



Ms GRIERSON» (Newcastle) (1:35 PM) —I am very pleased to rise today to speak in support of the [Appropriation \(Nation Building and Jobs\) Bill \(No. 1\) 2008-2009](#) and cognate bills. These bills actually do represent decisive and considered action on the part of this government at a time when the global economic outlook has deteriorated significantly and shows little sign of any imminent recovery. The IMF has repeatedly retargeted its forecast for global growth, cutting those predictions three times in just the past four months. But if you listened to the speakers on the other side you would think there is plenty of time to do something to respond. But three times the predictions for growth have been changed in four months. Finally, the IMF now anticipates a deep, global recession. We cannot afford to wait until that is upon us. With projections that world growth will fall to half a per cent this year, the lowest growth rate since World War II, now is the time to act. With global output and trade figures plummeting in the final months of 2008 and the slump in global demand leading to a collapse in commodity prices, threats to our economy are very real.

I remember standing in this House last November when we were speaking on the Economic Security Strategy—the \$10.4 billion stimulus package—and remarking that Alan Kohler on the business program on the ABC had commented that 42 per cent of international GDP wealth had just disappeared in one day. These are unprecedented times. Since that time, more international GDP wealth has disappeared every day. It is an economic tsunami and it certainly keeps plunging ever closer to our shores. Without a further more significant and timely policy stimulus the Australian people—Australian businesspeople, Australian industry, Australian children and Australian students—would face the full consequences of the severe slowdown. With international economic pressures continuing, the influence of the global decline is

something that none of us would want to pass on. It means job losses, business slowing and increased pressures on our welfare systems.

I listened with interest to the opposition, and I thought about how this has happened. We all think of how this has happened. Most ordinary Australians get a salary or a wage and maybe put a little in the bank or they use it for their everyday living. They may have a home that they are buying or paying off or even an investment property and they invest in their superannuation through their employment. That is it. They do not have much discretion on how to pull that out when things get tough. They have to ride this through. They will not be getting any big dividends or returns. Those with big money have pulled their money out—it is not there any more. That investment money is not there. I do not know where it is. Does it go back to Swiss banks? Does it go into gold bullion? I do not know where it is, but it is not there now. People with big money have some discretion. They have some choice. Ordinary Australians do not have any choice. What little assets they have are stuck there. They are watching their assets diminish in value and they are hoping that these packages, this government's measures, will help them—and that is what we are trying to do. I do hope that when those opposite are pushed to a vote that they consider the lack of control that most ordinary Australians have over this situation and the plea from them for help from us.

According to the IMF and Treasury, when the economic stimulus is taken into account, economic growth is expected to grow by one per cent this year. That is the growth that maintains jobs. In 2009-10, with the stimulus package, it is projected that growth would be perhaps 0.75 per cent. These measures, undertaken with the advice of Treasury and guided by the information coming through the IMF are about both supporting growth and jobs now and investing in Australia's economic future. This package builds on the \$10.4 billion Economic Security Strategy released earlier, where we saw pensioners, carers and people with disabilities certainly making good use of that money. We know how much they appreciated that, particularly in my electorate. I was absolutely touched by the number of constituents who wrote little notes and letters saying, 'Thank you' or 'Please thank the Rudd government,' or

'Please tell Kevin that this meant so much to me.' It did mean a lot to those people because until then they saw no light on the horizon.

I welcome the \$42 billion stimulation package. I know that my electorate of Newcastle is set to see many significant benefits. This morning I heard some of the Leader of the Opposition's grand economic rhetoric—his grand thesis on democracy and economic theory—and I have heard the member for Mayo talk about this 'great inheritance'. What did we inherit? Let us be honest now. Let us now rewrite the history again. We did not hear anyone say anything about the lack of investment in skills, in innovation, in education and in training. We did not hear anyone talk about the failure of the previous government to reign in low-doc loans. I heard the former Treasurer, Mr Costello, on *Lateline* the other night speaking about how we did not have the subprime situation. No, we did not have the subprime situation, but I have been on the House of Representatives Standing Committee on Economics and have heard two Reserve Bank governors urge the previous government to do something about low-doc loans. Mortgage repossessions are running at one a week in my electorate. That has been the case for several years. It did not start now; it started because of that neglect of the economic fundamentals. I would say to the Leader of the Opposition: 'Watch out!' I thought Mr Costello was certainly looking forward to an opportunity presenting itself for him and his ambitions.

These are difficult economic times. This package is designed to maintain and stimulate growth, protect jobs and provide a responsible and decisive response to this unprecedented global and national economic circumstance. I recall someone saying something about a big-spending election promise. The opposition are saying that we are the big spenders. Well, hey, big spender, come on down! If we had had to fund the election promises from the Howard government, if the public had been foolish enough to re-elect those people into government, we would certainly be in a much more parlous situation.

In this package we have also taken the opportunity to invest in the green economy—something very important to my electorate. We have a dreadful carbon footprint in the Hunter and Newcastle. We export coal, but we are doing something about transitioning our economy towards a more energy efficient situation. There

are measures in this package that respond to climate change and deliver to people the opportunity to take on some energy efficient measures in their homes—for example, house insulation or a solar water tank. Some people with a bit of discretionary money would love to invest in measures to combat climate change and invest in the environment for our future. This summer we are all greatly feeling the effects of the situation and we all feel some guilt and some desire to make a difference and contribute. So it will be very pleasing to see people take up those opportunities to contribute to improving the climate change situation and building a green economy in this nation.

I know that for the people of Newcastle this package will be extremely important. The average salary is less than \$50,000 per annum in an electorate like mine; so most people will benefit from that \$950 taxpayer one-off bonus. There are over 20,000 school-age children in my electorate. At this time of the year, when they are going back to school, the \$950 back to school bonus will be used very well and will certainly be appreciated. It is very much an investment in the education of our children and it is an understanding that families always have additional costs that they try to balance as best they can. Every one of the 10,000 recipients of family tax benefit B in my electorate will receive a bonus of \$950 per family to help with those costs.

As a former school principal I am delighted to see so much going into maintenance of schools and into infrastructure in schools. It is a good decision. It is something that I know can be rolled out straightaway. For a local economy like mine, with 52 primary schools and 70 schools overall, this measure will mean that tens of millions of dollars will be injected into our regional economy. Building the education revolution alone equals a swift injection of up to \$50 million into the Newcastle economy.

Many new homes will be built through the investment in defence housing. I am really looking forward to the benefit that will flow to my electorate from that. Activity in the construction industry is known to create more jobs, flowing through to the transport industry, subcontractors and suppliers. It is a great way of spreading some of our wealth. The 50,000 private home owners in my electorate will be particularly

pleased that they can now consider putting in some insulation to keep their homes cool on hot summer nights.

I am also pleased to see that there have been many public endorsements of this package in Newcastle—unlike what we have heard from the opposition. Local endorsements have been strong from the business chamber, the trade union movement, the manufacturing cluster group and the collective Hunternet. They are all predicting that these measures will be of great assistance to our local economy.

In Newcastle we have a strong tradition of stepping up when things are tough, and we are doing so already. We make a valuable contribution to the national economy. I would encourage people benefiting from this economic stimulus package to support local farmers markets and local produce manufacturers. There are manufacturers of insulation in my electorate. I hope that they score very well out of this. For local regions that have a history of the booms and the busts, this will be a wonderful opportunity for everyone to benefit and to contribute to the great challenge of keeping our economy strong, protecting the jobs of the people we care about and making sure that the future of this nation is a bright and great one.