



COALITION SPEAKER'S NOTES
Current as at 1 July 2012

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Key Economic Indicators

HOWARD GOVERNMENT vs. RUDD/GILLARD GOVERNMENT

INDICATOR	Howard Government	Rudd/Gillard Government	INDICATOR	Howard Government	Rudd/Gillard Government
Commonwealth Budget Balance	\$19.7 billion surplus (2007-08)	\$44.4 billion deficit (2011-12)	Average Annual GDP Growth	3.7% (Mar qtr 1996 to Dec qtr 2007)	2.3% (Dec qtr 2007 to Mar qtr 2012)
Average Commonwealth Budget Balance	\$8.1 billion surplus (1996-97 – 2007-08)	\$43.5 billion deficit (2008-09 – 2011-12)	Average Annual Inflation¹	2.4% (March qtr 1996 to Dec qtr 2007)	3% (Dec qtr 2007 to Mar qtr 2012)
Net Government Debt	\$44.8 billion in the black (2007-08)	\$142.5 billion in the red (2011-12)	Average Annual Growth New Private Business Investment	8.8% (1996-97 - 2006-07)	4.6% (2007-08 – 2010-11)
Net Debt as a % of GDP	3.8% in the black (2007-08)	9.6% in the red (2011-12)	Average Annual Growth Retail Turnover	5.7% (1996-97 – 2006-07)	4.4% (2007-08 – 2010-11)
Net Government Interest Payments	\$1.02 billion in earnings (2007-08)	\$6.5 billion in payments (2011-12)	Average Annual Multifactor Productivity Growth	0.9% growth (1996/97 - 2006/07)	0.9% decline (2007/08 – 2010-11)
Govt Outlays as a % of GDP	23.1% (2007-08)	25.1% (2011-12)	Annual Labour Productivity	1.0% growth (2006-07)	0.6% decline (2010-11)
Unemployment Rate	4.5% (Nov 07)	5.1% (May 12)	Average Annual Labour Productivity Growth	2.5% (Mar qtr 96 to Dec qtr 07)	1.2% (Dec qtr 07 to Mar qtr 11)
Increase in Employment	339,100 (Year to Nov 2007)	111,400 (Year to May 2012)	Average Standard Variable Mortgage Rate	7.26% (Mar 96 – Nov 07)	7.49% (Dec 07 – May 12)
Long Term Unemployed	70,100 (Nov 07)	114,600 (May 12)	Average Monthly Repayment on New Home Loans	\$1,194 (1996-97 – 2006-07)	\$2,000 (2007-08 – 2010-11)
Youth Unemployment Rate	19.7% (Nov 07)	23.3% (May 12)	Average Proportion of Family Income Devoted to Repayments on New Home Loans	28% (1996-97 – 2006-07)	34% (2007-08 – 2010-11)
Average Annual Personal Bankruptcies	18,900 (1997-98 – 2006-07)	21,249 (2007-08 – 2010-11)	Average Small Business Unsecured Overdraft Rate	8.89% (Mar 96 – Nov 07)	10.23% (Dec 07 – May 12)

¹ The value for Howard years excludes the impact of the GST outlier on CPI (Sept 2000 to June 2001). The value including the GST outlier period is 2.5%.

POLICIES ANNOUNCED TO DATE AND FITTED TO THE COALITION'S 5 PLANS

A Plan for a Stronger Economy

At the heart of our plan for a stronger economy is getting government spending down and productivity up so that borrowing reduces, the pressure on interest rates comes off, and taxes can responsibly come down.

Policies announced since the 2010 election that support our plan for a stronger economy:

1. We will support small business:

- the Coalition will relieve the red tape burden from Australia's small businesses by giving them the option to remit the compulsory superannuation payments made on behalf of workers, directly to the ATO;
- we have committed to reducing the regulatory costs to all businesses by at least \$1 billion a year and to not change current laws relating to the treatment of personal services income;
- we have commitment to defend family enterprises and the self-employed from attacks by the ATO and the Fair Work Ombudsman, by not changing the existing personal services income tax laws; and
- we will relieve the "small business as Government paymaster" role forced by the government's paid parental leave scheme, through a Private Members Bill to require Government to make payments to workers, not small business.

2. We have established a Working Group to investigate options to strengthen the rules governing the sale of Australian agricultural land and agribusinesses to foreign entities.

3. We have introduced a four point plan to boost workforce participation that will significantly increase the numbers of workers and dramatically increase the strength of the Australian economy:

- mandatory work for the dole for all long term unemployment beneficiaries under 50 would improve their work culture and also send a strong signal that people who can work should work: preferably for a wage but, if not, for the dole;
- extending welfare quarantining from the Northern Territory to all long term unemployment beneficiaries would put more food on families' tables and send a strong signal that welfare money should be kept for the necessities of life;
- suspending dole payments for people under 30 in areas where unskilled work is readily available would boost the size of the local labour force and send a strong signal to young people that job snobs won't be supported by the taxpayer; and
- a more sophisticated approach to the disability pension that distinguishes between disabilities that are likely to be permanent and those that are not would help to prevent older unemployed people being parked on welfare.

4. We have completed an "industry for Australia's future" policy review co-chaired by Shadow Ministers Sophie Mirabella (Industry) and Ian Macfarlane (Resources).

5. We have outlined a comprehensive anti-dumping policy, incorporating:

- transfer anti-dumping responsibilities from Customs to the Department of Industry;
- reverse the onus of proof in anti-dumping investigations;
- commit more funding (\$10m) for anti-dumping investigations;
- hire an additional 20 specialist anti-dumping investigators;
- introduce more stringent and rigorous enforcement of deadlines for submissions;
- crack down on those overseas producers who don't cooperate with anti-dumping investigations; and
- strengthen enforcement of the provisions of the WTO Agreement on subsidies and countervailing measures.

6. We have established a de-regulation taskforce to reduce the red tape burden on business and the community by up to \$1 billion a year.

7. We will introduce changes to the Tax Office so that it has a greater understanding of practical implications of its decisions:

- the Coalition will expand the number of Second Commissioners from the current three Second Commissioners;
- while appointments will be based on merit, four additional appointments (part time) will be individuals who have deep experience in the private sector; and
- they will be based outside Canberra, ideally including appointments from regional Australia and small business.

8. We will work urgently with the states to ensure that at least 40 per cent of Year 12 students are once more taking a language other than English within a decade.

9. We will ensure better transparency and accountability of registered organisations. A Coalition Government will:

- amend the laws to ensure that registered organisations and their officials have to play by the same rules as companies and their directors;
- ensure that the penalties for breaking the rules are the same that apply to companies and their directors, as set out in the Corporations Act 2001; and
- reform financial disclosure and reporting guidelines under the Registered Organisations laws so that they align more closely with those applicable to companies.

10. We will establish a Commission of Audit to consider the range and effectiveness of existing Commonwealth government programmes and agencies to make recommendations for improvement:

- This no-more-than-once-in-a-decade review of what government does and how government does it, will report within four months to the Treasurer and the Minister for Finance so that the operations of government can be improved and streamlined as soon as possible and while a new government has maximum political capital to take hard decisions

A Plan for Stronger Communities

At the heart of the Coalition's plan for stronger communities is the delivery of better health and education services.

Almost nothing is more important for families than good schools, good clinics and hospitals. As technology improves and the population ages, more spending will be needed but, right now, what's needed is more intelligent spending as much as greater spending.

Policies announced since the 2010 election that support our plan for stronger communities:

- 1. We will work with the states to make public hospitals and public schools more accountable to their communities with local boards and councils choosing leaders, employing staff and controlling budgets.**
- 2. We will deliver a real paid parental leave scheme that provides mothers with 26 weeks paid parental leave, at full replacement wage (up to a maximum salary of \$150,000 per annum) or the Federal Minimum Wage, whichever is greater.**
- 3. We will support a new intervention in Alice and the other major towns of the Territory like Katherine and Tennant Creek.**
- 4. We have extended our commitments to better and more affordable mental health:**
 - the Coalition will spend an extra \$180 million, in line with the six experts' recommendation, on improving existing employment services for people with serious mental health problems;
 - we will invest a further \$150 million to boost the outside services that job agencies could deploy for interventions on behalf of their clients;
 - we will help boost basic and applied research into mental health by investing \$40 million to establish a national mental health research centre;
 - to enhance the quality of mental health workers' professional development, we will spend \$20 million to establish a national mental health workforce training institute;
 - we will establish a mental health commission to provide expert advice to the minister, to champion mental health issues and improve outcomes for patients within government. At a cost of \$40 million, this should strengthen the accountability of government for the delivery of better mental health services;
 - the six experts' plan also recommends that \$150 million be spent on better coordinated accommodation services for people with mental illness. A future Coalition government will encourage the states to make this their contribution to mental health policy reform work as supported accommodation services for people with disabilities, including mental health, are generally a state responsibility; and
 - we will have a dedicated Minister for Mental Health and all services for people with mental illness, including funding for employment and accommodation services for people with mental illness, will be brought under one department.

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5. We have established a Working Group to investigate policy options on gambling reforms.
6. We have committed to supporting science education and science skilling by providing \$2 million to complete the Primary Connections science education programme.
7. We have committed \$5 million in additional funding the Australian War Memorial.
8. We have released the first stage of the Coalition's Plan to Reduce Drownings. A \$10m plan released by the Coalition would provide surf clubs across Australia with average grants of \$5,000 to assist surf clubs purchase much needed equipment over the next five years.
9. We have established an Online Safety Working Group to assist parents, carers and teachers to better protect children and young people from the risks associated with the internet and social media.
10. As Prime Minister, Mr Abbott will spend at least one week every year in an Indigenous community.
11. A Coalition government will establish a new Standing Council on Law, Crime and Community Safety which brings together lawmakers and law-enforcers. The new Standing Council would report back to the Prime Minister within 12 months on the five identified priority areas.
12. A Coalition government will work with the Australian Employment Covenant and GenerationOne to train 1,000 indigenous people for guaranteed jobs. We will provide \$10 million to fund four trial sites in an innovative and common sense approach to employment and training for indigenous Australians.
13. If elected, an incoming Coalition Government would, as a priority, ask the Productivity Commission to consider ways that high quality child care can be delivered more flexibly to suit the individual circumstances of families including geography (like regional and remote areas), work type (including shift workers) or personal circumstances (such as single parents).
14. The Coalition has recommitted itself to the fair indexation of Defence Force Retirement Benefit (DFRB) and the Defence Force Retirement and Death Benefit (DFRDB) military superannuation pensions.
15. The Coalition will encourage a culture of philanthropy and giving in Australian life through re-establishing the Community Business Partnership to assist Australian charities and community groups by removing unnecessary red tape and costs.
16. We will improve emergency services by working towards the creation of an Australian Search Dog Framework, which will recognise and coordinate the resources and efforts of volunteers who work with search dogs across Australia. The Framework will be coordinated by Emergency Management Australia and will improve cooperation with State and Territory governments, volunteers and rescue organisations to, where necessary, eliminate the many patchwork and informal arrangements under which volunteer dog teams currently operate with a view to adopting nationally consistent standards.

A Plan for a Cleaner Environment

The Coalition's commitment to the environment means more trees, better soils and smarter technology.

We only have one planet and it's vital to leave it to our children and grandchildren in better shape than we found it.

Policies announced since the 2010 election that support our plan for a cleaner environment:

- 1. We have a comprehensive and costed policy to reduce carbon emissions that will not add costs to families or Australian businesses.**
- 2. We will have a 15,000-strong green army to tackle real environmental issues at the local level.**
- 3. The Coalition will deliver a one-stop-shop environmental approvals process that sets high standards, makes swift decisions and delivers certain outcomes.**
- 4. The Coalition has introduced a Private Member's Bill into Parliament that requires the Gillard Government to commit to the remaining funding allocated for the Solar Scheme (\$64.5 million in 2011-12).**

A Plan for Strong Borders

For a decade, the Coalition has been entirely consistent on border security.

Our plan for strong borders starts with temporary protection visas to deny the people smugglers a product to sell, rigorous offshore processing for illegal arrivals so that bad behaviour has consequences, and turning boats around where it's safe to do so because sovereign countries don't allow themselves to be played for mugs.

The Coalition will ensure that Australia continues to play a role in global security working with our principal allies in the fight against terrorism.

Policies announced since the 2010 election that support our plan for stronger borders:

1. **We have outlined a comprehensive and consistent policy on border protection**, including offshore processing, temporary protection visas and turning back the boats when it is safe to do so.
2. **We introduced the *Assisting the Victims of Overseas Terrorism Private Member's Bill*** to provide for the Australian victims of overseas terrorist acts compensation payments analogous to those received by domestic victims of crime under the state and territory victims of crime schemes.
3. **We moved to have the 19th of February declared as a Day of National Significance, to be known as "Bombing of Darwin Day."**
4. **The Coalition will implement the following measures to safeguard the integrity of the refugee status assessment process of irregular maritime arrivals:**
 - Where an assessor makes a reasonable assessment that an applicant for asylum has deliberately discarded their identity documentation, the Minister will be prepared to use the powers provided under Section 91W of the Migration Act, to draw an unfavourable inference about the applicant's identity, nationality or citizenship. As a result of such acts, the applicant would be denied the benefit of the doubt on their refugee status determination.
 - To ensure the maximum possible scrutiny, an independent Integrity Commissioner for Refugee Status Assessment will be appointed to undertake six monthly audits of refugee decisions, reporting directly to the Minister. This audit will include comparisons with refugee recognition rates in other comparable jurisdictions, including commentary on any variations for specific nationality, ethnic or religious groups.
 - Under a Coalition Government the Minister will also reserve the right to request a review into any recommendations for asylum, without prejudice, prior to exercising their non-compellable powers under s49A of the Migration Act to permit an offshore entry person to make an application for a protection visa. The Integrity Commissioner would also be able to advise the Minister in these cases.
5. **The Coalition will re-focus Australia's refugee and humanitarian program and give priority to genuine refugees and offshore women at risk.** We will provide a guaranteed minimum of 1,000 places for women at risk and their dependents within Australia's annual humanitarian intake.

A Plan for Infrastructure

The Coalition's plan for a more prosperous future will try to ensure that our children and grandchildren look back appreciatively on the big decisions this generation has made.

We have a responsibility to ensure that our land is as productive as possible, that's why we are looking at new dam sites especially in northern Australia which could become a food bowl to Asia.

We have a responsibility to keep a diverse five pillar economy: with a capable manufacturing sector, a growing knowledge economy and a sophisticated services sector as well as strong resources and agricultural industries.

Policies announced since the 2010 election that support our plan for infrastructure:

1. **We have established a task group to examine dam building and expansion opportunities, with the task group consulting with the community, relevant stakeholders and experts.**
2. **We will ensure that Infrastructure Australia has guaranteed ongoing funding so that it has the resources necessary to do its job properly.**
3. **We will retain Sir Rod Eddington as the chairman of Infrastructure Australia.**
4. **We will require that all Commonwealth-funded infrastructure projects worth more than \$100 million have undergone a cost-benefit analysis by Infrastructure Australia.**
5. **Infrastructure Australia will be required to publish justifications for its project recommendations, including the net present value of each recommended project.**
6. **We will task Infrastructure Australia with developing a rolling 15 year infrastructure plan for Australia, with this plan being revised every 5 years.** This will provide certainty for industry as to what infrastructure projects will be pursued by government and in what order. IA will be required to clearly specify infrastructure priorities at the national and state levels, based on a rigorous and transparent assessment of competing infrastructure projects proposed by the states.
7. **We remain committed to our *Real Action on Infrastructure* election policy which included a commitment to task the Office of Financial Management with examining an Infrastructure Partnership Bonds Scheme in conjunction with advice from the market. This will unlock up to \$20 billion in private sector infrastructure funding.**
8. **To address Labor's record of over-promising and under-delivering on infrastructure, the Coalition will:**
 - within 12 months of taking office, declare what our infrastructure priorities would be and, in consultation with the states, announce construction timetables;
 - have the Productivity Commission examine possible means to get more private funding into high priority infrastructure projects; and
 - task Infrastructure Australia with preparing a rolling 15 year national infrastructure plan with designated priorities based on published cost-benefit analyses.

1. Aged Care

1. Productivity Commission report, *Caring for Older Australians*

The Productivity Commission released its report *Caring for Older Australians* on Monday 8 August 2011.

The Prime Minister, Julia Gillard, and Minister for Ageing and Mental Health, Mark Butler, launched the report. At the time, they did not agree to any of the recommendations.

The Prime Minister and Minister Butler announced on 8 August 2011 that they would seek the views of the community as the government develops its response to the final report.

At their joint news conference the Prime Minister refused to respond to any of the report's 58 recommendations and would not rule anything in or out.

Subsequently, Minister Butler embarked on a "national conversation" about aged care services.

Main recommendations of the *Caring for Older Australians* report

The report contains 58 recommendations within various categories:

Assessing the current system

The recommendations are a guide to future policy changes to create an aged care system that aims to:

- promote the independence and wellness of older Australians and their continuing contribution to society
- ensure that all older Australians needing care and support have access to person-centred services that can change as their needs change
- be consumer-directed, allowing older Australians to have choice and control over their lives and to die well
- treat older Australians receiving care and support with dignity and respect
- be easy to navigate, with older Australians knowing what care and support is available and how to access those services
- assist informal carers to perform their caring role
- be affordable for those requiring care and for society more generally
- provide incentives to ensure the efficient use of resources devoted to caring for older Australians and broadly equitable contributions between generations.

Unpackaging aged care

The Productivity Commission recommends that there be separate policy settings (including for subsidies and co-contributions) for the major cost components of aged care namely:

- care (including personal and nursing care);
- everyday living expenses; and
- accommodation.

Consumer directed care

The Productivity Commission makes a series of recommendations that go to greater consumer choice and a more flexible system with regulation reverting to more appropriate role of ensuring safety and quality through a series of major changes:

- a simplified gateway to the aged care system;
- a new model of care which combines entitlement-based approach with direct access; and
- opening up the supply of care and accommodation to enhance choice through the progressive relation and eventual removal of supply-side limited on bed licences, community care packages and other services.

Australian Seniors Gateway Agency ("the Agency")

The establishment of the Gateway is one of the key recommendations which would create a single information platform with the following roles:

- integrating, simplifying and enhancing the current disparate information networks (incl. National Carelink, Respite Centres, DOHA);
- accessing centrally or through regional outlets or other entry points such as GPs, health clinic, Centrelink;
- consolidating the many assessment processes currently undertaken by Home and Aged Care (HACC) providers and Aged Care Assessment (ACAT) teams;

For older people to receive an entitlement to approved aged care services, they would first need to be assessed by (or on behalf of the Gateway) by a local team of professionals:

- Similar assessment for informal carers
- Assessors would use criteria applying to all levels of care, whether residential or in community;
- Gateway would arrange for Centrelink to undertake a separate assessment of financial capacity of older person to make co-contributions, where required;
- Gateway would become the default care co-ordination service where not performed by GPs, nurse practitioners, community health clinics and Community Options Program providers
- Gateway would maintain electronic records of assessments, entitlements, co-contributions and use of approved services thereby avoiding older people needing to retell their story.

New model of care combining an entitlement-based approach with direct access

Under the current system, care needs are not being met because of the inflexibility of the system. Whilst HACC has some ability to deliver a variety of services, community care packages are much less flexible, limited in supply and funding resulting in large gaps and unmet needs.

Under the Productivity Commission's proposed model, an older Australian would receive an entitlement to approved aged care services upon assessment by the Gateway:

- the entitlement would cover care services including personal and nursing care, access to high level aids and home modifications as well as more specialised services like case management;

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- care recipients would receive a detailed care assessment outlining care objectives, the type and intensity of services to meet the objectives, and the total value and timeframe of the entitlement;
- older Australians would also have access to lower intensity community support services (such as home maintenance and meal preparation) either be accessed directly or through the Gateway as a referral or as an entitlement where those services are assessed as being essential to the delivery of higher or more complex levels of service; and
- assistance would also be provided to informal carers, and include ongoing planned and emergency respite, either through aged care providers or specialised carer support services.

Providers of aged care services (in the community or as operators of residential aged care facilities) and community and carers support services would need to be approved, with many requiring accreditation and appropriate regulatory oversight:

- where appropriate, services would be modified to meet the particular needs of special needs groups;
- as needs change, consumers or providers would be able to initiate a reassessment by the Gateway, which could result in increased or decreased levels of support or a change in service mix.; and
- in residential care facilities, the provider could undertake such ongoing reassessments, subject to validation and audit processes.

Opening up supply of care and accommodation to enhance choice

The Productivity Commission highlights the mismatch in trends between what is offered and what people want with high unmet demand for community care and less for residential care with entry into high care residential care until they reach greater frailty.

There is little construction of new high care residential care beds.

As part of the new consumer-directed arrangements, the Productivity Commission proposes:

- progressive relaxation and eventual removal of supply-side limits on bed licences, community care packages and other services, while maintaining quality standards and provider accreditation;
- an additional service level should be added between community aged care packages (CACPs) and extended aged care at home (EACH) as a temporary measure to improve service responsiveness;
- to remove the current distinction between residential high and low care and ordinary and extra services;
- all providers be required to publish up-to-date information about their approved services including:
 - availability, quality and price in each local area;
 - cost of any additional services they choose to offer; and
- quality and accreditation assessment for residential and community care should be published by the proposed Australian Aged Care Commission (AACC)

Funding aged care

The Productivity Commission acknowledges that increases in the public costs of aged care are inevitable given the greater longevity of older people, the lifetime risk of requiring care, the ageing of the baby boomers and increased expectations as to the quality of services.

Relaxation of supply-side constraints is essential to improving choice and competition, but will add to greater public expenditure unless there are also changes to funding arrangements so that those older Australians with capacity to pay do so and those with limited capacity, are protected.

Providers' concerns with the funding arrangements centred on the residential high care accommodation charge and the indexation rates applying to care payments.

New care co-contribution regime - establishment of Australian Aged Care Commission (AACC)

The Productivity Commission proposes that the current arrangements be replaced by a single national care co-contribution regime which would apply across the Aged Care System, whether services are delivered in the community or in a residential aged care facility.

The rate of the private co-contribution would be set according to a person's financial circumstances, with the amount paid varying according to the underlying price (which would reflect both the complexity and extent of care).

The Government would set care prices, on the advice of the AACC with co-contributions for services delivered under the Aged Care System treated separately from user charges for community support services.

The Productivity Commission advocates that to reinforce the transfer of choice and control, older Australians would:

- be responsible for paying their co-contribution directly to the provider, or providers, from whom they selected to purchase services ;
- be able to assign their Government subsidy to the selected approved provider(s); and
- be able to change providers at their discretion, with the Government subsidy then flowing to the newly selected approved provider(s).

The Commission proposes that the assessment of financial capacity to pay care co-contributions use a 'comprehensive aged care means test':

- for income, the Age Pension income test would apply, including interest deemed to accrue from assets that are included in the Age Pension assets test;
- the assets test would apply to those assets exempt from the Age Pension assets test (such as the principal residence and accommodation bonds).

The Commission proposes that older Australians should not be required to sell their home to meet their aged care co-contributions or accommodation costs.

For older Australians whose financial capacity is mainly in the form of their principal residence, there is a Government-backed **Australian Aged Care Home Credit scheme**:

- from which older Australians could flexibly draw against for their care co-contribution and other aged care accommodation costs up to a specified limit;

- which would be designed to protect those remaining in the former principal residence, such as a spouse, partner or dependent child with a disability (and other protected persons); and
- which would charge interest on the outstanding balance at a rate equal to the consumer price index, but, as a safeguard, there would be a minimum asset floor below which no further funds could be drawn, and interest would be no longer charged.

Limits on co-contributions

The Productivity Commission proposes that, as a safeguard, there would be an upper limit — a lifetime stop-loss limit — to the value of care co-contributions for approved aged care services that any one person pays over their lifetime, irrespective of their financial circumstances.

The report illustrates the effect of an indicative lifetime limit of \$60 000, but also examines other limits that the Government might choose.

The lifetime stop-loss limit should be subject to annual indexation at a rate announced by the Government on the transparent advice of the AACC.

Funding accommodation

The Productivity Commission, and many participants in the inquiry, consider that accommodation expenses are a personal responsibility throughout life, while recognising that there are accommodation subsidies (including the availability of public housing and rental assistance) for those in need.

There are many distortions in the present residential aged care funding arrangements. Under the Productivity Commission's proposals, accommodation providers would receive a sufficient payment from all residents to meet a reasonable return on equity to maintain and build new facilities, irrespective of whether they receive periodic payments or accommodation bonds.

