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Second Reading

SPEECH

Wednesday, 28 May 2014

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Questioner
Speaker Elliot, Justine, MP

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Mrs ELLIOT (Richmond) (10:45): I too rise to speak about the impact of this budget, across the country and particularly in my electorate of Richmond in northern New South Wales. I want to talk about how it is going to impact regional areas, where I feel it will be very harsh and very severe. That has been the feedback I have received from many people since the budget was first announced.

It is a budget of many broken promises, and I will run through some of those in detail a bit later on. Many locals were concerned about the many broken promises but they were also concerned about the number of really cruel cuts and unfair increases in the cost of living. It has impacted a lot of people in my region; some people are really quite terrified of how it is going to affect their day-to-day living and their cost of living. They feel quite betrayed by the budget, as I said, because of the broken promises. There were commitments made by the 'Prime Minister of no cuts to health or education or changes to the pension', and that is why many locals in my area are now quite concerned about it.

Pensioners particularly are doing it really tough, as are local families. This budget will impact them quite severely. People in my area feel that betrayal not just from the Prime Minister but also from the National Party. The area has traditionally had quite a lot of National Party members—indeed state-wide and throughout the North Coast there are National Party members. They feel betrayed by them. People are saying: this is what we see Liberal-National governments do; they cut services and pensions, and increase taxes. So they feel betrayed and they are also quite distraught.

I have been inundated by so many people who are concerned about the budget that we are now holding a very large public rally. People want an opportunity to voice their concerns and to pass them on to the Prime Minister, to the Liberal Party and to the National Party. This rally is called 'Fighting for a fair go for the North Coast'. We are holding it on Thursday, 12 June at 10 o'clock at the Tweed Heads Civic Centre. We have been inundated with many people who are keen to come along and talk about the impacts of some of these changes, particularly things like the GP tax, the petrol tax and the cuts to pensions and family benefits. As I said, a lot of older people are particularly interested. But many families are also going to be coming along to this rally. I welcome anyone who wants to come along, from right around the area and outside the electorate, and I will be happy to pass on all of their concerns.

I would like to read an email I received only last night, from a gentleman in Kyogle. Kyogle is a town outside of my electorate of Richmond—it is actually in Page right next door, an electorate currently held by a National Party member—but I felt that parts of this email really reflected the concerns of many people on the North Coast. This fellow said:

The Liberal federal budget cuts to pensions, concessions and lowering to CPI will cause me to be unable to pay rates, afford car rego, electricity and phone. I am already living at the bare minimum, and this will cause me to be homeless by having to default on bills and council rates and have the council resume my home and be awarded costs, leaving me to live on the street, without even a car to sleep in as rego will be unaffordable.

He then goes on to talk about the impact of the GP tax; the impacts of the cut to Newstart for his niece and nephew; and the grave concerns he holds for his mother and how it will impact her. He also talks about how the petrol excise will make it even harder for him, because it will become a lot more expensive to run a car in a regional area. Reading through that email, it was quite distressing to see how it was going to impact this fellow and his family. I asked him if I could read some of this letter out today so the House would be aware of how people are feeling genuinely worried about some of these cuts. So I thank that gentleman from Kyogle who raised all of those concerns with me.

It is a budget of broken promises. I would like to run through some of those broken promises and what the actual announcements were in comparison to the commitments we had before the election.

First of all, we had the Prime Minister, back on 6 September last year, saying, 'No change to pensions.' Yet now, from the budget, we have a new indexation system for pensions. We know that indexation will change to CPI and that will also include age, disability, carers' pensions, parenting payments and veterans' payments.

Those pension cuts are really going to impact people, particularly in my electorate, across all of those areas, but especially with the age pension; these people are living week to week. And let us remember that these are the people who built our nation. They are very concerned about these cuts to their pension and are also very concerned about the freeze to the means-test thresholds on pensions. They are very worried, particularly because there was that previous commitment.

