



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

PROOF

BILLS

Minerals Resource Rent Tax Bill 2011, Minerals Resource Rent Tax (Consequential Amendments and Transitional Provisions) Bill 2011, Minerals Resource Rent Tax (Imposition—General) Bill 2011, Minerals Resource Rent Tax (Imposition—Customs) Bill 2011, Minerals Resource Rent Tax (Imposition—Excise) Bill 2011, Petroleum Resource Rent Tax Assessment Amendment Bill 2011, Petroleum Resource Rent Tax (Imposition—General) Bill 2011, Petroleum Resource Rent Tax (Imposition—Customs) Bill 2011, Petroleum Resource Rent Tax (Imposition

**—Excise) Bill 2011, Tax Laws Amendment
(Stronger, Fairer, Simpler and Other Measures)
Bill 2011, Superannuation Guarantee
(Administration) Amendment Bill 2011**

Second Reading

SPEECH

Tuesday, 22 November 2011

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

SPEECH

Date Tuesday, 22 November 2011
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Questioner
Speaker Ms RISHWORTH

Source House
Proof Yes
Responder
Question No.

(Kingston) (NaN.NaN pm)

Ms RISHWORTH (Kingston) (10:36): I rise to speak on the Minerals Resource Rent Tax Bill 2011 and related bills. Before I start, I note that the member for Hughes feigned concern about this tax not raising enough money to cover all the measures it is supposed to pay for. I hope that he is in his party room raising this concern with the Leader of the Opposition, who has committed to all these wonderful initiatives but has no plan—no idea—about how he will fund them. He has just said, 'We'll match the government on these things,' with no plan. I hope the member for Hughes, in his party room—where he is probably off to now—raises this issue with the Leader of the Opposition: 'How are you going to fund the superannuation increase?'

I am very pleased to rise to support this bill to ensure that Australians get a fair share of the wealth created by mining in this country. Australia is blessed with a wealth of natural resources. Since the beginning of the mining boom in 2004-05, commodity prices have been increasing and the Australian mining sector has experienced significant growth. More recently, revenue from the mining industry finished at \$138.8 billion in 2006-07 and is expected to grow to \$208 billion for the period 2011-12. The mining industry remains Australia's most profitable industry and continues to grow with record profits, and I believe that all Australians deserve to share in these profits as mining booms in this country. I do believe that Australians have the right to expect the benefits of the mining boom to extend beyond the mining industry itself and to spread right across the country. The truth is that our resources—the resources that belong to the Australian people—can be dug up only once, and we need to make this opportunity count.

While the mining boom has benefits for this country, including creating jobs and wealth, the strong demand for Australian resources has pushed the dollar high. As a result, we have seen that some sectors of our economy, including agriculture and manufacturing and many companies that export Australian made products, are struggling. There have also been impacts on tourism and on our foreign student education industries. This is creating a challenge in our economy, and I am proud to be part of a government that has the courage to tackle Australia's economic challenges to ensure that we keep our economy strong and

keep meeting the challenges into the future. It takes this government, a Labor government, to continually stand up to fight for what is in the interests of all Australians, not just the privileged few. Just as they have always done, the coalition will carry on saying no to all initiatives that are in the national interest, spreading their fear campaigns and standing up for vested interests. We will continue to do what is in the national interest and we will continue to invest in this country's future. This is what these bills are all about: investing in our future and a down payment so that the benefits of the mining boom to continue well into the future.

One of the measures that I am very proud of is the increase to superannuation. We heard previously the member for Hughes disagree with the increase in superannuation. He is clearly in the camp of the shadow minister for finance's camp, not that of the Leader of the Opposition. On this side of the House we are united in wanting a boost in superannuation savings from nine per cent to 12 per cent. This will benefit 8.4 million workers and increase the pool of retirement savings by \$500 billion in 2035. That will mean that a 30-year-old full-time worker on average wages will retire with an additional \$108,000 of savings. Just in my electorate of Kingston the benefits of the increase in the superannuation guarantee will reach almost 48,000 people. This will provide a significant amount of support for many people who are working within my electorate and who are on low incomes by helping them secure a more comfortable retirement. The reality is that most people will outlive their supply of money, so it is important that we are making sure that savings are available to them. We know the opposition does not agree with this and we know that, when superannuation was introduced, the Leader of the Opposition thought it was just a con job. I hope that he has changed his mind on this. I hope that he has now seen the immense benefits that superannuation has brought and that he will support our moves to ensure that there are greater savings available to those in retirement.

We have seen that, in stark contrast to Labor, the coalition has had no super policy—no increase in the super guarantee and no plan for the future, just opposing one day and perhaps supporting the next. They have no clear view of how super will be funded. They will just go along doing what they think is in their political interest and not what is in the national

interest. We have a clear plan about what we believe is important for this country's future, and I am pleased that super is part of it.

this country want to see these benefits, and I hope the opposition gets on board and supports this bill.

The bills before us also deliver significant savings and benefits for business. In fact, 2.7 million small businesses will be able to access a \$6,500 instant asset write-off, and this is very important for over 13,000 businesses in my electorate. This will be a very welcome tax break in any asset purchase that they might make. In addition, we are reducing the company tax rate from 30 per cent to 29 per cent, so ensuring that all businesses can be competitive. Businesses that are not caught up in the benefits of the mining boom can still receive this benefit. Once again, we are not sure where the coalition stands; whether they support business or whether they do not. What we do know is that, though they might not like this tax, they have introduced levies and that a whole range of taxes by any other name are in their policy. But, when it comes to it, we will see just how they will vote on this benefit to businesses right across the country.

In addition, there is an investment in infrastructure, and this is so important. While the previous benefits of the first mining boom were absolutely squandered by the Howard government, with no investment in long-term infrastructure, we see investment in infrastructure as critical for the productivity growth of this country and for the future. That is why, especially in our mining communities, we are committed to taking some of this revenue and ensuring that investment is for the long term—and the long term for these communities is building the infrastructure that is so desperately needed.

So, once again, looking to the future, whether it is the future for our working Australians, the future for companies with the reduction of the company tax or the future for the mining communities and their infrastructure, we are delivering the benefits of this mining boom right across this country. And why shouldn't we—after all, these resources are owned by the Australian people.

This government has said that we are not going to squander the benefits of this mining boom as the previous government did. We are not going to have nothing to show for the mining boom once it has gone. We are putting the right policy settings in place to ensure that in 10 or 20 years time there are real benefits to be shown for the current mining boom.

This is an important bill and I hope the opposition will support it. I hope they do not continue to read from the same song sheet they always read from, which is, 'No, no, no, no, no, no.' I hope they will see the sense in this. The Australian people support it. People right around