



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

BILLS

**Shipping Reform (Tax Incentives) Bill
2012, Shipping Registration Amendment
(Australian International Shipping
Register) Bill 2012, Coastal Trading
(Revitalising Australian Shipping) Bill 2012,
Coastal Trading (Revitalising Australian
Shipping) (Consequential Amendments and
Transitional Provisions) Bill 2012, Tax Laws
Amendment (Shipping Reform) Bill 2012**

Second Reading

SPEECH

Thursday, 31 May 2012

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

SPEECH

Date Thursday, 31 May 2012
Page 6502
Questioner
Speaker Katter, Bob, MP

Source House
Proof No
Responder
Question No.

Mr KATTER (Kennedy) (11:45): This is one of the very few times in my 17 or 18 years in this place that I have been able to get up and actually praise a minister and an initiative. For the first time in 18 years there is actually a minister moving to protect Australian industry. When we use the word 'protection' in this place, we are looked at as some sort of foreign insect that has invaded Australia. Once upon a time, we were very proud to be able to say that we believed in seeing that our industries were protected.

I will give you an idea of what other countries do in respect of such issues as this. I represent what may be the biggest beef-producing area in Australia. Six thousand tonnes of beef—which may be 12,000 cattle—is all that is allowed into the European Union. So do not let the EU preach to us about free markets. They are the most protected market on earth. Do not let China preach to us about free trade. Not one single kilogram of Australian beef is allowed into China, which has the biggest population on earth. Do not let the Brazilians talk to us about free markets. The Brazilians simply took all the debt of their sugar industry—\$6 billion—and wrote it off. The government took over their debt. The farmers owe no debt, the millers owe no debt and the people of Brazil have a debt of \$6 billion. They did not stop there. They then said the industry had to be profitable. How do you make it profitable? Ethanol. They said: 'We've got dirty cities. Listen to us because this will clean up our cities.' Of course, ethanol gave them \$440 a tonne for their sugar whereas the world price was \$270 a tonne. As for the United States, in shipping, if your ship's hull was not built in the United States you do not get into the United States.

That is free trade. Every other country proudly waves a flag that says: 'Don't come here, Buster Brown! We protect our people.' This government and the last government did not protect their people. But today we are actually seeing a minister—I do not know how he has got away with it, but God bless him; and I hope he replicates it—bravely saying, 'Yes, I believe that we should not send our champion into the arena with just a sword.' But every other minister who has sat here since I have been a member of parliament has said that we should send our champion into the arena with just a sword—in the Keating ministry, in the Howard ministry and, I regret to say, in the current ministry. Every single one of them has said: 'No, you don't go into that arena with a helmet and a shield. You go down there with just a sword.' Our champion says: 'Hold on a minute, mate! The other bloke has got a shield and a helmet.' They say, 'If you fight unprotected, without the shield and the helmet, it will make you tough.' Our champion says: 'Make me tough, mate? It's going to make me dead!'

That is what it is going to do. But no-one here can see that. They constantly come in here and preach to us about the marvels of free trade and removing all protection. Well, let us have a look at the marvellous outcomes. Cattle numbers are down by 30 per cent. Wool, our greatest industry—in 1990 it was the biggest export earner for this country—is down by 60 per cent. It will never come back. It was destroyed completely by Mr Keating's free-market policy. The sugar policy is down by 60 per cent, thanks to the free-market policies of the Howard government. They were entirely responsible for the crash in the sugar industry. And there has been the reluctance of successive governments to go into ethanol—which, I might add, would deliver cheaper petrol to us as well. But let me focus on agriculture. Cattle is down 25 per cent—I said 30 per cent before, but it is actually 25 per cent. Sugar is down by 30 per cent. The dairy herd is down by 30 per cent. The sheep herd is down by 60 per cent. Within three years this country will be a net importer of food, thanks to these stupid free-market policies.

We can say that Mr Albanese is right and all the other governments and ministers in recent Australia history were wrong. But let us compare Mr Albanese's performance with that of the rest of the world. I mean, no country on earth does anything like free trading—absolutely nothing remotely like it. To show the contrast: with the ideological approaches of the LNP-ALP junta, which runs Australia and every state in Australia, within three years this nation will be a net importer of food. As for our industrial and manufacturing base, it has been completely destroyed. We do not produce an electric motor in this country. We do not produce a motor car tyre in this country. Yes, I am well aware of the doctrine of comparative advantage. I did go to university and I did do a doctorate on comparative advantage. But not a single country on earth subscribes to this policy. Mr Costello and Mr Keating used to get up in this place and skite about how the high dollar was a judgment by the world's investors of how marvellous they were. In fact, it was a judgment on their incredible towering stupidity at having

interest rates 400 per cent higher than the rest of the world. That is what it was a reflection upon; that is what it really disclosed. In the meantime, whilst Mr Keating and Mr Costello were skiting about how wonderful the high dollar is and how it demonstrates what a wonderful government you are, China and America were almost firing bombs at each other, both accusing each other—quite rightly, I might add—of holding down their currencies.

