



## **Amanda Rishworth MP**

Member for Kingston

Speech to Federal Parliament

27 May 2009

### **2009-10 Nation Building Budget**

**Ms Rishworth:** (Kingston) (11:50 AM) —I rise today to support the Appropriation Bill (No. 1) 2009-2010 and cognate bills—that is, the budget for 2009-10. This budget represents a commitment by this government to build Australia and to make it stronger for the future—to really build this nation for recovery from the current economic climate. The budget is a testament to this Treasurer's foresight, vision and values, and I commend him for his hard work. The budget he has delivered is a true Labor budget: it is a budget that supports jobs and small business, it is an education budget and it is a budget that invests in the infrastructure we need for the future prosperity of our families and the nation.

Australians are currently living through the worst global recession since the Great Depression. This recession is being felt across the world. Unemployment rates in Europe and the US are increasing and Japan is experiencing record levels of negative growth. Ninety million more people are now living in extreme poverty, most of them in South-East and West Asia. The global recession has seen our major trading partners' economies contract by two per cent, a worse outcome than during the Asian financial crisis of the late 1990s, particularly as eight of our top 10 trading partners are projecting contractions in growth in 2009. It is simple: for the first time since World War II, the global economy is expected to contract. This accumulation of global economic forces has wiped \$210 billion from the projected government revenue. This is a fact and this is reality. If the opposition get up and talk about debt and deficit, they need to recognise—which they still seem to refuse to do—that this is a significant issue that needs to be grappled with by the government. The Rudd government has grappled with this problem in this budget.

Tough decisions have had to be made in the form of savings measures and the reassessment of priorities. In this budget, we have also had to take on debt to meet the huge revenue shortfall. Everyone has been asked to do their bit to help find savings to make the government's budget position more sustainable. This is the point I would like to make. The previous speaker, the member for Tangney, talked about 'long term'. Well, there is nothing more long term and sustainable than the measures that are outlined in this budget. It is incumbent upon those who have done well and can afford to contribute more to do so. That is why the government has created a better targeted pension system, reformed the superannuation tax laws, applied means testing to private health insurance and made reforms to family

payments. These are significant structural savings that are pivotal to ensuring that these programs are sustainable over the long term.

Unfortunately, these savings are not enough in the current economic circumstances to offset the collapse in the government's revenues. And given that more than two-thirds of our borrowing is a result of the global recession, it is important to put this in perspective. Firstly, Treasury predictions show that the budget deficit is not permanent. There is a clear plan to return the budget to surplus, and the Treasurer outlined this on budget night. Secondly, our borrowing is dwarfed by the levels of debt being taken on by other governments across the world. Australia's debt is expected to peak at 13.8 per cent of GDP in 2013, which is drastically lower than the 81 per cent of GDP average projected for the advanced economies around the world.

Yet these plain-as-day facts do not stop the opposition continuing to be opportunistic about their short-term political interest, putting that well before the national interest. The opposition have to take responsibility for running a dishonest scare campaign on government debt. When they are put under pressure, they have to admit that they would also have to borrow to make up for the government revenue problem. They talk about debt, but they never mention whether, to fix this tax revenue problem, they would increase taxes or whether they would cut services or whether they would stop investing in infrastructure. Would they just allow the global recession to take its path through the Australian economy and not cushion average people from the worst effects of this crisis? They do not talk about which infrastructure projects they would cut—and I will get to some of the important infrastructure projects in my electorate soon. I am calling on the opposition to be honest with the Australian people. If they want to talk about debt and the Labor government's debt, well, let us talk about their debt. What would their debt be? What would they cut? What would they increase? Or would they just have the same level of debt as this Labor government? They need to be straight up with the Australian people, to be honest with them and to tell them exactly what they would do, if they wish to continue to run this scare campaign.

