



Chamber of the House of Representatives

Appropriation Bill (No. 1) 2011-2012; Appropriation Bill (No. 2)

2011-2012; Appropriation (Parliamentary Departments) Bill

(No. 1) 2011-2012

May 2011

Sharon Grierson MP

Ms GRIERSON (Newcastle) (11:49): I am very pleased to speak today in support of the three appropriation bills—Appropriation Bill (No. 1) 2011-2012, Appropriation Bill (No. 2) 2011-2012 and Appropriation (Parliamentary Departments) Bill (No. 1) 2011-2012—and to discuss the responsible economic management credentials of this Federal Labor government. We have delivered a responsible budget; it is a budget true to the values of Labor and true to our commitment to equality and opportunity for all.

But, as the Treasurer has said, it is also 'a budget for the times'. As he has noted, we have been Keynesians while the economy was on the way down and we will continue to apply Keynesian thinking while the economy is on the way up. As a Government, we have successfully navigated the waves of the worst financial crisis since the Great Depression. Of the world's 33 advanced economies, only three maintained positive growth after the onset of the global financial crisis, only two avoided recession and only one had growth over one percent. Gross government debt in the OECD is forecast to exceed 100 per cent of GDP by the end of this year, reaching heights of 158 per cent of GDP in Greece.

Ours is the economy that avoided recession and recorded growth of more than one percent. Ours is the economy with net debt which will peak at 7.2 per cent of GDP—a tiny fraction of the comparable countries

mentioned. I congratulate the Treasurer on his management of the Australian economy in such turbulent times.

The recent OECD report, *Restoring public finances*, observed:

The Australian economy has been one of the most resilient in the OECD ...

That's because we made the tough decisions when we needed to. We implemented fiscal stimulus programs that protected an estimated 200,000 jobs and tens of thousands of businesses. We injected \$42 billion worth of cash, consumer confidence and infrastructure spending into the arteries of our economy in 2008. We guaranteed bank deposits and we invested in the long-term prosperity of our nation. We saw Australia's top trading partners fall, like dominoes, into recession.

In Newcastle, my electorate, even though our commodity based exports provide 32 per cent of the total exports of New South Wales, the Global Financial Crisis still posed a real danger to local jobs and local families, particularly in the construction, hospitality, manufacturing and retail sectors. As unemployment in America and the European Union soars towards 10 per cent, our unemployment rate nationally, and in Newcastle, is steady at around five per cent.

We have not seen dole queues like those in Ireland, nor have we seen the levels of youth unemployment witnessed in places like Spain. Losing your job, we understand, is a life-changing experience.

Individuals lose more than just a source of income; they lose stability, their identity and the dignity that attaches to having a job. Hunter labour markets have been resilient, too. We are a very diverse economy. We hit unprecedented heights of workforce participation when, last year, the total number of employed residents rose to 335,500—a record for us.

But I note that the Shadow Minister for Finance, Andrew Robb, the Member for Goldstein, still refers to Newcastle as a 'one-industry town'. I have to say: where has he been for the past decade? We have one of the most diverse economies in Australia, and we have one of the most resilient economies in Australia. Our one industry that he is perhaps referring to, BHP steelmaking, closed over a decade ago. I think that perhaps typifies an Opposition that remain somewhere lost in space

when it comes to responsible economic management and their understanding of this country, particularly regional Australia.

Our Government, though, has had to make tough decisions, but the decision to invest in skills and training has been the right decision. As Bernard Keane wrote in *Crikey* last week, the government's stimulus and nation-building measures "are the reasons tens of thousands of Australians, maybe hundreds of thousands of Australians, kept their jobs". He is right. Since we took office in 2007, we have created over 750,000 jobs; that is an average of more than 550 jobs per day. Further, this budget anticipates the creation of more than half a million jobs over the next three years, and we will see our unemployment rate fall to 4½ per cent by mid-2013. But it has not been easy.

A patchwork economy creates patchwork pressures such as higher interest rates, a stronger Australian dollar and rising costs that all need to be managed. This budget balances the needs of regions and sectors where investment and growth are booming and businesses face a tight labour market, with the demands of sectors like manufacturing under stress from the rising dollar and the retail sector suffering from decreased consumer spending, particularly in some regional centres where unemployment is high.

That is why we are making changes to the taxation of small businesses, allowing them to claim up to \$5,000 as an immediate deduction for motor vehicles purchased in 2012-13. That builds on our tax concession to them of \$5,000 as well. That is why we are providing \$7.1 million to continue the Small Business Support Line, which I am told has already received 30,000 calls and emails since it began operating in September 2009. That is why we have created a \$558 million National Workforce Development Fund to support more than 100,000 new training and workforce development places over four years. This is how we are addressing sectors such as construction and aged care, which are particularly at risk of a skills shortages.

We have a proud record of strong economic management and job creation. In Newcastle it has been a particularly satisfying time as we see so many projects made possible by Federal funding beginning to take shape. I make special mention of a new regional museum at Honeysuckle due to open in the next few months, where we contributed \$8½ million; the Empire Skate Park, a very popular facility now; the

Hunter Medical Research Institute, which we contributed \$45 million to build and which is now under construction; the Australian Solar Institute; the Smart Grid, Smart City trial; and the Newcastle Institute for Energy and Resources. These are particularly satisfying. They represent an investment in the stimulus packages or else an investment in regional Australia and infrastructure projects.

