



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES
MATTERS OF PUBLIC IMPORTANCE

Employment

SPEECH

Thursday, 14 May 2015

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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Questioner
Speaker Zappia, Tony, MP

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Mr ZAPPIA (Makin) (15:55): What is absolutely clear from Tuesday night's budget is that the Treasurer has lost the plot and has lost confidence in himself. His deficit is out of control, ending at \$41 billion for this year, going to \$35 billion next year. His taxes are rising—24 per cent of GDP this year, going to 25 per cent of GDP in a couple of years time. Unemployment is rising—6.5 per cent this year and 80,000 more people in the dole queues than there were when this government came to office. This government cannot continue to walk away from their responsibility. They have been in government for two years. It is their debt, their deficit and their unemployment figures. What is absolutely clear from Tuesday night's speech from the Treasurer is that he has totally lost confidence in himself. He is throwing up his arms and saying to the Australian people, 'You have a go because I have had a go and I cannot fix the problem.' The economy is going south. The budget has no clear strategy. There is no direction and there is no plan for jobs in this budget at all.

For me, personally, what is extremely concerning is that no state has been treated more shamefully by this government and this Treasurer personally than South Australia. In the government's first budget, about \$1 billion was cut from the South Australian budget just in health and education alone. Then we had the government turn their back on manufacturing in this country and in particular the auto industry. First, they would not give the industry a penny to help it survive when governments around the country were supporting their auto industries. Then they dared the industry to leave. As we saw, GMH took up the dare and said, 'If that is what you think about us, if that is how much you value our presence in Australia, we will leave.' And they did. The next morning the announcement was made. Having done that, we saw almost nothing from government, a very paltry amount, put into a fund to try to help those people who were going to lose their jobs and be affected by the loss of the auto industry in this country. In South Australia, up to 13,000 jobs will be lost. We can see the effects already being felt right across the economy.

Then we had the submarine debacle. First, we had a minister—he was the shadow minister at the time—come to South Australia and say, 'The 12 submarines will be built in South Australia.' He made it absolutely clear. Straight after the election, the same person—by then he was the minister—began to undermine the ASC, saying that they were not fit to build a canoe to paddle upstream. This is a government that not only have betrayed South Australians but simply do not understand the impact of their decisions on the South Australian economy.

We then had the Prime Minister, when his own job was on the line, come out with a competitive evaluation process that had never been heard of before in order to appease some of the South Australian backbenchers who had lost confidence in him and in his government. What does 'competitive evaluation' mean? We do not know. The reality is that what we do know is that the government has refused to commit to building the 12 submarines in South Australia and, as a result of that, we are already seeing jobs being lost. One hundred were lost from BAE Systems this week in Melbourne alone. They were all tied up with naval shipbuilding in this country.

But it does not stop there. The truth of the matter is that, when it comes to South Australia, out of the \$50 billion, we only got \$2 billion. Four per cent of the national infrastructure funds went to South Australia. That is on top of the \$130 million cut from special local road funding that was provided to South Australia year in and year out. That is money that would go straight into construction programs and, in turn, create the jobs that we need for the future. But it goes a lot further than that. If you go right through all of the cuts that this government has made—cuts to skills funding, research and training, industry innovation in manufacturing businesses around the country—they are all to industries that are going to create jobs of the future.

Our future lies in innovation and the investment in it; in particular the future of our young people who today face unemployment rates as high as 20 per cent who are looking for work. Their future lies in the jobs that will be created by the very industries that this government from day one has sought to destroy and is destroying. There are only two jobs that this government and this Treasurer are concerned about: the Prime Minister's job—he made that absolutely clear when his own job was on the line—and the Treasurer made it absolutely clear that it is his job that is on the line when he spoke on Tuesday night. (*Time expired*)