



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



**HOUSE OF REPRESENTATIVES**

**BILLS**

**Commonwealth Inscribed  
Stock Amendment Bill 2013**

**Consideration of Senate Message**

**SPEECH**

**Monday, 9 December 2013**

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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## SPEECH

**Date** Monday, 9 December 2013  
**Page** 1966  
**Questioner**  
**Speaker** Bandt, Adam, MP

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

**Mr BANDT** (Melbourne) (16:29): I rise to speak in support of these amendments to the Commonwealth Inscribed Stock Act, which have their genesis in amendments moved by the Greens in the Senate. They will lead to a more sensible discussion about debt in this country. I was listening very closely to what the member for McMahon said. Far too often in this chamber, now and over previous years, we have seen the unfortunate case of Labor trying to out-Liberal the Liberals, sometimes on refugees and in this instance on debt. Every time that Labor try and turn the issue of debt or the issue of refugees to their political advantage, it comes back to bite the progressives. There can be no clearer instance than with the issue of debt.

In the last parliament, every time the question of debt came up we watched the opposition, as they then were, stand up and berate the government about the level of debt that had been incurred. In all of that there was not one single sensible argument about why it was that we had that debt in the first place. Of course there was a thing called the global financial crisis and there was a need to borrow to spend to ensure that Australia did not go into recession. The Greens supported that because it was the right thing to do. As a result, the country incurred debt. Even after incurring that debt, Australia still has a remarkably good position in OECD countries on both net and gross debt.

Separately, if you come from the progressive side of politics then generally you would think it is a good place to mount the argument that governments, especially the Australian government at the moment, should be quite happy to take advantage of the relatively cheap money that is on offer at the moment to borrow to fund the infrastructure that this country needs to set itself up for the 21st century. Maybe instead of having pieces of legislation that say maybe we will or will not do something about high-speed rail in five or 10 years time, we could actually get on with the job of building it—if people were prepared to have a sensible discussion about debt. In part because of the creation of this artificial debt limit which Labor supported, we end up in this situation where we miss having a sensible discussion about debt and, instead, all debt is apparently evil.

Anyone will tell you that there is a difference between the mortgage and the credit card. If you are borrowing to fund some long-term infrastructure, to fund something that at the end of the day is going to be useful to you, or if you are borrowing in the short-term term to meet some speed bumps or some even bigger challenges like we saw in the global financial crisis, then that is a good thing. But if what you are doing is extending the credit card limit just to meet your expenditure, then it is not a good thing. Most people would understand that and that is the discussion we need to have with the Australian people. If we routinely beat each other over the head about a number without any sensible debate over what the money is actually being spent on we are going to get into the worst discussion in this country. Ultimately, if and when Labor gets back into power, it is going to hurt them even more. I suspect there are many on the Labor side of politics who are quietly happy that this has happened because they know that when they get back into power it will make their life easier—if they choose to stop trying to out-Liberal the Liberals and instead say, 'Yes, it is a good thing to borrow to fund the infrastructure that this country needs.'

I am very proud of the transparency measures that we have secured, and they are timely too. As we head towards the budget, what is clear from the national account figures that have been released is that as mining investment comes off the boil there are many places in Australia and sectors in the Australian economy that are now reliant on government spending to keep them going. Now we have removed one of the last hurdles in the way to the Treasurer stimulating the economy, there will be no excuse for savage budget cuts in May, and we will not support them.