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Nation-Building Funds Bill 2008

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The Rudd Labor government was elected last November on a platform of investing in the future of this nation. The previous Howard government went to the last election with a continued focus on short-term political gain and fighting ideological wars of the past. The Australian public were sick of this. They rejected that vision and adopted the Rudd Labor government's focus on the future. During the election campaign many people raised with me their desire for a long-term plan for Australia's future—that is, not just for next year, not just for the next electoral cycle but for the future. It was only Labor that provided that platform for the next decade and the decade after that. Since being elected, the Rudd government has got down to work on a long-term plan for this nation's future. One critical part of setting the nation's long-term future was set down in the 2008-09 budget. The budget not only provided much-needed relief for families, who welcomed the education tax rebate and the tax cuts, but also set up a framework for investment in the nation's long-term future.

One of the cornerstones of this year's budget was the creation of three investment funds to invest in infrastructure for the future: the Building Australia Fund, the Health and Hospitals Fund and the Education Investment Fund. For too many years the previous government failed to invest in critical infrastructure in these areas. But the bill before this House today, the Nation-building Funds Bill 2008—cognate with the Nation-building Funds (Consequential Amendments) Bill 2008 and the COAG Reform Fund Bill 2008—creates these three funds, which will provide significant investment for Australia's future. Unlike under the previous government, which only had small infrastructure projects through the regional rorts program that delivered money to marginal seats, the projects that will be funded by these three investment funds will be subject to rigorous evaluation by independent advisory bodies, with the Building Australia Fund being guided by the newly created Infrastructure Australia.

The Building Australia Fund is the critical new fund that will finance capital investment in critical economic infrastructure. One of the critical projects funded by the Building Australia Fund is the national broadband network. The national broadband network is one of the largest and most important infrastructure projects that this government is embarking on. A national broadband network is critical economic infrastructure desperately needed by this country. I have spoken in the House before about the lack of effective broadband services in my seat of Kingston. That lack of infrastructure is one

of the biggest barriers to improved productivity for local businesses. Whether they are local wineries, local builders or local shop owners, they all have so much difficulty in either receiving orders or getting information out because of the lack of broadband. The lack of broadband services for business is one of the key issues brought up with me time and time again. Residents of Kingston are disappointed that the previous government failed 18 times to provide effective broadband for our local area. But it is not only businesses that have problems when it comes to broadband; families also have huge issues when it comes to broadband. Whether it is paying their bills or embarking on education, lack of broadband is a barrier to many families in my electorate of Kingston to be able to do all of the everyday things that many Australians take for granted.

In addition, the Building Australia Fund will invest in other critical economic infrastructure, including roads, rail and port facilities and, most importantly, for the first time this government will invest in urban transport. Urban congestion, clogging up our cities and roads, not only is leading to a significant increase in carbon emissions but also is frustrating for drivers and those trying to move goods around. Rather than putting this in the too-hard basket, as the previous federal government did, this government is committed to working with the states to find solutions.

Investing in critical economic infrastructure is so important. The residents of Kingston have certainly welcomed the input into this and the creation of Infrastructure Australia. As the local member, I have welcomed seeing that one of the projects the state government of South Australia has requested funding from the federal government for is the extension of the rail line from Noarlunga to Seaford. This extension will be critically important for many residents along that passage, especially in Seaford, Seaford Meadows and Seaford Rise. We are seeing a huge influx of new houses being developed in that area and there is very little public transport. I have certainly welcomed and supported that submission by the South Australia government.

As I said, many of the residents of Kingston have welcomed the Building Australia Fund but they are doubly happy at the Health and Hospital Fund. The Health and Hospital Fund was also created as part of the budget. This fund will provide money to invest in health infrastructure, including capital infrastructure for our hospitals and investment in medical technologies and research facilities. For too long the previous government just blamed the states when it came to our medical infrastructure and allowed many of our medical facilities to become very run down. However, this government knows that we need to make the investment into our health system so that Australians everywhere can enjoy world class health care. Investing in medical technologies and research is critical not only for the health care of Australia but also for its potential to contribute to scientific breakthroughs for the world.

The third fund is the Education Investment Fund, which will provide capital investment in higher and vocational education and in training and research institutes. Capital investment in education is crucial to ensuring that we continue to grow our nation's productivity, which will allow us to continue to

enjoy economic prosperity. The creation of the Education Investment Fund will invest in these areas. It will support capital expenditure for the renewal and refurbishment of Australia's tertiary education and research institutes and will improve their capacity. Many higher education institutions in and around my electorate have welcomed the creation of this fund. These institutions benefited earlier in the budget with funding of some \$8 million, which they were not expecting, to improve their capital works. For 11 long years under the previous government, investment in these institutions was non-existent. The previous government just expected these institutions to do more with less. This attitude has led to many of our institutions not having the state-of-the-art facilities and equipment needed to prepare students for the next chapter of study and employment.

These three funds will provide critical investment in productivity growth for the future. The creation of these funds could not come at a more critical time. Australia, along with all the other developed and developing nations around the world, is currently facing a most significant challenge with the global financial crisis. This crisis has seen the slowing down of economies across the world, and the Rudd government have acted decisively. Part of our global security package included the announcement that the government will fast track the nation-building agenda. Fast tracking the nation-building agenda in the short term will act as a stimulus to the economy, protecting jobs and growth, and will also benefit Australia after the global financial crisis has come and gone. The benefit we will gain through productivity growth will continue well into the future. This government is committed to investing in infrastructure to increase the nation's productivity.

As I have said, in stark contrast to the previous government, we want to work with, not against, the states and territories to build this nation. Our government, from day one, has indicated that the best way to deliver results on infrastructure is to work with all levels of government, including the states and territories and local councils. We have started this work through reforming the COAG process and through holding the inaugural meeting of the Australian Council of Local Government. The government recently announced \$300 million to be delivered to local councils for local infrastructure. This has certainly been welcomed by my constituents and the councils in my seat of Kingston.

One of the bills we are debating today is the COAG Reform Fund Bill 2008. This bill will provide a mechanism to deliver financial assistance to the states and territories. This mechanism covers delivery of money from the three nation-building funds that we are debating today, from the annual appropriation and from special appropriations. The delivery of funds will be set out in written agreements that cover the terms and conditions and also set out the benchmarks that the states and territories must meet as a condition of receiving this funding. We saw on the weekend that the federal government is serious about working with the states and territories. We saw a package that will deliver to the states and territories an extra \$15.1 billion investment in health, education, housing and disability services. This extra money to the states also comes with significant responsibility on the states to truly improve services in all of these areas.

We promised the Australian people at the election that we will build a nation that is equipped to deal with the challenges of the 21st century. We are committed to building our nation's roads, rail, ports, broadband, hospitals, universities, TAFE colleges and vocational education institutions. We believe that this is the way that Australia can grow its productivity and become a more prosperous nation. We are also ending the blame game by working with the states, territories and local councils, not against them. I commend this legislation to the House.