



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

Federation Chamber

GRIEVANCE DEBATE

**Local Government Grants,
Consumer Confidence**

SPEECH

Monday, 17 June 2013

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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Questioner
Speaker Kelly, Craig, MP

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Mr CRAIG KELLY (Hughes) (21:33): I would like to raise two issues in tonight's grievance debate. The first is the announcement that we had from the local government minister today about the no case in the question in the referendum on whether the federal government is able to apply terms and conditions when giving grants to local governments. He said that the no case will receive one-twentieth of the public funding for the yes case. The government is giving \$10 million to the yes case, but it is only giving \$500,000 to the no case. This is on top of already \$10 million of public funding, which the Local Government Association is giving. What is of great concern are the words of the government's Attorney-General which he used in parliament immediately before the question on the Constitution was put to a vote. I quote:

What the government has committed to—and this is set out in the budget papers—is \$10 million to fund a neutral, non-partisan civics education campaign. That campaign will provide the community with information about the Constitution and the process for considering any change in the roles of the Commonwealth, the states and local government, and about the terms of the proposed alteration.

This is the punch line:

This education campaign will not advocate either a yes vote or a no vote but will help ensure electors are aware of the issue and in a position to make an informed vote ...

I put it to you that the only interpretation than anyone can get from those words of the Attorney-General is that Commonwealth funding on this referendum question would be neutral. It would at least give both sides of the argument equal public funding. Yet, today, we hear that the no case will get one-twentieth. This is an abuse of our Constitution. It is an affront to our democratic process. It is just another example of the fact that you cannot trust a word that this government says. They say one thing and then they go and do another. The excuse given was that it was proportional as to how the vote went in the House. Many people actually abstained from that vote—I was one of them—on the understanding that there would have been equal funding for both cases. We now know that that was simply not true. The other thing about a so-called proportional vote is that the Senate is yet to vote on this. What happens if the Senate splits 50-50. How can that be reconciled with one-twentieth of the funding going for the no case.

The other issue concerns what was actually voted on in the House. The vote in the House was for the referendum question to be put. Even though a lot of people on the coalition side were not in favour of the question, they were in favour of the question being put. That is quite a logical position to have in our democracy. We understand there was a call for this question to be put, so you could argue that the referendum should be held, but you are quite entitled to argue the no case. The question put to the House was not about those who were for the yes case and those who were for the no case; it was one of whether you are in favour of the question being put. This shows complete disrespect for our constitutional processes. To fund the no case with one-twentieth of the funds for the yes case shows disrespect for our democracy. It is something you would expect from a tin pot government in a tin pot country and it is an absolute—

Mr Perrett: Point of order. I find that term offensive and I ask that it be withdrawn.

The DEPUTY SPEAKER: The member for Hughes would assist the Federation Chamber if he were to withdraw the reference—

Mr CRAIG KELLY: By way of clarification it was 'tin pot government'.

The DEPUTY SPEAKER: We do not want clarification. You would assist the chamber if you withdrew that comment.

Mr CRAIG KELLY: I withdraw. It really reflects very poorly on this government that they have done this double-cross of the people of Australia on this constitutional issue. There is a strong no case and, yes, there is also a yes case. Both cases should be funded equally. I am very pleased that the Leader of the Opposition has written to the government and asked them to reverse that decision and make sure that both the yes and no cases are equally funded.

The other issue I would like to raise tonight is the extreme difficulty that our Australian retail sector is experiencing at the moment, especially our small and medium sized retailers. Many people I speak to are telling me that the trading conditions they are experiencing are the worst they have ever experienced in their lifetime. They are being squeezed by a lack of consumer confidence, increasing costs and increasing foreign competition from online sales. When it comes to falls in consumer confidence, why wouldn't we see falls?

We have a dysfunctional and divided government that is tearing itself apart. It is obsessed with internal squabbles rather than getting on with the job of governing the country.

We have also seen consumer confidence being hit by the longest election campaign in the nation's history. It is evidenced that when a federal election is called, it has an adverse effect on consumer spending and consumer confidence. Tragically, for the Prime Minister to have this long election campaign, knowing that there will be that extended effect on consumer spending and consumer confidence, is just another example of putting her interests ahead of that of the nation. There is also the fall in consumer confidence as a result of the carbon tax, which is making everyone's electricity rise in price. Let us not forget that in two weeks the carbon tax goes up. Of course retailers are being squeezed from increasing costs. They are having to pay higher charges themselves on their electricity bills. Every retailer requires good lighting for their store and they are now seeing that cost go up. Retailers often require their stores to be air-conditioned or heated in the winter. They are seeing those costs escalate and go through the roof.

On the distribution of goods and making deliveries, should this government be re-elected it plans to put their carbon tax onto diesel fuel, which will see the cost of diesel increase by 7c per litre, increasing the price of moving every good around our nation. One of the greatest cost increases that our small- and medium-sized retailers face is their retail rents, which keep going up. An analysis of retail rents in Australia compared to the rest of the world in terms of occupancy costs—that is, the amount of rent expressed as a percentage of the retailer's sales—found that Australia has the highest occupancy costs in the world for small- and medium-sized retailers. The reason for that is we have made some very bad policy decisions in this country in years gone by. We have decided that retail shopping centres should be protected from competition. We have decided that retail shopping centres can actually use the argument that a new competitor entering the market will harm them and therefore the competitor should be stopped. We have seen some disgraceful decisions.

In my electorate, there was the notorious Orange Grove affair. We had a fully functioning shopping centre that was well patronised by the local consumers. There were ample shops that employed over 400 people in an area of Sydney with high unemployment. We saw the Labor government of New South Wales, headed by former Premier Carr, current Senator Carr, close that shopping centre down because he did not want competition with other areas. That was a tragic and mistaken decision. We need to have a close look at our retail sector. We cannot continue with these protections from competition, especially when retailers today are facing competition from online retailers, who have the advantage of being able to ship goods to Australia with lower costs and without any sales tax.