

Fri, 30th January 2009

TURNBULL DOORSTOP - JOBS FOR AUSTRALIA FORUM, TAX CUTS, RUDD BANK

The Hon Malcolm Turnbull MP
Leader of the Opposition

E&OE

MALCOLM TURNBULL:

The three top priorities for 2009 are jobs, jobs, jobs. We are committed to ensuring that we get every good idea, every bit of feedback we can to ensure that we can present alternative policies which will promote employment and deliver on jobs, jobs, jobs.

They have to be the three top priorities for everybody and particularly for Mr Rudd, and the Coalition is committed to that. And that's why I'm here today with my colleagues, Andrew Southcott, Marise Payne and Louise Markus, here at this forum in Parramatta. And we'll be doing this around Australia, listening to Australians, learning about their experiences in this economic climate, their experiences about employment and their ideas to promote employment and promote jobs.

And we're launching today a website that will enable us to reach out to every Australian to get their feedback, promote discussion on the ideas and the policies that will deliver jobs, jobs, jobs. Any questions?

QUESTION:

Mr Turnbull do you think the Government's giving confusing messages about whether it will be using tax cuts in its next stimulus package? We heard some different things from Wayne Swan yesterday.

MALCOLM TURNBULL:

I think everybody's confused by the Government on this. We've had Mr Crean, Mr Emerson and Mr Tanner, have all said that tax cuts are an important part of a fiscal stimulus package –and indeed they are part of fiscal stimulus packages right around the world – including the one President Obama is working through the Congress at the moment.

But then Mr Swan went out yesterday and contradicted his colleagues and said that tax cuts should have no part to play in fiscal stimulus.

Now our view is that Australians need encouragement, they're entitled to get leadership from government that creates incentives to invest, to hire people, to keep employees employed and the one thing that we've learnt over many years of experience around the world and very recently in the US is that permanent tax cuts provide a greater, a longer lasting stimulus than one off payments.

QUESTION:

What about we've got Julia Gillard and Simon Crean at the World Economic Forum at the moment, how do you think they should be best represent Australia's interests there?

MALCOLM TURNBULL:

They've got to tell the story about Australia's success. They should be explaining about the great economic situation they found themselves in after 11 and a half years of Coalition Government. How they inherited a Government without any debt who paid off all the Labor Party's debt and that was running strong surpluses. And then they perhaps might share their experiences about how their unlimited bank deposit guarantee did so much harm to our economy and no doubt other countries will learn from the mistakes that the Rudd Government has made.

You see Mr Rudd has responded to the crisis undoubtedly, but he has made a number of errors through undertaking policies that have been poorly considered and undertaken without consultation, including without consultation with the Reserve Bank. The unlimited bank deposit guarantee of last year caused enormous dislocation in financial markets. We've seen the big payment before Christmas, the so called 'cash splash.' The anecdotal evidence we're receiving now indicates it was not an effective fiscal stimulus, although no doubt everybody that received it appreciated receiving the money very much and I've got no doubt the vast majority of Australians used that money wisely, but it didn't achieve the economic stimulus Mr Rudd wanted.

idea of course for a Rudd Bank, which is designed to support the big banks, not to support small business, not to support jobs, not to support any of the companies that we're meeting with today or any of the firms that we're meeting with today. But simply to hold up commercial property values and support the profitability of our big four banks - well that's not good enough.

The Government's policies have got to be effective, they've got to be targeted, they've got to be focussed on jobs, jobs, jobs.

QUESTION:

Are you going to oppose the Government's commercial property fund on that basis?

MALCOLM TURNBULL:

As I said this morning if it is in the form that's been described so far I don't think its prospects of support in the Senate are very promising. But let's wait to see what the final details are. I get the impression that the Government is busily amending it now -that's the feedback we're getting through the banking sector - so we'll wait and see what the final shape of it is.

QUESTION:

Yesterday you said that it wouldn't do anything to create jobs but I think in The Australian this morning they had several economists and property experts saying that actually it will and it will certainly stop the sector from haemorrhaging jobs?

MALCOLM TURNBULL:

The comments that were in The Australian are based on a false premise. The Government has said that this Rudd Bank, the Rudd Bank is designed to support jobs and support the construction sector. That is not true. That is false.

The banks' plan or the National Australia Bank's plan that the Government has taken up is designed to support the refinancing of existing commercial property development, so a completed building. It's not construction finance at all and the banks have made that very clear to the Government, as we've seen in the press.

So the suggestion that this is to support construction or new development is simply wrong. That is not right.

Thanks very much.