The Productivity Commission proposes the establishment of an **Australian Age Pensioners Savings Account scheme**:

- to enable those on a full or part-rate Age Pension who wish to deposit all or some of the proceeds of the sale of their principal residence;
- the real value of the savings account would be maintained by consumer price indexation, and be excluded from the Age Pension assets and income tests;
- the savings account could be drawn down flexibly by the account owner for any purpose; and
- residential care providers be required to offer a periodic accommodation charge, and, where offered, an accommodation bond of an equivalent (or lower) value, and for both to be published.

Unlike the current aged care system where older Australians are often forced to sell their home to pay an accommodation bond, the Productivity Commission's proposals provide them with the alternatives of an Australian Age Pensioners Savings Account scheme and Australian Aged Care Home Credit scheme.

These reforms, together with the lifting of supply constraints, would enable competing providers to offer a range of accommodation, from a basic standard to very high quality. Older people would be able to choose the standard of accommodation that they want and could afford, just as they have done when living in the community. Those with limited means would, however, be supported through an adequately funded supported residents subsidy.

The Productivity Commission proposes that the Australian Government set a supported resident ratio (or quota) in each region, to be met by residential care providers:

- including a pilot scheme to test the viability and efficacy of trading supported resident ratio obligations within the same region;
- approved basic standard of accommodation for supported residents should be funded at the prevailing applicable standard of 1.5 beds per room per facility on average;
- funding amount to be transparently assessed by the AACC.

Financing the costs of aged care

The Commission examined a range of options for broadening the funding base to meet the costs of caring for older Australians including voluntary personal insurance and a compulsory insurance model.

Overall, in terms of meeting the costs of aged care, the Productivity Commission proposes a pay-as-you-go tax financed system supplemented by higher co-contributions from those with the financial capacity to make them, and a lifetime stop-loss mechanism.

The cost of the Productivity Commission 's proposal over the forward estimates are:

Table 2 **Aged care expenditure by the Australian Government — forward estimates and Commission’s proposals**
Millions of dollars (nominal)

	2012-13	2013-14	2014-15
Forward estimates	12 390	13 180	14 090
Commission’s proposals	11 077	12 084	13 310

In relation to the PC's estimates, it is important to note:

- for the first few years, the cost to government is **lower than in the current forward estimates** because of the relatively early introduction of the proposed co-contribution regime, while the expansion of residential and community places is gradual over a number of years.
- the Productivity Commission **has not included potential savings from its proposals** in its estimates, in particular through the more efficient use of hospitals and the provision of sub-acute services in residential care facilities at a lower cost.

Care delivery by informal carers and the formal workforce

The Productivity Commission recognises the important role that informal carers, the formal workforce and volunteers play in caring for older Australians.

Informal carers

According to the Productivity Commission, assessment of the needs of older people by the Gateway acknowledge the role of carers and provide entitlements for the older person to planned respite and other services where appropriate:

- carers can also have an assessment of their needs undertaken by a Carer Support Centre;
- carer services may be accessed either directly or through a referral from the Gateway;
- carer supports should include carer education and training, carer counselling and peer group support, and advocacy services;
- services specifically for supporting carers should be coordinated and undertaken, where appropriate, by a network of Carer Support Centres, which could also provide services to carers of people with disabilities; and
- most emergency respite services would also be organised and administered through these Carer Support Centres.

The formal workforce

The Productivity Commission focused mainly on the contribution of nurses and personal carers whose roles and skill sets are directly concerned with providing care to older Australians, noting:

- that the aged care workforce will need to more than quadruple by 2050, at a time when the overall employment to population ratio will be declining; and
- aged care employers will be under pressure to offer terms and conditions which will attract sufficient numbers of workers, including those with a close connection with the cultural backgrounds of their clients.

The Productivity Commission proposes:

- that scheduled care prices take into account the need to pay fair and competitive wages to nursing and other care staff;
- supporting the development of more attractive career paths, opportunities for professional development, improved managerial expertise and a review of registered training organisations to ensure the quality of delivery of accredited courses.

Reform of the regulatory framework

The Productivity Commission 's report confirmed the findings of previous reports that the current aged care system contains a plethora of unnecessary, complex and burdensome regulations of which many relate to quantity and price restrictions and over-reaction to specific incidents with problematic governance arrangements have also inhibited best practice regulation. That said, the Productivity Commission acknowledges that regulation plays an essential role in how the Government manages the risks to the wellbeing of older Australians and the fiscal risks to taxpayers.

Many of the reforms proposed by the Productivity Commission will require the removal of existing regulation and, in some cases, amendments to reflect the new arrangements with the most important changes involve restructuring Australian Government governance arrangements.

The Productivity Commission also proposes that the policy functions of DoHA be separated from the regulation of aged care, with the latter to be undertaken by an independent commission: the **Australian Aged Care Commission (AACC)**. The main functions of the AACC would include:

- administering regulations covering the quality of community and residential care, prudential requirements and supported resident ratios, and assisting and educating providers in relation to compliance and continuous improvement;
- assessing, reporting, and transparently recommending and monitoring service prices

- providing information, including collecting and disseminating data; and
- determining and referring complaints and handling reviews.

Other governance changes proposed by the Productivity Commission are:

- the AACC would have three full-time, statutory Commissioners: a Chairperson; a Commissioner for Care Quality (including standards and accreditation);
- the AACC would also have a **Commissioner for Complaints and Reviews** to include conciliation, referrals and outreach;
- the **Aged Care Standards and Accreditation Agency** operate as a statutory office within the AACC to:
 - undertake the quality assessment, accreditation and approval of community and residential care providers;
 - determine enforcement sanctions
- the office of the current Aged Care Commissioner would become redundant;

The need for better data and "evidence" in aged care

The Productivity Commission highlighted the limited reporting and public availability of analysis and evaluation as well as the "gaps" in research on ageing.

To promote greater transparency and accountability, the Productivity Commission proposed that the AACC ensure the provision of a national aged care data clearinghouse with functions to include coordinating, storing and distributing aged care data and facilitating greater access to datasets for researchers, policymakers and the community at large.

Enhancing quality

The Productivity Commission believes that the reforms proposed in this report will promote high quality care through:

- greater consumer choice, more competition and more responsive service providers
- improved funding and, as a result, improved working conditions;
- improved regulation and regulatory oversight;
- making standardised performance information available to further facilitate the decisions by care recipients and their families on care options and to make providers more accountable for quality outcomes;
- greater recognition by providers, staff and trainers of the needs of culturally diverse groups and those with special needs; and
- increased access to consumer advocates, including through a statutory Community Visitors Program to promote and protect the rights and wellbeing of residents.

Other areas where the Productivity Commission's report focuses include:

- Technology
- Diversity and special needs

- Interface with disability care and health systems
- The implementation pathway – establishment of an Aged Care Implementation Taskforce with Schedule A setting out three stages:
 - with two years
 - two to five years;
 - five years and beyond.

2. The Coalition's Response to the Productivity Commission Report

The Coalition will be constructive and will not engage in the disgraceful sort of scare campaign that Labor mounted against the Howard government on aged care in the late 1990s.

The Coalition has been calling for much needed reform for a long time. The Coalition has frequently been critical of the fact that since 2007, there had been over 20 reviews and inquiries that have related to ageing and aged care issues, including three by the Productivity Commission.

The Coalition has also been critical of the debacle that has become “so called” health reform with ageing and aged care having been largely forgotten in the many new layers of bureaucracy

And so, when the Productivity Commission report was released, the Coalition called on the Labor Gillard Government to act on long-awaited aged care reform.

The logical next step in any process of reform was the Labor Government's response to the productivity Commission's report.

3. Labor's response to the PC - The *Living Longer Living Better* package

While the announcements of 20 April 2012 with the headline figure of \$3.7 billion over 5 years sound impressive, the actual amount of new money to be spent is \$577 million. The rest is a result of means testing and of simply cutting funding from one part of the sector and re-directing it to another.

What is clear is that everyone, except for full pay pensioners will now pay more for their aged care.

More means testing will mean older Australians having to pay extra for their aged care needs.

Furthermore, many of the changes won't start until after 1 July 2014, so the pain will not be felt until well after the next federal election.

But like all Labor's announcements, the devil is in the detail. Labor has a very poor record of delivery. It is big on announcements and spin, but poor on delivery especially given its history with school halls and pink batts.

One of the missed opportunities in the announcement was the lack of commitment to reducing red tape for the sector. This is something the sector has been urgently demanding.

The Coalition welcomes the admission of Labor's short-sightedness and the confirmation that it will once again make Dementia a *National Priority*, as it was under the Howard Government in 2004.

The Budget encapsulated the package announced on 20 April. The net spend over the forward estimates is a mere \$284 million, with the net spend in 2012-2013 of only \$55.2 million and down to \$26.9 million the year after.

Whilst the Budget papers refer to the caps for means tested home care for part rate pensioners at \$5,000 a year and \$10,000 for self funded retirees and an annual cap of \$25,000 for residential care, there are no figures as to the number of older Australians affected by these measures.²

Australian Bureau of Statistics figures shows there are 3,103,529³ persons aged 65 years and over at June 2011.

The Department of Families, Housing, Community Services and Indigenous Affairs 2010-11 Annual Report indicates that of this figure, only 1,333,105⁴ are full rate aged pensioners and according to DVA electorate data, another 241,338⁵ are DVA pensioners.

The remaining 1.5 or so million older Australians need to know how they will be affected. In the absence of clear and transparent information, these older Australians and their families may well become apprehensive about how these changes will affect them.

Whilst the initial reaction to the package was favourable, a closer examination of the detail has demonstrated that the Coalition's caution was justified.

Analysis of the package has been undertaken by Mr Cam Ansell, of Grant Thornton. He stated initially:⁶

... we consider that a number of departures from critical Productivity Commission recommendations are likely to materially compromise the desired reform outcome.

One major criticism from the Coalition's perspective is the lost opportunity to tackle red tape in the sector. This is something the sector has not only been urgently demanding but is something which is a vital starting point for any real reform. Indeed, as indicated by Grant Thornton, that instead of reducing red tape, the package will actually increase it:

Furthermore, the introduction of additional regulation in what the Government acknowledges as an over-regulated environment will reduce investment potential and erode provider confidence.

There is also a lot of vagueness in the package. For example, concessional resident subsidies are to increase to \$52 per day and are only applicable to aged care facilities that are built or significantly refurbished after the announcement of the package. What is the definition of "significantly refurbished"? How does that affect an existing facility that wants to build a new section? Does this mean that only those concessional residents in the new wing attract the subsidy or not at all?

Two main issues have arisen which have caused major concerns to stakeholders:

- The Government's plan to undertake a recalibration of the Aged Care Funding Instrument (ACFI) to reduce the subsidies generated under current arrangements; and
- The development of a draft Terms of Reference for the Aged Care Financing Authority.

The ACFI concerns were summed up by Grant Thornton as follows:⁷

Further consultation with the Department of Health & Ageing and operators in June 2012 revealed that the difference between the Government's proposed ACFI unit subsidy cuts of

² Budget Paper No. 2, 2012-13, p.185

³ ABS, Australian Demographic Statistics – June 2011

⁴ FaHCSIA 2010-11 Annual Report – June 2011

⁵ DVA electorate data – June 2011

⁶ http://www.grantthornton.com.au/files/2067_gt_aged_care_reform_review.pdf

⁷ http://www.grantthornton.com.au/files/2114_gt_aged_care_reform_update.pdf

\$500 million and the Living Longer, Living Better targeted cuts of \$50 million related to what the Government referred to as “frailty drift” (increasing levels of functional dependence among the resident population) and claiming growth generally.

The Department had undertaken an analysis of claiming rates over recent years and determined that downward adjustments of \$500 million were necessary to curtail increased funding claims for residents that were requiring higher levels of support during their term in residential aged care. The Government had noted that the “frailty drift” was a major cause of subsidy payments in excess of the original forward estimates.

The other major issue which has resulted in serious uncertainty in the industry is the proposed Aged Care Funding Authority. Again, Grant Thornton describes the problem as follows:

In an attempt to provide clarity and certainty regarding the Authority’s role, the Government released a draft Interim Operating Framework for the Financing Authority in May 2012. The document sets out, at a very high level, the key responsibilities of the Authority.

However, the document does not provide guidance on the likely process for regulating bonds or prices generally for aged care services— rather these decisions are deferred until the creation of the Authority which is scheduled for late in 2012. It seems unlikely that the sector can expect any indication of how the body might regulate bonds for some time.

The planned subsidy claw back and the uncertainty around bonds has resulted in billions of dollars of planned investment being shelved. This means that the fundamental objective of improved choice and quality for consumers cannot be achieved in the foreseeable future.

Grant Thornton cites the Leading Age Care Service Survey 2012:

In the last two months since the Government’s reform announcements, over \$3.5 billion in planned aged care development projects have been shelved”

With ACFI changes due to start on 1 July 2012, the Minister has been engaged in some urgent meeting providers, peak bodies, financiers and consumers with made some rushed announcements on 21 June 2012.

It is unclear whether any changes will require legislation given the package is largely silent about this. Until any legislative framework is articulated, stakeholders and the Opposition will be no wiser as to the actual impact of the changes envisaged. Given that key changes will not come into effect until 1 July 2014, it is not clear, what, if any, legislative changes will be required in the immediate future.

On 24 April 2012 the Leader of the Opposition stated that:

“We haven’t seen any legislation and until such time as legislation is before the parliament we will continue to study it.”⁸

Minister Butler indicated on The World Today on 4 May that:

There are some legislative change importantly that we need to introduce into the Parliament at some stage to the Aged Care Act. And it will be important ultimately to see what the view of the Opposition is on this.

The Minister’s comments clearly indicate that the Government is not expecting our response until those legislative changes are presented.

⁸ <http://news.ninensn.com.au/national/8456471/labor-scared-of-aged-care-backlash-abbott>

If changes are to be made administratively under existing departmental procedures, then one assumes these will come into force without any possibility for scrutiny. In such circumstances, the Opposition will not be required to pronounce given that the government will likely introduce the changes.

4. The Coalition's Direct Action Policy on Ageing

The Coalition has been consistent in its call for much needed reform for a long time. Indeed, our plan for reform has been on the table for all to see since the 2010 election.

If the Minister wanted a bipartisan approach, the Coalition's framework for reform offered a practical and holistic way forward. No approach was made to the Coalition to work co-operatively with the Government.

At the last election we set out a framework for real action through the **first ever four-year aged care provider agreement** with the sector including consideration of the Productivity Commission's report.

The Coalition will provide **\$935 million over 4 years** to ensure certainty of care for older Australians and vital support for the aged care sector to prepare for future needs.

A Coalition Government would take real action to:

- Provide certainty of care through the first ever 4 year **Aged Care Provider Agreement** with the Aged Care sector;
- Establish an **Aged Care Bed Incentive Programme** to provide \$335 million over 4 years to convert up to 3,000 of the allocated bed licences to operational residential aged care beds in the first term;
- Provide **Convalescent Care** to assist up to 20,000 older people waiting in hospital to return home;
- Ensure a **high standard of quality care and less red tape**; and
- **Support the continuing contribution of senior Australians** through:
 - An expanded Dementia programme to include other degenerative neurological conditions (Parkinson's disease and Motor neurone disease) - \$50 million
 - Declaring a Year of Meals on Wheels - \$2 million
 - Continuing 30 demonstration sites for Day respite care - \$20 million
 - Providing Grants for Pet Therapy in aged care facilities - \$14 million
 - Providing a Companionship Programme in the community - \$12 million and
 - Promoting Wellness for seniors - \$12 million

It is important to stress that this is the first ever Aged care Provider Agreement.

- It would ensure certainty and engagement for the aged care sector.
- In much the same way as the Pharmacy Agreement shapes the sector,
- the agreement would set the framework for aged care in Australia for the next 4 years.

The Coalition believes that this would be a 'game changer' for the aged care sector.

- The Agreement provides the sector with high level interaction with Government that has been absent over the past four years.
- It would benefit the sector and benefit the Australian public.

Within the first year of government, the Coalition would negotiate an Agreement with the peak aged care bodies about residential aged care and community services arrangements.

- we would set up the framework to do that through high level Steering Committee composed of key bodies and stakeholders and
- a working group which would report to the steering committee and
- provide advice on the **Productivity Commission** report.

The key aims of the agreement will be to:

- reduce red tape;
- enable nurses to get back to nursing residents;
- provide certainty of aged care for older Australians underpinned by a high quality framework; and
- Other benefits would be to deliver value for money through subsidy arrangements and ensure certainty for the aged care workforce.

The Aged Care Provider Agreement would also provide \$50 million over 4 years for professional aged care programmes and services.

- for example, the use of 'assistive technology' refers to devices such as mattress sensor pads to activate lights at night,
- remote monitoring of vital signs and systems to help people remember their medication which would be vital to making life easier for older Australians wishing to remain at home.

The **Aged Care Bed Incentive Programme** would be implemented immediately with funding of \$90 million for incentive payments of \$30,000 for 3,000 places.

In addition, the Coalition promised to establish a **Convalescent Care** programme with funding of \$300 million over four years to assist up to 20,000 older Australians waiting in hospital to return home to access.

- This would provide up to 21 days in a residential aged care facility.
- Importantly, this would relieve pressure on public hospitals and add to a residential aged care facility's funding source and viability.

The Coalition is committed to maintaining a high quality aged care sector:

- The Aged Care Standards and Accreditation Agency would be maintained and
- the complaints mechanism would be streamlined to reduce duplication.

Red tape in aged care facilities needs to be reduced.

- To streamline and cut time spent on subsidy payment claiming and accreditation requirements the Coalition will continue to introduce **benchmarking** in aged care facilities.

- The Coalition would provide \$17 million directly to aged care providers to purchase benchmarking **software and training** packages.
- This will provide a valuable management and quality control tool.
- Importantly this enables the aged care workforce to focus on caring for our seniors rather than being bogged down with paperwork.

The **Aged Care Provider Agreement** would provide certainty for aged care providers and this should increase security of employment in the aged care workforce.

- These measures remove disincentives to work in the aged care sector, like red tape and low job security.
- Retaining the skills, experience and dedication of the aged care workforce is integral to the long term viability and success of this sector.
- A key aim for the Coalition will be to reduce red tape and enable nurses to get back to nursing residents and provide certainty of aged care for older Australians underpinned by a high quality framework.

In our policy we have set out the principles for the Aged Care Provider Agreement.

- Consultation with the aged care sector would commence immediately and would include a range of stakeholders.
- The Coalition promises engagement and partnership.
- The Coalition understands that real reform cannot be imposed from above.
- It must be in partnership with industry.

It must be real, affordable and sustainable into the future.

The Coalition's framework offers a real opportunity for change

The first ever four-year aged care provider agreement offers the chance for stakeholders in the sector in partnership with the government to determine the reform agenda.

Like any other agreement, the sector would come to the negotiation table with its suggested reform agenda. The Coalition set out those matters that it considered at the time ought to form part of any agreement.

With the passage of time and the advent of the Productivity Commission's report, there would be a variation of those headline areas for change, but the framework of an agreement would remain.

The Coalition's plan is a positive plan about giving certainty of reform through a four year partnership with the sector. It is a plan which will depoliticise ageing and aged care so that any change agreed to by the sector would survive political cycles.

The Coalition has been very clear about reform – what it was to be and how we would achieve it in a timely manner.

The Coalition has promised that the agreement would be signed within a year of coming to government. To enable this to happen, within a short period of coming to office, the Coalition would set up a high level **Steering Committee** to oversee the policy changes and a working group to work on the nuts and bolts of the agreement, **including consideration of the Productivity Commission's report.**

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The Coalition does not want to pre-empt negotiations as to what the agreement would cover. Hence, our approach was and continues to be to outline key areas which we envisage would be considered for inclusion in the agreement. The Coalition's intention is to harness creativity and innovation in the sector to deliver a sustainable aged care sector in partnership.

The Coalition sees the agreement framework as affording much needed certainty and above all, equality of dialogue between government and the sector through this partnership arrangement.

The Coalition was pleased with the positive response to our policy at the last election and indeed, since then, we have continued to receive favourable responses as I have continued to engage with the sector.

Despite the Government failing to engage with the Coalition prior to its announcements, the Coalition will remain **constructive in its approach**.

The Coalition will not engage in the disgraceful sort of scare campaign that Labor mounted against the Howard government on aged care in the late 1990s.

It is an approach which the sector has welcomed and very appreciated that had the Coalition chosen to run a deliberate scare campaign, any reform would be difficult to achieve.

The Coalition is committed to ensuring that that older Australians receive the care they need – when and where they want it.

The ageing of our population is the biggest social issue facing Australia. Australians are living longer with more complex health conditions. This is resulting in increasing and changing aged care needs.

Whilst the implications of meeting the care needs of an ageing population, including an increasingly larger culturally diverse ageing population, are challenging, the Coalition believes that it is important that we formulate policies that can actually be delivered.

The Coalition is committed to the delivery of a high quality, affordable and accessible aged care that meets the needs and preferences of older Australians. But there needs to be structural reform which is why we believe the four-year provider agreement framework is a game changer.

Despite the hype and spin, the Gillard Labor government has failed to deliver on real reform. It is not prepared to make the hard decisions.

We believe that real action needs to be taken now. Hence, our real action plan for ageing will replace the begging with a genuine partnership.

We will continue to listen to the aged care industry and get their views and reactions to some of the recent announcements. Judging from the initial reactions, many share the concerns of the Coalition about the lack of detail and the continued uncertainty.

Whilst we will be revising our policy in the lead up to the next federal election, the fundamental framework of the first ever Aged Care provider agreement framework will be retained.

The Coalition has a real and sustainable plan that meets the needs of an ageing population. It provides choice, certainty, flexibility and vision. It sets the framework for real reform in partnership with the aged care sector.

We believe that it will ensure future viability of the sector.

2. Agriculture

The World population is expected to grow from its current 7 billion to 9 billion by 2050.

The OECD and UN are predicting a 40 per cent rise in food prices by 2020.

Food security has become a bigger international issue with a series of natural disasters, population growth, diminishing world supplies and debates over future population growth and climate change.

Agricultural production in Australia drives \$155 billion-a-year in economic production (over 12 per cent of GDP), generating around 1.6 million Australian jobs and \$32 billion-a-year in farm exports.

Australian farmers and primary producers are among the most innovative in the world.

Despite challenging environmental conditions and competition from subsidised overseas goods, local farmers have continuously improved both the quality and quantity of their produce.

Farmers occupy and manage around 61 per cent of Australia's landmass and are at the frontline in delivering environmental outcomes on behalf of the wider community and creating real food security for current and future Australians.

Australia is the envy of the world in having maintained strict quarantine systems which have kept the country (and its vital food producing regions) free of most diseases and pests.

Labor Failures

Labor has no interest in Australia's primary sector or the regional communities so dependent on Agriculture. Labor has slashed funding.

Funds for the Department of Agriculture, Fisheries and Forestry (DAFF) has reduced from \$3.8 billion to \$1.7 billion under the Labor-Green alliance.

Labor has:

- Cut \$32.8 million from the departments already strained resources⁹.
- Also cut \$33.4 million in cuts to the Cooperative Research Centres (CRCs)¹⁰ so that less CRCs are funded each year and as most of the CRCs are agriculturally based there will be less funding for agriculture.
- Labor reduced the Exceptional Circumstances budget by hundreds of millions of dollars and refused to acknowledge the exceptional circumstances of the floods in many states.
- The inclusion of the "Biodiversity Fund" in the Carbon Tax announcement which amounts to \$946 million over 6 years corresponds with the expiration of the equivalent existing programme 'Caring for Country'.

⁹ Budget Measures, Budget Paper Number 2 2011-12 p86

¹⁰ Budget Measures, Budget Paper Number 2 2011-12 p276

- Labor also cut \$63 million from agriculture research within the CSIRO and closed CSIRO agriculture research sites in Queensland, Victoria and WA.
- Billions of dollars has been bought forward to fund more water buy-backs, guaranteeing many communities will go from a climatic drought straight into a Labor- made drought. Very little money has been spent on water infrastructure either in system or on farm.
- Labor suspension of Live Exports to even Indonesian abattoirs *practicing good animal welfare standards* has put at risk a \$1 billion industry and set back animal welfare, weakened industry confidence and threatened jobs.
- Labor has wasted \$100 million fixing up the live cattle export mess that could have been spent on quarantine or R&D to strengthen our food security.