People in my electorate of Kingston have welcomed the \$1.5 billion for the jobs and training compact. This will ensure that young Australians, retrenched workers and local communities do not suffer any lagged effects of the global recession. They are at the centre of Australia's economic recovery. One key component of this is the \$277 million that the government will spend to make sure that every young person under the age of 25 who wishes to upskill will be able to undertake some sort of training. There will also be an extra \$41.60 per fortnight to support new job seekers undertaking approved training. In economic downturns there is a real risk that those who lose their jobs then join the unemployment lines permanently. To make sure that such a tragedy does not occur in this recovery, the government is committed to this compact with retrenched workers which provides immediate assistance to those who have become unemployed, many not as result of their own devices. Key measures that form part of this compact are an increase in the liquid assets test threshold for Centrelink support, which strengthens the safety net for everybody, and an additional 10,000 training places through the Productivity Places Program, taking the total number of training places to around 700,000. These measures show that this budget puts jobs at the top of the government's priority list. Meaningful, decent and fair work

for all is a key Labor value, and I am proud to support a budget that so unambiguously makes jobs its focus.

I am also particularly proud to be a member of the government that will finally introduce paid parental leave. The implementation of a paid parental leave scheme from 1 January 2011 is an extremely important step in improving both child and maternal health and in guaranteeing the rights of women in the workplace. Since 1952 the International Labour Organisation has recognised the importance of paid maternity leave, and the Maternity Protection Convention was revised only nine years ago, but Australia continued to refuse to accept the benefits of maternity leave. This budget repudiates that previous recalcitrance and allows families to plan their careers and domestic lives in balance. The scheme is a \$731 million investment in better, more productive workplaces and its announcement was an excellent way for this government to have celebrated Mother's Day this year.

As I said at the outset, jobs today and jobs tomorrow are what this budget is all about. This means more support for job seekers, but it also means an investment in the fundamentals of our economy—our infrastructure and the knowledge and skills of our citizens. I want to talk a bit about infrastructure because it is a key measure of this budget. This is all about nation building. The infrastructure spending in this budget sets two vital policy objectives. It provides much-needed economic stimulus today, generating and supporting jobs in construction and services. It also ensures that we do not suffer the difficulty of capacity constraints on our growth in the future. The government is investing a significant amount of money in this budget to improve Australia's transport, energy, education and health infrastructure. This money is being spent in the national interest. This is about money going into local communities to support local jobs but also to set those communities up for economic prosperity in the future.

In this budget, the Rudd Labor government is investing almost \$380 million in South Australia's road and rail infrastructure—an investment that will support local jobs and local businesses during the current global recession. Key projects that are welcomed in my electorate of Kingston include the Victor Harbour Road and Main South Road intersection upgrade. Some money was put in the previous budget for some planning, and the final \$3.5 million from the federal government is in this budget to ensure that construction is completed by 2010. This is a very important intersection because not only is it used by my electors in Kingston but also it is used by many people from around the country who like to holiday on the Fleurieu Peninsula. They are frustrated that there is congestion at this intersection, and certainly I have received a lot of positive feedback about the plans for the intersection.

On top of the additional money for upgrading poorly designed and congested intersections in the state's road network, this budget also provides for a range of initiatives designed to improve road safety. Particularly in my electorate it includes funding for upgrades of Wickham Hill Road at McLaren Flat, and Meadows Road at Wilunga. This has been welcomed by the electors in Kingston. Certainly there has been a lot of worry about the condition of both these roads. Families are concerned about the danger of travelling on these roads and I am very pleased that in that in this budget we will go some way towards improving them.

This funding comes in addition to the Roads to Recovery funding that has been provided in my electorate—as it has been in electorates all around the country—to the City of Onkaparinga and the Marion City Council, which exceeds \$2.3 million. These funds will assist these councils with the maintenance and upgrade of roads right across the state. Jobs generated by this activity, in tandem, will increase the capacity for better roads to be delivered to the people of South Australia. Certainly people in my electorate, once again, have welcomed this infrastructure.

