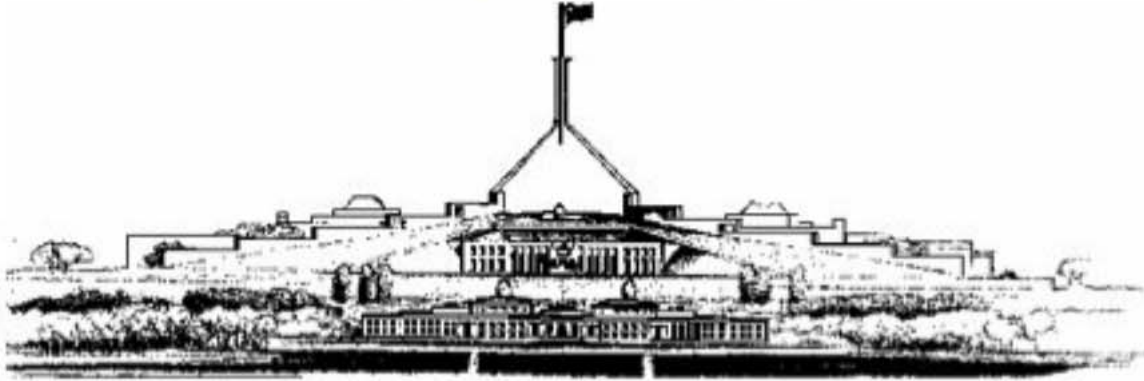




COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES
GOVERNOR-GENERAL'S SPEECH

Address-in-Reply

SPEECH

Wednesday, 11 November 1998

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

SPEECH

<p>Date Wednesday, 11 November 1998</p> <p>Page 162</p> <p>Questioner</p> <p>Speaker Rudd, Kevin, MP</p>	<p>Source House</p> <p>Proof No</p> <p>Responder</p> <p>Question No.</p>
--	--

Mr RUDD (Griffith) (6.06 pm)—Politics is about power. It is about the power of the state. It is about the power of the state as applied to individuals, the society in which they live and the economy in which they work. Most critically, our responsibility in this parliament is how that power is used: whether it is used for the benefit of the few or the many. In this my first speech I want to speak on the fundamental principles that I believe should govern the exercise of political power and the reasons, therefore, that I am a member of the Australian Labor Party and why I have sought election to this parliament. I want to speak on how these beliefs shape my approach to some of the great policy challenges now facing the nation. I also want to speak on some of the practical problems facing the local community that it is now my privilege to represent in this place.

I believe that ideas are important. Ideas shape behaviour—the behaviour of governments, of bureaucracies, of business, of unions, of the media and of individuals. As Keynes wrote in his *General Theory*:

The ideas of economists and political philosophers, both when they are right and when they are wrong, are more powerful than is commonly understood. Indeed the world is ruled by little else. Practical men, who believe themselves to be exempt from any intellectual influences, are usually the slave of some defunct economist.

Debate, therefore, about fundamental ideas, particularly ideas about the proper role of the state in the economy and society, is critical to an informed discussion about policy. For nearly a decade now it has become fashionable to accept the death of ideology, the triumph of neoclassical economics, the politics of convergence and the rise of managerialism. Put crudely, it is the view that, because parties of the traditional Right and traditional Left have now moved to some mythical place called the 'Centre', all that is left is an essentially technocratic decision between one team of managers against another, both operating within a common, or at least similar, mission statement. Politics on this argument becomes little more than theatre—a public performance necessary to convince the shareholders at the AGM that the company needs new management.

I disagree, and I disagree fundamentally. I believe that there remains a fundamental divide between our two parties on the proper role of the state in a modern economy and society. This government's view is a minimalist view of the role of government. It is a view that holds that markets rather than governments are better determinants of not only efficiency but also equity. It is a view that is often described as neoclassical, but on closer inspection there is much less Smith and much more Hobbes and his particularly bleak view of human nature. It is Friedman, it is Hayek and most recently it is popularised in Daniel Yergin's tract celebrating the demise of government at the hands of the market.