Similarly, with many of my colleagues I have had the great pleasure of attending official celebrations at many schools to mark the completion of new buildings and facilities under the BER project. I make mention of and thank the following schools for the wonderful celebrations I have been part of: Tarro Public School, St James Primary School, Newcastle East Public School, Newcastle Grammar School, Waratah Public School, Alesco Learning Centre, St Dominic's Centre for Hearing Impaired Children, New Lambton Public School, Waratah West Public School and Thornton Public School. And there are many more coming up.

I am also delighted that the Minister for School Education, Early Childhood and Youth, Mr Garrett, was able to open the new Wetlands Environmental Education Centre at the Hunter Wetlands Centre. Our economic growth and prosperity has been assisted greatly by this government and its responsible economic management.

I am also very pleased that this budget makes health, particularly mental health, a national priority. We are investing \$2.2 billion over five years to deliver better mental health care and prevention services, including \$443 million to tackle suicide and \$492 million for prevention and early intervention mental health services for children and young people. Added to this is \$1.8 billion over six years in regional health infrastructure, bringing our investment in this area over the past three years to \$2.9 billion.

Following on from the GFC, this budget, as the Treasurer has said, is part of the fastest fiscal consolidation of the modern era. This budget has government finances moving back into the black by 2012-13, ahead of every major advanced economy. This federal budget will keep the national economy strong and that is always good news for my electorate of Newcastle. It is not a high spending budget, but it is a responsible budget. Yes, for the first time in nine years there were no income tax cuts and none of the handouts that the former government was so fond of, but it was a fiscally responsible budget.

Since our election in 2007, Federal Labor has already delivered in my electorate more than \$1.7 billion in funding, and that is not including the economic benefits that will flow to Newcastle from the \$1.5 billion Hunter Expressway now under construction. Interestingly, I note that the Member for Paterson stated in his speech that I take my electorate for granted. Well, you wish, Bob. The people of Newcastle have \$1.7 billion worth of reasons to know why that is not true. Despite some belt tightening, this budget has Newcastle on track for jobs and growth.

By leading us back to surplus the budget will keep our national economy strong, and that is good for the national economy and jobs growth in Newcastle. Indeed, job seekers and apprentices will be among the biggest winners in my electorate. Around 6,547 people in my electorate stand to benefit from Federal Labor's investment in training and incentives for apprenticeships. The 2,000 long-term unemployed in Newcastle will also benefit from an additional \$1.4 million being invested in training and work experience in Newcastle.

I am also pleased the budget delivered sorely needed resources for cancer treatment in the Hunter region. I have spoken in this place before about the considerable concern in my electorate about access to oncology services in the Hunter region. Cancer has touched the lives of almost all members of this place and all members of the community. For some time now, constituents in Newcastle have approached me expressing concern about unacceptably long waiting times in the Hunter region to see specialists or to receive life-saving treatment.

That is why I was delighted this budget paved the way to grant a Medicare licence to the very recently installed MRI machine at the Calvary Mater hospital. It is due to start scanning later this month. I have campaigned hard for some time for this important resource to be provided to the Hunter community. As many would know, Calvary Mater is one of the largest cancer service providers in the Hunter region. Securing a fully-functioning and partially Medicare-licensed machine has been an important priority for management, staff and patients at the hospital.

MRI machines, as people would understand, are particularly effective in diagnosing cancers and working with diseases such as cancers and strokes. Like the other seven new licences for MRI machines in regional

areas granted in this budget, the Mater's new licence will become effective next year.

It will support Medicare subsidised services for a specified range of conditions, including common cancers like breast and cervical cancer. This will significantly reduce the cost of scans to patients and bring Medicare funded services closer to home for those who need them. In this case it will complement other MRI machines in the region at the John Hunter Hospital, Hunter Imaging in Cardiff and the private hospital in East Maitland, which have full Medicare licences.

The Federal Labor Government has a proud record of delivering improved cancer services to the people of the Hunter region. In 2008-2009, the Federal Labor government provided \$1.5 million in a one-off grant to support upgraded PET services at the Calvary Mater hospital. At that time a further \$700,000 was granted to fund Medicare rebates for the additional PET services from the improved facilities. This state-of-the-art scanner is now making a real difference to the lives and early diagnoses of countless cancer sufferers in my electorate.

I would also like to put on the record my appreciation to Minister Roxon, who, in response to my concern regarding recent media allegations of inequitable cancer services and longer waiting times in facilities in Newcastle compared to facilities in other parts of New South Wales, has written to the New South Wales Minister for Health requesting a briefing on this matter so that we can see that the investments we have made are delivering improved cancer services in my electorate.

Of course, in his usual style, the Shadow Minister for Regional Development and Tourism, Bob Baldwin, chose on Monday to misrepresent this important gain for the people of the Hunter and claimed that the Calvary Mater had 'missed out' on an MRI scanner. That is untrue. That was just another futile effort by the Member for Paterson to mislead the people of his own electorate, who will also benefit from this new MRI licence at the Mater, as they do from the licence we granted to the MRI machine at East Maitland.

This is a budget that maps a path for the future prosperity of our nation. This is a budget that delivers on core Labor beliefs in creating jobs, creating prosperity and ensuring that every person in Australia has the

opportunity to advance themselves and aspire to the wealth and prosperity that all Australians should enjoy. I commend the bills to the House.