Under Labor Australia's quarantine and biosecurity protection is failing. Labor's current policy makes a multi-billion dollar incursion of destructive pests or diseases just a matter of time. Too often taken for granted, Australia's enviable pest and disease-free status has been hard won – in both domestic production terms and our global marketing position. It is Australia's biggest market advantage and underpins our low chemical-use and clean produce reputation. Labor is throwing it all away.

This has made it much easier for animal and plant disease to enter Australia, putting our agricultural sector at risk. Labor has failed to take the nation's bio-security needs seriously.

The Coalition Alternative

The Coalition will review Biosecurity Australia, strengthen the Agency with \$15 million and establish a flying inspection squad (for fast responses to quarantine issues) to ensure our borders and biosecurity are protected.

Maintaining a clean, green, disease-free status which is vital for the future of agricultural production in Australia.

Our public /private partnership model for funding R&D is the envy of the world and we should be building on this not reducing it. On our part the Coalition continues to stand by its election promise to increase R&D funding \$150 million. R&D is a key component (along with sensible safeguards for our food supply lines) for ensuring government and industry effectively responds to new challenges in agriculture and biosecurity.

In government the Coalition will gather and clarify information on foreign investment in agribusiness and agricultural land, then task the Productivity Commission with a review to recommend safeguards for national food security interests, not only by evaluating individual investment but also the cumulative impact of foreign ownership.

Under the Direct Action plan the Coalition will provide funding for practical Carbon Farming measures which will improve farm management practices and also store carbon and offset National carbon emissions, as well as other opportunities.

Support for the \$1 billion Live Export industry.¹¹ The Coalition believes that maintaining the live export trade will be the best way of improving animal welfare,¹² and rewards those abattoirs who do the right thing. It is also Coalition policy to effectively maintain industry confidence and prosperity in the regional areas that rely upon it.

¹¹ The Live export industry is very important to the economy of northern Australia, and is particularly important to indigenous communities with 82 indigenous-run cattle properties directly supporting 700 jobs and indirectly supporting a further 17,000 people in station communities.

¹² In relation to animal welfare standards overseas, there are 109 countries that export live animals Australia is the only country that invests in animal welfare in destination countries.

3. Attorney-General and Justice

Labor has failed to maintain Australia's critical law and justice framework. It has:

- Cut funding to the Australian Federal Police, the Australian Crime Commission, the National Illicit Drugs Strategy and for airport security;
- Broken its promise to establish a Department of Homeland Security; and
- Attempted to abolish the Federal Magistrates Courts before having second thoughts.

The Coalition will ensure that Australia's law enforcement and security agencies are properly resourced and focused on protecting national security.

This framework comprises a careful balance of our principal obligation to provide for the security of all Australians with full recognition of citizens' traditional rights and freedoms.

Central to the enjoyment of our traditional rights and freedoms is security of person and property.

Terrorism and organised crime pose serious threats to our security. The agencies charged with countering these threats must be properly resourced.

We will ensure that these agencies have adequate funding for the detection, interdiction and prosecution of those responsible for threatening our way of life.

We recognise that fundamental to the concept of justice is access to the system. We are committed to ensuring that individuals' expectations of fair and impartial adjudication of their disputes are facilitated by a justice system that is open, transparent and affordable.

Those without the means for legal advice and representation should not have access to the courts foreclosed.

Labor Failures

AFP

The AFP has been hit hard by cuts including:

- \$2.9 million from its policing operations budget;
- \$1.5 million from liaison function in illegal fishing;
- \$1.4 million from its counter-terrorism operations;
- \$3.2 million from its Intelligence operations;
- \$8.1 million from its Economic and Special Operations taskforce; and
- \$3.4 million from the Australian Crime Commission's Investigations and Intelligence operations into federally relevant crime.

Labor also imposed an "efficiency dividend" of 1-2 per cent on the AFP, resulting in a \$23.5 million cut in the AFP's operating budget in the 2010/11 Federal Budget.

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Labor replaced the Coalition's existing 'Protecting Australian Families Online' Programme with their 'Cyber-Safety Plan,' which removes \$37.2 million over five years from the overall package.

The specific AFP component of the 'Cyber Safety Plan' (OCSET) had its funding cut by \$2.8 million.

Semple Report (Abolition of the Federal Magistrates Court)

In August 2008, the Government received a report entitled "Future Governance Options for Federal Family Law Courts in Australia" prepared by Mr Des Semple. This report recommended abolishing the Federal Magistrates' Court, absorbing most of the Federal Magistrates into the Family Court where they would constitute a second, lower tier of that Court, and assigning the remaining Federal Magistrates to the Federal Court.

Having announced in 2009 that the Government had decided to accept the Report's recommendations, and having budgeted for the abolition of the FMC, the Government decided not proceed because it did not adequately foresee the consequences of abolishing a federal court of summary jurisdiction.

The Opposition always believed the plan to be a grave mistake. The result would have been to drive all family law cases into the more expensive Family Court, increasing costs and delays and making justice less accessible justice.

In the years since its creation by the Howard Government, the FMC has won an enviable reputation for its non-nonsense, pragmatic, efficient approach to dispute resolution.

Charter of Human Rights

The Labor Government wasted more than \$2 million in promoting an idea which never had community support, to appeal to a self-regarding elite of legal academics and activist judges. Long after the Opposition pointed out the many problems with the proposal, the Government at last abandoned it.

Department of Homeland Security

Labor promised to establish a single Department of Homeland Security. Twelve months after the election Labor dumped its promise.

Failed Border Protection

Since Labor changed immigration laws relating to asylum seekers there has been an influx in illegal arrivals, putting strain on Customs and leaving Australia a soft target for organised criminal syndicates.

Labor Soft on Drugs

Labor's cuts to the Customs cargo and vessel inspection system will put Australians at risk from an increase in criminal activity and illicit drug supply.

Labor has also cut \$24.7 million over four years from the National Illicit Drugs Strategy, set up to tackle the scourge of illicit drugs.

Community Security

Labor abolished the Coalition's successful National Community Crime Prevention Programme and replaced it with its own Safer Suburbs Programme.

In Government, the Coalition funded the National Community Crime Prevention Programme to the tune of \$65.5 million over four years.

Labor's cheap knock off 'Safer Suburbs' will provide only \$15 million over three 3 years and the 'School Security' programme will provide only \$13 million over three years.

The reality is Labor will spend only \$28 million in three years, whereas the Coalition invested \$65.5 million with a better programme of to keep our communities safe.

Australian Crime Commission

Staff cut from 688 to 539 (22 per cent cut) since Labor came to power, plus more than 100 officers seconded from the State and Territory police forces home have been sent home.

Labor has also imposed cuts on the ACC's budget, equating to a cut of 6 per cent over the forward estimates. 2012-13 Portfolio Budget Statement, 91

The Coalition Alternative

National Security

The most important single weapon in the fight against terrorism is information. Accordingly, we will ensure that national security agencies and the Australian Federal Police have the intelligence gathering powers they need to identify preparation and planning for terrorist acts, so as to thwart them before they are carried out.

Interagency co-operation is vital to ensure that all relevant intelligence product is appropriately shared and properly assessed.

We will implement the recommendations of the Sheller Review concerning interagency cooperation. To succeed in the war on terror the national security agencies and the AFP must be properly resourced.

The Coalition is gravely concerned by Labor's cutbacks the AFP's counter-terrorism programmes and will ensure appropriate funding for the AFP's counter-terrorism and intelligence programmes.

Family Law

The vast majority of occasions when Australians come into contact with the Federal judiciary is through the family law system.

The courts administering justice through that system need to be efficient, prompt, responsive and pragmatic.

We will:

- Ensure the FMC is retained;
- Institute a “duty lawyer” scheme to assist unrepresented litigants;
- Support the shared parenting regime, which seeks to ensure that, as far possible in cases of family breakdown, children affected by the breakdown are able to maintain a strong relationship with both of their parents;
- Give specific recognition to grandparents as “*other significant people*” to whom the court should have regard in making custody and access orders; and
- Provide resources for alternative dispute resolution services, including Family Relationship Centres.

In addition, we propose a marriage education programme to provide solutions for couples before their relationships break down.

Reform of the legal profession

The Coalition supports the move towards a national legal profession, and will work with the Law Council of Australia and its constituent bodies with a view to accomplishing this end.

In doing so, the Coalition recognises the following principles should guide this reform:

- The importance of retaining an independent Bar;
- Recognition of the different needs of practitioners working within the large law firms and those working in medium sized, small and independent practitioner firms;
- Recognition of the particular needs of practitioners in regional and rural areas of Australia; and
- Recognition that, as the profession adopts uniform national standards in areas such as admission rules, continuing legal education, practitioner conduct and discipline, the state and territory Law Societies and Bar Associations will continue to be the profession’s leading regulatory bodies. The local associations, with their unique understanding of their own jurisdictions, must continue to be responsible for the implementation of those national standards.

Business Regulation

A Coalition Government will ensure the Commonwealth takes leadership, through the Standing Committee of Attorney-Generals, to:

- Revive and bring to fulfilment a seamless national system of electronic conveyancing;
- Achieve harmonisation of those areas of commercial and property laws where there are currently inconsistent state laws – particularly in relation to trading trusts and partnerships;

- Work to harmonize regulatory regimes, so as to create a seamless national market; and
- Conduct a comprehensive review of the use of coercive powers by regulatory agencies.

Access to Justice

To the extent possible within the budget limitations created by the unprecedented levels of debt which an incoming government will inherit, we will:

- Examine special funding arrangements for women's legal centres; and
- Institute, on a trial basis, a duty lawyer scheme funded by the Commonwealth where unrepresented family law litigants have access to at least an elementary level of legal advice and representation.

Intellectual property

A Coalition Government will give a reference to the Australian Law Reform Commission to examine a new statutory framework to deal with cyber privacy.

We will also ensure that the Australian Federal Police is adequately resourced to deal with investigation and enforcement of existing laws concerning cyber crime and other violations of intellectual property rights.

Emergency Management

Australia lacks a system of bushfire early warnings, similar to the tropical cyclone warning system, although this capability exists within the Bureau of Meteorology.

A Coalition Government will establish a Commonwealth Bushfire Alert system, which will draw upon the existing resources of the Bureau of Meteorology, CSIRO and the state and territory fire brigades and emergency services departments.

The Service will develop and raise a system of bushfire early warnings alerts, analogous to the tropical cyclone early warning system.

Human rights and anti-discrimination

A Coalition Government will reform the Australian Human Rights Commission to:

- Place greater emphasis on its role on educating the role of the Australian public of the strengths, not merely the shortcomings, of liberal democratic values in Australia;
- Ensure that the Human Rights Commission's international advocacy or representation is not at variance with the policy of the Australian government;
- Ensure that the Australian Human Rights Commission works more closely with the Law Reform Commission in identifying law reform relevant to human rights; and
- Focus the human rights agenda on rights enjoyed in common by all Australians, not merely the rights of sectoral or cultural groups.

Constitutional reform

We will establish a Constitutional Reform Commission to examine the operation of the Constitution, in particular in light of the acquisition by the Commonwealth of significantly greater financial power by comparison with the States, and to recommend its reform.

The Commission will act upon references by the Prime Minister and the Attorney-General. Among the references a Coalition Government will make in its first term are:

- Limitation on the external affairs power as a source of domestic law;
- To provide constitutional recognition of Australian indigenous people; and
- The cross-vesting of jurisdiction by Commonwealth and State courts.

Government Legal Services

A Coalition Government will:

- Encourage the Commonwealth to outsource legal services to private solicitors and counsel;
- Use the Office of Legal Services Co-ordination within the Attorney-General's Department to better effect to co-ordinate the acquisition of external legal services at the lowest price to the Commonwealth; and
- Ensure that legal practitioners in the smaller States, and in regional centres, receive appropriate consideration in allocating the legal work of local Commonwealth departments and agencies.

International Treaties

The Coalition is concerned that adventurous judicial interpretations of the scope of the external affairs power, have introduced criteria into administrative decision-making which were unintended either by the Constitution or by the legislature.

In particular, the decision of the High Court in the *Teoh* case in 1997 provides a potential means for subverting the intentions of the Parliament.

We will:

- Amend the Commonwealth *Acts Interpretation Act* to direct all administrative decision makers that, in construing legislative instruments, they are to have regard to treaties or other international agreements only to the extent to which they have been given effect to by the Australian Parliament in domestic law; and
- Give a reference to the Constitutional Reform Commission to examine possible limitations on the external affairs power as a source of domestic law.

Crime and Gangs

To support the crime-fighting efforts of local communities and the states and territories, the Coalition will:

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- Introduce Nationally Consistent Drug Laws:

Through COAG, the Coalition will seek a national standard relating to the quantities involved in the trafficking and possession of illicit drugs and nationally consistent penalties for all illicit drugs offences. We will seek to ensure that drug offenders are dealt with consistently by judicial systems across the nation so that there are no legal or definitional loopholes that allow offenders to be treated differently across different State and Territory jurisdictions.

- Re-establish a Community Crime Prevention Programme:

The Coalition will commit toward a comprehensive and sustained national approach to community crime prevention. Central to this national approach will be the re-establishment of a National Community Crime Prevention Programme.

The Programme will provide funding support for grass-roots projects that enhance community safety and prevent crime. Supported measures will include installation of CCTV and other security-related infrastructure, such as anti-hoon devices.

The Greens

The Greens believe in legalising same sex marriages.

The Greens believe in reintroduction of voluntary euthanasia laws in the NT & ACT.

The Greens support holding a plebiscite for an Australian Republic.

The Greens will legalise the use of cannabis for specified medical purposes.

The Greens will give 16 year olds the right to vote.

The Greens moved a private members bill entitled *Anti-Terrorism Reform Bill 2009* to relax terrorism laws and calls for amendments to the Criminal Code and Crimes Act. The Bill calls for greater freedom of expression and association, freedom from arbitrary detention, legal due process and privacy.

The Greens will repeal the sedition laws and will repeal mandatory sentencing legislation.

The Greens will prohibit the use of electroshock weapons and Tasers.

4. Border Protection

People smuggling is an inhumane business that puts people's lives at risk. People die travelling to Australia on unsafe boats. Furthermore, every place provided to a person who has arrived illegally by boat is a place denied to another person in potentially greater need, seeking to come to Australia by legal means.

The Coalition has demonstrated in Government the resolve, policy and commitment required to stop the boats.

These policies save lives and protect the fairness and integrity of our immigration system. We will do it again.

The Coalition Government employed a suit of strong mutually-supportive policies that kept Australia's borders secure and significantly reduced people smuggling activities to Australia.

Key elements of the Coalition strategy are to:

- **Prevent the problem** by minimising the outflows from countries of origin and secondary outflows from countries of first asylum;
- **Disrupt people smugglers** and intercept boats en route to Australia where it is safe to do so, while ensuring that those people in need of refugee protection are identified and assisted as early as possible; and
- **Receive and return** by developing appropriate reception or detention arrangements for unauthorised arrivals who reach Australia, processing all applications off shore and focusing on the early assessment of the refugee status of the individual, the prompt removal of those who are not refugees, or who are refugees but can access effective protection elsewhere, and the removal of additional benefits such as permanent protection visas, access to the family reunion programme and access to Australian domestic courts to pursue appeals that are not required by the UN Convention on Refugees.

Labor Failures

Labor has lost control of our borders and of our immigration programme.

After 2001, the Howard government successfully reduced a flood of illegal boat arrivals to a mere trickle. Between 2002 and 2007, just ten illegal entry boats arrived with fewer than 250 passengers.

In August 2008 Labor began to roll back the strong border protection regime they inherited from the former Coalition government.

Labor has:

- Abolished temporary protection visas and replaced them with a permanent protection visa for people arriving illegally;
- Closed the off shore processing and detention on Nauru and abolished universal off shore processing and detention of all illegal boat arrivals; and

- Has not turned back boats where circumstances allow.

Labor's policy gave the people smugglers a product to sell – permanent residency in Australia. This has led to over 330 illegal boat arrivals and almost 20,000 people arriving illegally on boats.

The impact of this unprecedented rate of arrivals has overwhelmed our detention network.

Labor has floundered in trying to reintroduce offshore processing, in an approach which is 'anywhere but Nauru'. Gillard announced plans for processing in East Timor, PNG and Malaysia before sorting out the details. East Timor and Malaysia were embarrassing flops and the prospects for PNG remain uncertain.

People have had to pay a very high price for the government's border protection failures. Taxpayers have faced about \$4.7 billion in border protection cost blowouts, including for a steadily-expanding onshore detention network and very considerable naval and customs resources in detection and interception.

And large numbers of people have died attempting unauthorised trips to Australia.

The Coalition Alternative

The Coalition will restore the strong border protection regime that Labor abandoned.

We will reintroduce off shore processing of illegal boat arrivals in another country as part of a series of measures to stop the boats and to protect our borders.

There's every reason to think that what happened before can happen again and that what was stopped before can be stopped again by making use of Nauru. In Nauru, we could continue to discharge our obligations to asylum seekers without giving them any assurance that they would end up in Australia.

In addition, a Coalition government will:

- Tighten the current appeals system for illegal boat arrivals in Australia processed offshore by using the UNHCR model for a review by a single case officer and end the process of taxpayer funding for endless appeals;
- Afford priority processing status to offshore special humanitarian visa applicants, over illegal boat arrivals. Last year the number of offshore places was reduced by more than 2,000 to make way for illegal boat arrivals granted permanent protection visas. A Coalition government would increase the number of resettlement places made available through the UNHCR for offshore applications from 6,000 to 7,500 persons;
- End Labor's no document entry process for illegal boat arrivals. Less than one in five has documentation on arrival at Christmas Island even though documentation is needed to enter Malaysia or Indonesia. Using existing powers, the Coalition would ensure that destroying or discarding documentation constituted a presumption against refugee status;
- End the Gillard government's pressure on ASIO to set an inflexible time limit of three months to turn around security assessments on maritime arrivals. Completing security checks often requires liaison with foreign partners who aren't influenced by Australian deadlines. Under

the Coalition, ASIO would have as much time as it needed to establish whether those granted protection visas do not represent a threat to our national security; and

- Provide tougher penalties against people smuggling including mandatory prison sentences. Under the Coalition, every convicted people smuggler would spend at least a year in prison and the worst offenders and repeat offenders would face a minimum of ten years behind bars. Currently there are no minimum penalties for people smugglers convicted of non-aggravated crimes and the minimum for aggravated people smuggling is eight years.

The Greens

The Greens want an open door refugee and asylum seeker policy.

They have said that they want to increase the number of refugees and asylum seekers Australia takes, but they haven't said by how much; they also want to decrease the number of skilled migrants and increase the number of family reunion migrants.

Other Greens policies include:

- Abolition of mandatory detention of illegal immigrants – the potential impact of this policy is suggested by Britain's experience where a decade of Labour rule left a legacy of half a million failed asylum-seekers and their dependents;
- Restore Australia's migration zone to match Australia's territory and accept responsibility for processing all asylum seekers who seek protection in that zone;
- Take away the right of the minister to issue humanitarian visas and create a humanitarian review tribunal accountable for the humanitarian visa process;
- Allow illegal immigrants unrestricted movement in and about reception centres;
- Immediately grant illegal immigrants an asylum application visa (AAV) and move them into community reception centres after medical and security checks are satisfied or after 14 days;
- Allow illegal immigrants with AAVs the right to work, travel, income support and access to ongoing educational and medical services anywhere in Australia while their claims are being assessed; and
- Ensure that refusal of an AAV is reviewable by the Administration Appeals Tribunal and that the illegal immigrant is housed in a facility close to an urban area.

5. Carbon Tax

Labor Failures

The Government has no mandate to introduce the Carbon Tax.

Prime Minister Julia Gillard stated categorically before the last election:

“There will be no Carbon Tax under the Government I lead.”

The Carbon Tax will hurt Australian families and cost jobs but won't help the environment.

Australia's emissions will increase from 578 million tonnes to 621 million tonnes by 2020.

The major impact of the Carbon Tax is to raise electricity prices. The Government estimates a rise of up to 10 per cent, although the electricity industry is predicting 20 per cent.

Gas will go up 9 per cent in the first year alone and prices will continue to go up and up.

These costs will flow through to every product and service Australians purchase.

The Government is paying compensation because it is hurting families - but even then, 60 per cent of families will be worse off or just break even.

The Carbon Tax package will be \$3 to \$4 billion in the red over the period to 2014-15 – that will mean the Government will have to increase other taxes or cut services to cover that loss.

The accumulated cost of the Carbon Tax in the first nine years will be \$132 billion.

The Clean Energy Finance Corporation will create a \$10 billion budget black hole as the Government uses taxpayers' money to buy shares in green projects which the private sector won't back.

What the Government doesn't say is that in addition to paying the Carbon Tax, Australian companies will have to spend \$3.5 billion each year by 2020 on foreign carbon credits, rising to \$57 billion by 2050. This will equate to 1.5 per cent of GDP each year on foreign carbon credits which do nothing to reduce Australia's emissions.

Australian businesses will pay the Carbon Tax but their overseas competitors won't.

This will cost Australian jobs. NSW Treasury predicts 31,000 jobs will be lost in the NSW economy due to the Carbon Tax.

It was clear from the recent Durban Climate Change Conference that the rest of the world, including the United States, Canada, India, China and Japan, is not adopting a broad based Carbon Tax model

Australia is increasingly isolated in imposing such a draconian tax which will increase the cost of living for families and pose real risks for job security. With the current economic concerns internationally, this is the worst possible time to be adding to the costs of Australian businesses.

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The Coalition Alternative

The Australian community is seeking to have its voice heard on the Carbon Tax, having been denied that opportunity at the last election.

The Coalition will seek a mandate from the community to repeal the Carbon Tax with the next election to be a referendum on the issue.

The increasing cost of living is a major concern for families and pensioners. Australian households will be better off not paying ever increasing electricity, grocery and transport costs. The Coalition will announce a specific package for families and pensioners prior to the next election.

The Coalition believes Australians want to play their part in improving their local environment and reducing CO2 emissions as part of a united action on climate change.

The Coalition's Direct Action Plan delivers on the commitment to a five per cent reduction in emissions by 2020 while delivering real environmental benefits.

Direct Action in summary:

- Reducing Australia's emissions and improving our local environment
- People can play a direct role in making their communities and their homes green.
- All money spent will be on Australian green projects, not foreign carbon credits.
- High emissions companies will have an incentive to take action to reduce their emissions rather than pay a tax which is simply passed through to customers.
- Money will be allocated through an Emissions Reduction Fund of \$3.2 billion over four years. It is fully costed and capped so it stays within budget.
- A key part of the abatement will be achieved by putting carbon back into soils, providing the opportunity for a once in a generation replenishment of our farmland.
- Establishment of a Green Army will protect urban green corridors by planting 20 million more trees.
- Delivery of one million solar roofs.
- Taking the pressure off the cost of living and protecting Australian jobs by keeping businesses internationally competitive.

Our plan is fully-funded from the budget through savings in other government spending. At the next election, the Coalition will deliver personal tax cuts that are not just compensation. It will be a tax cut without a carbon tax.

The Greens

Julia Gillard's Labor-Greens proposal imposes an economy-wide tax on carbon emissions which no other country in the world has or is planning to introduce. And even the Government's own

modelling shows that emissions will not decrease in Australia under the carbon tax. Annual emissions will in fact increase over the decade to 2020 from 578 Mt to 621 Mt (million tonnes).

6. Carers

No government could ever replace the thousands of Australian carers who give their time and energy, often 24 hours a day, seven days a week, to provide care, love and support to older Australians and people with disability.

Without their support, many older Australians and people with a disability would not be able to continue living at home.

Every day they carry out a role which otherwise would inevitably fall to our public systems, our public hospitals and professional carers. This is a cost society would need to pick up.

Labor Failures

In 2008 Labor tried to stop the payment of the Carer Bonus. It was only after community outrage and opposition from the Coalition that they backed down.

The Labor Government has driven the budget into deficit. There are now fewer resources to fund important services and tackle important social problems because of Labor's economic mismanagement.

This has the potential to compromise the ability of government to support Australia's unpaid carers.

Carers always face cost of living pressures. These will be added to by Labor's carbon tax. While recipients of Carers Payment will receive an increase in their entitlement, this will be eroded over time as the carbon tax increases. And carers not in receipt of a payment will get no compensation at all.

The Coalition Alternative

The Coalition is committed to supporting carers who play a vital role in our society and carry tremendous emotional and financial burdens.