Also, when we get to taxes there is a lot of worry in my area, particularly about the petrol tax. Of course, in regional areas you are impacted even more because you often have to travel further distances, no matter where you may be going or what you might be doing. We heard the Prime Minister, back on 20 November 2012, say: 'We're about reducing taxes, not increasing taxes. We're about getting rid of taxes, not imposing new taxes.' As I said, that was in November 2012. Yet with this budget we are seeing this new tax in the petrol tax which, again, really impacts regional areas, and the House has to understand how severely it will impact there.

Health is a very, very big concern in my electorate. Again, we had the Prime Minister say on 6 September that there would be no cuts to health. So to see the expanse of cuts to health has been really distressing, again, for many seniors. I think it is across a whole range of issues. We have the ripping out of \$50 billion in relation to hospitals which will flow on in terms of the services that they can deliver. Who knows what imposts there might be in terms of seeing emergency rooms or the number of beds cut? There are a whole range of concerns there. But, without a doubt, it is the \$7 GP tax or 'doctor tax' that people will have to pay that is of concern. We heard the Prime Minister say that it is just a modest amount of money. But I think that shows that he is out of touch with these concerns. These people are terrified. These are elderly people with sometimes complex health needs and they are having to pay this money when they go to the doctor, or get X-rays or blood tests. They are really worried about that because, obviously, that is the time of your life when you do have increasing health needs. Our families with young children are just as worried as well, when they have to go to the doctor or access some sort of health care; they are worried too. In fact, I hear, right throughout my electorate, of people actually cancelling appointments with the doctor because they are concerned that it is already in place. If people do not access that important primary health care it can have a huge flow-on effect. It could lead on to very complex problems. People are also worried about the increase in PBS co-payments. Again, for everyone, but particularly for elderly people, that can mean a huge amount in terms of the money they will have to be paying. So those broken promises on health are devastating, and particularly devastating in regional areas.

We also see cuts to schools and education. This is, quite frankly, heartbreaking. Again, we had the Prime Minister, on 6 September, saying, 'No cuts to education.' Yet now we will see over \$181 million cut from education over five years. We see this reduced indexation, also, of federal government payments. That is just devastating for kids, again in regional areas, particularly when you compare it to when we were in government, and the massive investments we made in our schools, whether it was through the Building the Education Revolution or through the many plans or through the Gonski reforms. They were wide-ranging. It was about recognising the value of education and making sure that all kids, no matter where they lived, had access to all those very important educational outcomes that they should be able to get. We understand how important that is.

Let us look at another cut, which I think is devastating—the cut to family payments. Again, I will quote the Prime Minister, when he said, in May 2011, that a dumb way to cut spending would be to threaten family benefits or to means test them further. Yet we are seeing cuts to family tax benefits A and B, and we are seeing reducing eligibility for part B as well. This of course, again, will also be devastating for families, because we know how important those payments are. So there are many cuts in this budget that will impact on families right across the board, from family payments to health.

Another cut which has had a big impact and which a lot of people in my area are concerned about are those cuts to the ABC. We are seeing cuts not just to the ABC but also to the Australia Network, which provides a very vital service. I do want to focus, when it comes to the ABC, on how it could potentially impact on areas like mine and on the regional ABC, which provides an outstanding service. The ABC within my area is vital, as it is to many communities. I hear frequently in regional and rural communities how important it is. There are major cuts: we are looking at over \$232 million to be cut across the board from the ABC. I am very worried about the potential impact on our local ABC and what that might mean.

I would like to move to some of the cuts that impact young people in my area across a range of issues. First of all, the cuts to programs like Youth Connections are really devastating. At a time of rising youth unemployment, we are seeing cuts to programs designed to help young people get into the workforce and prevent them from slipping through the cracks. We saw cuts to Youth Connections and a number of other programs as well. Indeed, the cuts that will impact the Byron news service were highlighted recently in the Byron *Echo*. It is an outstanding service that supports young people. Cuts to a program like Youth Connections impact programs like the Byron news service and the great support that they provide to people that are at risk of disengaging early from school to transition into vocational training and work. We are very worried about those particular cuts, and I think it will have a huge impact in my area as well.

