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Commonwealth Financial Management
SPEECH

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Questioner
Speaker Andrews, Kevin, MP

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Mr ANDREWS (Menzies) (7.02 pm)—You know the ALP is struggling for any relevance when it takes an inaccurate newspaper report and then launches a weak attack—an attack which ran out of steam about halfway through, and the honourable member for Melbourne launching it simply had to repeat himself—with huge dollops of hypocrisy thrown in. Today is another example of the ALP's national irrelevancy. Not only has the ALP dealt itself out of the tax debate in Australia and out of the future for the economy of Australia by the decisions it took in the last few weeks but also today it dealt itself out of the debate about the framing of the preamble.

The honourable member for Melbourne now comes in here and throws around a few words like 'shonky' and 'rort' and expects everyone to take some notice. The only thing that one can say about the ALP is that failure seems to have gone to their heads. If we are going to speak about probity, about integrity and about transparency—because, after all, that is what this matter of public importance is meant to be about—then one would have thought that the proponents of this matter might have come in here with clean hands. Let us consider part of the ALP's record when it comes to matters of probity, integrity and transparency in government. There is the most famous of all in recent years—the l-a-w law tax cuts. Of course, as people know, in the run-up to the 1993 election the Labor Party promised all of Australia two rounds of tax cuts. They went to great lengths to reassure the people of Australia that this was not just a promise; this was something that was meant with great sincerity. Mr Keating, as Prime Minister, said to the people of Australia, 'This is not just a normal election promise. Rather, these are things that are enshrined in l-a-w law,' and he assured the electorate of Australia that this made the world of difference. It was not just a mere promise; this in fact was law. But, as we know, the undertaking was a complete fraud. Where was the probity?

Mr Tanner—Mr Deputy Speaker, I raise a point of order: a passing reference can perhaps be permitted, but the honourable member is way off the question.

Mr Bruce Scott—Do you have a point of order?

Mr Tanner—Yes, the point of order is on relevance. The member has now spoken for several minutes on something that has absolutely nothing to do with the question at hand.

Mr DEPUTY SPEAKER (Mr Nehl)—I hear the point of order, but I think the question of probity, integrity and transparency being advanced as an example by the member for Menzies regarding the so-called l-a-w tax cuts is relevant.

Mr ANDREWS—This is from the honourable member who wants questions of probity, integrity and transparency raised in this place, but once questions of probity about his side of politics are raised he wants to get up on a point of order and run away from them. I have a few more examples. If you want to come in here, then come in with clean hands.

Let us talk about no new taxes. 'What I am promising is not to put up tax,' is what Mr Keating told the Australian people on the *Lateline* television program back in 1992. This is the man who said, 'The second pledge is to deal honestly with the people of Australia, to tell them the truth.' What happened after that promise not to put up taxes? During the subsequent year the total cost of Labor's dishonesty to Australian families and Australian taxpayers went up by well over \$7.3 billion.

Mr Danby interjecting—

Mr DEPUTY SPEAKER (Mr Nehl)—The member for Melbourne Ports.

Mr ANDREWS—Do not worry about him, Mr Deputy Speaker. Where, I ask, is the probity, the integrity and the transparency in relation to these matters? Then there was the great Medicare assurance. I quote Dr Lawrence in a press release when she was a minister in the previous government in June 1994. She said:

Claims in this morning's newspapers that the Government 'is set to increase the Medicare levy' are demonstrably untrue . . . There is no proposal to increase the levy and there won't be.

'No proposal to increase the levy and there won't be.' How about some integrity and probity coming into consideration when, in the 1995-96 budget, the Medicare levy was subsequently increased from 1.4 to 1.5 per cent? Clean hands? Probity? Integrity? Transparency? Then there was the broken promise about pensions. Labor's commitment was that any pensioner who earned income would not have to pay tax, and immediately after the election before which that promise was made Labor repudiated that commitment as well. On top of that we had the announcement, with great fanfare, of a reduction in company tax rates. With considerably less publicity Labor also changed the timing arrangements for company tax payments. And then there was the promise in relation to the Commonwealth Bank. The then Treasurer's letter in the Commonwealth Bank prospectus said:

The Government has no intention whatever of further reducing its shareholding.

A question was asked of the then Treasurer on the *Business Sunday* program, and the Treasurer said:

We've made it quite clear in the legislation that went through the Parliament to authorise this sale, that we would not go below the 50.1% mark.

The interviewer asked this question:

So unlike before, this time your commitment is iron clad?

Mr Willis, who was then the Treasurer, replied:

Absolutely, yes.

We know what happened with the Commonwealth Bank. Where is the integrity, the probity, the transparency, in relation to this?

What about the probity in relation to unemployment figures when the ALP said that they had created 600,000 jobs but forgot to mention over 300,000 jobs that were lost in the recession that we had to have. That former great icon of the Labor Party said 'whatever it takes'. In contrast with this we have a situation where this government has introduced a charter of budget honesty and has also introduced accrual accounting—two measures which have brought a degree of probity and transparency to Commonwealth financial affairs that had not existed prior to this.