While recognising the voluntary and personal nature of the work carers do, government needs to assist carers with income support, training and respite.

In government, the Coalition introduced the Carers Allowance and established the National Respite for Carers Programme.

The Coalition will continue to support carers through:

- abolishing the carbon tax;
- maintaining payments to carers; and
- establishing a Commonwealth Disability and Carer Ombudsman to give Australians with a disability and carers an independent voice within government.

National Disability Insurance Scheme

The Coalition is committed to delivering the National Disability Insurance Scheme (NDIS) in keeping with the Productivity Commission's timetable. The NDIS is an idea whose time has come.

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Before the last election, the Coalition strongly supported a Productivity Commission inquiry and pledged to take its recommendations seriously. Since the election, we have fully supported the recommendations and pledged to work constructively with the Government to implement them as soon as possible.

Because the NDIS is a once-in-a-generation reform that will unfold over the life of several parliaments, it should be the property of the Parliament rather than that of any particular political party.

The Coalition believes that the full implementation of an NDIS would be nothing short of a new deal for people with disabilities and their carers. We have to get this right.

As the Productivity Commission recognised, that will require a very high level of consultation and attention-to-detail that can't be rushed without big risks to the Scheme's subsequent success.

For these reasons, the Coalition was disappointed to see the disparity between the Government's words and actions when it came to the 2012 Federal Budget. While the significant sum of \$1 billion was committed and is supported by the Coalition, it is far short of the Productivity Commission's recommendations.

In its report, the Productivity Commission recommended that \$3.9 billion be allocated to the Scheme from 2012-13 to 2015-16. It also recommended that the Federal Government fund the additional costs of the NDIS from consolidated revenue.

The Coalition has proposed the establishment of a joint select committee of the Parliament co-chaired by the Government and the Opposition and comprising Members and Senators with a vested interest in making the NDIS work. That approach has been rebuffed but the Coalition will move in the Parliament to have this committee established.

7. Child Care

The Coalition recognises the importance of affordable child care to help Australian families meet increasing cost of living pressures, especially as the need for a second income has become more important for more Australian families.

We support improved standards and conditions for early childhood educators to ensure quality care is provided to all Australian children, but we are very mindful that child care must also be affordable.

Labor Failures

Under Labor, child care is now in crisis.

According to ABS data, since the 2010 election child care costs have increased by 17 per cent. ABS data also shows that more than 110,000 Australians say they can't access employment because they can't find suitable or affordable child care.

Before the 2007 election, Labor promised Australian families it would make child care more affordable. Since coming to Government, Labor has ignored increased costs and serious shortages of qualified staff.

Before the 2007 election, Labor campaigned on a promise "end the double drop off" by building an additional 260 child care and early childhood education centres on school sites and community land. In April 2010, the Minister, Kate Ellis, announced on the second page of a press release that 222 of the 260 centres would not be built - a clear broken promise to families.

In the 2010-2011 Budget, Labor tried to remove indexation of the Child Care Rebate – which would have increased childcare costs for parents by around \$300 per year for every child in care. They also attempted to cap the maximum Child Care Rebate claim for four years at a non-indexed \$7500.

The Coalition blocked these measures in the House and Senate, however, with the support of the Greens, Labor managed to pass this legislation the second time around. This decreased the Child Care Rebate from \$8,179 to \$7,500. This means that parents receiving the maximum amount of the Child Care Rebate would be liable for around \$300 in additional child care costs per year for each child in care.

Labor's new National Quality Framework standards require substantial up-skilling and training of staff as well as smaller child to staff ratios, but the cost impacts of these changes and the availability of qualified staff have been totally ignored.

According to the Productivity Commission, parents can expect long day care fees to increase by 15 per cent based on increased wages costs alone.

There is a direct relationship between affordable childcare and the amount of hours parents - especially women - can work.

Parents all over the country are reassessing whether they can afford good quality childcare, or the number of days of care per week now used.

The Coalition Alternative

For many families, the one-size-fits-all approach to child care is not working. That's why we believe that the Productivity Commission should be given the responsibility and the time to have a serious look at how the whole child care system can become more flexible, affordable and accessible for Australian families.

Under our policy, the Productivity Commission would consider all the current impediments to a family friendly child care system and look at how parents can better access existing services including long day care, occasional care, family day care and in-home care. We would also look at the economic ramifications of inadequate child care places and whether current support for parents is sufficient and properly targeted.

A key element of the inquiry would be an assessment of the regulatory framework for child care providers and the impact of the implementation of the National Quality Framework. Just as the Productivity Commission's review of disability care and support delivered the road map for the much-needed National Disability Insurance Scheme, the Coalition believes that the Productivity Commission is best placed to provide advice on how we can capitalise on the economic opportunity that a more flexible child care system could provide and better help parents to juggle work and family commitments.

The Coalition would also reintroduce \$12.6 million of Occasional Care funding cut by Labor, which will give parents greater flexibility and part-time access to child care places in times of emergency or unforeseen need; and review the National Quality Agenda for Early Childhood Education and Care to ensure it takes appropriate account of cost and workforce impacts on the child care sector.

8. Citizenship

The Coalition is committed to maintaining the integrity of the Citizenship Test and will reintroduce the requirement that prospective citizens understand the basics of Australia's history and our values.

The Coalition Alternative

We will:

- Increase the age for exemption from the Citizenship test to 65;
- Retain the testing of elements of Australian history in the citizenship test;
- Refocus the test on understanding, respecting and accepting Australian values and laws;
- Review the location of the citizenship testing to overcome waiting lists and overcrowding at some venues; and
- Reinstate funding to help teach the citizenship test.

9. Communications and Broadband

Everybody agrees that all Australians should have access to fast and affordable broadband.

But Labor never bothered to investigate how to reach that laudable objective most efficiently and quickly. Instead, we've seen a series of false starts, repeated cost and schedule blowouts and a complete inability to deliver the National Broadband Network. In fact after four years and billions of dollars of spending, Labor has only delivered fibre to 4000 Australian households. The Rudd and Gillard Governments have talked an impressive game on broadband, but their record in office is shameful.

Just as disturbing is Labor's determination to replace the competitive, innovative, consumer-driven telecommunications market we currently have with a giant Government monopoly. Australia is the only country in the world that has totally scrapped facilities-based competition (e.g. competition for broadband customers between the owners of pay TV cables and of copper wires, where both can use their networks to provide the required services). In contrast, if elected the Coalition will remove barriers to competition between different technologies and pursue policies which deliver affordable superfast broadband to all Australians sooner, and at a fraction of the cost to taxpayers of Labor's reckless NBN.

Labor Failures

National Broadband Network

- **Planning:** Labor has refused to conduct a cost-benefit analysis of this project. Its \$25 million implementation study explicitly stated it was not a "cost-benefit analysis of the macro-economic and social benefits"¹³ of the NBN and has been ignored anyway. Investment advisory firm Greenhill Caliburn conducted an assessment of the NBN Corporate Plan, which stated: "**Key risks** to NBN Co's up take assumptions relate to competition from alternative technologies, and the potential for adverse consumer reactions in one or more markets to service offerings from RSPs to be delivered over the NBN or RSP pricing options."¹⁴
- **Cost:** Labor's original proposal for the NBN in 2007 was supposed to cost taxpayers \$4.7 billion. **Since** then, the peak capital required by NBN Co has risen to \$41 billion even on Labor's optimistic forecasts. The Government has also agreed to additional payments of approximately \$20 billion over the next decade (or \$11 billion in after-tax 2010 dollars) to Telstra and similar payments of about \$2 billion (or \$800 million in after-tax 2010 dollars) to Optus. The Government's funding of the scheme will easily exceed \$50 billion.
- **Scrutiny:** Labor has sought to stifle the flow of information and prevent scrutiny of the NBN project at every step. This included exempting NBN Co from oversight by Parliament's Public Works Committee and from most FOI laws. Labor also attempted to force senators to pass crucial NBN legislation without seeing its Corporate Plan; independent senators were asked to sign a seven-year non-disclosure agreement in exchange for viewing the plan.
- **Waste:** Labor Has spent millions promoting the NBN, despite having so few customers. The Budget provided \$20 million in 2011-12 to "improve public understanding, address misconceptions and provide updated information about the National Broadband

¹³ Implementation Study, p.ii

¹⁴ http://www.dbcde.gov.au/data/assets/pdf_file/0015/132711/Review_of_NBN_Co_Limiteds_Corporate_Plan-Executive_Summary.pdf

Network”. The NBN’s total advertising spend in 2011-12 was \$8.1 million – including \$3.7 million in the four weeks after its fibre rollout announcement at the end of March. On 24 May Mr Quigley told the Senate NBN Co’s monthly revenue per user was \$29.55. This means NBN Co collected \$110,000 from 3700 fibre customers last month – but spent 33 times that advertising its fibre rollout. Including all NBN customers, the April advertising spend was a mere 11 times revenues. The NBN has not revealed its ad spending in 2012-13, leading up to the next Federal election.

- **Delays:** In 2007, Labor promised to roll out its first version of the NBN within five years; in its NBN implementation study it promised to finish the roll out within eight years; and in its December 2010 Corporate Plan it promised the NBN would be built within 10 years. So far, NBN has missed virtually every significant deadline it has set for itself including:

Milestone	Forecast	Actual
Construction contracts to be signed in all states	December 2010	Contracts for the rollout in NSW and the ACT signed in March 2011. Contracts for South Australia and the Northern Territory not signed until November 2011 ¹⁵ .
Average Revenue Per Customer	In the Corporate Plan on pages 110-111, the NBN modelled two scenarios where ARPU was \$33 and \$34 respectively by FY 2012-13.	At Senate Estimates on 24 May Mr Quigley said: “I can tell you that as of the end of March the average revenue per user was \$29.55”.
Premises passed by fibre in brownfields areas	145,000 households by June 30, 2012 ¹⁶	18,200 premises passed as of May ¹⁷
Premises passed by fibre in Greenfields areas	172,000 by June 30, 2012	951 by December 31, 2011 ¹⁸ .
Premises Connected by Fixed Wireless	1000 households with active connections as of June 30, 2012	52 active connections as of May 2012 ¹⁹ .
Active Services on the Interim Satellite	13,000 by June 30, 2012	7,300 as of May 2012 ²⁰ .

¹⁵ <http://www.nbnco.com.au/news-and-events/news/sa-and-nt-construction-contract.html>

¹⁶ NBN Co, (2010), Corporate Plan, p.15

¹⁷ NBN Co, (2012), “NBN to Simplify Migration”, available online [here](#).

¹⁸ Joint NBN Committee, (2012), “Third Progress Report on the NBN”, p.15

¹⁹ Quigley, M., (2012), “Senate Estimates, Hansard”, May 24.

²⁰ Quigley, M., (2012), “Senate Estimates, Hansard”, May 24.

Total Active Connections	151,000 by June 30, 2012	11,000 as of May 2012 ²¹ .
Construction on fibre network in brownfields areas, 2012-13	805,000 households to be passed	256,000 households to be passed ²²
Construction on fibre network in greenfields areas, 2012-13	147,000 households to be passed.	20,995 households to be passed ²³ .
Construction on fixed wireless network, 2012-13	269,000 households to be passed	20,218 households to be passed.
Tasmania second release sites	Construction to begin in December 2010 ²⁴ .	Construction to begin in Triabunna and Sorrell in May 2012. etting to South Hobart until early October 2011 ²⁵ .
Satellites for remote areas ordered	June 2011 ²⁶	February 2012 ²⁷ .
Operating Expenses	\$309 million ²⁸	\$323 million ²⁹

These repeated delays would be a topic for satire, except that so much money is being spent with so little to show, and literally millions of Australian households are desperate for improved broadband (or in some suburbs and regional areas any fixed line broadband). In 2008 Labor cancelled the Howard Government's OPEL plan for rural and regional broadband that would have delivered affordable new services to 900,000 under-served households across the country by the end of 2009. Nothing has been provided in its place except promises.

Labor also abolished the \$2.4 billion Communications Fund established by the Coalition to support telecommunications improvements throughout rural and regional Australia in perpetuity.

Promises in areas outside the NBN have also been broken. Labor cancelled the NetAlert National Filter Scheme, which saw free PC-based filters provided to Australian parents.

Before the 2007 election, Labor promised to introduce a mandatory Internet Service Provider (ISP) - level filter that would cover "any content that has been identified as prohibited by the Australian Communications and Media Authority".⁷

But in June 2010, Labor announced it would defer the filter indefinitely while a review into content classifications took place³⁰.

²¹ Quigley, M., (2012), "Senate Estimates, Hansard", May 24.

²² NBN Co, (2012), "Monthly Ready For Service Rollout Plan", available online [here](#).

²³ NBN Co, (2012), "Monthly Ready For Service Rollout Plan", available online [here](#).

²⁴ http://www.themercury.com.au/article/2011/04/10/221301_tasmania-news.html

²⁵ <http://www.nbnco.com.au/wps/wcm/connect/main/site-base/main-areas/publications-and-announcements/announcements/Construction-to-start-on-NBN-in-next-seven-Tasmanian-locations.html>

²⁶ Corporate Plan, p.21

²⁷ <http://www.nbnco.com.au/news-and-events/news/lts-com-satellite-deal.html>

²⁸ Corporate plan, p.134

²⁹ <http://www.aph.gov.au/house/committee/jcnbn/report2/fullreport.pdf>, p.22

The Coalition Alternative

We will:

- Conduct a fully transparent cost-benefit analysis to assess the quickest and most cost-effective means of upgrading fixed line broadband in all areas of Australia where services are currently sub-standard or unavailable.
- Deliver superfast broadband using whichever technology is appropriate and cost-effective, and making use of existing network infrastructure wherever possible. This will ensure fast broadband is delivered sooner and more affordably. We will also ensure competition is encouraged wherever possible to encourage innovation and put downward pressure on broadband and telephony prices.
- Provide transparent subsidies to ensure high quality services are available at comparable prices to services in the cities in rural and regional areas where the market alone would not deliver this outcome.
- Maintain strong support for independent, innovative and efficient national broadcasters that provide value for money.
- Ensure Australia Post achieves world-class performance levels in postal services and regains a firm financial footing.

The Coalition has also established a Working Group to examine policies to enhance online safety for children and families.

Key quotes on the NBN

“Stephen Conroy has made every excuse that proponents do when they don't want pet projects exposed to the scrutiny of a cost-benefit analysis. They're all nonsense.”

- Paul Kerin, *The Australian*, November 15, 2010³¹

LABOR'S \$43 billion National Broadband Network may be the most politically rewarding pork barrel of all if it gets Julia Gillard over the line with the country independents. But, like most politically driven investment, it is unlikely to provide the best return for taxpayers and even telco users. Broadband Minister Stephen Conroy doesn't really contest this point in continuing to dodge the simple question of why Labor refuses to put the infrastructure project through a cost-benefit analysis.”

- Michael Stutchbury, *The Australian*, September 7, 2010³²

“There is no escape from the core conundrum: Labor boasts the NBN as the nation's greatest infrastructure project, yet denies the inquiry to test whether it is financially viable.”

- Paul Kelly, *The Australian*, November 20, 2010³³

³⁰ <http://www.abc.net.au/news/2010-07-09/conroy-puts-internet-filter-on-backburner/898488>

³¹ <http://www.theaustralian.com.au/business/opinion/stephen-conroys-excuses-for-avoiding-scrutiny-of-the-broadband-plan-dont-stack-up/story-e6frg9if-1225953452440>

³² <http://www.theaustralian.com.au/business/opinion/nbn-is-good-for-gillard-not-taxpayers/story-e6frg9p6-1225914991675>

³³ <http://www.theaustralian.com.au/news/opinion/nbn-heat-is-on-and-itll-keep-rising/story-e6frg6zo-1225956812030>

“The market is already supplying more than adequate high-speed broadband for those who need it. Australia has much higher infrastructure priorities - repairing the damage to public education at all levels by the Howard government, updating and extending rail networks and closing the world's most polluting brown coal power stations for starters.”

- Kenneth Davidson, *The Age*, August 2, 2010³⁴

“You know a business case is hopeless when the company that's drawn it up has to bribe its competitors not to compete against it. The NBN Co business case has a tenuous relationship with reality. The publicly released corporate plan reads like a cry for help and also an exercise in laying down a paper trail so its executives can say "we told you so" when their targets are nowhere near met.”

- Peter Martin, *Sydney Morning Herald*, June 29, 2011³⁵

Media Convergence

Rapid changes in technology and consumer behaviour are dissolving many of the boundaries which historically distinguished various media and communications markets. Delivery technologies which once had quite distinct attributes are increasingly being used in similar ways; once digitized, content such as phone calls, messages, text, pictures, audio and video is all bitstream traffic that can be delivered over any IP network with sufficient bandwidth.

The internet has vastly increased the news, knowledge and opinions accessible to Australians. Consumers are increasingly able to obtain the content they want at the time they choose on whichever device is most convenient. The internet, fast networks and digital devices have also allowed consumers to become content producers, as demonstrated by social media.

Labor Failures

Labor commissioned a report into media convergence which recommended:

- “The government should create and partly fund a new converged content production fund to support the production of Australian content.”
- “Content service enterprises that meet defined service and scale thresholds should be required to invest a percentage of their total revenue from professional television-like content in the production of Australian drama, documentary or children’s content or, where this is not practicable, contribute to a new converged content production fund.”
- Australian local content quotas currently applicable to analogue radio stations should be extended to digital radio.
- The 55 per cent Australian content quota currently applied to commercial TV during prime time should also be imposed on the ABC.
- “There should be a 50 per cent increase in Australian sub-quota content obligations for drama, documentary and children’s content to reflect the two additional channels each broadcaster currently operates that do not attract any quotas.”

³⁴ <http://www.nationaltimes.com.au/opinion/politics/pity-the-pm-didnt-hold-broadband-to-the-light-then-oppose-it-20100801-111c5.html>

³⁵ <http://www.smh.com.au/business/dont-say-you-werent-warned-20110628-1gp6o.html>

The Coalition Alternative

- The Coalition broadly takes the view that any additions or extensions to media regulation should not proceed unless they clearly and directly address an observable market failure, and there is a compelling argument that they have a high probability of successfully addressing it.
- On media ownership, the Convergence Review urges the scrapping of well-established black letter law in favour of an amorphous “public interest test” which would in effect mean the politicisation of decisions involving changes of control. The Coalition will resist any moves to politicise media ownership.

10. Corporate Law

Labor has weakened investor confidence in Australian companies by constantly reviewing the laws, threatening dramatic change, and creating an uncertain regulatory environment.

The Coalition will give incentives to people to invest in Australian businesses by providing a strong and stable regulatory environment, and by encouraging competition in corporate trading institutions.

Labor Failures

Labor has been all talk but no action when it comes to corporate law reform.

It has allowed ASIC to pursue court cases for policy and deterrence reasons rather than legal principles.

After the GFC Labor promised to limit risk-taking in corporate law.

This led to the Productivity Commission review on executive remuneration and the Ripoll Report into financial products and services.

Labor has failed to act on these reports, making no policy decisions other than to give shareholders a vote on termination payouts.

Instead Labor has commissioned eight reviews in the first three months of 2010.

This is creating anxiety in the sector: investors and directors do not know what the regulatory environment will be in six or twelve month's time.

The Coalition Alternative

We will:

- Take a sensible and responsible approach to Corporate Law reform, which expands competition and empowers shareholders, but which does not unnecessarily intervene in the business decisions made by corporations;
- Encourage executives to be directly accountable to their shareholders for executive and director salaries;
- Require ASIC to return to its core function of supervising, administering and investigating trades in company shares, rather than burdening it by forcing it to get involved in government policy;
- Promote maximum competition in Australia's trading markets and market operators. The Coalition will work to continually remove barriers to market entry faced by overseas operators;
- Modernising shareholder engagement, including facilitating direct communication from Boards to shareholders through computer technology, as well as voting through the internet;
- Continue the process of harmonising and simplifying director liabilities (both civil and criminal) and encourage all companies to notify shareholders of these changes; and

- Work with the Corporate Law industry to design competent and effective policies, rather than require those involved in the sector to make endless submissions to endless reviews.

11. Defence

There is no higher priority for a future Coalition government than ensuring our national security. This is an area where the Coalition has an unmatched record of commitment and competence.

The Coalition will build on its record of investment in the Australian Defence Force (ADF), and the departments and agencies that support our national security.

The Coalition supports the continuing deployment of Australian forces in Afghanistan as such action focuses on defeating the threat of terrorism at its source.

A strong and well-equipped defence force is vital to Australia's security and confident engagement in the world. Because of investments made by the Coalition in the decade up to 2007, Australia now has a better equipped, more versatile and more highly skilled ADF. No government has planned more or committed more resources for Australia's defence.

The major modernisation of the Australian Defence Force (ADF) commenced under the previous Coalition Government following the release of the 2000 Defence White Paper. This White Paper resulted in the ADF being provided with best available equipment and assets. However, in a rapidly changing world, the need for technological advancement and renewal remains.

Despite the Labor Government's release of a Defence White Paper in May 2009 it has failed to produce a credible or coherent plan to fund its highly ambitious list of new acquisitions. Labor has demonstrated it is ill-equipped to deliver on any of its big commitments.

Labor's own plan, the *Defence Budget Audit*, undertaken by Boston Consulting, made significant findings that were relevant to future Defence funding and development plans. The most significant of these findings has been ignored. This key finding found that in order to deliver Labor's proposed new capabilities, as detailed in the 2009 Defence White Paper, an annual real budget growth rate of 4.2 per cent would be required.

This is at complete odds with Labor's actual Defence budget commitment. Over the period since Labor came to office the average real increase in the Defence budget, over the period 2007-08 to 2012-13, is a measly 1.3 per cent. Under Labor we have seen the amount spent on Defence fall to 1.56% 2012/13, the lowest share of GDP spent on Defence since 1938.

Only the Coalition has the capacity to ensure the men and women of our ADF have the resources and support they require to perform their critical roles into the future.

Labor Failures

Defence needs stable committed leadership. But after four years under Labor, three Defence Ministers, and two Prime Ministers, Australia has the first Prime Minister that has boasted of not having a passion for foreign policy. This lack of interest has contributed to a slowing of Australia's defence modernisation and confusion over its policy direction. Labor has lost its way over our nation's security.

So inept is Labor's management of defence expenditure that since the release of the 2009 Defence White Paper it has taken \$17 billion out of Defence through deferments, cuts, delays and cancellations. This included in 2011/12 handing back \$1.5 billion that it was unable to spend. The

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Coalition believes that the sustainable resourcing of Defence will only be possible within a prudent financial framework that only a Coalition Government can provide.

Labor has completely mismanaged the defence capabilities of the ADF with a Defence Capability Plan that continually defers or postpones projects. So inept is Labor's management of Defence expenditure that in the 2011/12 Budget \$1.5 billion of unspent money was returned to government.

A further \$1.3 billion of planned investment has been deferred to beyond 2014 with a further \$3.9 billion of planned recurrent funding to be also returned to the government. This is reflected in the paucity of First Pass approvals for Defence projects where over the past twenty four months a mere ten projects have been approved.

The Coalition believes that the sustainable resourcing of Defence will only be possible within a prudent financial framework that only a Coalition Government can provide.

Labor's previous election commitment to a guaranteed average 3% real growth to Defence's funding base to 2017-18 and 2.2% real growth from 2018 to 2030 to fund the promises made in the 2009 Defence White Paper has been broken. As has the rock solid promise by Labor to reinvest all savings made under the Strategic Reform Programme back into priority Defence capabilities. Both promises have been broken.

Labor has claimed that it is reforming the Defence Organisation, but under Labor the public service has grown. There are more public servants than there are uniformed members of the Air Force or Navy. Labor's reform programme means that as few as fifty cents in every dollar that the public allocates to investments in new capability for the Australian Defence Force actually gets spent on equipment.

Defence White Paper

After taking almost 18 months to prepare, Labor's White Paper on the strategic direction for Defence is an ambivalent and muddled document.

It is confused about whether Australia's forces need to be able to protect us from China's power in the future. It makes no sense for Australia to frame its long-term strategic policy on the highly contentious proposition that Australia is on an inevitable collision course with China

Further, the Defence White Paper is so devoid of financial detail that its credibility has become a dominant issue. Labor tries unsuccessfully to talk the talk on defence. When it comes to how it will actually pay for its plans, it offers only flimsy back-of-the-envelope calculations, based on hugely optimistic assumptions.