It is just devastating when we look at some of those cuts to youth training and the billions of dollars that have been cut from apprenticeships and training and from the National Workforce Development Funds as well. All of these programs that are about providing support, services and training for young people are all gone, which will be quite devastating.

The deregulation of university course fees particularly worries me. The change on the interest payable on some of those loans will be devastating for young people, again, from regional areas. It can be quite difficult if you are from the country to get to university. I feel this makes it almost impossible for many of them now. They simply will not be able to afford these increases in university fees. Some of the amounts we are seeing are staggering. I hear from families whose dream was for their kids to get to uni and it is just not on their radar now. They know that it is not possible. I think that is particularly devastating for regional areas. We want our kids to be able to go to lots of universities and come back to these areas and stay in these areas but, for a lot of those kids, they will not be able to do that now. Again, I think that is a major cut. We saw the education minister say back in August 2012 that the coalition had no plans to increase university fees yet in this budget that is precisely what we saw. It is another broken promise that has upset many people throughout my area.

Some of the cuts will really impact senior people in my area. The termination of the National Partnership Agreement took more than \$1.3 billion from rates and other discounts that pensioners get in relation to their public transport, electricity and water bills. For an area like mine, this is going to be absolutely devastating, particularly in the flow-on for seniors and some of the discounts they get for their rates. I will give you an example. In the Tweed Shire there are more than 8,000 pensioners who are eligible for rent rebates of more than \$400. That is all under threat now with this particular national partnership having been terminated. Again, these people cannot afford increases with their rates rebates potentially being cut on top of everything else that I talked about today like the GP tax and the petrol tax.

I think the cuts to councils are even more devastating when you look at what has happened to the Financial Assistance Grants Scheme as well. For example, from an area such as Bellingen to the Tweed, right up to the border, you have got nine local council areas on the North Coast. They will lose \$20 million in grants under these cuts in the budget. That is devastating for those rural and regional council areas that really rely on those financial assistance grants. It is a huge amount, \$20 million. That money goes to vital services that local councils provide. Potentially, what option will these councils have? It may be that we will see rates rise because of the Abbott government's cuts to the Financial Assistance Grants Scheme. The end result may be that rates go up in all of these rural and regional areas. These are increases that people cannot afford on top of the many other cuts that we have seen. It is particularly devastating because these councils do a good job and having that cut will just devastate them and the services that we really need to see. Contrast that with when we were in government and the massive amount of investments we made in regional and rural areas to assist a whole range of projects. Without a doubt that is one of the big concerns. The budget really is a bit of disappointment for farming communities, particularly with the budget reducing Landcare funding. That is pretty devastating for many regional areas as well.

What we have seen is a whole range of broken promises and cruel cuts. The Labor Party are very committed to making sure we are fighting much of this. We are fighting to protect Medicare; we are opposing things like the petrol tax—we understand how devastating that will be. Right at the centre of that, as I say, is making sure that we preserve Medicare, which is so important throughout the country, particularly to areas like mine.

In conclusion, all of these budget cuts and broken promises have been of deep concern to the people of my electorate of Richmond, so much so that they were very keen to have a public rally, which, as I said, we are having on Thursday, 12 June at 10 am at the Tweed Heads Civic Centre. That is a great opportunity for people to come together and for elderly people to voice their concerns. They have asked me to pass those concerns on

to the House once we have had that rally. As I said, those concerns are very wide ranging. We in the Labor Party are very proud to stand up for those people, all of those people who have been impacted severely by the budget, whether it be in health or in education. We will certainly stand with them and fight these very cruel and unfair budget cuts.