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PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

Federation Chamber

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Appropriation Bill (No. 1) 2013-2014

Second Reading

SPEECH

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Page 4445
Questioner
Speaker Cobb, John, MP

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Mr JOHN COBB (Calare) (12:51): I rise today to speak on appropriation bills Nos (1) and (2). These bills give effect to measures outlined in the 2013-14 federal budget handed down by the Treasurer on 14 May. I was disappointed on a lot of fronts, but there were two in particular for my electorate of Calare in New South Wales. After five years of neglect, the agriculture budget did not feature at all, despite the fact that we as a government, as a parliament and as a country owe nearly \$300 billion, the government are still spending money as though it is something that they do not have to pay back. I think that is borne out by the fact that here we are, as I said, close to the \$300 billion debt mark, borrowing \$50 million a day. Why? To do things? No. It is to service that \$300 billion. Somewhere between \$33 billion and \$35 billion of that \$49 billion to \$50 billion a day that the current government is borrowing is simply to pay interest on the \$300 billion. As the previous speaker, the member for Grey, just said, people are not looking for us to come out and do wondrous things overnight. They want us to be sensible, prudent managers and to assure them that not only do they keep their job but there is a job that their children and grandchildren can have when their time comes.

There was nothing new in the budget at all for the electorate of Calare or for western New South Wales. The government rehashed things that were part of Infrastructure Australia and decided on last year. Suddenly, they were new things for the budget, but they have all been done before. There was no new funding for Calare at all. In their budget, the Treasurer and the Prime Minister tried to soften the blow by resurrecting these old policy announcements. But, no, people in Calare are not that stupid.

Furthermore, the Regional Infrastructure Fund has been gutted by \$2 billion, which will impact on all rural and regional electorates, not just Calare. It was based on Labor's botched mining tax, which failed to raise any significant funds. Sadly, the fund has been exposed as a cruel hoax on the taxpayer and yet again highlights that regional Australia misses out under this Labor government.

Do families suffer? Of course they do. The government's waste and reckless spending is costing Calare residents heavily. Prior to even delivering their budget, the government broke their promise of increased family tax benefit A payments, which will see families in my part of the world and a lot of others miss out on up to \$600 of promised funds; and they broke their promise to increase the tax-free threshold to compensate for the carbon tax. That is another \$600 that Calare families were promised that will not be delivered.

In stark contrast—and I mean this in all sincerity as somebody who has been here for a while and represented the people in my part of the world for a while, in various guises—the coalition will help the families of Calare and Australia, households, retirees and pensioners to get ahead and plan their futures with confidence by scrapping the carbon tax as well as ensuring that tax cuts and fortnightly pension and benefit increases are kept. We will also ensure households get the full benefit of the abolition of the carbon tax by requiring the Australian Competition and Consumer Commission to make sure companies do the right thing.

On the education front, the Gillard government confirmed that Charles Sturt University, which I am quite sure I am right in saying has the highest number of non-campus students of any university in Australia, is to cop a \$20 million hit, which will hurt its campuses in regional areas, in Orange and Bathurst in my electorate and in Wagga in the electorate of Riverina, as well as small businesses and jobs in those communities. Let me tell you, in a town like Bathurst, in a region like central western New South Wales, a university of that size is a very serious contributor to the economy and jobs at a local level. Without a doubt, this decision will result in increased costs for regional university students and their families. We know that cost is one of the key factors that prevent regional students from attending university, and this funding cut presents a major risk to the ongoing participation of regional students at universities.

Funding is being pulled out of higher education to pay for Labor's Gonski school reforms. That is without doubt robbing Peter to pay Paul, but who wins at the end of the day? It seems unjust that current higher education students should have to suffer for the betterment of schools. I think we all agree that a better model for school

funding can be achieved. However, the idea of cutting higher education to fund massive reforms in schooling, when the purpose of schooling is to prepare students for work and university, is somewhat ironic.

This government's track record on regional higher education is appalling. Over the past couple of years, they have tried to block inner-regional students from equitable access to the independent youth allowance. The most recent cuts to universities come on top of the \$1 billion that had already been taken out of the system six months ago as part of the Mid-Year Economic and Fiscal Outlook—or, I should say, the midyear economic and fiscal outlook under this Labor government.

