



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

Federation Chamber

BILLS

**Appropriation Bill (No. 1) 2015-2016,
Appropriation Bill (No. 2) 2015-2016,
Appropriation (Parliamentary Departments)
Bill (No. 1) 2015-2016, Appropriation Bill (No. 5)
2014-2015, Appropriation Bill (No. 6) 2014-2015**

Second Reading

SPEECH

Tuesday, 26 May 2015

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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Questioner
Speaker Bandt, Adam, MP

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Mr BANDT (Melbourne) (17:07): I rise to speak on Appropriation Bill (No. 1) 2015-2016 and cognate bills. When you are handing down a budget, you make choices. You make choices about what kinds of services you think the Australian people are legitimately entitled to expect. You make assumptions about what kind of quality of life it is that we here in a rich country all deserve. Then you ask: how can we raise the money to pay for those services, in a way that most people would think was fair?

A budget is a statement of your beliefs and values. It says what matters to you and it is an identification of who in Australia is deemed to be important and worth looking after. One thing that is crystal clear from this budget, as it was from the last budget, is that this is a government that is prepared to support the big businesses and fossil fuel lobbies that put them there and to turn their backs on everyone else. This budget locks in \$80 billion of cuts to schools and hospitals that the states are meant to provide. This budget says: 'We would rather allow the likes of Gina Rinehart to keep getting tax breaks than to give state governments the money they need to ensure that every child has a good education and that everyone can go to a hospital whenever they get sick.'

Let us make no mistake: not only is that something that the coalition ideologically believe in but they are doing it because they are trying to push the states into a position where the states themselves will ask to increase the GST. So gutless are the government that they will not even come out and state publicly their real position, which is that they want to see the GST increased. They are instead blackmailing the states by cutting their funding and forcing them to do their dirty work for them. It is a coward's budget, and it continues the cowardice from the last budget.

It also locks in the massive cuts to higher education and universities that have been so roundly rejected by this parliament and the Australian people. The coalition, when they got elected, promised no cuts to education, and then they came out and said, 'We're going to cut funds to universities by 20 per cent, and we're going to force people to graduate with debts the size of a small mortgage if they want to go to university.' People rejected it and, instead of learning the lesson, the government are coming back and locking it in with this budget.

So this budget continues all of the mistakes of the last budget that the government did not tell the Australian people about and that the Australian people are rightly angry about. But, worse than that, it takes the axe to the sectors of the economy in Australia that need support to grow. At some point, the rest of the world is going to tell us to stop digging, and, unless we have thought in this country about what life after the mining boom looks like, we will wake up in 15 or 20 years time to find that we are a hollowed-out, uneducated quarry. We need now to be getting behind the industries that will sustain us when the rest of the world stops digging, but all this budget can do is continue the 'dig it up, chop it down, ship it off' mentality that is going to sell this country short in the 21st century.

What are we going to be able to do in our region and in the world to sustain ourselves in the 21st century? We cannot compete with China and India on wages, and nor should we try to. They are very different countries with, in many respects and in many places, a much lower standard of living, much lower support being given to people and much lower protection for people when they go to work to ensure that they come home safe. So we are not going to be able to compete with them on wages. At some point, digging things up and selling them is going to deliver less money than it does at the moment or has in the past. So what are we going to do? We are going to stand tall in the 21st century if we invest in our population, and that means investing in education, innovation, science and research. At the moment, under this government—under the Abbott government—we are spending less on science, research and development this year than at any time since they started keeping records in the late seventies. Spending on science, research and development is now at its lowest—at 30-year lows. Exactly the sectors that we should be boosting are now being cut.

Then the cuts are continued in this budget. When we should be increasing spending on science and education, the government cuts \$300 million from the Sustainable Research Excellence fund. That is the money that goes to support the people who are doing the research. It keeps the lights on and the buildings open and provides some of

the equipment for the people who are doing the research. Cut this money and you are going to find scientists and researchers having to do more of their own paperwork and having less access to their offices and their equipment, and that means less research being done. If you want scientists cleaning test tubes, pass this government's budget. But if instead you want to support the people who support the researchers—the people who work in the offices in universities and research institutes—you increase the funding to them. But instead this government has cut it.

It will also come as no surprise that the Treasurer did not mention climate change once in his speech. Apparently it does not exist. Other countries understand that it is one of the most fundamental economic challenges facing them. We are put on notice that, unless we get global warming under control, we can expect at the end of the century a 92 per cent decline in productivity in the Murray-Darling Basin and more money having to be spent dealing with the heatwaves and bushfires that we know will come. Unless you want to do that, you have to get global warming under control, but this government does not even mention it. It cut funding for climate measures from \$1.35 billion in 2014-15 to \$700 million in 2015-16 and then down to \$500 million in 2016-17. That is this government's head-in-the sand approach to climate change.

In the Energy White Paper they said that maybe we can keep burning fossil fuels and there are other applications for it, like carbonated beverages. Are you serious? The Energy White Paper's solution to climate change is to burn more coal and drink more lemonade. That is this government's approach to setting Australia up for the 21st century, where we should be growing a cleaner economy. Instead, they are going the other way.