Dr Thomson in his *The Cost of Defence 2011/12* paper said, 'The steps taken in this year's budget are symptoms of serious problems with Defence's financial management and capability planning. As things stand, Defence's force development plans over the next several years are simply unrealistic. And the deferrals in this year's budget **only made things worse.**'

Equipment

Following intensive pressure from the Coalition, the Government has at last agreed to provide superior force protection measures through the acquisition of a Counter-Rocket, Artillery and Mortar (CRAM) sense-and-warn capability.

When deployed, CRAM will provide our troops in Afghanistan with life saving advance warning of indirect fire attacks. It is inexcusable that it has taken Labor so long to purchase this life saving equipment.

Labor should be providing our front line troops with the world's best equipment to do their job, rather than wasting money on the ever increasing numbers of bureaucrats behind desks in Canberra.

The Coalition Alternative

The Coalition will:

- The Coalition will commit to restoring the funding of Defence to 3% real growth out to 2017/18 as soon as we can afford it.
- Continue and further develop Australia's strategic alliance with the United States - the Coalition would be open to a bilateral arrangement with the United States which would allow the recognition of particular bases as new joint facilities such as those which currently exist at Pine Gap and Exmouth.
- Retain the Australian Strategic Policy Institute as independent defence analysts;
- Appoint an Industry Advocate for the Defence Materiel Organisation to provide a clear path for complaints and appeals by small and medium firms on tender and contractual matters; and
- Invest in improved maritime surveillance capabilities for the ADF. This initiative will include a greatly enhanced maritime patrol capability and a greater emphasis on intelligence cooperation with neighbours.

The Greens

The Greens would critically damage Australia's alliance with the US and our defence capability by:

- Closing all foreign bases on Australian territories and putting an end to training, hosting and deploying foreign troops on Australian territory;
- Closing Australian ports and territorial waters to nuclear powered vessels and create nuclear free zones, municipalities and ports;
- Cancelling Australia's participation in the US Missile Defence programme; and
- Cutting Australian military expenditure.

12. Defence Personnel

When it comes to those who serve, Labor is all talk and no action.

The Coalition knows that the key to Australia's defence depends on those who serve and that's why the previous Coalition Government left the ADF well resourced and well equipped – which we would do again.

Labor Failures

Labor promised to improve care for ADF personnel and their families and address issues of concern relating to the military superannuation system.

- Labor promised to establish 12 Defence Family Healthcare Clinics. Not one of these clinics has been built;
- Labor promised to 'fix' the military superannuation system, but have failed completely. Labor also voted against the Coalition's 'fair indexation' legislation;
- Labor promised to provide funding for 1,000 places under the highly successful ADF Gap Year programme but has cut that to only 249. Labor has a long history of cutting expenditure when it comes to the Defence personnel budget;
- In the 13 Labor Budgets between 1982-83 and 1995-96 Labor cut spending by 8.9 per cent;
- In the 11 Coalition budgets between 1996-97 and 2005-06 the Coalition increased Defence spending by 22 per cent;
- Labor committed to increase DSTO funding by \$138m between 2010-11 to 2012-13. However, Budget documents reveal that funding for the DSTO declines over that time frame; from \$447m in 2010-11 to \$441m in 2012-13. Another broken promise.

The Coalition Alternative

The Coalition recognises that developing and retaining the skills of its workforce is the key to Australia's military capabilities. It is vital that Australians see a military career as rewarding, challenging and supportive, with opportunities for professional development, career progression and security.

The retention of ADF families is crucial and the Coalition believes strongly in the principle of recruiting the member and retaining the family. The Coalition understands that a career in the ADF represents a unique lifestyle for personnel and their families and we believe they should be rewarded for their unique service.

The Coalition will:

- Ensure the ADF is well manned and trained and able to protect Australia's interests;
- Implement a more applicant focused recruiting model and will make better use of recruitment resources, including making available an average 1,000 places per annum on the ADF Gap Year Programme;

- End Labor's discriminatory ADF dependant health care policy and provide free basic health and dental care to all dependants of ADF personnel;
- Implement a range of new policies that will help minimise the stress on ADF members and their families when posting to new locations; and
- Ensure ADF members have access to proper transition support and advice when they return from a deployment or when they are separating from the ADF.

13. Deregulation

The problem of overregulation is perennial because the business of politicians and bureaucrats is to make laws and regulations. Unless governments run a dedicated deregulation programme, they can easily overwhelm businesses, community groups and taxpayers with unnecessary administrative requirements that accumulate unchecked.

Labor Failures

In 2007, the then Labor Opposition promised to adopt a 'tough' 'one in, one out' approach. But Labor in Government has made no serious effort to implement such a policy.

Between 2008 and 2011, Labor passed 16,163 regulations but repealed a mere 79.

So in practice, Labor's 'one in, one out' policy has amounted to '205 in, one out'.

During recent Senate Estimates, the Department of Finance and Deregulation gave evidence that the 'one in, one out' promise was 'implemented' by the issuance of a single departmental circular in early 2009.

Labor has no quantifiable output measure for tracking overall deregulation performance. Progress is instead attributed to the formation of 'ministerial partnerships' (i.e., meetings of officials) to resolve particular regulatory burdens.

According to the Business Council of Australia, the Government's own red tape report card shows that Labor is backsliding on regulatory reform:

- Commonwealth compliance with best practice regulation requirements fell from 90 per cent in 2007-08 to 84 per cent in 2009-10 – with Treasury as the worst offender;
- Commonwealth publication of regulatory impact statements fell from 91 per cent in 2007-08 to 80 per cent in 2009-10; and
- Significant Bills relating to the NBN and income tax were exempted from regulatory impact assessments.

Even where government departments prepare a regulatory impact statement, there is no requirement for them to compare options and highlight the one with the greatest net benefit.

Further, Cabinet can now tell departments which options to analyse when preparing a regulatory impact statement. This undermines the whole process of assessing alternative regulatory options and choosing the most effective one.

The Coalition Alternative

The Coalition understands that for small business people, less paperwork means higher profits, boosted sales and more time with the family.

We also understand that red tape not only stifles existing business activity; it also hinders the entrepreneurship and innovation which creates new businesses.

Under the Coalition, a 'one in, one out' approach to regulation will be a reality, not an aspiration.

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Government departments will offset the compliance cost of any new regulation by removing or simplifying an existing one.

As well, a Coalition government will reduce the regulatory costs to business by at least \$1 billion a year.

We will require departments to calculate the dollar costs to business of:

- preparing information and making it available for regulators;
- changing operational processes for compliance purposes; and
- delays in the administration of applications or approvals.

Departments and ministers will be accountable for meeting annual red tape reduction targets. Progress against these targets will be verified independently by the Productivity Commission.

14. Disabilities

Despite Labor's talk about supporting people with a disability, there has been little follow through. Labor has driven the budget into debt and deficit. This has compromised the ability of the Government to deliver a better deal for people with a disability, their carers and families.

Approximately 4 million Australians have a disability.

The Australian Government has responsibility for specialised employment assistance and income support. State and Territory Governments are primarily responsible for accommodation support, community support, as well as access and respite services.

Many Australians with a disability face significant challenges in fully participating in work, family life and in the community.

Australia needs to not only provide better support for people with a disability, but also make fuller use of their skills, talents and capabilities.

Australia needs to move from a system of support for disabilities based on geography and cause, to one based on need.

Support for disability is not welfare. It is an entitlement to assist participation in the community.

It is also important to note that a strong economy is required to deliver good social policy.

That's why the last Coalition Government sought to ensure a strong and growing economy and to live within its means.

The former Coalition Government increased assistance to people with a disability and the Coalition continues to be committed to achieving the best outcomes to ensure people with disability can fulfil their potential as active and contributing members of society.

Labor Failures

The Rudd-Gillard Labor Government has driven the budget into debt and deficit. This has the potential to compromise the ability of future governments to improve support for Australians with a disability and their carers.

The Productivity Commission has quantified the unmet need for care and support for Australians with disability at \$6.5 billion per year. This is equivalent to what Labor spends each year on their debt interest bill. If Labor hadn't borrowed and wasted money on programmes such as school halls and roof insulation, the situation of Australians with disability could have been dramatically improved.

The COAG Reform Council's 2009-10 performance report into the National Disability Agreement found that Labor does not know which disability policies are working and which are not.

Labor is failing to live up to its rhetoric and promises to Australians with disability. People with disability, their carers and families deserve better from this government.

People with disabilities always face cost of living pressures. They often have additional costs such as aids or equipment or use air-conditioning more for certain conditions. Cost of living pressures will be added to by Labor's carbon tax. While recipients of the Disability Support Pension (DSP) will receive an increase in their payments, this will be eroded over time as the carbon tax increases. The majority of Australians with disability who are not on the DSP will receive no direct compensation at all for carbon tax price rises.

The Coalition Alternative

National Disability Insurance Scheme

The Coalition is committed to delivering the National Disability Insurance Scheme (NDIS) in keeping with the Productivity Commission's timetable. The NDIS is an idea whose time has come.

Before the last election, the Coalition strongly supported a Productivity Commission inquiry and pledged to take its recommendations seriously. Since the election, we have fully supported the recommendations and pledged to work constructively with the Government to implement them as soon as possible.

Because the NDIS is a once-in-a-generation reform that will unfold over the life of several parliaments, it should be the property of the Parliament rather than that of any particular political party.

The Coalition believes that the full implementation of an NDIS would be nothing short of a new deal for people with disabilities and their carers. We have to get this right.

As the Productivity Commission recognised, that will require a very high level of consultation and attention-to-detail that can't be rushed without big risks to the Scheme's subsequent success.

For these reasons, the Coalition was disappointed to see the disparity between the Government's words and actions when it came to the 2012 Federal Budget. While the significant sum of \$1 billion was committed and is supported by the Coalition, it is far short of the Productivity Commission's recommendations.

In its report, the Productivity Commission recommended that \$3.9 billion be allocated to the Scheme from 2012-13 to 2015-16. It also recommended that the Federal Government fund the additional costs of the NDIS from consolidated revenue.

The Coalition has proposed the establishment of a joint select committee of the Parliament co-chaired by the Government and the Opposition and comprising Members and Senators with a vested interest in making the NDIS work. That approach has been rebuffed but the Coalition will move in the Parliament to have this committee established.

15. Employment & Workplace Relations

The Coalition is carefully monitoring how the Fair Work legislation is operating, and is in consultation with employers and employees around Australia.

The Government itself has conducted a review of the Fair Work Act and is working on its own, ideologically driven, amendments to the Fair Work Act.

Labor Failures

We have well and truly absorbed the lessons of the Coalition's 2007 defeat as well as the different lessons of the current Government's failures.

Labor's Fair Work Act is far from perfect but it deserves a fair go.

The Coalition Alternative

We will seek a mandate for any changes to the Fair Work Act at the 2013 election. The Coalition's approach to workplace relations will be problem solving and pragmatic, not ideological.

The Coalition will work within the existing legislation and with the independent umpire, Fair Work Australia, to ensure that the current Act delivers the best possible outcomes.

The Coalition will also retain Fair Work Australia and the Fair Work Ombudsman.

We will restore the Australian Building and Construction Commission under the same legislation because it was a strong "cop on the beat" and helped to end years of lawlessness on commercial construction sites.

The Coalition has announced a policy to establish a Registered Organisations Commission to restore confidence in the way that registered organisations are governed. The Coalition will also ensure that employer and employee organisations are subject to the same level of scrutiny and accountability as expected of directors of companies.

What changes will you make to IR regulations?

- The Coalition will always work with the independent umpire, Fair Work Australia.
- We will be upfront and honest with the Australian people and take any changes to the Fair Work Act to the Australian people. Our policy will be problem solving and pragmatic, not ideological.

What about unfair dismissal?

- We learnt our lesson at the 2007 election, any changes that need to be made will be problem solving and pragmatic, not ideological.

Will you amend IR regulations to deal with issues such as the problems with Award Modernisation?

- We will work with the independent umpire Fair Work Australia and where problems arise ask it to investigate.
- It's important that Fair Work Australia take a common-sense approach when making decisions.

Well how will you improve fairness in the workplace? What will you do?

- We will work with the independent umpire Fair Work Australia and where problems arise ask it to investigate.

You are on the record attacking Labor's workplace laws. How can we trust you when you say that you now support the Fair Work Act?

- We believe that there is a workplace relations fatigue in the community. That's why our approach will be problem solving and pragmatic, not ideological.

Key issues:

What are the main problems with the Fair Work Act

- We have a militancy problem, we have a flexibility problem and we have a productivity problem.

Are we worried about increased strike action (Qantas, Patricks, BHP etc)

- Everyone would agree that strike action is not good for the economy or productivity, and workers don't like losing pay for days that they could be working. Julia Gillard promised us that we wouldn't return to the old days of strikes and stoppages under Fair Work, but this isn't the case.

Are we worried about increased wage outcomes, particularly in the building sector? (reports suggest 7%+ increases on a yearly basis are being conceded in various sectors)

- The larger concern is that big pay rises seem to come with no trade off for increased productivity.

16. Employment Participation

Labor has weakened mutual obligation requirements and reduced the early intervention assistance to the newly unemployed that would help them get back into the workforce quickly.

The Coalition will ensure that job seekers engage in mutual obligation activities (such as Work for the Dole) sooner, and recalibrate Job Services Australia to ensure that providers are rewarded for placing people into employment quickly.

Labor Failures

Labor replaced the highly successful Job Network with Job Services Australia.

This threw employment services into chaos, with many high performing, not-for-profit providers losing business.

The new model shifted the emphasis from an 'employment first' focus to a 'training first' focus.

In addition, Labor's Job Services Australia provides no early intervention for the majority of job seekers.

In their first three months of unemployment 61 per cent of job seekers will receive only one face to face meeting, during which they will be given help writing a résumé and information on their local labour market.

The likely outcome is that more Australians will find themselves in the ranks of the long-term unemployed.

Labor has gone soft on mutual obligation.

Under the Coalition, job seekers undertook a mutual obligation activity after 6 months unemployment. Under Labor, job seekers have no requirement to do Work for the Dole until a minimum 12 months.

Numbers of participants undertaking work-for-the-dole programme has been cut in half by Labor. As of April 7 2010, there were 12,695 unemployed people in work-for-the-dole schemes, down from 22,362 in April 2005. By March 2011 only 9,360 job seekers were undertaking a Work for the Dole activity.

The number of penalties for breaches of mutual obligation requirements has fallen from 32,000 (2007-08) to 19,406 (2008-09). Since July 2009 there had only been 12,283 penalties and only 4,353 involved the most severe penalty of loss of benefits for 8 weeks (Estimates 10 Feb 2010).

According to industry sources the number of individuals on income support gaining exemptions from mutual obligation requirements has increased from a low of less than 10 per cent under the Howard government, to in excess of 30 per cent in some areas.

Newstart Allowance Recipients 'having an obligation to work' has declined.

	Dec 2009	Dec 2008	Dec 2005	Dec 2003
All Newstart Allowance	578,449	437,270	470,557	515,849
Received a payment	544,776 (94%)	409,561 (94%)	434,590 (92%)	480,449 (93%)
Have an obligation to work	315,380 (58%)	238,991 (58%)	295,055 (68%)	353,607 (74%)

The Coalition Alternative

The Coalition will renew the commitment to mutual obligation in order to:

- Break the cycle of idleness and habits of apathy that can develop in those on welfare and allow people to 'give back' in return for welfare assistance;
- Give people new experiences, including positive work experiences, sometimes for the first time in their lives; and
- Make welfare a disincentive for those who just want to bludge.

The Coalition will review the operations of Job Services of Australia to ensure that:

- Job service providers are rewarded for placing people into employment quickly;
- Training is used only for job seekers who are really likely to find employment as a result; and
- People are helped back into the workforce as quickly as possible. Early intervention needs to encompass job search support and activities that keep the newly unemployed 'job-ready'.

We will require job seekers to undertake mutual obligation activity after 3 months. This will actively help build their work skills while contributing back to the society which supports them.

The Coalition will also introduce a Job Commitment bonus. Young Australians aged 18 to 30 who have been unemployed for twelve months or more and are on NewStart Allowance or Youth Allowance will receive a \$2,500 Job Commitment Bonus if they get a job and remain off welfare for a period of 12 months. The Coalition will provide a further Job Commitment Bonus of \$4,000 to these jobseekers if they remain in a job and off welfare for a period of 24 months.

The Coalition will introduce a \$3,250 Seniors Employment Incentive Payment for employers that hire mature workers aged 50 or older.

The Coalition will make Work for the Dole mandatory for those under 50 who have been receiving unemployment benefits for more than 6 months. Reasonably fit working age people should be working, preferably for a wage but if not for the dole.

The Coalition will suspend welfare payments of young people in areas where there are unskilled, unfilled jobs. This would send a clear signal to people that the Government is serious about people needing to engage in work. It is unreasonable that in areas where employers are desperate for low-skilled employees, capable job seekers remain on income support payments.

Quarantining to the necessities of life half the welfare payments of all long term unemployed. Quarantining welfare income is justified because taxpayers have a right to insist that their money is not wasted.

17. Energy and Resources

Labor has destroyed Australia's reputation as a safe and reliable investment destination: damage which will take years to restore.

The Coalition understands the business needs of the energy and resources sector. In Government we slashed business taxes, got new projects up and running, and tackled climate change without putting the sector at risk.

The next Coalition Government will continue to have clear policy guidelines to give industry the certainty it needs and restore Australia's reputation as a premier investment destination.

Labor Failures

Labor has:

- Allowed Australia to fall behind regions such as Africa in attractiveness as an energy and resources industry investment destination.
- Failed to recognise that Australia faces a medium term electricity generation capacity shortage that must be addressed immediately.
- Failed to clarify the future pricing of carbon in Australia, making major energy industry investment decisions unacceptably hazardous.
- Broken its promise to introduce a Flow Through Shares Scheme for mineral explorers.
- Introduced a great big new super tax on Australia's mining industry that will cost Australia dearly through lost investment and lost jobs.

The Coalition Alternative

We will:

- Continue to oppose Labor's great big new tax on the Australian mining industry in Opposition and rescind it in Government.
- Work with industry to reduce impediments to investment without compromising our commitment to its well established indigenous, social and environmental policy objectives.

Specifically, this work will include;

- Work on other industry taxation policy,
- Streamlining approval requirements and procedures,
- Merging wherever possible State and Federal Government requirements,
- Harmonising State and Federal safety, environmental, disaster response measures,
- Clarifying and implementing off-shore gas industry retention licence policies,

- Delivering more certainty to the electricity generation sector to ensure that timely investment decisions can be made and the necessary construction commenced to head off looming capacity shortages.

The Greens

The Greens will:

- prohibit mineral exploration, mining, extraction of petroleum and gas in terrestrial and marine nature conservation reserves.
- ban the exploration, mining and export of uranium and the storage of low grade domestic nuclear waste in a remote location in Australia.
- close the OPAL nuclear reactor at Lucas Heights.

18. Families

In government the Coalition:

- restructured the tax and benefits system in favour of families;
- introduced the Baby Bonus and the First Home Owners' Grant;
- provided greater resources and choice in health and education;
- introduced Family Tax Benefit;
- reformed family law and the Child Support Scheme;
- provided a 21 per cent real increase in the pension and linked the Aged Pension to growing incomes (25 per cent of MTAW) instead of CPI (1997), allowing pensioners to share directly in the wages increases flowing from our strong economy;
- eased the taper rates, enabling around 300,000 older Australians to receive a pension for the first time or get an increase in their pension rate;
- boosted subsidies for Aged Care places and delivered significant real term funding increases for residential care and Community Aged Care Packages;
- introduced more generous eligibility arrangements to give more older Australians access to the Commonwealth Seniors Card;
- provided bonus payments to recipients of the Carer Payment and Carer Allowance; and
- introduced the 30 per cent rebate for private health insurance.

Labor Failures

Labor has broken its promises to ease financial pressures on working families.

We shouldn't forget that Labor promised to bring down petrol prices; but Fuel Watch was abandoned and the Petrol Commissioner quit less than four months after taking up the post. In all, \$20 million was wasted.

Nor should we forget that Labor promised to bring down grocery prices. But Grocery Choice was abandoned. The cost to taxpayers – at least \$7 million.

Labor also promised action on housing affordability. But with housing prices up, rents up and mortgage payments up, housing affordability has worsened under Labor.

Labor is incapable of alleviating the pain it has inflicted on families through its financial mismanagement.

Labor's decision to freeze the indexation of the Family Tax Benefit Part A and B supplements for three years has seen a quarter of a million families worse off. Even families struggling to make ends meet on incomes of \$45,000 were be hit by these changes.

Labor has means tested the 30 per cent Private Health Insurance Rebate. This will cost families with private health insurance more, and put more pressure on the already stretched public hospital system.

Labor has also introduced means testing for the Baby Bonus, despite promising not to change it –and it is now paid in instalments instead of a lump sum.

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Before the 2007 election, Labor campaigned on a promise to build an additional 260 child care centres but in April 2010, Labor announced that only 38 centres would be completed and the plan for the remaining centres was scrapped.

According to ABS data, since the 2010 election child care costs have increased by 17 per cent. ABS data also shows that more than 110,000 Australians say they can't access employment because they can't find suitable or affordable child care.

Labor's National Quality Framework standards require substantial up-skilling and training of staff as well as smaller child to staff ratios, but the cost impacts of these changes and the availability of qualified staff have been totally ignored.

According to the Productivity Commission, parents can expect long day care fees to increase by 15 per cent based on increased wages costs alone.

Labor has also botched its promise of laptop computers for all Year 9-12 students. Not only has the cost of the programme blown out by more than \$1.4 billion, but it now involves a charge to parents.

On top of all of this, Labor is introducing the carbon tax, despite assuring voters before the 2010 election that it wouldn't.

The Coalition Alternative

The Coalition is committed to helping Australians to get ahead to build a better life for themselves and their families through reducing cost of living pressures whilst ensuring parents can access child care, education and health services.

The Greens

The Greens want a commonly agreed national benchmark to measure poverty and reform the social security system to ensure an adequate income for all but they are the drivers behind the carbon tax which will increase cost of living pressures for every Australian, as well as threaten jobs, which would have a flow-on effect on the social security system.

19. Fisheries

Labor Failures

The Labor Government has continued to disregard and ignore the fishing industry as demonstrated by their failure to attend national and international fisheries events such as the United Nations aquaculture conference and the Australian Fishing Tackle conference, and their disastrous attempts to effectively engage with the fishing industry over marine national parks.

Labor has failed to consult with both the commercial fishing industry and recreational fishers on major changes affecting them; a failure which threatens jobs and the livelihood of many small businesses in coastal communities.

The Labor Government has failed to deliver initiatives for the fisheries sector, despite the industry being worth billions of dollars and providing a healthy and sustainable³⁶ source of protein critical to meeting future global food security challenges.

Since 2007 Labor has:

- Stripped the national peak body, Recfish of its funding
- Banned the fishing of mako and porbeagle sharks and then back-flipped following a national grassroots political campaign by recreational fishers;
- Banned the fishing of thresher sharks
- Threatened massive new no-take marine parks around Australia; and
- Allowed fringe environmental groups to unilaterally influence policy.

Labor's Fishing & Seafood policy released in August 2010 was a vacuous, motherhood document with not one new cent or program for the fishing sector.

Labor failed to tackle illegal foreign fishing in Australia's fishing zones, slashing funding for Southern Ocean patrols³⁷.

Labor's has failed to meet its own timeframes for declaring Marine Protected Areas. Timeframes have been altered due to Labor's inability to adequately consult within unrealistic schedules that were politically, rather than practically, motivated.

Labor has proposed large no-take zones within Marine Protected Areas currently being established across Australia. The fear of no-take zones has caused great uncertainty for businesses directly and indirectly reliant on access to fishing resources.

Labor has also caused great uncertainty amongst stakeholders who will be adversely impacted by potential loss of access to resources within declared marine parks.

The lock-up mentality of Labor and the Greens completely ignores the fact that Australia's recreational and commercial fishers are dedicated to sustainability. Locking-up marine areas without

³⁶ ABARE Fishery Status Reports 2009

³⁷ Australian Customs & Border Protection Service Portfolio Budget Statement 2010-2011 p135.

proper consultation or scientific assessment and throwing away the keys is neither responsible nor practical.

Labor's biggest contribution to fisheries so far has been to bungle the Marine Bioregional Plans process, leaving fishing communities waiting months to see even one of the draft maps for the four marine reserve networks proposed.

AFMA levy arrangements

Significant backlash is being received regarding the increase in AFMA (Australian Fisheries Management Authority) levies.

