



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



**HOUSE OF REPRESENTATIVES**

**COMMITTEES**

**Economics, Finance and Public  
Administration Committee**

**Report**

**SPEECH**

**Monday, 5 March 2001**

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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## SPEECH

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**Questioner**  
**Speaker** Albanese, Anthony, MP

**Source** House  
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**Responder**  
**Question No.**

**Mr ALBANESE** (Grayndler) (1.10 pm)—This is a timely occasion on which to consider the Reserve Bank annual report, given that the Reserve Bank will be meeting tomorrow. It could be expected that that meeting will consider whether there should be lower interest rates. No doubt they will also be considering the lower growth forecasts in the economy and the government's actions which have resulted in the government pumping money into the economy in order to solve their political problems. You only need to look also at their inconsistent attitude. On petrol, of course, we had the Prime Minister say that to cut or reduce the government excise would be economically irresponsible. However, in today's newspaper we read that a fiscal stimulus is welcome. The report in fact outlines some of the concerns that are there. One is that, with the world economy being in downturn, particularly the relationship of the Australian economy with that of the United States raises a general issue about the sovereignty of national parliaments and the extent to which governments can implement economic change. Secondly, it outlines as a reason for the downturn the distortion created by the GST to the housing and construction sector. That led to a massive stimulus leading up to 1 July last year, but now there is a complete collapse of that sector, which is one of the concerns that we on this side of the House had with the implementation of the GST. Thirdly, and perhaps most significantly given it is a unanimous report by government members, the report says that the drop in business confidence is largely due to the GST. The report says that a number of businesses have only recently had to face up to the practicality of paying the GST as well as rising petrol prices. This drop in business confidence and the changes that the government have had to make to the business activity statement are indeed reasons for the economic difficulties that the government find themselves in—of their own making—due to the introduction of the goods and services tax.

The report also refers to concerns that members on this side of the House have had with the level of executive salaries and, at a time when the government is being mean-spirited in the speeches that we hear in this place from the minister responsible for workplace relations with regard to the ACTU's claim, it would be nice if the government could say something about the level of executive salaries so that there can be a bit of balance brought into the equation. We can get the Governor of the Reserve Bank to say it; we cannot get this government to say anything about this issue.

I want to also comment on bank fees. The Governor of the Reserve Bank once again expressed concern at the hearing regarding bank fees. It has been said that interchange fees average \$1.03 per transaction, which is double the cost—49c—of providing the service. It is little wonder that people are objecting to bank closures and the level of bank fees around the nation. Turning to bank closures, the merger of the Commonwealth and the Colonial banks has resulted in local members such as me receiving letters. But the banks are not even honest when it comes to the closing of branches. People such as the member for Lowe have led the charge in the campaign to ensure that bank fees are made accountable.

I will conclude by thanking, on behalf of the opposition, the members of the committee; the secretary, Bev Forbes; the inquiry secretary, Mr Kevin Bodel; the administrative officer, Belynda Zolotto, and also David Richardson from the parliamentary library for providing advice to the board. I think it was a successful meeting in regional Australia. It is a process that should be continued.

**Mr DEPUTY SPEAKER (Mr Nehl)**—Order! The time allotted for statements on this report has expired.