There are selling out not only our future but also our people, especially people who most need support. Key amongst those are parents—mostly mums. After spending time in the workforce, they take time out to have a baby. They need a decent amount of time to bond with their young child and then maintain an ongoing connection with the workforce. What does this government do? It comes along and says that the scheme in place, that was always intended to be a floor not a ceiling—a minimum standard of 18 weeks at the minimum wage, that you could bargain above with your employer—will be cut.

The government says that we are not going to ask Gina Rinehart to pay a bit more. We are not going to ask the Big Four banks—that are making world-leading profits—to contribute a little more to the 'budget task', as they like to call it. We are going to ask mums and newborns. We are going to ask them to have less money in their pockets and less time at home, out of the workplace, so we do not have to go and stand up to the big end of town. When you look at the fact that eight out of 10 of the hardest-hit electorates by this PPL change are in non-government electorates, you understand what is going on. The true colours of this government are shining through. The Prime Minister feigned feminism in order to get elected. Now that is out of the way the brutal chauvinism of this government is shining through, and the attack on working women continues in this budget.

The attack on young people continues in this budget as well. The government says that if you do not have a job—never mind the fact that there is almost 14 per cent youth unemployment; never mind the fact that in some regional areas youth unemployment is above 25 per cent and the jobs are just not there—if you cannot find a job that is not there and you are young they are going to make you go a month without any money at all.

What does the Prime Minister expect someone to do when they are young, looking for their first job, and they cannot find it because youth unemployment is growing to a point where it has not come back to where it was before the GFC? When the jobs are just not there, why are you punishing people by saying you now have no income at all? More importantly, what do you expect a person to do? If they cannot find a job and they do not have any money, what do you expect them to do to survive? I am yet to hear an answer from the government about this.

We know what will happen. Those of us who pay attention and work with those people on the front line in our community services, in our homelessness services and in our youth services, know. People will be homeless. People will find themselves doing things that they never thought they would have to do, just to get enough money to buy food. This government says in this budget that it is all about a statement of principles: 'We don't care.' They say it is a 'have a go' budget. It is a budget that has a go at young people. It is a budget that has a go at working women. It is a budget that has a go at the arts, with hundreds of million of dollars being cut. Also, the Attorney-General, George Brandis, decided that he is going to aggregate everything into his own personal fiefdom and decide what kind of arts is acceptable in this country and what is not.

It has a go at aid as well. Australian aid is crucial for lifting people out of poverty around the world. If you think it is a good idea to lift people out of poverty you have to be prepared to put your money where your mouth is. If we look at other countries that are not the kinds of democracies—yet—that we would hope for, if we believe

it is important to improve people's standards of living, as a wealthy country you would spend a bit of money to assist them to increase their standards of living and lift them out of poverty. That is what Australian aid is for.

This budget continues its swingeing cuts to Australian aid. What is worse, it has targeted them. If you are an African country expect, on average, a 70 per cent cut to your aid budget. The cynical might say that Australia increased its funding to aid while the African countries' votes for the UN Security Council were up in question. Now that Australia has its place, we have just turned around to Africa and said: 'I'm all right, Jack. I don't care. We have our position. Thanks for your votes—and now we're going to cut your aid by 70 per cent.' It is just appalling.

But, critically, from the perspective of the government's credibility, this is a budget that is built on a lie. Because day after day the Prime Minister and the Treasurer and all the coalition MPs come into this place and say, 'We are about small government. We are about lower taxes. You will always get lower taxes under us. We are about removing taxes.' And yet when you look at the Treasurer's boast that there is now a credible path to surplus, and you look up the back of Budget Paper No. 1, what do you find? What you find is that tax at the moment as a proportion of our GDP is 21.9 per cent. Which way is it going under this government? Next year, it is going to go to 22.3 per cent. The year after that it will be 22.7 per cent then 23 and then 23.4. So a 1½ per cent tax increase as a percentage of GDP is the so-called credible path to surplus.

Now, as a member of the Greens, I am glad we are having a debate about raising the share of revenue in this country because it is a much better solution than taking the axe to health and education or asking people to pay more to go and see the doctor. But I will not take the sanctimony from the government whose own budget papers say we are on track to increase tax to GDP so that tax is 23.4 per cent when under Whitlam it was 20.3 per cent. This government is increasing the share of the tax take in this country to three per cent higher than it was under Gough Whitlam. So I will not take the sanctimony from this government about the need for cuts to health and cuts to education. There is enough money there.

We could have more money if we had the courage to raise tax to the same level as under that arch Marxist, former Prime Minister John Howard. If we had the revenue at the same level as under John Howard, there would be an extra \$30 billion a year to ensure that everyone could go to school, everyone could get a free education and there would be hospitals available for everyone. If we just did what John Howard did and raise tax to that amount, which this budget is probably on track to do; if we had the courage to stop subsidising Gina Rinehart and her like so they can buy cheap fuel; if we asked the big banks, which are making world-leading record profit, just to chip in a little more; if we reformed our super system so it could not be used as a tax haven and a tax dodge but instead used it to support people in retirement; and if we shut down the detention centres and instead processed people in the community, which would be much cheaper, then there would be enough money to make sure everyone in this country had a roof over their head, everyone could go to the school or university that they want to, which would be publicly funded and give them a good education, and no-one would ever be in trouble when they got sick and we would not have to take the axe to the people who can least defend themselves.