



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



**THE SENATE**  
**QUESTIONS WITHOUT NOTICE:**  
**TAKE NOTE OF ANSWERS**

**Budget**

**SPEECH**

**Wednesday, 15 May 2013**

BY AUTHORITY OF THE SENATE

---

## SPEECH

**Date** Wednesday, 15 May 2013  
**Page** 2628  
**Questioner**  
**Speaker** Brandis, Sen George

**Source** Senate  
**Proof** No  
**Responder**  
**Question No.**

---

**Senator BRANDIS** (Queensland—Deputy Leader of the Opposition in the Senate) (15:06): I move:

That the Senate take note of the answers given by the Minister for Finance and Deregulation (Senator Wong) to questions without notice asked by the Leader of the Opposition in the Senate (Senator Abetz), the Leader of The Nationals in the Senate (Senator Joyce) and Senators Cormann and Sinodinos today relating to the 2013-14 Budget.

When last night we learned that, on the latest version of the government's budget projections, the budget would return to surplus or, I should say—let me not fall into the trap laid by the Labor Party—would, for the first time, achieve a surplus in 2015-16, no fewer than eight years after the election of the Labor government, eight years in which every budget has been or is projected to be in deficit, I was reminded of the tale of Lemuel Gulliver. After he visited Lilliput, Gulliver went on to travel to the land of Balnibarbi and, as Jonathan Swift records:

The first man I saw was of a meagre aspect, with sooty hands and face, his hair and beard long, ragged, and singed in several places. ... He has been eight years upon a project for extracting sunbeams out of cucumbers, which were to be put in phials hermetically sealed, and let out to warm the air in raw inclement summers. He told me, he did not doubt, that, in eight years more, he should be able to supply the governor's gardens with sunshine, at a reasonable rate.

Last night, when we heard Treasurer Swan say that after eight years a Labor government would eventually have the budget back in surplus, I was reminded of the man of meagre aspect in *Gulliver's Travels* who, after eight years, would have succeeded in extracting sunshine from cucumbers. The fact is, this budget is comprised of rubbery figures, dodgy methodology and incredible assumptions. I draw the attention of the Senate to just one of them, which goes directly to Senator Abetz's question concerning the cost of boat arrivals. Let me take you to Budget Paper No. 1, page 6-49, which is the assessment of the costs incurred by unauthorised illegal boat arrivals, estimated in this budget to be \$4.376 billion. We all know that the rate of unlawful arrivals has not only been growing but also has been growing at an accelerated rate—

**Senator Abetz:** Exponentially.

**Senator BRANDIS:** At an exponentially accelerating rate. Yet, incredibly, when one looks across the forward estimates, we have a projection that the costs incurred due to these unauthorised arrivals will fall in 2014-15, will fall again in 2015-16 and will fall yet further in 2016-17. How did we get to this methodology when, at a time when the number of illegal arrivals is growing exponentially, the projection is that they will fall? You have to look at box 9 for the methodology:

The methodology for forecasting the number of IMAs involves projections of arrivals for the second and third forward year, derived using a technical assumption that is based on a medium-term, 10-year rolling average arrival rate.

That is the technical assumption. We do not know the derivation of that technical assumption but we use a 10-year rolling average arrival rate, which means we make our projections starting in the year 2002-03 when there were no boat arrivals; then in 2003-04, when there was one boat arrival; in 2004-05 when there were no boat arrivals; in 2005-06 when there were eight boat arrivals; in 2006-07, when there were four boat arrivals; in 2007-08, when there were three boat arrivals; in 2008-09, when there were 23 boat arrivals; in 2009-10, when there were 117 boat arrivals; in 2010-11, when there were 89 boat arrivals; in 2011-12, when there were 112 boat arrivals; and in this financial year when, as of today, there have been 333 boat arrivals. So to project forward for the next four years, at a time when boat arrivals are increasing exponentially, you take a 10-year rolling average to deflate the figures back to the way they were during the Howard government.