



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

PROOF

MATTERS OF PUBLIC IMPORTANCE

Families

SPEECH

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Questioner
Speaker Emerson, Craig, MP

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Dr EMERSON (Rankin—Minister for Small Business, Independent Contractors and the Service Economy and Minister Assisting the Finance Minister on Deregulation) (4.28 pm)—I am just trying to draw a diagram to summarise what the Leader of the Nationals had to say. He started off saying it was all spin, and then he went on to say that Labor's spending is creating too much debt. 'Spin' suggests that there is no spending. The next proposition is that Labor's spending is creating too much debt, and then he says the Nationals would have the same level of spending that Labor in government has had—they would have done it anyway. I am advised by the Minister for Agriculture, Fisheries and Forestry that during the last matter of public importance the Leader of the Nationals complained about spending cuts the entire time. So this is the problem—they say one thing in one matter of public importance debate and another thing in another; one thing in their electorates and another thing in the parliament. They hope that no-one notices, but we do notice. This government is engaged in nation building for recovery, yet this MPI criticises the two stimulus packages that have been brought down by the government.

I will go through some of the economic context very quickly so there is an appreciation of the environment within which the budget was formulated and the two stimulus packages were brought down. Australia has experienced the biggest fall in export earnings in half a century. The coalition in government enjoyed the highest commodity prices in half a century. Labor has come to government at a time when Australia has experienced the biggest fall in export earnings in half a century. That has contributed directly to the carving of \$210 billion off Commonwealth taxation revenue—\$210 billion has been lost from Commonwealth taxation revenue. Sounds like a big number? It is a big number. It is one dollar in every five of Commonwealth taxation revenue wiped out as a consequence of the impact of the global recession and its impact on commodity prices, meaning that the Commonwealth has lost one dollar in every five of Commonwealth taxation revenue. That \$210 billion deterioration accounts for two-thirds of the total deterioration in the budget bottom line.

These are the external influences—two-thirds of the deterioration in the budget bottom line caused by a \$210 billion loss of Commonwealth taxation revenue.

Yet the coalition, through this pamphlet and through their websites, which I have inspected, are giving the impression that they would not have any debt—that debt is bad and the coalition stand for no debt. Not only that, the Leader of the Opposition was asked about this very topic on the *AM* program on 13 May this year. Chris Uhlmann asked:

But just quickly, you would have engaged in some stimulus spending and there would have been a deficit?

Malcolm Turnbull gave quite long answer, but he said:

... it may have been in deficit by a very small amount or it may have been in surplus by a small amount ...

There you have the Leader of the Opposition saying that if in government the coalition would have a small deficit, a small surplus or a balanced budget. They are saying they would eliminate the deficit. That is their public statement—and yet the fall in Commonwealth taxation revenue accounts for two-thirds of the deterioration in the budget bottom line. So the Leader of the Opposition is really saying that he can fix the fundamental problem here, and that is the collapse of commodity prices. I can just see him now—King Canute: 'I command commodity prices to rise.' The King Canute of Australian politics, the Leader of the Opposition: 'I'll fix it all. I command you to rise, commodity prices.' So absurd is the economic prescription of the Leader of the Opposition.

If he is going to go around saying that Labor's net debt is no good and we should have a balanced budget or a slight surplus, you would think he would have used the opportunity to say so on the Thursday night of his budget reply speech—a golden opportunity. Expectations were raised. I was waiting in breathless anticipation for the Leader of the Opposition to come in here, show some courage and say, 'This is how we would move from deficit into a balanced budget. These are the taxes that we would increase. These are the savings, the reductions in government spending, that we would make.' What did he do? He produced not one dollar of net savings when he had a golden opportunity in his budget reply to do so. He does not have the courage to put his money where his mouth is, say where the money is coming from, say which taxes he would

increase and say which programs he would cut. He is guilty of duplicity. He is guilty of hypocrisy.

Let us see what the Leader of the Opposition said about the first stimulus package, about which he has subsequently become so deeply critical. On 14 October last year he said:

... we are not going to argue about the composition of the package or quibble about it. It has our support. It will provide a stimulus to the economy, that's for certain.

Here he is supporting the stimulus package, saying it is great. On the same day, he went on to say:

... we're not arguing about the size of the stimulus. We support these measures and we are particularly pleased about the measure, the payments to pensioners.

What did he subsequently describe it as? A cash splash—a total waste of money. This is the duplicity and the hypocrisy of the Leader of the Opposition. He says something one day to suit his purposes and then something different the next. I will not have time to list them all, but there was a litany of quotes from the Leader of the Opposition subsequently saying, 'We never liked that stimulus package at all. We voted for it, but we never liked it and never said it was good.' But they did say it was good—they supported it at the time.

On the second stimulus package, of course, the Leader of the Opposition said, 'We wouldn't have introduced the same stimulus package; we would have had one about half the size.' So instead of Labor's net debt of \$188 billion they are saying they would have \$168 billion. Half of 42 is 21. Take 21 from 188 and you have 167.

Mr Anthony Smith—You're not good with numbers, you lot, are you!

Dr EMERSON—I think I am actually a lot better with numbers than you, mate. You are the numbers man for your bloke, sitting up there on the back bench, the member for Higgins. The member for Higgins is not even here in the chamber, so do not talk to me about being good at numbers, mate. You are hopeless at numbers—absolutely hopeless.