It is a view that now dominates the treasuries of the nation—both Commonwealth and state—and their combined orthodoxy that a good government is a government in retreat—retreat from any form of ownership, retreat from most forms of regulation and retreat from responsibility for the delivery of as many services as possible. It is a view which says, in effect, that governments are the enemies of freedom while failing to reflect on the fact that markets look to governments to regulate them to ensure their proper functioning.

It is a view that is Thatcherism writ large, including her most infamous proclamation that there is no such thing as society. And it is a view that labour markets are like any other market that should be deregulated because, according to this view, labour is no different from any other commodity.

This is not my view. Nor is it the view of the Australian Labor Party, of which I have been a proud member for 17 years. I started attending meetings of Young Labor as a school kid in the Nambour cane growers hall in 1974. Nambour, for those of you who are unfamiliar with it, was not a major centre of revolutionary socialism in the 1970s—the cane growers hall even less so. I was the son of a share farmer—a member of the Country Party, although I think not a particularly active one—who worked a 400-acre dairy farm just outside the neighbouring town of Eumundi. I happily attended the local primary school and high school.

But when my father was accidentally killed and my mother, like thousands of others, was left to rely on

the bleak charity of the time to raise a family, it made a young person think. It made me think that a decent social security system designed to protect the weak was no bad thing. It made me think that the provision of decent public housing to the poor was the right thing to do. When I saw people unnecessarily die in the appallingly underfunded Queensland hospital system of the 1960s and 1970s it made me think that the provision of a decent universal health system should be one of the first responsibilities of the state.

When the kids I went to school with—most of them the daughters and sons of good Country Party families—were unable even to begin to realise their potential because of the abysmal levels of funding to the Queensland school system during those halcyon days of the Bjelke-Petersen government, it made me think that there was something fundamentally crook. If equality of opportunity does not begin in the school system, it begins nowhere at all.

We are all the product of our own experiences and the ideas with which we have been confronted. These are the simple experiences and unremarkable beliefs which cause me to sit proudly here rather than on the benches of those opposite. I believe unapologetically in an active role for government. I believe that this activist role should have as its foremost guiding principle a commitment to equality of opportunity that is real rather than rhetorical. It is a principle that should permeate all that we do in education and health. I also believe that governments must actively look after those who, through no fault of their own, cannot look after themselves. I believe that governments must regulate markets.

Competitive markets are massive and generally efficient generators of economic wealth. They must therefore have a central place in the management of the economy. But markets sometimes fail, requiring direct government intervention through instruments such as industry policy. There are also areas where the public good dictates that there should be no market at all.

I also believe that governments should not just turn in on themselves, but instead have a fundamental responsibility to pursue the public good internationally in the promotion of regional and global security, democracy and economic development and the protection of the planet.

These are the fundamental beliefs that continue to drive the modern Labor Party. Ours is a dynamic, not a static, movement. Our beliefs are continuing but their application to the policy challenges facing the nation require creativity and experimentation. Our party is a combination of experience and youth. Through this it possesses the intellectual horsepower and the policy craft necessary to carve out an alternative vision for the

nation as well as a program of action for the realisation of that vision.

We are not afraid of a vision in the Labor Party, but nor are we afraid of doing the hard policy yards necessary to turn that vision into reality. Parties of the Centre Left around the world are wrestling with a similar challenge—the creation of a competitive economy while advancing the overriding imperative of a just society. Some call this the 'third way'. The nomenclature is unimportant. What is important is that it is a repudiation of Thatcherism and its Australian derivatives represented opposite. It is in fact a new formulation of the nation's economic and social imperatives. Together with my colleagues who have spoken here today and those who have been here for some time, I look forward to participating in that policy challenge.