The increases were announced in December 2011 for the 2011/12 financial year.

Increases are part of the cost recovery mantra of the Gillard Labour Government.

For example, the SESS (Southern and Eastern Scalefish and Shark Fishery) scalefish hook boat SFR (Statutory Fishing Right) levy increased from \$7038 in 2010 – 11 to \$14, 183 in 2011-12 – an increase of over 100%.

This is affecting the livelihood of fishermen, with reports of boats being sold, and as boats are sold, and fishing concessions surrendered, the cost to those remaining in the industry will have to increase further.

The Coalition Alternative

The Coalition understands the need for a balanced and informed approach to fisheries management, unbiased by the pressures of minority Green policies.

The ABARE's Fishery Status Report 2010, states that Australian fish stocks have continued to improve on performance in recent years. 74% of Australia's fish stocks are not subject to overfishing. The percentage of healthy fish stocks ('not overfished') remained at 58%. In 2004 the percentage of healthy fish stocks ('not overfished') was 27%. There is also increased certainty about the state of fish stocks, with fewer stocks classified as uncertain in terms of their biomass and the level of fishing compared to previous years.

The Coalition recognises the important role fishing plays to hundreds of coastal and river communities, in bringing enjoyment to millions of Australians and to the national economy.

The Coalition appreciates the value of the commercial fishing sector, which is Australian's sixth largest primary producing sector³⁸, valued at over \$2.1 billion. In addition, it is estimated that 3.5 million³⁹ Australians participate in recreational fishing, spending over \$3 billion each year in charter hire, fishing and boating equipment, travel, accommodation and bait.

The Coalition has a real action plan to combat illegal fishing, provide certainty for commercial and recreational fishers, support important research in aquaculture and promote recreational fishing.

The Coalition understands the economic importance of recreational fishing. The thousands of businesses including charter operators, bait & tackle stores, outboard engine stores, boat dealers

³⁸ ABARE Fishery Economic Status Report 2007

³⁹ Fisheries Research Corporation at < <http://www.frdc.com.au/fishingindustry/recreational-sector>>

and many others in fishing communities are critical to our national economy worth approximately \$10 billion/year industry and employing thousands of Australians. This past time also has flow on effects to other sectors, such as hospitality, with an estimated that 1 in 10 bed nights / year attributable to recreational fishing.

Aquaculture is the fastest growing primary industry in Australia according to the Government. It is now worth nearly \$1 billion per annum or 30% of Australia's seafood production

Unlike Labor, the Coalition worked with industry to develop a national policy that would foster viable and sustainable fisheries and we will continue to consult with and respond to the needs of this important industry

The Greens

The Greens and fringe environmental groups claim Australian seas are on the verge of being emptied of fish and are actively locking-up oceans through the creation of large no-take zones. While the facts and science indicate such extreme measures are unwarranted. According to ABARE, since 2004, the percentage of healthy fish stocks have increased from 27% to 58%, that 74% of Australia's fish stocks are not subject to overfishing and that the number of fish stocks identified as "overfished" or "uncertain" have declined.

The Greens will introduce an Oceans Act and establish a statutory National Oceans Authority to coordinate the sustainability of ocean uses. The Authority will report to the Parliament and enforce ecosystem-based regional management plans and targets.

The Greens support limiting Australia's Exclusive Economic Zone to the 200-mile limit from the coastline and not including the undersea continental shelf area.

The Greens will legislate a minimum 30 per cent 'no take' area within each fisheries and/or marine bioregion by 2012 under the National Representative System of Marine Protected Areas program.

The Greens will increase the number of marine reserves and implement a national framework for managing recreational and charter fishing.

The Greens will ban all factory-ship fishing in Australia open waters fisheries.

20. Foreign Affairs

The Coalition has an outstanding record in Government for acting in accordance with Australia's international interests and for advancing peace and security across the Asia Pacific region and beyond.

The previous Coalition Government:

- Led the successful international operation to stabilise East Timor and to support its evolution as a democracy;
- Led the successful mission to restore peace and stability in the Solomon Islands;
- Helped remove the Taliban regime in Afghanistan as well as the threat posed by Saddam Hussein's regime in Iraq;
- Signed Free Trade Agreements with the USA, Singapore and Thailand, and commenced negotiating FTAs with China, Japan, ASEAN and the Gulf Cooperation Council;
- Reformed Labor's secretive treaty making process, making foreign policy more responsive and accountable to the public through the establishment of the Joint Standing Committee on Treaties;
- Established Human Rights Dialogues with China, Vietnam and Laos;
- Developed greater co-operation on counter-terrorism and people smuggling with our regional neighbours;
- Promoted regional stability and growth during the East Asian financial crisis, including as one of only two countries to participate in IMF loans for Indonesia, South Korea and Thailand; and
- Initiated with Indonesia the Bali Process on People Smuggling, Trafficking in Persons and Related Transnational Crime.

Labor Failures

Labor promised to take Australia's relations with other nations to a new level but it has mismanaged our international interests.

Labor's border protection failures have had a very negative impact on Australia's broader international interests. The Rudd-Gillard government's inept attempts to restore offshore processing have damaged Australia's relations with East Timor, Indonesia, PNG and Malaysia. This experience has taught Australia the hard way that any government that encourages the people-smugglers to revive their trade – which inevitably passes via our South-East Asian neighbours – also inflicts serious damage on Australia's relations with our region.

Labor announced a proposal to establish an Asia-Pacific Community along the lines of the EU. This was done without any consultation within the region and was immediately dismissed by Singapore, Malaysia and Thailand. The idea flopped.

Labor needlessly offended Australia's largest trading partner, Japan, when then Prime Minister Rudd failed to include it in the itinerary for his first major overseas trip to North Asia. This caused major offence in Tokyo.

Labor caused further offence when the former Prime Minister repeated his threat on national television that it would take Japan to the international courts, on the eve of the first visit by the new Japanese Foreign Minister.

Labor offended the Indian Government when it dumped Australia's agreement to sell uranium provided proper safeguards were met. Even though the safeguards were agreed Labor walked away from the deal.

The Howard Government showed that it was possible to have a strong relationship with China while managing differences over sensitive issues like ministerial contact with the Dalai Lama and Taiwan. As the previous Government put it, the guiding principles of managing the relationship were 'shared interests and mutual respect'.

By contrast, the current Government's approach has sent seriously mixed messages. In 2009, at a conference in London, the former Prime Minister ostentatiously refused to be seated next to a Chinese diplomat he knew well. And that year's Defence White Paper suggested that Australia is on a collision course with China.

On the other hand, the Government seems to have made secret deals with China not to meet the Dalai Lama and to have dropped the long-established practice of annual ministerial visits to Taiwan to pursue economic interests. These concessions, though, don't seem to have won much reciprocity from Beijing. In the Stern Hu trial, for instance, Chinese authorities ignored the consular agreement that our officials should have access to the trials of Australians.

Labor is desperately seeking a temporary two-year seat for Australia on the UN Security Council and is prepared to spend millions of dollars of taxpayers' funds on the bid and to overturn long held bipartisan policy positions. For the first time, Australia voted in favour of anti-Israel motions at the UN in late 2008 and abstained on a vote in 2009, which indicates that Labor is prepared to walk away from Australia's traditionally strong support for Israel.

Millions of dollars are committed to the Security Council bid, with many millions more at risk of being diverted from the foreign aid budget, which is budgeted to receive massive increases in the year of the vote. Significant increases have been announced for countries outside our region, with a clear focus on regions where there are large numbers of UN votes.

Labor used taxpayer dollars to support the International Commission on Nuclear Non-Proliferation and Disarmament which supported the improbable notion of a world free of nuclear weapons - largely a replay of the Keating Government's equally futile Canberra Commission on the Elimination of Nuclear Weapons. Led by former Labor Foreign Minister Gareth Evans, Mr Evans is reported to have been paid more than the Foreign Minister.

The Coalition alternative

1. Repair and strengthen relations with key partners

Labor's inept and erratic diplomatic approach has diminished relations with some of Australia's key strategic partners. The Coalition will refocus foreign policy on Australia's true international interests.

Chief amongst Australia's relationships requiring renewed focus are:

- **The United States:** The USA is Australia's most important ally, is the world's leading democracy and makes a crucial contribution to security and stability globally, including in the Asia Pacific region. Under the previous Coalition Government, Australia's relationship with the United States had never been broader, deeper or closer. The Coalition is committed to working closely with the United States to make ties even stronger.
- **Japan:** Japan has been Australia's most steadfast friend and important diplomatic partner in Asia since the 1950s. Since the exclusion of Japan from the first overseas visit to North Asia of the then Prime Minister, Kevin Rudd, many in Japan perceive that Labor has downgraded the relationship. The souring of relations has been further exacerbated by Labor's penchant for gratuitous media posturing over whaling – without actually saving any whales. A Coalition Government will focus on building a strong strategic partnership with Japan based on the Howard Government's Joint Declaration on Security Cooperation and the Trilateral Strategic Dialogue. We will also put concerted effort into advancing free trade negotiations with Japan.
- **China:** China's increasing economic, political and strategic prominence presents opportunities and challenges for Australia. The Howard Government showed that it was possible to have a strong relationship with China while managing differences over sensitive issues like ministerial contact with the Dalai Lama and Taiwan. A Coalition Government will work to return Australia- China relations to a strong and consistent partnership based on shared interests and mutual respect.
- **India:** India is a major trading partner for Australia. The relationship could and should be much closer. Labor has talked about a new strategic partnership with India, but severely damaged the relationship when it prohibited the sale of uranium. This blunder has only recently been repaired after four years.
- **Indonesia:** It is essential to the interests of Australia and Indonesia that we work effectively across a broad spectrum of issues, including regional security, counter-terrorism, freer trade and investment flows in East Asia, people-smuggling and climate change action. Labor's weakening of Australia's border protection laws and the consequent resumption of people-smuggling has predictably generated bilateral strains with Indonesia. This relationship was further damaged in 2011 by Labor's ban on live cattle exports to Indonesia. The Coalition's plan for real action to return sovereignty and control to our borders will help restore the good relationship with Indonesia that Australia previously enjoyed. We will build on the Coalition Government's Lombok treaty with Indonesia to broaden and deepen security ties and to improve economic and educational links.
- The Coalition will also refocus Australia's foreign policy resources on advancing the national interest by strengthening relations with a wide range of other key partners around the world – not only with New Zealand and in the Asia-Pacific Indian Ocean region but in Europe, the Americas, the Middle East and Africa.

The Coalition will conduct a comprehensive review of Australia's diplomatic resources, including overseas representation, to determine whether the appropriate weighting is afforded to those issues, countries and organisations which are important to our strategic and economic interests.

2. Work with, instead of antagonising, our neighbours on regional institutions

Nowhere has Labor's erratic and inept approach to foreign affairs been more evident than its unilateral championing of a new Asia-Pacific Community organisation. This proposal received an embarrassing absence of support from our regional partners, with Indonesia's foreign minister describing the concept as 'another layer, an out-of-nowhere construction not in concert, not in synergy with what we have.' Unlike Labor, a Coalition Government will not attempt to impose on our neighbours a unilaterally conceived vision of new regional architecture. A Coalition Government would work co-operatively to make existing regional bodies work better rather than creating a new one.

3. Support multilateral engagement where it is in the national interest

The Coalition supports multilateral institutions which serve a clear national purpose.

We support the G20 (which has emerged as a more representative global organisation than the G8), the established regional Asia Pacific bodies, the Commonwealth of Nations and various organisations of the United Nations including the World Trade Organisation.

Similarly, the Coalition will abandon Labor's bid for a temporary seat on the UN Security Council. The massive and expensive diplomatic effort this demands has diverted attention away from our core foreign policy interests to more peripheral areas in order to secure votes and all for nothing more than a nebulous sense of temporarily enhanced international status.

4. Support increased rigorously-administered foreign aid

The Coalition supports the recommendation of the Independent Review into the Foreign Aid program that future funding increases be dependent on AusAID meeting strict performance benchmarks. The Coalition will adopt this recommendation and establish these benchmarks in government, after Labor's failure to establish performance benchmarks, before the foreign aid budget is increased to 0.5 per cent of our Gross National Income by 2016-17. The Coalition will also consolidate our aid efforts on the Asia-Pacific and Indian Ocean regions and focus on the quality and rigorous administration of that effort.

5. Minister for international development

Given the size and significance of our foreign aid budget, the Coalition will appoint a Minister for International Development to work with the Minister for Foreign Affairs to oversee our aid budget and to have responsibility for AusAid and the delivery of aid through non-government channels. The Australian National Audit Office raised serious concerns about AusAid's ability to effectively manage the large increases in aid required to meet the 0.5 per cent target and the July 2011 independent review of the foreign aid program warned that forecast increases in the aid budget are "steep and challenging" and that strict annual performance benchmarks must be passed before AusAID receives further funding increases.

6. Secure funding for Australians in distress overseas

The Coalition will reverse Labor's cuts to consular services.

Labor has made these cuts to vital consular services at a time when record numbers of Australians are travelling overseas: Recent years have seen strong and growing demand for consular services. The required funds will be drawn from within the existing portfolio budget allocation.

7. Build understanding: promote revived foreign language study and connected classrooms

The Coalition will pursue greater international student exchange, with more Australian students having opportunities to live and study overseas. We will establish a network of 'connected classrooms' where students in Australia can interact with students throughout the world using videoconferencing. The network would be voluntary and would preferably although not exclusively be associated with language teaching. The ability to speak a foreign language should be regarded as one of the hallmarks of a good education.

A Coalition Government will work with the States and Territories to re-examine and reinforce incentives to encourage primary and high school students to study foreign languages.

We will also seek to promote greater engagement and understanding in our region through a specific cultural exchange within our foreign policy initiatives.

8. Provide a principled voice on human rights

The Coalition will pursue a principled and robust approach to human rights abuses, particularly in our region. A Coalition Government will work with countries in our region to establish more Ministerial level Human Rights Dialogue where issues of human rights can be discussed in an open and frank forum.

9. Engage with women leaders in our region

Economic analyses by the World Bank and the United Nations reveal a strong link between levels of gender equity and national development. Women can be powerful drivers of economic development.

Women have historically assumed leadership roles in the nations of the Asia Pacific Indian Ocean. A Coalition Government will:

- establish a second tier dialogue of prominent women in politics from across the region to discuss common interests in security, aid, trade, energy, human rights, health, disaster response and nuclear non-proliferation; and
- establish networks of mentors available to work with younger women to promote the involvement of women in political leadership positions.

The Greens

The Greens want to:

- Massively increase overseas aid to 0.7 per cent of GNP by 2011;
- the Greens seek the abolition of the International Monetary Fund, the World Bank and the World Trade Organisation; and

- the Green's state that they seek to "remove Australia from existing bilateral Free Trade Agreements, where possible".

21. Forestry

Labor Failures

Labor's deal with the Greens has resulted in the forestry industry facing an uncertain future. The Greens want to lock up millions of hectares of forests resulting in thousands of workers losing their jobs. Many rural and regional communities are facing devastation.

The Labor Greens alliance obviously does not understand the pivotal role the timber industry plays in harvesting and storing carbon.

Labor's waste and mismanagement have put our forestry industry at risk.

Labor failed to support the forestry industry as a key contributor to the nation's economy and a major employer in regional Australia.

Labor scrapped the dedicated Forestry Minister.

Labor has reduced resources available to forestry officials to properly engage with the sector. Agriculture Minister Tony Burke refused to release funds to allow a government forestry representative to attend a critical World Forestry Congress in Argentina. While billions of taxpayer funds were being wasted on pink batts and school halls, Australia's forestry sector was being under-represented by government, threatening our world-standing as an important industry.

Labor's preference deal with the Greens means the forestry industry faces an uncertain future.

It is time for the Labor Party to start standing up for the people they claim to represent – the proud Tasmanian timber workers and their industry - not working with the Greens to destroy businesses and livelihoods. To even contemplate paying people not to work is nothing short of outrageous

State and Federal Labor have flagrantly misled the Australian community and the Intergovernmental Agreement merely documents Labor's capitulation to the Greens.

The Coalition alternative

The Coalition has a Plan for Real Action to invest in Australia's forestry industry, support jobs, protect and sustain our forests and invest in skills.

The Coalition policies demonstrate our commitment to Real Action and a considered, balanced approach to forest management, without the bias of a Green alliance.

The Coalition has always recognised and balanced the competing environmental, social and economic objectives of native forest management through the Regional Forest Agreements and the landmark Tasmanian Community Forest Agreement.

Australia's forestry industry also makes an enormous contribution to the national economy, particularly in regional Australia

The forest and forest products industry is one of Australia's most significant manufacturing industries. The industry has an annual turnover of \$23 billion and contributes around 0.7 percent to Australia's Gross Domestic Product and 5.8 percent of manufacturing output. More than 76,000 people are directly employed in the forestry logging and wood manufacturing sectors of the industry.⁴⁰

⁴⁰ <http://www.daff.gov.au/forestry/national/industries>

The Coalition understands the benefits of sustainable use of the forestry resource based on science and sensible, informed and independent thinking.

Forestry can and does play an important part in climate change mitigation and adaptation policy.

Forest industry- based activities play a significant role in reducing the CO₂ emissions footprint of Australia. The CO₂ emissions abatement potential is estimated by the National Association of Forest Industries (NAFI), to be up to 80 million tonnes of carbon abatement per year by 2020

Tree planting and forestry activities can also be used to provide a range of benefits in addition to climate change mitigation, including soil conservation, biodiversity and economic and social benefits in rural and regional areas from wood production.

Forestry CO₂ abatement can assist in the transition to a low emissions future through:

- sustainably managed production forests, including both native forests and plantations, as carbon sinks as well as for other purposes (e.g. timber production)
- the carbon stored in durable wood products and substitution for more emissions intensive building materials such as steel and concrete; and
- the green energy produced from forest industry wastes to offset emissions from fossil fuel based energy

The Greens

Labor's deal with the Greens has resulted in the forestry industry facing an uncertain future. The Greens want to lock up millions of hectares of forests resulting in thousands of workers losing their jobs. Many rural and regional communities are facing devastation

The Labor-Greens coalition has failed the forestry industry and clearly does not understand the social, environmental and economic benefits this industry delivers for Australians.

The Labor-Greens alliance obviously does not understand the pivotal role the timber industry plays in harvesting and storing carbon.

The Greens and non-government organisations like Greenpeace and the Wilderness Society continue to spread lies about Australia's forests industries in a misguided campaign to destroy the native forest sector.

Over the last 20 years every time there has been a negotiation over Tasmania's forests, the environment groups and the Greens have walked away and said they wanted more.

The Greens claim tourism is the future for Tasmania but its own greedy and clumsy policy seeks to lock the tourism industry out of areas currently open and it also threatens to impact major tourist events like the Australian Wooden Boat Festival.

HOT ISSUE

Tasmanian Forestry Intergovernmental Agreement (IGA) – the saga drags on

The Intergovernmental Agreement is not just a bad deal for forest workers and businesses. This is a bad deal for our farmers, for our mining industry and for our furniture makers, our woodcraft sector, our wood design specialists and our wooden boat builders.

The Coalition has questioned the economic credentials of the Labor government in signing an agreement that cuts the \$1.4 billion a year Tasmanian Forestry industry in half.

The process of assessing the forests to be locked up under the IGA has experienced significant delay and is still not finalised.

An Interim Conservation Agreement was signed between the State and Commonwealth Governments and determined that 2000ha of the forests covered by the IGA needed to be accessed by Forestry Tasmania to meet existing contracts.

Green groups are now taking their propaganda direct to the market, with threats to Harvey Norman, Ta Ann and significant ripples in demand from international markets. So much so that Tasmanian Deputy Premier Bryan Green is travelling overseas to try to protect Tasmanian markets.

22. Health

Labor has been big on promises, but very poor on delivery in health.

Labor's reforms have been a boon for bureaucracy, but failed to deliver for patients.

Labor's administration has been marked by broken promises on issues such as the private health insurance rebate, Extended Medicare Safety Net and the Pharmaceutical Benefits Scheme.

Labor's cuts to private health insurance will add to the cost of living for Australian families and shift more burden to public hospitals as people downgrade their level of cover.

Labor has undermined confidence in vital programs, such as the Pharmaceutical Benefits Scheme, through chaotic policy changes.

Labor has wasted money and opportunities, through white-elephant initiatives, such as GP Super Clinics.

The Coalition will reprioritise funding from bureaucracies to patient services.

The Coalition will restore policy certainty and stability in areas such as the PBS.

The private health insurance rebate is an article of faith to the Coalition and we will restore it in government as soon as it is financially possible.

The Coalition will rebuild general practice, to ensure clinicians, not bureaucrats, are at the centre of the health system and responsible for patient care.

HOSPITALS and HEALTH REFORM

At the 2007 election, Labor promised a plan to fix hospitals and if it wasn't achieved by mid-2009, that a referendum would be held to *"seek to take financial control of Australia's 750 public hospitals"*.

Labor didn't have a plan.

It is now 2012 and despite much cost, a ballooning of the bureaucracy and great fanfare, public hospitals are not fixed.

During Labor's leadership turmoil, the former Health Minister, Nicola Roxon, acknowledged that some of the biggest proposals were considered without proper advice and were intended to achieve a political outcome rather than a policy outcome.

On the 24 February 2012, on Sky News, Nicola Roxon said the lack of process for considering some of the biggest proposals was *"a ludicrous way to run Government"*. Ms Roxon claimed the proposal for a referendum to take over the hospital system was, *"a cynical approach"* and *"would have been a disaster"*.

The Labor Government announced three supposed 'historic' health reform agreements. Each was a watered-down version of the previous.

Key changes under the reforms to the Commonwealth's contribution for hospital funding won't start to be implemented until 2014-15, after the next election, and some seven years after Labor promised to fix public hospitals. This is a transition to the Commonwealth contributing 45 percent of the growth funding of public hospital services. Labor's much trumpeted promise of 50 percent Commonwealth contribution for growth funding of hospital services won't be implemented until 2017-18 – still over two elections away and a decade from the time of Labor's original promise.

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Labor is trying to take credit for promises which will have to be delivered and funded by other governments in the distant future.

Activity based funding is supposed to improve efficiency and provide funding for services actually delivered. However, Labor has promised the Commonwealth will provide a guaranteed 'top-up payments' (\$16.4 billion from 2014-15 to 2019-20) to the States, irrespective of the quality or quantity of hospital services provided.

Labor's reforms, if delivered, might be great for State Treasuries and bureaucracies, but provide no guarantees for public hospitals and patient services.

Clause A60 of the National Health Reform Agreement says that "*States will determine the amount they pay for public hospital services and functions and the mix of those services and functions*". In 2011, just after the final Agreement was signed, Tasmania cut \$400 million from frontline health and hospital funding.

Labor's costly reforms have been impotent in preventing savage cuts to services for Tasmanian patients.

The blame game is thriving under Labor's costly and bureaucratic reforms.

Coalition's position

Australian Government funding for public hospitals increased significantly under the previous Coalition Government.

According to the Australian Institute of Health and Welfare, Commonwealth Government expenditure on public hospitals increased over 110 percent between 1995-96 and 2006-07 (\$5.2 billion in to over \$11 billion).

The Coalition supports additional funding for public hospitals, but will ensure funding is targeted to patient services.

The Coalition will devolve power and decision making to hospitals and at the 2010 election advocated board structures.

The Coalition will rationalise Labor's new bureaucracies to ensure funding is spent more efficiently on patients.

The Coalition will strengthen conditions on Commonwealth funding so the Tasmanian Labor-Greens' cuts to frontline hospital services are not rewarded.

BUREAUCRACY

Labor has presided over the proliferation of new bureaucracies, largely under the guise of reform.

This is leading to duplication, waste and overregulation.

It is costly and diverts resources from front-line services.

Over \$1 billion has been proposed over the forward estimates for new bureaucracies.

