



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES
MATTERS OF PUBLIC IMPORTANCE

Centrelink

SPEECH

Tuesday, 18 October 2016

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

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Questioner
Speaker Kelly, Craig, MP

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Mr CRAIG KELLY (Hughes) (16:00): I rise to speak on this matter of public importance. I would firstly like to agree with part of the speech that the member for Barton gave, where she said that it is the most vulnerable and the most marginalised in our society that rely on Centrelink. It is for that very reason—for those people in our society who need support—that we need to make these reforms to Centrelink.

Let's look at what the coalition inherited. We know that over Labor's last three years of government there was an estimated \$1.9 billion in fraud and overpayments. It is the mismanagement that we saw during the Labor years that allowed that fraud and those overpayments that puts more pressure on the very people in the system that we are trying to help.

We also saw, as the member for Oxley mentioned, that the payment system is 40 years old. Why then, when Labor were running the show for six years and that system was 40 years passed its use-by date, didn't the Labor government invest any money in sorting it out? We know why—because they were wasting money lock, stock and barrel on everything that they could think of, flushing billions and billions of dollars down the toilet rather than investing for the future.

Also, Centrelink hand out an astonishing sum of money every year. Currently this year Centrelink will hand out \$154 billion. They will hand out \$154 billion. What we should remember in this place is that every single cent of that money has to be earned by someone else.

Ms Flint: Taxpayers.

Mr CRAIG KELLY: Yes, the member for Boothby is correct. The equivalent of 80 per cent of personal income tax paid by Australians goes to pay for Centrelink payments in this nation. That is growing at six per cent every year. There are more and more demands on Centrelink—six per cent every year. This is why we have had to do a review of those on the disability pension. I am sure that some people have found that quite distressing. But the reason that is being done is to make sure that in the future going forward we can ensure that we can give those who really need that disability payment every resource that we can.

The other mess that we inherited from the Labor government that we are trying to clean up is the interest payments that we must face. This government needs to find \$1 billion every single month in interest payments. That is the equivalent of \$35 million every single day. If it had not been for the wasteful mismanagement of the six years of Labor government, a lot of that money could have been put back in to helping those most vulnerable people in our society.

We have also heard the very sad comment about how those on the other side simply misunderstand this economy. They claim that \$150 billion worth of payments we make through Centrelink is all thanks to Labor. It has nothing to do with that. It has everything to do with those hardworking men and women in our society—in our cities, suburbs and regional and rural areas—that go out every single day and earn wealth for this country. Unless we first create the wealth, we do not have anything to distribute. So when members on the other side stand up and argue about policies, when they try and tie our businesses up with red and green tape, the real people they are harming are the most vulnerable in our society.

We need to encourage people to take entrepreneurial risk, try new business ideas, try new methods of production to create the wealth that enables us to support the most vulnerable. I am proud of what this government is doing.
(Time expired)