As we enter the new century, the nation is confronted with an array of opportunities and challenges of bewildering complexity in the economy, in education, in our international engagements, in the environment, in the collapse of our local communities, in the structure of the federation and, perhaps most importantly, in the deepening contempt with which the institution of parliament itself is held. We are at present in a period of unprecedented global economic uncertainty, driven by fundamentally unstable international financial markets. As the Australian Reserve Bank Governor stated most recently and starkly:

Given the bigger role for economic contagion, more and more people are asking whether the international financial system as it has operated for most of the 1990s is basically unstable. . . . By now, I think the majority of observers have come to the conclusion that it is, and that sudden changes have to be made.

This is perhaps one of the most significant public statements by a Reserve Bank Governor in a decade. Governments around the world, including this one, now struggle with what new regulatory structure should be put in place, as the market has apparently failed adequately to apply its own disciplines.

Despite this profound instability, we have a government dedicating its political and intellectual energies not to this but to the introduction of a tax that the literature demonstrates will at best have a marginal impact on growth but a tax that, at its core, transfers wealth from the poor to the rich. There will be few greater tests of the leadership of this government than the calibre of its contribution to establishing the new international architecture referred to by the Governor. For if the government fails, the price will be paid through the jobs of ordinary Australians.

A second fundamental challenge facing government lies in our nation's education system. Education is both a tool of social justice as well as a fundamental driver of economic development. I believe that the nation needs a revolution in its education system. We have state curricula of highly variable quality and a decline of critical subject areas such as science. We have a demoralised teaching profession whose energies are now dissipated in school administration rather than in syllabus delivery. We have state government, not to mention non-government systems, collapsing under the sheer weight of the funding requirement for the comprehensive introduction of information technology into the curriculum, syllabus and daily classroom teaching. As a nation, these problems need to be tackled head on. Because of the funding imperative, they must be tackled jointly by the Commonwealth and the states.

I believe we need to do something radical about teachers' salaries and the overall status of the teaching profession. I believe we need to do something equally radical about quality assurance of school curricula. I also believe that, if we are serious in our national rhetoric about having the next generation of Australians selling their skills across the world through every medium of electronic commerce, then we must, through the school system, equip them to do that. I understand that my remarks will be met by the inevitable chorus of, 'We cannot afford it,' but I ask the question: 'As a nation, can we afford not to?' I believe that equity and economic development demand it. In a global economy, a first-class education is one of the few forms of real security that the state can provide to its citizens.

I would also like to address the nature of Australia's international engagements. In foreign policy, Australia's challenge, as we all know, is compounded by its history and its geography. In Asia the task is complicated by the fact that, as the previous foreign minister so aptly put it, 'we are the odd man in'. We have no option other than one of comprehensive engagement, both in rhetoric and in reality. We need not dwell here on the incalculable damage that has been done to the nation's standing in the region over the last three years.

Despite the enormous changes to Australia's ethnicity since the war, we are still seen in the region as an essentially European enclave in a region of non-European cultures. All of these cultures, during the last several centuries, have been colonised by one European state or another—some in the ugliest of fashions.

When the region looks at us, it is often through the deep cultural prism of their respective national experiences of European colonisation over a long

period of time, experiences that for them were almost universally negative. When you add to that the particular overlay of the White Australia policy and the fact that the White Australia policy has been taught in most of the region's school history texts for several generations, it becomes easier to understand why our place in this region can sometimes be delicate. There is, of course, no reason for this nation to apologise for its heritage. We are proudly Australian and should remain so. But as a nation we need to understand how others perceive us, because that helps us in our behaviour towards the region. The nation cannot afford a repeat of the mistakes of the last three years. The damage is already great; the stakes are now too high. The repair work will probably take a decade.

There is also the question of Australia's engagement in multilateral agencies. There is a sense around the region and beyond it that Australia is retreating from the vigorous multilateralism of its past. Australia has, for a long time, prided itself in punching above its weight in international fora. For a small nation of 18 million people we have prided ourselves, from Evatt to Evans, in the shaping of major international institutions and the resolution of international problems—political, economic and strategic.

