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PARLIAMENTARY DEBATES



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SPEECH

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SPEECH

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Speaker Owens, Julie, MP	Question No.

Ms OWENS (Parramatta) (16:18): I will try to deliver this 10-minute speech without yelling at the other side, if I can manage that. I think I probably can. I would like to take up a few points the member for Riverina made before I address the specifics of the matter of public importance. Firstly, on his remarks about the fact that over the last day or so in this parliament there has been an incredible amount of time dealing with the issue of the Speaker's role and that now things can get back on track, I just want to make the point that, as much as the opposition comes into this place and tries to tear up this parliament and spend incredible amounts of time on suspensions of standing orders and an incredible amount of time literally brawling in this place, the thing they affect in this place is the status and the operation of this parliament. What they have not managed to do, because they have not been able to make a case strong enough for the crossbenchers to support their policy position, is interfere with the governance of the country.

The government was still operating yesterday. Despite the incredible amount of time we spent doing the work of the parliament here yesterday in electing the Speaker, the government continued to do what it does. All of the brawling that we see every day here, the suspensions and the time-wasting motions that require an absolute majority when there is no way you can get one but we spend two hours wasting our time on anyway, all of that which tears up this parliament—

Mr Van Manen: Madam Deputy Speaker, I rise on a point of order. The MPI before us is about the urgent need for the government to provide accurate information on the budgetary situation. The member's contribution is of no relevance to that. Can you bring her back to the MPI?

The DEPUTY SPEAKER (Ms Grierson): I understand your point of order, but the member has a wide ambit in this question on the government's actions. I would ask her to continue but with relevance.

Ms OWENS: I am entitled to respond to the contributions of the members prior. That is called a debate. One side says something; the other side responds. That is a debate. That is what we do. If your side introduces the subject matter, we are allowed to respond. Debate—that is what it is called.

The second issue I want to take you up on is the issue of debt. I found this quite extraordinary. I do not think the member for Riverina will ever make it to the Treasury benches. When you talk about money across 100 years, you do not say that somebody who earned a shilling in 1910 earned less than a person who is paid in today's dollars. You actually compare dollars with dollars. When talking about debt levels, you compare percentage of GDP, because that reflects your capacity to pay the debt back.

Opposition members interjecting—

Ms OWENS: I resisted interjecting during the past speaker's contribution even though I would have loved to, and I would appreciate the same respect. It is not something we get a lot of in this House. During World War II and in 1920 debt levels reached 120 per cent of GDP—not 10 per cent but 120 per cent. So for anybody in this House to come in here and seriously suggest that you can compare the debt levels now with those levels is financially illiterate at best and mischievous at worst. I do not know which of those the member for Riverina is. I do not know whether he just does not understand or whether he is deliberately misrepresenting the facts, but anybody who knows anything about the way money is compared over decades knows that you do not simply add up the dollar figure from 1901 and 1902 and then assume that that means the same as the dollar figure in 2012. You learn that somewhere in primary school, I think, but I am assuming that he has made a genuine mistake.

Debt is an interesting subject anyway. Again, if the member for Riverina had done any research he would know that Australia has had one of the lowest debts in the world since 1970. We were about No. 6. We had the sixth lowest debt in the OECD in 1971. At the end of the Whitlam era we were about No. 6. We were about No. 7 at the end of the Keating years and we had the eighth lowest debt at the end of the Howard-Costello years. Now

we have the lowest. So we have actually had an extraordinary record over 30 years of incredibly good fiscal management, which has kept the debt levels in Australia as some of the lowest in the developed world.

It is worth knowing that, while members opposite might like to take all the credit for our strong fiscal position, we have had one of the strongest debt positions in the world for nearly 30 years, because we have had good policies of spending when we needed to. When the economy slowed and business pulled out of the economy governments stepped in, and when business stepped in governments pulled out. I think we paid off six per cent of GDP in two years in the late 1980s. There is an incredible pattern of spending at the right time and paying it back as quickly as possible. We were also one of the few countries that paid off our World War II debt, so we started the 1970s with a very good debt position relative to the rest of the world. I think we should all give credit for a very strong performance over many years. In fact, we have been in growth for 21 consecutive years, which is an extraordinary record for any country.

The subject of this MPI is the need for accuracy, and I am going to interpret that as the need for honesty as well because they tend to go hand in hand. I want to explain to the opposition how budgets and budget updates actually work. I just want to explain that the budget is handed down in May. All the forecasts are prepared by the Treasury—the same Treasury that prepared the forecasts for the previous government and the government before that. They were trustworthy then; presumably they still are. I cannot see why they would not be. The budgets are prepared in May and then a midyear budget update is due at the end of January. The opposition should know that, because it was Peter Costello who introduced the charter of budget honesty, which required that a midyear update come by about the end of January.

The government have said over and over again that we will provide that midyear update in the last three months of this year. We have said it over and over again. We have just begun October, so sometime in October, November or December—the last three months of this year—we will see the midyear budget update and it will include, as the Treasurer has said, the savings measures that we need to make because there has been a write-down in revenue. Again, the government have been really clear about what will happen when that midyear budget update comes in.

If the opposition require this sort of accuracy, I think perhaps they should look to themselves. We know they have a \$70 billion black hole in their plans. We know also that they have their policies and they have found their savings. In fact, the shadow Treasurer said on 21 August in one of his doorstops: 'We've found all our savings and we've got our policies. We are ready to roll if an election is called tomorrow.' In other words, it is actually there. The policies are there, the savings are there and, as we heard from the member for Fraser, so are the covers of the policies. Even the covers have been designed, so they are ready to go. What they have not done is walk down the corridor to the Parliamentary Budget Office and do what they are supposed to do, which is get them costed and release them.

So they say they have them. They say they have found the savings for that \$70 billion black hole. Well, that is a lot of savings; \$70 billion is whole departments. This is from an opposition that reject the savings measures and accepts the spending measures on nearly every policy, that refuse and vote against almost every savings measure that this government introduces. It is a massive black hole. It is whole departments. It is massive. It is bigger than we would ever, ever see. So let's see the savings. It is only fair that the opposition come clean with the people of Australia, who the opposition profess to be able to govern, and tell them what they are going to hack away out of our community and our society in order to fill that \$70 billion black hole.

If they want to come in here and talk about accuracy, costings and all the rest of it, they really should look at themselves. We have committed to a midyear budget update in the final three months of this year, earlier than is required under the charter of budget honesty. We have committed that the budget update will include the savings that we need to make for our spending commitments and for the write-down of revenue and we expect exactly the same standards from the opposition. Go to the Parliamentary Budget Office and do your job. *(Time expired)*