



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



**HOUSE OF REPRESENTATIVES**  
**MATTERS OF PUBLIC IMPORTANCE**

**Economy**

**SPEECH**

**Tuesday, 28 February 2012**

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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## SPEECH

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**Speaker** Owens, Julie, MP

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**Ms OWENS** (Parramatta) (16:30): Thank you, Mr Deputy Speaker, and it would have been truly terrible if the member for Casey meant to inflict on you that level of personal abuse that he seemed happy to spray forth for a full wasted 10 minutes. The matter of public importance that we are supposed to be debating today, one which I thought we were going to debate and I looked forward to, is about the level of confidence in the management of the Australian economy. It is actually a serious matter, it is a matter of public importance and I would have hoped that the opposition would have actually had something to say about the economy. But what we have had instead in this House from the first speaker, the member for North Sydney, and from the second speaker, the member for Casey, has been 25 minutes of wasted time filled with personal abuse and a personal attack on the Treasurer, not on his record but on the perception that they have of his character, presumably one that they got from spending the last two days looking through whatever rubbish they could find in the media.

This is ridiculous. We should be talking about the economy and there is much to talk about. If they have any more speakers—and I hope they do not because, quite frankly, I think we have got better things to do in this place than listen to that level of nonsense; we really do have more to do than listen to that nonsense—that want to talk about the economy please let them stand up and do so; otherwise, we should move on to some serious business, because that is what we try to do in this House.

But let us talk about the management of the Australian economy since that is the issue that the shadow Treasurer actually put on the agenda. Let us talk about what people have to say about the Australian economy and our management of it. Let us start with someone that those opposite know quite well. Let us start with the Leader of the Opposition and what he has to say about the Australian economy:

On the face of this comparative performance, Australia has serious bragging rights. Compared to most developed countries, our economic circumstances are enviable.

That was a direct quote from the Leader of the Opposition when he was out of the country speaking to people in the United Kingdom, not something he is prepared to say here. When he is here he is happy to do his best to tear down confidence in the Australian economy at every opportunity, looking for anything he can find that might make people frightened or might make people doubt the strength of the Australian economy. But once he gets out of here to a place where there are not voters listening—or he thinks they are not listening—he speaks the truth in that context:

On the face of this comparative performance, Australia has serious bragging rights. Compared to most developed countries, our economic circumstances are enviable.

So I would say to the opposition that, if they want to put forward a matter of public importance about the need for the government to restore confidence in the management of the Australian economy, they could start with their own behaviour. They could start talking openly and honestly about what has been happening in this country and around the world over the last four years and about exactly how strong we are. They could actually talk about the economy instead of engaging in 25 minutes of useless personal attacks on character. What an extraordinary waste of the time of this parliament.

In a moment we will see who else has something to say about the Australian economy. For a start, we have a AAA credit rating from all three of the rating agencies. That is the first time in Australia's history that we have had that AAA rating from all three of the rating agencies—not something that those on the other side have ever managed to achieve and not something that they are prepared to mention in Australia. They are not prepared to acknowledge the strength of the economy in this country at all. They will go overseas and do it there but in no way will they do it here. Let us talk about what Governor Stevens of the Reserve Bank had to say just last Friday:

Our rate of unemployment has a 'five' at the front and the next digit is a small number. Inflation is about where we want it and our banks are strong. Our government finances, despite some pickup in debt in recent years, are

... that basically we are a AAA-rated country and rightly so—there are not many of those. We are attractive to foreign investment. The government did not end up having to own any banks as a result of the crisis. There is a lot that is good about this picture.

That is a direct quote from the Governor of the Reserve Bank as recently as last Friday. Let us look at the underlying conditions that actually lead to people having that view, that lead to us being rated AAA by three agencies and that lead to the Leader of the Opposition saying, when he was out of the country, that we have 'serious bragging rights'.

Let us see why the Leader of the Opposition thinks that Australia has 'serious bragging rights' when it comes to its economy. We have low unemployment at 5.1 per cent. That is compared to 8.3 per cent in the US and 10.4 per cent in Europe. We have more people employed now than we have ever had in the history of Australia, and that is in spite of moving through the global financial crisis, which has hit the rest of the world incredibly badly. We in this country were shielded by the quick action of this government and we have unemployment in the low fives. That is an extraordinary achievement and it is worth bragging about when you go overseas—and the Leader of the Opposition thought so too. Our economy has grown seven per cent since the global financial crisis while others are only just recovering or are struggling to do so. We know that many are not recovering and we know that around the world there are countries that are still seriously struggling but our economy has grown by seven per cent. We have received some timely reminders quite recently. In January 46,000 jobs were created with the unemployment rate again trickling down to 5.1 per cent, which was virtually unchanged from 12 months ago. So that is 46,000 jobs in January.

Our investment pipeline is another indication of how investors see this economy and the strength of Australia moving into the future. A report from Access Economics shows our investment pipeline remains intact. It increased to \$913 billion in the December quarter, which is again an extraordinary statement of faith in the Australian dollar and is perhaps something that the Leader of the Opposition might want to brag about in this country as well as when he is overseas. We have seen improvements in both business and consumer confidence in the last couple of weeks, in spite of the opposition's very serious attempts to talk down the economy in this country as often as they can. Consumer confidence was up by 4.2 per cent in February, and the NAB monthly business survey showed a slight increase in business confidence in January. So we are seeing very real improvements in that area. Last week the Australian share market had its strongest weekly performance in three months, which is also something we can take as a sign that things are moving along as they should.

Let us look at the comparisons between this government and the last one. Again, if the Howard government had achieved what we are achieving I suspect that the Leader of the Opposition would be bragging in this country as well as overseas. For example, real spending growth averages 1.5 per cent over the forward estimates compared to 3.7 per cent under the last five years of the Howard government. Our tax as a share of GDP will be 21.2 per cent in 2011-12 compared to 24.2 per cent under the Howard government. In other words, as a share of GDP, tax is less under the Labor government than it was under the Howard government.

**Mr Buchholz interjecting—**

**Ms OWENS:** I know from the interjection opposite that the opposition do not like to acknowledge that. They do not like to acknowledge the achievements so far. They do not like to speak the truth in this country. They just wait till they go overseas to do it. They brag overseas and run a fear campaign in this country.

**Mr Buchholz interjecting—**

**Ms OWENS:** Honestly, if the member for Wright wants to interject he should look at the words of his own leader. The Leader of the Opposition speaks the truth when he gets out of this country, when he is not putting votes ahead of the interests of this nation. When he puts votes ahead of the interests of this nation he has nothing but negative things to say and when he goes overseas and wants to piggyback on the success of Australia he speaks the truth and talks about our 'bragging rights' in the management of this economy. The opposition should look at their own behaviour first, really.

At the moment the cash rate that families are working with is 4.25 per cent. It was 6.75 per cent when the Howard government lost office. It was 2.5 per cent higher under the Howard government than it is now. The standard variable mortgage rate is down to 7.3 per cent compared to 8.6 per cent when we first came into government. Our credit rating is AAA, which we have never achieved before from the three credit agencies. We have grown by

eight per cent since November 2007, when in the last four years of the Howard government it was 5.4 per cent. So, in the biggest global financial crisis, real wages have grown more under this government than they did under the last one. There is much to be proud of with this. It is just such a shame that the Leader of the Opposition cannot say that in Australia. (*Time expired*)