Pure politics is driving the policy coming from the government. For example, they are claiming that school funding is the centrepiece of their budget, yet over the next four years the federal government's total investment in school funding will actually decrease—it will actually decrease—by over \$300 million. That is hardly something to gloat over. After six years of promises and declining student outcomes, the government are creating more uncertainty within the school sector. And, while the government are crying poor, they are using taxpayers' dollars to spruik their contentious policies, like the Gonski reforms and the NBN. The budget includes up to \$100 million in new government advertising, which is a blatant waste of taxpayers' hard-earned money. The key to better schools, at least as far as more money is concerned, is better teachers, better teaching, higher academic standards, more community engagement and more principal autonomy. The coalition will not back a so-called national education system that some states do not support.

The NBN is another case in point. The budget reveals the government's planned investment in NBN Co. this year and that in the next two years it has been slashed by \$3.5 billion. Less investment in NBN Co. will clearly lead to a reduction in the number of households and businesses which actually receive access to the NBN fibre network. And as if we did not know, this will impact on Calare as areas that were identified to receive some of the NBN Co. services—and I stress there were not many, almost none—will likely be pushed back further into the never-never.

We are well aware that our part of the world is hardly on the horizon of NBN. It will be into the 2020s before, it is assumed, there will be much fibre heading out there. The budget confirms what the coalition has warned for some time—that Labor's NBN is unaffordable within the currently claimed budget and undeliverable within the currently claimed schedule. The government and NBN Co. have not come close to meeting any of the targets they have set for themselves and there is no reason to believe they will start meeting them now.

The coalition will complete the NBN sooner, more affordably and at less cost to Australian taxpayers. We will aim to ensure that all households and businesses in Australia have access to broadband providing a download data rate of at least 25 megabytes per second by 2016. We will prioritise the areas with little or no or bad broadband rates—we have committed to do that.

I go to my own responsibility, the agriculture portfolio. It was certainly disappointing but, I must admit, not surprising that after nearly six years of neglect, anti-agricultural policies and no vision for the sector, Labor's only solutions are a band aid to problems largely created by themselves. Labor's big ticket items in this budget are farm finance loans, drought assistance and the Tasmanian forest agreement package, which are all to rescue struggling sectors with funds sourced from redirecting Caring for our Country money. There are no new initiatives to improve farm profitability. In fact, 'profitability' is something of a dirty word with this Labor government, but there is no mention of it for agriculture and none of the things we need can happen without a profitable sector.

On the weekend, the government belatedly released its food plan, after not having an election policy at all last election—sorry, I digress. There was one announced by the Minister for Finance and Deregulation, Senator Wong, who said that they would look into the efficiencies of the way in which the APVMA was run, the organisation whose responsibility it is to register and ensure the safe use of chemicals and stock medicines. They announced that they were going to revitalise it and make it more efficient. In fact, they came up with legislation which will make it less efficient and more costly. It is going to cost \$9 million a year more to run and they have decided, because of a deal they did with the Greens, that whether they needed it or not, all chemicals would have to be re-registered every 15 years. What a wonderful way to make things more efficient! They should be proud of themselves! So I did make an error—there was one piece of policy last election, which they have pretty much done, making it more costly to run the APVMA. The whole industry told them they are crazy but they have done a deal with the Greens and we all know how important that is.

Now, finally, we have that plan, but the glaring omission in that food plan is the key driver. There is a key driver if you want food security, and we do; if you want sustainability, and we do; and if you want a future for agriculture—and I surely hope we do. There is a word that comes into it here. It is called profit. If farmers do not make a profit and if processors do not make a profit, you will not have food security, you will not have sustainability, and you certainly will not have a future for agriculture.

Labor has finally come up with some initiatives that make an effort to capitalise on the Asian century, but that does not make up for six years of the Gillard government undermining our export opportunities in Asia. Other countries have priority access to Asia with bilateral trade deals. For example, the US has a tariff advantage in the Korean market for beef exports, currently over 5½ per cent and going to over eight per cent next January. It goes up by over 2½ per cent for every year that this government has sat on its backside and not done deals. Mind you, the government went out of its way to make it very hard to do a deal with Korea by reneging on a trade deal, a defence deal, that it had entered into, so I guess we should not be surprised that Korea is being a little hard to deal with here. New Zealand has tariff advantages into China of up to 20 per cent for some dairy products. Labor has not delivered one single major trade deal that is working for agriculture. In fact, it does not even consult with industry. It does deals for the sake of doing deals rather than working out whether its deals are of any help to anyone.

Australia under Labor is seen as unreliable and untrustworthy. They have made sovereign risk an issue. I did not realise it ever had been an issue for Australia, and I do not believe it had until the Gillard government got going. No. 1, they upset Indonesia by banning live exports. They annoyed Korea by reneging on a major defence deal, ditched the Dutch—*(Time expired)*