These better roads have been coupled with funding delivered through the Marion and City of Onkaparinga councils to invest in community infrastructure. Only on the weekend I was approached by a local community member who said to me, ‘Look, we are so thankful for this infrastructure money’. This infrastructure money has meant that certain things in the older suburbs in my electorate that had been missed by the council, that had not been done, are now being done. These include footpaths, modernising the local community centres and ensuring that parks are kept up to date and there is basic infrastructure. Under the government’s Better Regions program, this budget also provides \$2 million to the local council for the development of the Aldinga recreation centre. This has been identified by the council as a priority. I have noticed, moving around the area of Aldinga, that this is incredibly important.

I would like to also speak about one of the most important infrastructure spends in my electorate, and that is the rail extension from Noarlunga to Seaford. The corridor for this rail extension has existed for 30 years, and governments over the last 30 years, and members over the last 30 years, continued to promise that they would fund this extension. However, it has taken the Rudd Labor government in this nation-building budget to actually fund this rail extension—\$291 million has been made available. This is something that was overwhelmingly supported by the council, by local residents and by the state government. I am very pleased that we have delivered this commitment, starting in 2010, supporting local jobs, and being completed by 2013. We have seen a lot of discussion from the opposition about whether they will support the infrastructure spend or they won’t. We see that in their own electorates they do support the infrastructure spend, but when they come to Canberra they do not. I challenge the Leader of the Opposition to come and tell the residents of Seaford whether or not he has listened to them and will support their rail service. My understanding is that the Leader of the Opposition has said everything is up for review—all of these infrastructure projects are up for review. If they are up for review, the residents in my electorate will not accept that. They want action.

Finally, the infrastructure spending in this budget will impact the lives of all southern Adelaide residents by investing more money in the desalination plant at Port Stanvac in my electorate. This is a commitment to secure water for South Australia. Adelaide’s water security has been under threat from drought, and the investment in this desalination plant will go a long way to alleviating that. I visited the plant with the Prime Minister and we could see that this is a shovel-ready project where work is already happening on the ground. It is employing local businesses and supporting local employment, which is very important. It is a very good example of supporting jobs today but providing infrastructure for the long term. This investment in desalination comes in addition to the federal government’s investment in stormwater projects, water recycling projects and water buybacks as part of the Murray-Darling scheme. This government certainly has invested a lot in water infrastructure and I am very pleased to be part of it

The Building the Education Revolution program is another hallmark of the budget. The budget shows the government's commitment through investment in a world-class system that introduces key elements of the proposed education revolution. Funding through this budget builds on an investment in early childhood education, school education and vocational education, as well as incorporating the government's response to the Bradley review of higher education. A lot of people have welcomed these changes because the knowledge and skills of our citizens will aid us in the recovery from this global recession.

Another hallmark of this budget which some opposition members are against and some are in favour of is pension reform. This was a very difficult reform but has delivered to the people who need it most. Like many members, I know that retired Australians really do need help. Single age pensioners have been doing it very tough. It was important that the government responded in this budget to the Harmer pension review and increased the single full age pension rate by \$32.49 a week, which is a significant increase that has been rightly welcome by the community. This complements a more flexible and simple pension system that combines the pension supplement and allowances to create a more streamlined, simpler pension supplement. The increase to the couples pension has also been welcomed by many people. The budget also provides for the indexation of the pension in a more sensible way. That is why the government is developing a new price index that is designed to consider the price of goods that pensioners typically purchase. This will mean that the index of the pension is better calibrated and considered against the actual living experiences of pensioners.

These measures are all good news for pensioners, but, as I said at the outset of my speech, this budget also includes some tough decisions that need to be made to ensure the sustainability in the long term of the pension system. One such decision is the increase in the age of eligibility for the pension. There will be a gradual increase in the eligibility age from 65 to 67. We have to acknowledge that the eligibility age for the pension has not changed since the first Fisher government in 1909. Since we have seen life expectancies increase by more than 20 years, this is an issue that the government has had the guts to tackle. I think that that is really important. We have allowed sufficient time for it to be phased in so that people can be prepared.

In conclusion, this budget represents a roadmap. It represents a clear vision for a fairer, more productive and more prosperous Australia as we recover from the global financial crisis and the global recession. It sets us up for the future. *(Time expired)*