is attempting to keep as many people as possible in employment both now and in the future. For those who are not able to remain employed, we have programs—and we must invest in these programs—to support them when they are unemployed. Nobody likes to talk about that, but it is a reality, and we have to do it. I hope

that we are able to use progressive, innovative programs that allow people to train and retrain. I also hope that they understand that they have not been made unemployed because of what others say in a scare campaign but because they are living at a time of global financial crisis that is almost unprecedented in their lifetimes. That is the reality, and for others to use dishonest scare campaigns to say the contrary is really, really unfortunate.

This government is taking responsible decisions throughout to try and return the budget to surplus. This House is debating that, and we will continue to debate it. That is our intention, that is our motive and that is the premise for some of the savings decisions we have to make which are not pleasant. It is also at the heart of how we are investing the moneys—so that we can get to a positive revenue return in the future, to progressively manage this debt. And, as I mentioned at the beginning, our debt remains the lowest of any major advanced economy in the world.

The majority of this debt is due to less tax being collected; that is an absolute fact. We projected a certain amount of revenue, demand collapsed for many goods and services both throughout the world and in Australia, and that revenue no longer exists. We could have shut up shop and held on, put our hands over our eyes and covered our ears, and hoped it would all go away and that sometime in the future we would come out of it. That is the old way of doing things; that was the way that people, in the main, dealt with the Great Depression. Well, Australia decided to act decisively, and that is at the heart of our multiple stimulus packages, our multi-stimulus budget. So I ask colleagues to remember to frame their discussions in the light of the economic realities that we face both as a nation and of course as part and parcel of a world economy in deep trouble.

Before I finish, if I may, to localise what I have been talking about, I would like to point to some of the government expenditure in my electorate of Braddon. Under the National School Pride program, we have a total of \$8.5 million; under Primary Schools for the 21st Century, \$21.5 million. These represent construction that is going to take place in the electorate of Braddon, which has a population of something like 111,000. So there are going to be plenty of construction sites and there is going to be plenty of work, and, of course, people will be able to provide services, equipment and all those things that go to make up buildings—the timber, the carpets and so forth. Under the computers in schools scheme, there is something like \$1.2 million. There is \$1.5 million for a trades training centre. In health, I estimate that we have spent and are spending \$200 million to improve health services in Braddon. Now, there is a lot to do, but that is a lot of investment. In infrastructure in Braddon alone, there is \$57.5 million for community projects.

So, again, there is a lot of construction and a lot of economic activity going on in Braddon, and I am pleased to say that this government delivered support for pensioners. It might not have helped all pensioners to the same degree, but it made it much more equitable and I was really pleased that we were able to do that. We have a lot more to do, and I look forward to being part of a government that will do that. But, in the main, we are doing the best we can for the most, and I look forward to participating in that.