Not only have we prided ourselves on our achievements, but we have also been respected as an effective international citizen. This represents the cumulative capital of successive Australian governments, ministers and officials. This capital must be husbanded and harnessed for the future. That requires leadership—leadership that the current foreign minister is demonstrably incapable of providing. Our future challenge is to build across this nation a robust domestic constituency in support of Australia's future international engagement, one that will not be hijacked by the periodic outbreak of local populism.

I am in this place, first and foremost, as a representative of my local community, which has done me the great honour of electing me as their representative. I represent the inner southern suburbs of Brisbane. In my local community the first problem we face is that of unemployment. Parents in the southern suburbs of Brisbane, like parents everywhere, want their children to have a job, to have a good job and to have job security.

One of the major employers in my electorate is Queensland Meats, which—together with several associated processing facilities—is responsible for nearly 1,000 jobs. These jobs were thrown into jeopardy by a unilateral decision by the previous Queensland coalition government to have the facility closed down without any effort to make the business

viable and without any effort to retrain or redeploy the work force.

For many months now I have been working with the local state member and state government to try and undo this disaster and to assist and identify new investment into the facility. Time will tell whether we succeed but, if we do, it will mean 1,000 jobs saved through industry policy, which would otherwise have been lost.

Mr Deputy Speaker, in the less than four weeks that I have been the member for Griffith I have visited 23 of my local schools. The cost of out-of-school-hours care programs in my schools has ballooned as a result of changes in the funding formula of the Howard government. It has made OSHC less affordable for average working families. In the case of vacation care, it is now 100 per cent more expensive than it was last year, causing one of my vacation care programs to close, after having been in operation for the previous 13 years.

The southern suburbs of Brisbane have also experienced significant cutbacks in other government services. The most notable of these has been the closure of two of our three local Medicare offices, and now we have the cutbacks to Centrelink.

Finally, people who live on the south side of Brisbane value greatly their quality of life. They love their 'Queenslanders', and they love their verandahs. They are incensed at the proposal by the Brisbane Airport Corporation to construct a parallel runway, which would have the effect of doubling the volume of aircraft over the suburbs. By 2006 it is projected that Brisbane airport will have as many aircraft each day as Sydney has at present. The opportunity presents itself not simply to repeat the mistakes made in Sydney but instead to learn from them.

We in this place are the product of our families, our friends and our communities. Without them we would be nothing. I would like to thank my wife, friend and partner, Therese. I would like to thank my three fantastic kids, Jessica, Nicholas and Marcus, for reminding their father of his human frailty and for making me laugh. I would like to acknowledge my father, Bert, who died nearly 30 years ago. He was the classic Australian, whose response to every question of, 'How are you, Bert?' was, 'I've been battling.'

I would like to thank my mother, Margaret—who is here today—for her support over a lifetime. I would like to thank my brothers Malcolm and Greg and my sister Loree, who returned from living in Moscow to work on my campaign. I would like to thank my campaign team of Sharon Dryden and David Brennan—who fought the good fight despite a periodically

irritable candidate—and all the branch members and volunteers.

In politics, I would also like to thank a number of individuals: John Buchan, a family friend of more than 50 years who went to his maker only last month and who, despite our political differences, always encouraged me to pursue a career in public life following the death of my father; and Bob Callandar, former editor of the then *Sydney Sun*, who in the seventies left the rat-race in Sydney, went to grow pineapples—badly—in Nambour, failed, and introduced me to the Australian Labor Party. I also thank the former Labor member for Griffith, Ben Humphries, as a friend and for being a great local member. I would also like to thank my colleagues in this place: Con Sciacca, Arch Bevis, John Hogg and my longstanding friend Wayne Swan. Finally, I thank my friend of more than 10 years standing, Wayne Goss—whom history will treat well as a Queensland Premier who restored decency to the public administration of his state following decades of indecency.

I do not know whether I will be in this place for a short or a long time. That is for others to decide. But what I do know is that I have no intention of being here for the sake of just being here. Together with my colleagues it is my intention to make a difference. *(Time expired)*

Honourable members—Hear, hear!