We had the Leader of the Opposition saying that under the coalition the deficit would be \$21 billion lower—\$188 million; \$178 billion; \$168 billion; \$167 billion. There it is, right on the money—\$167 billion is good; \$188 billion of net debt is really bad. That is really what he is saying. But even then in his budget reply he did not identify the \$21 billion that he would save. He had the opportunity to do so. At least he said, 'We don't support this package; we're voting against it'—and vote against it they did. Why? Because the member for Higgins, the guy for whom you are

the numbers man, up there on the back bench and on *Lateline*, described the stimulus packages as a 'low-quality spend'. Then it caught on. Here in Canberra the coalition, full of courage and full of bluster, said: 'That's a low-quality spend. We're not voting for it.' At least you can respect them for that. Here they are in Canberra saying that they are not going to vote for all this infrastructure and school modernisation stuff. It is far too expensive—a low-quality spend.

Okay, that would be understandable, but what have we got? This matter of public importance has been put by the Leader of the National Party, the friend of the Minister for Agriculture, Fisheries and Forestry here—

Mr Burke—I love him!

Dr EMERSON—He loves him. He is very, very fond of the Leader of the National Party. Why? Because he gives us so much material. He gives us so many lines. There are two Nationals here now from the guilty party. You are both guilty. Why? The member for Maranoa, on 1 April, put out a media release headed 'Green light for Kingaroy road funding'. It stated:

Federal LNP Member for Maranoa Bruce Scott welcomed \$650,000 in funding from the Federal Black Spots Program ...

Ain't that grand! The very program that he voted against and that they described as a 'low-quality spend'. On the same day, April Fools' Day, in another press release headed 'A right move for Dalby road funding' another \$70,000 was welcomed. And then we have the National Party member for Mallee—and his name is John Forrest. I would not use the name ordinarily in parliament, but I am quoting directly from a press release:

Federal member for Mallee John Forrest says Black Spot funding approaching \$2 million for the Mallee Electorate announced by the Federal Infrastructure Minister today will be money well spent.

Money that they voted against! Now we have the member for Gippsland. Thank you for coming along, because you probably thought you would get a run in this MPI and you are. The article's headline is 'Dangerous roads to be upgraded'. It states:

The dangerous McKean Street intersections with Victoria and Dreverman streets in Bairnsdale will be upgraded following an announcement of \$500,000 from the Federal Government—

which the member for Gippsland voted against. So you are all brave here in Canberra, but when you go back to your electorates you are cowards. You are cowards because you do not have the guts to say to your local constituents, 'Listen, I've got to be honest with you, I've got to be frank with you, I've got to level with you:

we voted against this; we are against these measures; we are against these local initiatives.'

The member for La Trobe is writing letters to the Minister for Infrastructure, Transport, Regional Development and Local Government saying, 'Look, it would be terrific, Minister, for the city of Knox if we could establish an indoor stadium and regional soccer facility.' I have another one from the federal member for Swan—and this I think is a lovely personal touch:

Dear Minister'—

'Minister' is struck through and replaced with 'Anthony'; we call him 'Albo'—

The City of Canning in my electorate of Swan has submitted an application for assistance towards the development of replacement playground equipment, pathways and sports field lighting under the above program. I would be grateful for your consideration of the application, which I strongly endorse.

What! Out of a program that they voted against? He strongly endorses an application from a program that they oppose in Canberra but do not have the guts to tell their local constituents that they are opposing. I have three more letters—and I will not go through them all. There is one from the member for Wannon talking about three different proposals that he has asked Minister Albanese about—there is a strike-through there as well; he has changed it to 'Minister/Anthony'. He thinks, 'Maybe that will maximise my chances of getting the application approved.' We have got more and more of these proposals. Sometimes you cannot be sure if they are bogus, because you cannot really believe some of the stuff that they go on with. I know people in the past have said, 'We've been set up, it really wasn't us.' Is that really Steve Irons, the member for Swan, having a look at the new civic centre library in South Perth—the government contributing \$2 million? It sure looks like him. I think that is him. And who is this handsome fellow here? Rowan Ramsey, the member for Grey, at the announcement of \$2.5 million for Port Pirie Library and Internet Centre. He looks particularly pleased. He is very happy with the program that he voted against but which he pretends in his electorate that he supported.

Here we have a fairly recently elected member who replaced Alexander Downer. His name is Jamie Briggs, the member for Mayo. There he is, happy at the announcement of more than \$2.3 million for a new swimming pool in Strathalbyn. And then we have the thumbs up: here is Joanna Gash with Senator Arbib. 'Go Mark!' says Joanna Gash, the member for Gilmore. She is really happy with her thumbs up. And who is this guy here? You can only see part of the photo. We have got Albo, the minister, here. Doesn't that look like the Leader of the Opposition? There he

is, the member for Wentworth, at the announcement of \$2 million for a new pavilion at Waverley Park. Isn't that terrific!

That is the problem, though—they just do not have any guts. Here we are, as a government, investing in roads, rail, ports, broadband and the biggest school modernisation program in Australia's history and supporting small business and jobs, with Treasury estimates that 200,000 extra jobs would be lost if it weren't for the stimulus packages and the budget measures that we have announced and are implementing now. Here are the questions for the coalition: where is the money coming from? Where are you going to cut spending? Where are you going to increase taxes? We are building the economy up while you spend all your time talking it down.