Since coming to office, Labor has established or proposed:

- Australian Commission on Safety and Quality in Health Care

- \$35.2 million over four years to establish the Commission as an independent body. It was previously operating within the Department of Health and Ageing (BP2, 2010; 226)
- The planned expansion has recently been 'rephased' to allow 'more time for consultations'. This is to provide a saving of \$15.5 million over four years (BP2, 2012; 170)
 - National Health Performance Authority
 - \$118.6 million over four years (BP2, 2010; 236)
 - Independent Hospital Pricing Authority
 - \$91.8 million over years (BP2, 2010; 233)
 - Administrator and Funding Body
 - \$38 million over five years (BP 2, 2012; 196)
 - Was in original Rudd reforms, then dumped and reappeared in the Gillard Government reforms
 - Medicare Locals
 - \$416.8 million over four years (BP2, 2010; 227)
 - Australian Medicare Locals Network
 - The AGPN will form a new national body for Medicare Locals to commence 1 July 2012.
 - \$12.5 million (Senate Estimates Feb 2012)
 - Local Hospital Networks
 - To be funded and administered by the States
 - Australian National Preventive Health Agency (*established prior to Health Reform Agreement*)
 - \$133.2 million over four years (EM, 2009)
 - Health Workforce Australia (*established prior to Health Reform Agreement*)
 - \$125 million over four years (EM, 2009)
 - Aged Care Financing Authority
 - \$26.4 million over 5 years (Proposed BP2, 2012; 182)
 - Aged Care Reform Implementation Council
 - \$15.2 million over 5 years (Proposed BP2, 2012; 182)
 - Mental Health Commission
 - \$32 million over five years
 - Established as an Executive Agency within Prime Minister's Department

Coalition's position

The Coalition believes funding should be prioritised to frontline patient services.

The Coalition does not oppose the functions of all new bureaucracies, but will rationalise the number of entities to reduce duplication, waste and overregulation and to redirect resources to patient care.

PHARMACEUTICAL BENEFITS SCHEME

Labor signed a Memorandum of Understanding with Medicines Australia in May 2010 to provide “*policy certainty*” to the sector in return for additional savings of \$1.9 billion over five years.

Within months, Labor made an unprecedented change to the convention on how governments list medicines on the PBS, in direct contradiction to the spirit of the MoU.

In February 2011, the Gillard Government refused to list a number of medicines on the PBS that had been recommended by the independent Pharmaceutical Benefits Advisory Committee (PBAC), blaming its “fiscal circumstances”.

This move denied patients timely access to new medicines that had been independently assessed by the PBAC as safe, efficacious and cost-effective.

After substantial political pressure and a Senate Inquiry initiated by the Coalition, the Government agreed to list the deferred medicines in September 2011 and entered into another agreement with key stakeholders.

The *Pharmaceutical Benefits Scheme Deferrals Statement of Principles of Commitment between Stakeholders* of September 2011, stated that parties will decide on how to manage “*deferrals into the future*” and Labor only guaranteed that listings wouldn’t be deferred for “*drugs that cost under \$10 million a year for the coming year*”.

This matter still hasn’t been resolved and there remains a great deal of policy uncertainty about the listing process.

Labor’s actions have trashed a transparent evidence-based system for listing new medicines which received bi-partisan support over many years and was widely respected.

Labor cannot be trusted with the PBS. Labor broke its promise on the MoU within months and the promises to again work with stakeholders ring hollow.

Coalition's position

The Coalition will restore policy stability and confidence in the PBS listing process by adhering to the conventions of previous governments and listing medicines based on the advice of the PBAC.

PRIVATE HEALTH INSURANCE

Labor’s \$2.8 billion cut to private health insurance is another betrayal of the Australian people.

Julia Gillard and other Labor members over many years repeatedly ruled out any changes to the private health insurance rebates.

Nicola Roxon, *The Age*, 24 February 2009

“The Government is firmly committed to retaining the existing private health insurance rebates”.

Kevin Rudd, Press Conference, 25 February 2008

“The Private Health Insurance Rebate policy remains unchanged and will remain unchanged.”

Nicola Roxon, Media Release, 26 September 2007

“On many occasions for many months, Federal Labor has made it crystal clear that we are committed to retaining all of the existing Private Health Insurance rebates, including the 30 per cent general rebate and the 35 and 40 per cent rebates for older Australians.”

Julia Gillard, Letter to the Editor, Courier Mail, 23 September 2004

“Your correspondent Russell McGregor (Letters, Sept 15) should have no concern that Labor will "erode" or abolish the 30 per cent government rebate for private health insurance. Labor is committed to the maintenance of this rebate and I have given an iron-clad guarantee of that on a number of occasions.- Julia Gillard, Opposition health spokeswoman, Canberra.”

Julia Gillard, Shadow Minister for Health, Letter to the Editor, Hobart Mercury, 2 September 2004

“I grow tired of saying this - Labor is committed to the 30 per cent private health insurance rebate.”

These cuts will further add to Labor’s cost of living burden on working Australians.

After years of waste and mismanagement, Labor is hiking prices for working Australians to pay for their own fiscal incompetence.

Labor’s premium hikes will force people to drop private health insurance. Many others will downgrade their level of cover with more medical procedures excluded.

A deterioration of the risk pool will cause upward pressure on premiums for all 12 million Australian with private health insurance.

More people will be forced into overstretched public hospitals.

Australia relies on viable and strong public and private systems. Labor’s class warfare risks this fine balance and is bad policy.

Labor is wrong to imply that private health insurance is for the rich. 5.6 million people with private health insurance have an annual household income of less than \$50,000 and 3.4 million have an annual household income of less than \$35,000.

According to independent analysis, the cost of the rebate has only increased by 0.2 percent as a proportion of Government health expenditure over the last 10 years (Booz & Co, 2012).

Coalition’s position

The Coalition strongly and consistently opposed Labor’s cuts to private health insurance in the Parliament.

The Coalition believes all Australians should have access to affordable healthcare and real choice in managing their healthcare needs.

The previous Coalition Government's introduction of the rebates, the Medicare Levy Surcharge and Lifetime Health Cover, saw the number of people with private health insurance increase 75 percent from 6.1 million to over 10.7 million.

The Coalition will restore funding to improve the affordability of private health insurance as soon as possible.

DENTAL

Labor has promised much, but delivered little on dental health.

Worse, Labor has undermined the only existing Medicare dental scheme, because it was introduced by Tony Abbott as Health Minister.

Medicare Chronic Disease Dental Scheme

The Medicare Chronic Disease Dental Scheme, introduced by the Coalition in Government, has been an enormous success.

It provides \$4,250 in Medicare dental benefits over two years for eligible patients with a chronic health condition.

Over 17 million services have been provided to approximately 1 million patients since 2007.

Labor has repeatedly tried to close the scheme for political rather than policy reasons.

The Senate has rejected Labor's attempts to close the Scheme.

Having failed to close the Scheme, Labor has gone to great lengths to undermine it.

Dental Audits

Labor established an audit taskforce, in June 2010, after its attempts to close the Scheme were rejected by the Senate.

The Coalition supports a transparent and appropriate audit process to detect cases of fraud, misuse of taxpayers' funds or the provision of inappropriate services. However, under Labor's audit process, dentists have been found to be non-compliant and action has been pursued against them for minor, technical mistakes with paperwork.

In most cases, the dentists being caught by the audit process have provided appropriate services to patients in need, but merely did not comply fully with a technical requirement to provide general practitioners with treatment plans, and patients with treatment plans and quotations for services, prior to commencing treatment.

This is not fraud.

It is important to remember that this was the first interaction most dentists had with Medicare.

In many cases, dentists attempted to rectify the situation as soon as they became aware of the requirement. Some dentists, once aware, immediately sent treatment plans to GPs before an audit had even commenced.

Investigating compliance officers have in some cases recommended an educational letter be sent to the dentist and no further action taken. Even when that option has been recommended by the compliance officers, dentists still received letters of demand for repayment of Medicare benefits.

Dentists have had their reputations ruined, some are facing bankruptcy and professional trust in Government funded dental Schemes is being destroyed as a result of this process.

The Shadow Health Minister, Peter Dutton, and Senator Bushby introduced a Private Member's Bill to redress the inequity of the Government's application of s10(2) *Health Insurance (Dental Services) Determination 2007*.

On the 29 May 2012, just two days before the Coalition's Private Member's Bill was expected to pass the House without Government support, Senator Kim Carr tabled a statement in Community Affairs Estimates hearings that the Government would issue a retrospective Determination to remedy the issues.

This followed years of inaction by Labor on the inequity, and repeated claims by Labor Ministers that dentists who didn't comply completely with the most minor, technical requirements, must repay all benefits in full.

Labor has taken years to respond to the legitimate concerns of dentists on the application of the regulation and Ministers have been inconsistent in their responses:

Chris Bowen, [Media Release](#), 10 June 2010

"Until we can abolish this scheme, it is important that we work to make sure that money claimed incorrectly is paid back to the taxpayer."

Tanya Plibersek, [Herald Sun](#), 20 March 2011

"There's a massive blowout. There's just an incentive for dentists to go out and look for people to drag in your practice," Ms Plibersek said.

Tanya Plibersek, Sydney Morning Herald, 30 September 2011

"there is no scope for the Department of Human Services to not follow through on recovery action".

Tanya Plibersek, MTR, 12 October 2011,

"Where Medicare is expecting repayment it's where there has been non-compliance with – I don't want to get into the technicalities but these two things that we are asking of them, that they give the GP a copy of the treatment plan, they give that treatment plan to the patient, and they tell them about the costs upfront".

"These are really important features of the scheme. They are not optional extras."

Department of Human Services, Evidence to Senate Inquiry, 1 May 2012

"The Minister has asked us to advise the Committee that, notwithstanding the Government's intention to close the Scheme completely, he accepts that some but not all of the concerns that have been raised do require further consideration and that is a matter that is now underway within normal departmental processes."

Jill Hall, Second Reading debate, 21 May 2012

"Yet we have members in this House standing here arguing that dentists should not be held accountable if they do not fill in their paperwork correctly."

Kim Carr, Statement to the Community Affairs Committee, 29 May 2012

“This Determination established different requirements, with less flexibility in implementation, than equivalent schemes elsewhere in Medicare. Even when the Department tried in good faith to inject flexibility into the operation of this scheme, those efforts have fallen foul of the best legal advice.

“It is our view that we need a retrospective change to the Dental Services Determination within the near future that creates greater flexibility about the compliance arrangements, while still protecting important principles of public policy.

“This retrospective change to the Determination would bring the compliance arrangements more closely into line with other parts of Medicare, and would allow for a more educative approach to be used by the Department.

Professional Services Review , Community Affairs Senate Estimates, 30 May 2012

“As I understand the current stories in the media around dentistry and I am simply going on what I read in the media, I understand they are more to do with strict auditing processes, auditing of paperwork et cetera and that is not the sort of matter that comes to PSR. We have had no formal notification from Medicare, although there have been some suggestions in the future there may be cases later this year, but we have had no formal indication from Medicare that they are referring a dentist to us for inappropriate practice which goes beyond those, as I understand the sorts of issues that have been in the media lately. As I have said, they are more to do with auditing. Inappropriate practice, in terms of the actual professional decisions being made by a dentist, which would be the type of matter that would be referred to PSR, we have not had any referrals and no formal notification.”

Number of patients who have accessed the Scheme:	966,000
Average cost of treatment:	\$1,700
Number of service provided:	17 million
Number of dental practitioners who provided services:	12,000
Audits underway:	535
Number of audits completed:	95
Number of dentists non-compliant (of those completed):	66
Amount identified for recovery:	\$21, 618,000
Repayment received	\$259,427

(This information is current based on combination of information provided at Senate Inquiry hearings on 1 May and Senate Estimates 29 May)

In addition to undermining the existing successful Medicare dental program, Labor has failed to deliver on their own promises on dental health.

Commonwealth Dental Health Program

In 2008, Labor proposed the Commonwealth Dental Health Program. The program promised 1 million services by providing funding to the State and Territories. The Commonwealth did not assess the capacity of the public dental workforce to provide the services and the number of services provided would have been significantly less than that promised. Irrespective, it would not have come close to matching the 17 million services that have been provided under the Medicare Scheme.

Labor never delivered its much promised Commonwealth Dental Health Program and it was finally scrapped in the 2012 Budget.

Teen Dental Plan

The Teen Dental Plan was introduced in 2008 and provides a \$163.05 voucher (indexed) to eligible teenagers (households receiving such benefits as Abstudy, Carer Payment, Disability Support Pension, Parenting Payment, Special Benefit, or Youth Allowance).

The voucher only provides for a 'preventative' check.

The Australian Dental Association argued that the scheme provides no follow up care for those with dental issues and is too narrow in focus (12 to 17 year olds).

The program has a low uptake with only 429,000 services forecast for 2011 out of an eligible 1.3 million teenagers.

More Dental Promises – Budget 2012

Despite the Government's rhetoric about making dental health a priority, there was only about \$60 million in net new funding announced in this Budget.

More promises have again been made, but again nothing substantial has been delivered.

Any Government funded dental scheme is going to require the participation and cooperation of the dental professions. Labor has eroded the trust of the dental professions through its inexcusable actions on audits.

Coalition's position

The Coalition is the only side of politics that has delivered a Medicare dental scheme that provides for treatment.

The Coalition is committed to strengthening and refining the Medicare Chronic Disease Dental Scheme to ensure it remains viable and targeted to patients in clinical need.

GP SUPER CLINICS

Labor's \$650 million GP Super Clinic program has been a missed opportunity beset by waste and mismanagement.

Super Clinics have been targeted at marginal seats, rather than areas of need.

In many cases, they have opened in close proximity to existing services. This has undermined existing family GP practices and jeopardised capital investment in existing primary care infrastructure.

As of June 2012, nearly five years since Super Clinics were originally promised, less than half have been delivered (26 out of 64).

Coalition's position

The Coalition has consistently argued that funding should have been targeted to enhancing existing services, such as expanding after-hours care, better comprehensive care, teaching and training.

Rather than targeting marginal seats, the funding should have been directed to areas where there is market failure in primary care.

E-HEALTH

Labor's Personally Controlled Electronic Health Record (PCEHR) is due to commence registrations on 1 July 2012.

The PCEHR is intended to contain patient information including past and current medical conditions, medications, allergies, discharge summaries, pathology and radiology results, as well as any information the consumer would like to add themselves.

This system is opt-in, which means that a person will need to actively apply for a PCEHR. They can then de-activate and reactivate their electronic health record at any point in time.

The 2012 Budget announced a further \$233.7 million for the PCEHR.

This takes the total Labor Government Commitment for the PCEHR to over \$800 million since December 2009 alone.

In November 2008, COAG agreed to the continued funding of \$218 million for the National E-Health Transition Authority (NEHTA) (50:50 cost shared between the Commonwealth and the States) for the period July 2009 - June 2012.

NEHTA's funding agreement expires 30 June 2012, the day before the PCEHR "goes live" on 1 July 2012.

The Standing Council on Health has agreed to fund NEHTA after 30 June 2012, but no details have been released as to the level of funding agreed to

The National E-Health Strategy produced by Deloitte claimed *"The amount of dollars invested in E-Health by Australian, State and Territory Governments alone over the past ten years is estimated to be in excess of \$5 billion."*

The Coalition initiated a Senate Inquiry into the Government's legislation. The Government has adopted many of the recommendations in the form of amendments to its own legislation.

Coalition's position

The Coalition has not opposed the principle of the legislation to establish a shared electronic health record.

The Coalition is concerned about the Government's self-imposed timeframes and the lack of progress in resolving outstanding technical, legal and funding issues.

There is legitimate concern that Labor's implementation of the significant reform will be beset by delays and further cost blow outs.

The Coalition has made clear that Labor won't be given a blank cheque to save another botched implementation.

The Coalition supports an appropriate e-health agenda to drive efficiency and deliver better care for patients.

The Coalition made measurable gains in Government, such as increasing the level of computerisation in general practice from 17 percent in 1997 to 94 percent in 2007 through appropriate incentive payments.

The Coalition will continue to carefully scrutinise Labor's implementation of a Personally Controlled Electronic Health Record.

An incremental approach and more productive leveraging of the non-government sector, could have delivered more over the last five years in terms of pertinent patient data, including pathology results, e-prescriptions and discharge summaries.

RURAL HEALTH and WORKFORCE

Labor's changes to the remoteness classification system have affected the capacity of existing programs to support health professionals in rural and remote practice.

There was a lack of consultation during the implementation of the revised remoteness classification system.

Many stakeholders, including the Rural Doctors Association of Australia (RDAA), have been critical of Labor's implementation of the changes. Under the Australian Standard Geographical Classification – Remoteness Area (ASGC-RA), some larger regional centres, including Townsville and Cairns attract the same incentive and support payments as small rural communities.

The RDAA argue that the classification of large provincial cities as outer regional, and cities such as Hobart as inner regional, reduces the comparative incentive for doctors to work in small centres and remote rural towns with more basic facilities and requiring more isolated professional practice.

Coalition's position

The Coalition has launched a Senate Inquiry to examine the changes under the Australian Standard Geographical Classification – Remoteness Area, as well as canvassing other areas of concern for health and medical services in rural and remote areas.

Further changes to address anomalies should not be put in the too hard basket by the Government, but need to be considered in a transparent and consultative way.

The Coalition remains committed to building on progress it achieved in Government in building a viable rural health workforce. The previous Coalition Government:

- established nine new medical schools.
- Increased commencing medical school places for domestic students from 1361 in 2000 to 2560 by 2007.
- established Rural Clinical Schools in 2000. Initially 10 Schools were established and that was expanded to 14 by 2007, with 17 now. The funding for the Schools has provided for tertiary infrastructure in rural Australia and has fostered professional networks for clinicians practicing in those areas.

23. Higher Education

The former Coalition government increased higher education funding by 13 per cent in real terms.

Between 1995 and 2005, the number of students in Australian universities increased by 58 per cent.

We provided greater flexibility for universities to determine course offerings and attract external income.

Under the previous Coalition government the HELP repayment threshold was increased and compulsory student union fees were abolished.

The Coalition established the Higher Education Endowment Fund (HEEF) to provide a guaranteed income stream for university capital works and research facilities.

Labor Failures

Labor has embarked on one of the largest reforms of the university sector in Australia's history (the Bradley reforms) without any planning or forecasting regarding the costs and benefits of the reforms – they are moving ahead blindly, removing limitations on number of students without providing universities with additional funds to cater for increased infrastructure and teaching needs.

Labor re-named the HEEF the Education Investment Fund, broke their promise to put an extra \$5 billion into it, and instead raided the \$6 billion of capital the former government put into the Fund, including to pay for other Labor programmes such as clean energy initiatives.

Despite its pre-election promise not to abolish voluntary student unionism, Labor has reintroduced compulsory student amenities fees.

The Coalition Alternative

We will:

- Restore the integrity of the Education Investment Fund;
- Fight against compulsory student services fees; and
- Ensure student support funding is simpler, fairer and more flexible.

The Greens

- Support the abolition of university fees, and the cancellation of all HECS debts, throwing university finances and the federal budget into chaos;
- Support compulsory student union fees and compulsory student unionism

24. Housing

Labor Failures

Labor has been all talk and no action on housing affordability.

Australia is repeatedly shown to be one of the least affordable places to buy housing in the world. The core of the problem is that Australia has not built sufficient houses and apartments to meet demand.

The overwhelming opinion of the housing industry and academics is that Australia has a significant shortage of housing of around 228,000 dwellings, expected to be 369,000 by 2016. To prevent the national shortfall from increasing over the next five years, supply growth would need to match its highest rate (relative to trend over a four quarter period) in the last thirty years, and this would need to be sustained over the entire five year period.

The National Housing Supply Council rather states that there seems little prospect of new housing production increasing significantly in the short-term. In fact, a slowdown to below the medium projection scenario appears more likely, at least over 2011-12 and 2012-13. The National Housing Supply Council has said that "housing production needs to lift well above trend to reduce the likelihood that housing shortages and poor affordability impact adversely on economic growth and standards of living".

Measures which increase demand for housing are no longer helping. Measures such as first home buyer grants simply serve to increase the amount of money that a prospective home buyer can spend. They are immediately capitalised in the price of homes – that is, they increase the price of homes and are thereby ineffective in improving the buyer's purchasing power.

The solution lies in measures which will increase the number of homes being built. This in turn involves addressing factors that are inhibiting the supply side. Despite widespread industry and academic warnings, including from its own National Housing Supply Council, Labor has not addressed these fundamental structural supply issues, instead tinkering at the edges and enacting popular but short-sighted policies.

The Coalition Alternative

The Coalition will address the problems that reduce housing affordability by removing impediments to housing supply and facilitating new housing construction. Correcting imbalances in the housing market and facilitating affordable housing construction reduces cost of living pressures on Australian homebuyers and renters, reduces public housing waiting lists and ensures fewer Australians become homeless. We would provide incentive payments to states to reduce regulatory burden and developer levies, and to increase land release.

The Coalition will also restore the Australian Building and Construction Commission.

25. Immigration

Australia's immigration programme is designed to serve our national economic interest.

Due to increasing skills shortages under the Labor Government, employers across most industries in Australia are finding it difficult to recruit and retain skilled and semi skilled Australian workers.

To address the increasing skills shortages, Government needs to have an appropriate human capital strategy for Australia.

Australia has been a highly successful and prosperous nation in part due to its skilled and productive workforce. It is critical going forward that appropriate policies be implemented if Australia is to have a workforce that is capable of ensuring the nation's strong growth and continued economic success.

The rapidly increasing labour shortage is a key productivity issue for Australia. The continuing demand for labour and skills and the challenges that they present cannot be underestimated by Government.

The massive ramping up of investment in the mining and resources sector has made it difficult for companies to attract and train the necessary workers – especially in remote areas – without costly delays in construction and production.

The National Resources Sector Employment Taskforce predicts there could be a shortage of skilled tradespeople in the resources sector of approximately 36,000 by 2015.

Labor Failures

Labor does not have appropriate policies to address the current and future labour shortages in Australia. Under Labor's failed workforce policies the Australian labour market is unlikely to be the stable and reliable source of labour that is required if we are to meet short and long terms demands of business and industry.

The introduction of the 457 temporary skilled visa programme by the Howard Government ensured greater responsiveness and flexibility in responding to fluctuating labour demands.

Labor has strangled the 457 visa programme in red tape and has effectively locked many regional areas out of the programme. As a result, business has been frustrated and inconvenienced in its attempts to use the 457 visa programme.

The Coalition Alternative

The Howard Government's record of strong economic management had a sound emphasis on tailoring Australia's migration intake to serve the national interest.

The Howard Government oversaw an increase in the proportion of skilled migration in our permanent migration programme from around 30 per cent when it took office in 1996 to almost 70 per cent when it left office in 2007.

A Coalition Government will implement policies that can assist in immediately addressing the labour shortages that business and industry are experiencing in particular and will improve arrangements around the present 457 visa programme.

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26. Indigenous Australians

The former Coalition Government implemented emergency measures in the Northern Territory in response to the *Little Children are Sacred* report. The measures were designed to protect Aboriginal children from neglect and abuse and to improve the living conditions of people in remote Aboriginal communities.

The measures included but were not limited to:

- Re-establishing or introducing law and order by deploying an additional 60 police officers and the construction of 18 additional police stations;
- Funding for an additional 200 teachers as well as funding for associated teacher housing, new classrooms, programs for accelerated literacy and numeracy and school nutrition;
- Providing health checks and follow-up medical and dental services for all children;
- Placing restrictions on access to alcohol, pornography and gambling;
- Investing in housing to address the poor standard and chronic overcrowding state of remote housing; and
- Introducing compulsory income management to ensure that welfare money was being spent on the necessities of life.

Despite all the investment in health, social, education and community services, opposition to the Federal Government's action was largely based upon the setting aside of the *Racial Discrimination Act* insofar as it would prevent compulsory welfare quarantining. The Coalition maintains that the position was necessary to end the rivers of grog and to address alcohol abuse.

The Coalition supports the intent of the current Labor Government's Stronger Futures in the Northern Territory measures and the retention of income management through the trial of expanding income management for all of the Northern Territory.

The Coalition believes that education, health and employment are critical in ending the disadvantage and disconnect experienced by Aboriginal people. The Coalition and indeed indigenous Australians do not question the urgent need to end the excessive access consumption of alcohol that results in alcohol abuse and alcohol-fuelled violence.

Tackling alcohol abuse and other issues are key components of the Stronger Futures and related bills and this is why the Coalition supports these bills for the Northern Territory and the implementation of similar measures in other jurisdictions where indigenous Australians are also experiencing debilitating levels of disadvantage and disconnect.

In Government, the Coalition also:

- increased spending on indigenous specific programs and services, in addition to the emergency intervention measures, by about \$4 billion – up 67 per cent on the \$1.7 billion spent in 1995/96;
- abolished the inefficient and wasteful Aboriginal and Torres Strait Islander Commission (ATSIC); and
- introduced Shared Responsibility Agreements (SRA's) between the Australian government and indigenous individuals or communities that set out everyone's responsibilities or obligations with the programme funding to deliver lasting legacies.

