

2005
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MAKING AUSTRALIA STRONGER

KEY HOWARD GOVERNMENT ACHIEVEMENTS IN 2005

ECONOMY

- 1** Kept interest rates low for another year with the variable mortgage interest rate at 7.3% compared with a high of 17% and an average of 12.7% under Labor. Kept business loan rates under 10% compared with a high of 20.5% and an average of 14.25% under Labor;
- 2** Delivered an eighth Budget surplus and effectively eliminated all of Labor's \$96 billion of government debt;
- 3** Established a Future Fund which will ensure that the Australian Government is able to meet the costs of Australia's ageing population;

EMPLOYMENT

- 4** Delivered the lowest unemployment rate in 29 years at 5% with 1.7 million new jobs created since 1996, compared with Labor under which unemployment rose to as high as 10.9% and averaged 8.5%;
- 5** Continued to increase the real wages of Australian workers with real wages more than 15% higher now than in 1996. Under Labor, the low paid suffered a 3.1% fall in their real wages during its 13 years in office;
- 6** Continued to improve Australia's century old workplace relations system and strengthen the Australian economy by introducing a national system of workplace relations for the first time. This will enable employers and employees to establish arrangements which best suit their needs and strengthen the job prospects of many Australians by removing the burden of unfair dismissal from the back of small businesses;
- 7** Passed Welfare-to-Work legislation which will encourage those on welfare who are reasonably able to work to do so while supporting them with an additional \$3.6 billion in assistance, including through improved employment services and rehabilitation support;

TAX

- 8** Announced and legislated another \$22 billion over 4 years of personal income tax cuts to all taxpayers, ensuring that more than 80 per cent of taxpayers pay no more than 30 cents of their wages in tax while the highest marginal tax rate only cuts in at a taxable income of \$125,000;
- 9** Abolished the Superannuation Surcharge reducing the tax that is paid on superannuation savings by \$2.5 billion over 4 years;
- 10** Commenced delivering a further \$3 billion in business tax cuts, including the removal of the 3% tariff on business inputs, allowing 'blackhole' tax relief and the 25% Entrepreneurs Tax Discount;

REGIONAL AUSTRALIA

- 11** Passed legislation that will provide an additional \$3 billion in support for regional telecommunications while removing the conflict of interest resulting from the Government being both the telecommunications regulator and the majority owner of Telstra;
- 12** Further enhanced drought assistance, including through increased assistance under the exceptional circumstances arrangements. This will bring the Australian Government's total commitment to farmers during the drought to more than \$1.25 billion including nearly \$900 million which has been provided on direct welfare and business support;

NATIONAL SECURITY

- 13** Undertook a major upgrade of airport security which will ensure a united policing force at key airports, and the introduction of high-powered Joint Airport Intelligence Groups and a Counter Terrorism First Response capability;
- 14** Passed new counter-terrorism laws that give our security and law enforcement agencies much greater ability to prevent and pre-empt terrorist attacks, continue to increase the counter-terrorism capability of ASIO and the AFP, and improve the security of Australia's overseas missions;
- 15** Supported international security and counter-terrorism efforts, including through continuing ADF deployments in Iraq, the new deployment to Afghanistan, and expanded counter-terrorism regional engagement;
- 16** Continued to boost Australia's defence force and border security including through the Defence Update 2005, Hardened Networked Army, establishment of the Joint Off-Shore Protection Command, and the decision to build the air warfare destroyers;

FOREIGN AFFAIRS AND TRADE

- 17** With the strong support of the Australian people, responded quickly and generously to the devastating Asian tsunami committing more than \$1 billion of reconstruction assistance and providing troops and other assistance on the ground. We also led the region in developing a Tsunami Warning System to ensure everyone is prepared for any future tsunami;
- 18** Further enhanced Australia's position in the region by attending the inaugural East Asia Summit in December 2005;
- 19** Continued to push for a fairer deal for Australia's exporters both in various multilateral trade negotiations, and by finalisation of the FTA with the United States and commencing discussions on free trade agreements with China and Japan;
- 20** Significantly enhanced Australia's bilateral links with moderate leaders in the Muslim world – Indonesia, Malaysia, Turkey and Pakistan – including through a series of high profile visits by President Yudhoyono, President Musharraf, Prime Minister Abdullah Badawi and Prime Minister Erdogan;
- 21** Expanded our commitment to Overseas Development Assistance, international cooperation on Pandemic Influenza, announcement of a Technical College for the South Pacific, and a major scholarship plan for the Asian Pacific region;

SOCIAL POLICY

- 22** Increased health and aged care spending to \$45 billion a year compared with \$20 billion in Labor's last year in office. Further enhanced Medicare by increasing the Medicare rebate from 85 to 100 per cent of the schedule fee and implementing Round-the-Clock Medicare which gives Australians greater access to doctors outside normal business hours;
- 23** Announced ground-breaking family law reforms which recognise and encourage shared parenting in cases of family break-up and establish a national network of Family Relationship Centres to assist families prevent and adjust to break-up;
- 24** Implemented the Child Care Rebate which will ensure that parents using approved care are rebated 30 per cent of their out-of-pocket child care costs, significantly reducing the cost of child care;
- 25** Recognised the contribution of carers by providing an additional \$1,000 tax-free to the 90,000 carers receiving Carer Payment and an additional \$600 tax-free to the 300,000 carers receiving Carer Allowance;

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EDUCATION

- 26** Funded the establishment of 25 Australian Technical Colleges to enable young Australians to learn the best trade skills. Also funded an additional 7,000 School Based New Apprenticeships and a further 4,500 pre-vocational training places for people interested in pursuing a career in traditional trades, bringing total Australian Government funding for vocational and technical education to a record \$2.5 billion.
- 27** Required the States to introduce plain English report cards clearly explaining to parents how their children are performing and progressing at school;
- 28** Abolished compulsory student unionism so that students can choose whether or not to pay up to \$590 a year to belong to a student union at university;

ENVIRONMENT

- 29** Delivered on the Coalition election commitment to lock-up a further 170,000 hectares of Tasmania's native forests in the reserve system while protecting the jobs of Tasmanians whose livelihoods depend on the forest industries;
- 30** Delivered on the Coalition election commitment to provide \$2 billion through the Australian Water Fund to build Australia's water storage and supply infrastructure and to assist all Australians to use water more efficiently;
- 31** Established the Asia-Pacific Partnership on Clean Development and Climate with the USA, China, India, Japan and South Korea. The Partnership will address the challenges of climate change, energy security and air pollution, and Australia will host its inaugural meeting in early 2006;

VETERANS AFFAIRS

- 32** Recognised the service and sacrifice of Australia's veterans by commemorating the 90th anniversary of the Gallipoli campaign and the 60th anniversary of VP day.