I am surprised that the honourable member at the table made mention again today of the investigation into the Credit Suisse First Boston matter. I have a considerable degree of respect for the honourable member at the table, but I must say I was extremely surprised when he was reported on Radio 5AN on Tuesday this week as saying that the investigation was being done in secret by the husband of one of his own party colleagues—a reference to former New South Wales Supreme Court Judge Andrew Rogers who is well known as the husband of Senator Coonan. This is a reference to a man who, for a period of some 14 years, sat on the bench of the highest court in the state of New South Wales—namely, the Supreme Court of that state—and about whom no question of probity had ever been raised at that time; a man who not only had been appointed to positions by the government of the time but also, according to my information, had been appointed by the New South Wales Labor government and reappointed as director of its Treasury Corporation, a body the New South Wales Labor government itself describes as 'one of the major investing institutions in NSW and the leading issuer of semi-government securities in Australia, playing a key role in pioneering theory and practice of public sector liability management'. I trust that this was one of those mistakes on the part of the honourable member in raising the matter in this way, but I would have thought that he might have issued some apology in relation to it. I am surprised, I must say, that the honourable member has come in and raised this matter again today.

Let us deal with the specific matters which the honourable member raises. As I said before, if you are going to come in here and raise questions of probity and integrity then you ought to do so with clean hands. Your side of politics has hardly got clean hands in relation to this matter. But let us deal with the matters that you raised. This

is an argument that ran out of steam after about five minutes and the honourable member had to repeat it two or three times. Let us look at the points that were made. The first is based on an article in the *Sydney Morning Herald* that claims that 16 projects did not meet the minimum criteria. That was repeated by the honourable member. That is quite wrong. The minimum criteria were met; otherwise the projects would not have gone forward. None of the projects that were rated as ineligible were funded by the government. So the first point of this so-called attack—if one can glorify it as such—is, on a factual basis, completely inaccurate; it is completely wrong. Then the honourable member tried to build a case based on these shifting sands.

Secondly, there is the claim that somehow the caretaker convention was breached again. This is a claim that is made in the article in the *Sydney Morning Herald* and once again repeated by the opposition. But approval for funding of these projects was given before the election was called. The caretaker convention did not come into play until the election was called, and there is no prohibition on the announcement of projects during an election period in situations where decisions have already been taken. If there was such a provision then it would have ruled out many announcements not only by this government but also by the opposition itself when it was in government over the years. It is simply a red herring to raise this particular matter. The third thing the report suggests is that the process was in breach of Australian National Audit Office guidelines. In fact, the process and the approach that were adopted by the government in relation to this matter were fully based on those guidelines. But somehow the honourable member suggests that because guidelines are put in place there should not be some discretion in relation to the way in which these things operate. Advice is taken into account by a range of bodies. Advice is taken into account by the National Council of the Centenary of Federation. What is the honourable member suggesting—that this advice should somehow be disregarded in relation to a matter such as this? Surely not.

Then, finally, the article in the *Sydney Morning Herald* suggests that there was some political bias in the distribution of grants. If one looks at the 60 successful projects, then 38 of them—38 out of 60, which is 64 per cent—are located in 62 per cent of the electorates which were held by the coalition, so 64 per cent of the grants going to 62 per cent of the electorates held by the coalition. Eighteen of the successful grants—that is, 30 per cent—were in 33 per cent of the electorates held by the Labor Party. Three of the successful applicants—five per cent of them—were in five per cent of the electorates held by Independents, and one project went across multiple electorates.

If there is something wrong with this—those figures do not suggest that somehow they are completely out of kilter with the actual representation of the people who are in the parliament—if there is anything behind this, that just proves how out of touch you were with the Australian people, that so few of you were represented in this chamber at the time. But the actual allocation is roughly in accordance with the representation of electorates in this chamber. It is simply nonsense to suggest that in any way there was something wrong.

But I ask again—they know, Mr Deputy Speaker, what each of these successful 60 applicants were; they have not come in here and pointed to one of the successful applicants that was in some way inappropriate—what are you saying? Was the restoration of the Great Synagogue Tower in Sydney in the electorate of Sydney inappropriate? Was the restoration of one of our most important historic ships, the *Polly Woodside*, in Melbourne in the electorate of Melbourne Ports—and the member was here earlier—an inappropriate allocation? Was the development of the museum to honour the contribution of Sir John Quick in Bendigo in the Labor held electorate of Bendigo somehow inappropriate? Was the restoration of the naval stores in Brisbane—one of that city's most important heritage buildings—again somehow inappropriate? Or was the work on St Andrew's Church in Fraser or the Tuggeranong Homestead or a variety of other projects that have gone to Labor electorates inappropriate? The simple answer is they were not.

All this debate reminds me of is that line in Shakespeare about the member 'strutting and fretting his hour upon stage'. All I can say is that this is 'a tale full of sound and fury, signifying nothing'. All this debate shows is that the ALP have nothing to say, but they certainly take a long time saying it.