So here were the two greatest economies on earth both cheating on their currencies, but here was Australia saying, 'Oh, geez, it's a reflection upon how clever we are.' I disagree diametrically. It was a brilliant speech by the Prime Minister last night, I pay her great tribute, but I disagree diametrically with her saying to us that we have a wonderful economy because of the high dollar. We have a high dollar because we have interest rates 500 per cent higher than the European Union and 1,000 per cent higher than Japan and the United States. That is the only reason we have a high dollar.

Every industry, the Prime Minister said, has the Dutch disease. I will tell you one country that is riddled with it: it is our country. The Dutch had a high-flying currency because of North Sea oil, but they did nothing about it except skite about how they had a high currency because they had a wonderful economy. Of course, the North Sea oil is now running out and there is no industry left in Holland at all. Do I know of another country that has no industry left at all? Oh, yes! Australia. We have a coalmining quarry and an iron ore quarry—and there is nothing else left. When Mr Keating started this rubbish, 72 per cent of the cars in Australia were proudly Australian made. This year, it looks as if 12 per cent will be Australian made. A wonderful success story! Congratulations, Nick Minchin! Congratulations, Peter Costello! Congratulations, Paul Keating!

Today we see a minister with the courage to stand against the tide. In 1996 we had 55 Australian ships with a crew of maybe 30 or 40 on each of them; because you have to have standby crews, it might have been 100. So there might have been 5,000 jobs there. Today there are only 22 ships, so there are only 2,000 jobs and 3,000 Australian jobs have vanished. So today I pay the minister the highest of tributes. He has shown a lot of courage. He is swimming against the flow. That is how you get yourself in the history books—and I just wrote one; it is very successful—not by doing what the mob says is the right thing to do and leading your country down over the precipice. It is when you stand up. When Winston Churchill said, 'This Hitler bloke is bad,' everyone said, 'You dirty, filthy warmonger; you dangerous person.' Two years later, on their bended knees, they asked him to take over running the country. You might be in with a bit of a show there, Albo! When you stand against the tide, that is when you really deserve the accolades. If you are just drifting with the mob you do not deserve them.

There are 400 ships servicing 55 Australian ports internally, from Australian port to Australian port, but there are 400 ships servicing our ports and taking goods overseas or bringing them in. Less than five per cent of those ships are Australian owned. In America, by law they have to be 100 per cent owned. Either America is stupid and Australia is very clever or else we are very stupid and America is very clever. I tell you what, they get American ships carrying their goods and this country is losing \$5,000 million a year because all those ships are foreign owned. That \$5,000 million a year will only be recouped if ministers have the courage to do the right thing.

In my book on Australian history there is a statement in it that Ben Chifley is the Prime Minister without peer. There is no Prime Minister that has even got remotely close to Ben Chifley. He is the Prime Minister who had tuberculosis abolished in Australia, had a telephone put in every house in Australia, had 26,000 houses built after the war, gave us the Snowy Mountains scheme and gave us the wheat stabilisation scheme—the complete antithesis of free markets. He is in every history book because he introduced the wheat stabilisation scheme to Australia. That is what made him famous. That is why we say, 'What a great man' Chifley had delivered to Australia the Holden motor car. There was no free market then. If we had had free markets then, we would never have had Holden motor cars or an Australian motor vehicle industry.

I spit upon free markets. We are here to protect our people. We are here to take our people forward, and to do that we have to have a comprehensive, wide-ranging economy. I have a very big picture of the great John McEwen on a wall in my parliamentary office. I quote him in my book. He said:

The third reason for tariffs, but you are too young to appreciate this—

and he had a faraway look in his eyes—

is that I will never see my country placed in another war without the ability to build a main battletank.

Today, we cannot build a tyre; we cannot build an electric motor, let alone building a main battletank. We have no technology because the stupidity of the Dutch disease has contaminated virtually every single person in state—with the obvious exception of the minister for transport, God bless him—and has left the people of Australia without the heart and fight to go on.

Every single person who has tried to open a manufacturing business has just said: 'What's the use? I am up against the Chinese, who work for \$5,000 a year. I am up against the Filipinos, who work for \$4 a day.' Our farmers have said: 'What's the use? I can't compete. Even if I could, Woolworths and Coles are not going to pay me anything anyway.' So the free market has been the greatest disaster. Just read my book, Mr Deputy Speaker—it is only \$39—and you will see the dimensions of the disaster. You are in a country now without any manufacturing, a country nearly without any agriculture—it has not reached quite that far yet but it is getting pretty close to it—and a country that cannot produce an electric motor or a tyre. That is the country that we live in. Except for the iron ore quarrying and the coal quarrying—not mining; quarrying—there is nothing left in our country. It has been completely destroyed and the iron ore will run out and the coal will run out— (*Time expired*)