Constitutional recognition

The Coalition has a proud history of seeking to secure indigenous recognition in the Constitution.

Since 2007 it has been Coalition policy to hold a referendum on the addition to the Constitution of a preamble recognising indigenous Australians. We also support the repeal of obsolete racially discriminatory provisions.

Importantly, the key objective of any referendum is to achieve a unifying moment for the nation similar to that achieved by the 1967 constitutional referendum.

It is in that spirit that the Coalition is carefully studying the Expert Panel's report and actively discussing constitutional recognition options with all Australians .

Labor Failures

Labor promised to retain the Northern Territory Emergency Intervention in full but hasn't been able to deliver.

Labor's failure to properly monitor and evaluate its indigenous affairs programmes has led to chronic waste. This means that opportunities to improve the lives of indigenous Australians are being squandered.

Reports like the *Strategic Review of Indigenous Expenditure* and the Productivity Commission's *Overcoming Indigenous Disadvantage* reveal that despite record levels of spending on indigenous affairs, there is little evidence that the gap is closing.

Sadly, Labor has failed to develop and promote interim targets for health-related Closing the Gap goals. This means that it is not possible to make an informed prediction as to whether "closing the gap in life expectancy within a generation" or "halving the gap in mortality rates for indigenous children under five within a decade" will be achieved. Of course, this means that there is no way of measuring the effectiveness of the record levels of spending in this area – until it will be too late.

In 2008, Labor also pledged to halve the gap in employment outcomes between indigenous and non-indigenous Australians within a decade. In June 2011, the Australian Bureau of Statistics' Labour Force survey showed that the unemployment rate for indigenous Australians rose to 18.1 per cent in 2010 from 13.8 per cent in 2007.

Labor policy has resulted in Aboriginal and Torres Strait Islander people being trapped in a never ending cycle of interviews and training programs with no job in sight. This is simply not good enough. The Coalition believes that every Australian, particularly children, should be supported to achieve their full potential and be able to contribute to their community and our society.

Labor's symbolism over substance approach has failed indigenous Australians. It has relied too much on gestures rather than delivering real action and real improvements in education, health, housing or economic opportunities for indigenous Australians.

In contrast, the Coalition will, as we did in government, deliver practical policies to improve opportunities for indigenous Australians.

The Coalition Alternative

The Coalition will give tackling indigenous disadvantage the priority it needs and deserves. It is time to throw aside Labor's snail-paced and wasteful bureaucracy. Indigenous Australians are sick of Labor talk but no action. The Coalition will work with indigenous communities to bring in a new suite of

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purposeful and innovative strategies that will streamline programs and a redirection of funding toward real action with a determination to see that indigenous Australians get the services they need to live the life they aspire to.

With a dedicated minister and an Indigenous Policy Co-ordinator located within the Department of Prime Minister and Cabinet indigenous Australians will be confident that a Coalition government will work in partnership at the highest levels to address indigenous disadvantage.

An incoming Coalition Government would also renew reconciliation by adopting more imaginative ways to include Aboriginal people in the mainstream economy.

The Coalition in government work with families to ensure all children attend school every day and will receive a quality and equitable education regardless of where they attend school. The cycle of poverty and disadvantage ends with a good education.

We will work with Andrew Forrest's Australian Employment Covenant and GenerationOne, to ensure jobs are created or made available with all training courses undertaken leading directly to a real job. An immediate action will be to fund four trial sites for two years to train 1,000 unemployed Aboriginal people for guaranteed jobs.

The Greens

The Greens have called for a treaty with Aboriginal and Torres Strait Islanders that recognises prior occupation and have sovereignty enshrined into the constitution.

The Greens will pursue the conclusion of a multilateral convention based on the United Nations Declaration on the Rights of Indigenous Peoples and enact its provisions into Australian Law.

The Greens believe in the full restoration of the *Racial Discrimination Act* in the NT and ending the federal intervention into indigenous communities regardless of any consequences.

The Greens will repeal amendments to the NT's land Rights Act as they believe the amendments disadvantage Aboriginal and Torres Strait Islander people.

The Greens state that they support Aboriginal and Torres Strait Islanders rights in determining what developments or industries can take place on their land, however in reality, this support only extends insofar as it is consistent with The Greens position.

27. Infrastructure & Transport

It is estimated that over the next decade Australia will need an additional \$770 billion in infrastructure, especially for roads, ports and water/power infrastructure.

Labor Failures

Labor is 'all talk, no shovel' on transport infrastructure.

Despite their claims about record funding, many of Labor's promises have not been delivered.

The Building Australia Fund was originally meant to get \$20 billion from budget surpluses, but due to additional spending demands for pink batts and school halls, it did not receive its full amount. The fund now has barely more than half of the \$20 billion the government said it would have.

Many of Labor's transport promises are unfulfilled:

- In 2007 the Labor Party promised to 'get moving now' to build the \$2.5 billion northern missing link from the Gateway Motorway at Nudgee, Brisbane, to the Bruce Highway. After three years, the planning is still not finished and in the 2011-12 budget \$270 million of this funding was withdrawn;
- Gillard promised to duplicate the Pacific Highway by 2016, but this can't be done without a massive hit on the budget. The Secretary of the Infrastructure and Transport Department Mike Mrdak confirmed at Senate Estimates in June 2011: *'We would need an additional \$6 to \$7 billion dollars to complete the duplication after the existing \$750 million is committed and matched'*;
- Labor has promised four times since 2007 to deliver on the first stage of the Bruce Highway upgrade, yet this project has still not been delivered;
- The South Sydney Freight Line is now late and over budget. Labor's promise to have the project finished early in 2010, but the project is still not completed;
- No construction has started on the rail link between North Strathfield to Gosford resulting in congested and inefficient rail freight movements and more trucks on Sydney's roads;
- Labor promised \$150 million in 2007 to start planning to connect the F3 to the Sydney Orbital. This funding was delayed in the 2011-12 budget;
- Labor committed \$300 million for planning and approvals to start the extension of the M4 Motorway east of Strathfield to central Sydney. After three years, the planning is not complete and \$270 million in funding was withdrawn; and
- Labor sidelined Infrastructure Australia, the body which it created to prioritise infrastructure projects, failing to consult it about decisions.

Labor's pledge that there would be no major projects funded without a published cost-benefit analysis

The 2008-09 budget states that Labor will commit to:

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“Decision making based on rigorous cost-benefit analysis to ensure the highest economic and social benefits to the nation over the long term.”

...and that efficient public infrastructure investment requires a “commitment to transparency at all stages of the decision making process.”

Albanese said in October 2008:

“We have a process and the Prime Minister made it clear yesterday, that the process wouldn’t be compromised. We want Infrastructure Australia to make sure they undertake a proper cost-benefit analysis of projects and that there’s rigor there to ensure value for taxpayers’ dollars.”

But only one year later the Government did not release the cost-benefit analysis of the 15 projects (amounting to \$80 billion of investment) selected for partial Government funding in the 2009-10 Budget. Six of these projects were not on Infrastructure Australia’s priority list. Mr Albanese claims that the cost-benefit analysis cannot be released due to their commercial-in-confidence nature.

This is a fig-leaf of a reason. Many studies have been released in the past. In March 2008, Rod Eddington, the current Chairman of Infrastructure Australia, released over 1,700 pages of reports on the costs and benefits of the East West Link Needs Assessment in Victoria. At the Commonwealth level, the Australian Rail Track Corporation has released detailed cost-benefit analysis of the Melbourne-Brisbane inland railway proposal.

The Labor Government has failed to release (or in some cases conduct) rigorous cost-benefit analysis on all its infrastructure decisions:

- The Australian National Audit Office found that:
 - Of the infrastructure projects recommended by Infrastructure Australia in its May 2009 report to COAG, 28 of the ‘pipeline’ projects failed to pass a cost-benefit analysis and were not shown by the government to be economically viable.
 - Labor’s Infrastructure Australia lacks transparency in its methodology and has not clearly articulated how it assesses infrastructure projects.
- The Government's decision to build a \$43 billion broadband network was made with no cost-benefit analysis at all. Instead, a \$4.7 billion equity injection from the Building Australia Fund was approved with 5 paragraphs of analysis, none of which mentioned the specifics of the modified NBN proposal.
- The Epping to Parramatta rail link was never assessed by Infrastructure Australia.

The Business Council of Australia estimates that only 14 per cent of the government’s stimulus spending went to economic infrastructure (i.e. productivity enhancing infrastructure).

The Government's failure to conduct or release cost-benefit analysis is counter to the advice of its senior economic advisers:

“Government spending that does not pass an appropriately defined cost-benefit test necessarily detracts from Australia’s wellbeing. That is, when taxpayer funds are not put to

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their best use, Australia's wellbeing is not as high as it otherwise could be." Ken Henry, Secretary of the Treasury.

"An effective cost-benefit analysis can be conducted (and made public) in advance of seeking tenders. ... Taxpayers deserve to know on what basis their money is being spent and external scrutiny provides a useful discipline on the decision-makers' calculations." Gary Banks, Chairman of the Productivity Commission.

The Coalition Alternative

The Coalition supports Infrastructure Australia (IA) and in government will strengthen its role, creating a more transparent, accountable and effective adviser on infrastructure projects.

Infrastructure Australia

We'll keep it, we'll fund it and we'll listen to it because important infrastructure decisions should be made on the basis of rational planning and not short-term political pork barrelling.

The Coalition will reform and improve the delivery of infrastructure in Australia through the following measures:

1. The Coalition will ensure that Infrastructure Australia has guaranteed ongoing funding. Funding for Infrastructure Australia expires at the end of this financial year. The Coalition's commitment means that IA will be provided with the resources necessary for it to do its job properly.
2. The Coalition will retain Sir Rod Eddington as the chairman of Infrastructure Australia.
3. The Coalition will require that all Commonwealth-funded infrastructure projects worth more than \$100 million undergo a cost-benefit analysis by Infrastructure Australia.
4. Infrastructure Australia will be required to publish justifications for its project recommendations, including the net present value of each recommended project.
5. We will task Infrastructure Australia with developing a rolling 15 year infrastructure plan for Australia, with this plan being revised every 5 years. This will provide certainty for industry as to what infrastructure projects will be pursued by government and in what order. IA will be required to clearly specify infrastructure priorities at the national and state levels, based on a rigorous and transparent assessment of competing infrastructure projects proposed by the states.
6. We remain committed to our *Real Action on Infrastructure* election policy which included a commitment to task the Office of Financial Management with examining an Infrastructure Partnership Bonds Scheme in conjunction with advice from the market.

Transport

National road projects:

- Upgrade the Midland Highway in Tasmania to a dual carriageway, with construction starting in 2014 and completed within a decade.

- Construct the Toowoomba second range crossing by 2017;
- Complete the duplication of the Pacific Highway;
- Complete the duplication of the Bruce Highway from Cooroy to Curra;
- Duplicate the Princes Highway between Colac and Sale through Melbourne, ultimately providing a divided road all the way from regional Victoria to north of Gympie via Sydney and Brisbane, with construction starting in 2014;
- Continue upgrading the highway east of Adelaide with the eventual goal of completing a four lane road from Adelaide to Melbourne; and
- Support key road improvements in Western Australia such as building the Manning Road on ramp and fund larger projects, including supporting the Accelerated Upgrade Package on the Great Northern and Victoria Highways, the grade separation of the Great Eastern and Roe Highway Interchange in northeast Perth, the widening of the Great Eastern Highway from Kooyong Road to the Tonkin Highway and upgrading of the roads around Perth Airport.

National rail projects:

- We will build the 1,700km inland railway from Melbourne to Brisbane with a target end date of 2022, around the time at which Ernst & Young estimates the existing coastal rail route will reach capacity. Federal funding towards the construction Programme will commence in 2014-15. The project, with an estimated cost of \$4.7 billion, will be undertaken in partnership with the private sector. This 'Steel Mississippi' will reduce the time to move freight between Melbourne and Brisbane from 30 hours to less than 22 hours and reduce the growth of heavy vehicle traffic on our highways; and
- The Coalition will continue the upgrade of the Melbourne to Sydney and Sydney to Brisbane coastal rail link.

The Greens

The Greens support:

- Incentives to favour public transport over private car use.
- Environmental costs being incorporated into the cost of air travel (i.e. higher air fares).
- Increasing the tariff on imported 4WD vehicles to 10 per cent and abolishing FBT tax breaks for company and leased cars.
- Public ownership of the rail network connecting capital cities, industrial cities and ports (that means they must be built and maintained at public expense).

28. Local Government

Labor Failures

The Labor Government has failed to invest in and support local government – the level of government closest to the people and best placed to make decisions on their behalf.

Federal Government funding to local government under Labor has fallen as a percentage of Australia's GDP to a low of 0.17 per cent. In contrast, funding to local government during the Howard Government remained constant at around 0.2 per cent of GDP, thanks to the Coalition's *Roads to Recovery* programme.

This reduction in funding amounts to a deficit of over \$300 million, or approximately the total size of the *Roads to Recovery* programme.

When Julia Gillard was selected by the independents to form government she promised to 'deliver' for regional Australia.

In that agreement, \$1.4 billion was promised for local economic and community infrastructure, much of it to be delivered by local government. The reality has been much different than the promise:

- \$350 million was cut to pay for flood recovery projects in Queensland.
- \$50 million was transferred to pay for projects in the seat of Lyne.
- \$573 million is contingent on the passing of the mining tax, a tax will take \$40 billion out of regional Australia over the next decade.

Overall, the Labor government is only guaranteeing \$150 million of this funding before the next election - 10 per cent of their original promise.

Both Labor's Regional and Local Community Infrastructure programme and the Regional Development Australia Fund are time-limited programmes which provide local government with less enduring financial security. Indeed, the Regional Development Australia fund is over \$100 million less on an annual basis than the Regional and Local Community Infrastructure programme that it replaces.

The funding that Labor has provided to local government has come with too much red tape attached:

- The Regional Development Australia Fund has imposed unnecessary burdens on local government. Under this programme, local governments are required to enter a 'beauty contest' and put substantial time into bidding and lobbying for funds; and
- The ultimate decision on a project rests in Canberra not in the local communities. At times, the cost to a local government of complying with grant application guidelines can approach the size of the grant itself. This takes further resources from already cash-strapped local governments.

The Coalition Alternative

The Coalition recognises the significant and increasingly important role that local government plays. Many government services could be delivered better and in more cost-effective ways if they more readily harnessed the knowledge that resides in local government.

The Coalition has a strong record of supporting local government through the direct funding of successful Programmes.

Under the Coalition Government, local community projects were supported through specific infrastructure initiatives such as the *Sustainable Regions Programme* and the *Regional Partnerships Programme* – the latter funding more than 800 community projects across Australia.

We established infrastructure programmes directly assisting the delivery of responsibilities partly or fully held by local councils, such as *Roads to Recovery* and the *Black Spot Road Safety Programme*.

Through AusLink, the Coalition will allocate \$300 million over four years, to be matched dollar for dollar by the States and local governments, to restore and rebuild local road bridges.

There are over 20,000 small road bridges, many in disrepair or decay. These bridges are often the only way local communities can gain access to the broader road network, getting people to work and school.

The funding will be allocated on a transparent, merit-based competitive assessment basis.

However, the recent High Court decision in *Pape v the Commissioner of Taxation 2009* underlined the limitations and uncertainties regarding the Commonwealth's relationship with local government. Under the Constitution, the Commonwealth cannot spend money on whatever activities or objectives it likes, and comments made by the judges in handing down their decision have created some uncertainty about the basis for direct funding of local government.

The Coalition supports appropriate constitutional recognition of local government in the Commonwealth Constitution, as announced by the then Leader of the Opposition, the Hon Malcolm Turnbull MP.

Comments made in passing by the High Court should not be allowed to interfere with existing local government Programmes that are appropriately funded by the Commonwealth.

It is important that a way of recognising local government in the constitution is formulated so that it can receive bipartisan support and maximise the chance of success.

The Coalition will only support a referendum that is limited to facilitating direct Commonwealth funding of local government

A referendum that sought to usurp the role of the States, or otherwise change the current order of governance of Australia, would be highly problematic and is not something that the Coalition would be likely to support.

29. Multiculturalism

In the Coalition's view, multiculturalism describes what has always been Australia's reality – that people from different ethnic and religious backgrounds have assimilated into our society in their own way and at their own pace.

Australia, a beacon of decency and a place of welcome to people from all around the world, is probably the best example of a successful immigrant society anywhere on earth.

The Coalition is firmly committed to a non-discriminatory immigration policy.

While the gravitational pull of the Australian way of life has integrated immigrants from all backgrounds, there is no expectation that immigrants will lose their affection for their country of birth or their attachment to their original language and culture. Australia's cultural diversity through immigration enriches us as a nation.

At the same time it is reasonable that Australians require of newcomers to our society that they respect our laws, democracy and mainstream national values, especially freedom of speech and religion, equality of the sexes and tolerance.

It is also reasonable of Australians to expect that immigrants make every effort to learn English.

It is important that multiculturalism not be diverted into state policies which encourage different cultures to live separate lives, apart from each other and apart from the mainstream, and tolerating behaviour which runs counter to our values.

30. Online Safety

The Coalition understands that parents, teachers and other carers need more support to protect children and young people from the potential risks they face in the online environment.

The Coalition believes that the internet offers enormous social and educational benefits. However, it also involves risks, and children are particularly vulnerable. These risks include children being exposed to illegal or inappropriate content; and increasingly the use of social media as a forum for online bullying and other activities harmful to children.

Australian parents, teachers and other carers know what they need to do to protect children from well-known risks. We teach them not to talk to strangers; we drum into them that they must look out for cars before they cross the road; and, as they get older, we take steps to educate them about the risks of alcohol and drugs.

But parents, teachers and other carers are worried – with good reason – about how to keep children safe online. Today’s children are constantly exposed to the “online environment” which extends well beyond accessing websites and email through the average family desktop computer. It includes a range of interactive activities like social networking sites, SMS messaging, Skype, apps and games.

It is also becoming far more accessible with children and young people connecting with each other through computers (in homes, schools and libraries), game consoles and mobile devices like smartphones and tablet computers.

This means that the task of protecting children and young people from potential online threats is becoming more difficult, especially with continuing innovation in technology and how it is used. The Coalition understands that this environment will continue to change, cyber-safety will never be a “set and forget” exercise.

Parents and educators need more support to help balance the educational and social benefits of information technology for children and young people with some of the dangers. For example, parents who want to give their children mobile phones to help them travel safely in their physical environment need to weigh up the risks of their child’s online safety and understand how these risks can be managed.

The Coalition has established a working group to consult with key technology, education and cyber-safety leaders, as well as other interested parties, to further develop its online safety policy in the areas of education, regulation and enforcement.

The Working Group has extensively consulted on previous Coalition policies, particularly the most recent online safety policy which included the following measures:

- the provision of PC-based filters to families;
- the expansion of ACMA’s cyber-safety programme;
- the empowerment of school principals to deal effectively with cyberbullying issues in schools through:
 - the establishment of a National Cyberbullying Taskforce which will develop a code for social networking sites and recommend a universal system for children to report cyberbullying and refer offensive material;
 - the development of national reporting requirements for all schools in relation to bullying in schools – both on and off campus; and

- the expansion of existing research into cyberbullying to better understand what it is and how to combat it; and
- the establishment of a new Ministerial Advisory Committee on Social Networking.

Labor Failures

Labor cancelled the Howard Government's free PC-based filter and has not provided families with any other alternative.

Before the 2007 election, Labor promised to introduce a mandatory Internet Service Provider (ISP) – level filter that would cover 'any content that has been identified as prohibited by the Australian Communications and Media Authority'.⁴¹ However, they have not been able to answer fundamental questions around control of the list or provide guarantees that content will not be arbitrarily blocked.

Furthermore, after four years Labor has not been able to produce any legislation to implement its plan, and has now announced a further delay, highlighting the practical problems with its plan.

The Labor Government repeatedly promised to introduce a mandatory ISP filter to block a broad range of content, before limiting this to Refused Classification (RC) content.

The legislation to introduce Labor's filter has never materialised and it took the Minister for Communications, Stephen Conroy, two years to conduct and produce the results of the trial into its planned filter.

Senator Conroy has further deferred the implementation of the filter for another year while he reviews the definition of RC content.

Labor's backing further away from this commitment by pulling \$9 million in funding from the Voluntary Internet Filter Grants Programme due to lack of interest by industry.

They have even started consolidating the number of public servants who were tasked with working on implementing the filter programme⁴²

The Coalition did not implement a mandatory ISP level filter in government because it could not be shown to be workable or effective, offered a false sense of security to parents and would impact on internet speeds. For these reasons other democratic nations have also not implemented a mandatory filter.

The Safer Internet Group, representing Google, iiNet, Yahoo, the Internet Industry Association (IIA), the Internet Society of Australia and the Australian Council of State School Organisations has confirmed that the Labor Government's proposed filter would have slowed down internet speeds, and would not work for high-volume sites and would be easy to bypass.⁴³

The Labor Government has also acknowledged that even a workable mandatory filter would be powerless to stop people circumventing the filter via proxy networks and Virtual Private Networks (VPNs). A mandatory ISP filter cannot deal with illegal and inappropriate activity on Facebook, chat rooms, peer-to-peer networks or through email.

41 Labor's Plan for Cybersafety' Australian Labor Party Policy (2007) 2 at <http://pandora.nla.gov.au/pan/22093/20071124-0102/www.alp.org.au/download/now/labor_plan_for_cyber_safety.pdf>.

⁴² <http://www.itnews.com.au/News/260745,feds-quietly-close-mandatory-internet-filtering-branch.aspx>

⁴³ Safer Internet Group '7 Technical Reasons Mandatory Filtering Won't Deliver Real Child Safety' <<http://www.saferinternetgroup.org/pdfs/7reasons.pdf>>

It is clear that the mandatory ISP filter will not be sufficient to protect families from dangerous online content and will only serve to give parents a false sense of security.

While Labor has fumbled around for four years trying to implement their unworkable plan, the only concrete decision Senator Conroy has taken was the cancellation of the Howard Government's practical programme to protect Australian families online.

31. Paid Parental Leave

Labor has failed to provide an adequate Paid Parental Leave scheme and has offered only 18 weeks of the minimum wage from January 2011.

The Coalition will offer real wage replacement for a period of 26 weeks for all eligible primary carers up to a maximum of \$150,000 per annum or the payment of the minimum wage, depending on the primary carer's income.

The Coalition's Paid Parental Leave scheme would make it easier for women to move in and out of the workforce during their childbearing years.

The Coalition's scheme will:

- Provide payment to all full-time, part-time and casual workers provided they meet the 'work test'.
- Signal to the community that taking time out of the workforce to care for children is a normal part of the work-life cycle of parents.
- Help promote increased female workforce participation because it creates a financial incentive for women to be engaged in paid work prior to childbirth and to return to the workforce after their period of leave.

Greater female workforce participation will have positive impacts on the individual, families and society at large.

Labor Failures

The length of Paid Parental Leave available to parents through private enterprise and the Public Service varies greatly from two days to 18 weeks.

Few schemes meet the widely acknowledged ideal leave period of a full 6 months.

Labor has not adopted the Productivity Commission's recommendation of six months but will provide 18 weeks of the minimum wage.

It expects that mothers (or another primary carer) will make up any extra paid time she wants to take off with paid annual leave, or long service leave.

This is not available to all women, for example those working casual jobs, who will not have any accrued leave.

Labor's scheme does not include superannuation contributions.

From 1 July 2011, all employers bear the additional administrative burden of serving as the "paymaster" of PPL entitlements for their eligible employees. The Government has imposed this burden on Australian businesses despite the protests of peak business bodies, and despite the more efficient alternative of continuing to distribute payments through Centrelink and the Family Assistance Office.

The Coalition Alternative

The Coalition's Paid Parental Leave scheme will provide primary carers (in the vast majority of families, mothers) with 26 weeks paid parental leave, at full replacement pay (up to a maximum salary of \$75,000) or the Federal minimum wage, whichever is greater.

The Coalition's Paid Parental Leave scheme will be funded with a modest levy of 1.5 per cent on companies that have a taxable income in excess of \$5 million. This levy will affect a tiny fraction of Australian companies: only about 3,200 companies out of more than 1.8 million, or less than one twentieth of one per cent of all Australian companies.

Under the Coalition's PPL scheme, working women on PPL will receive superannuation contributions at the mandatory nine per cent. Labor's PPL scheme does not provide for any superannuation payments during PPL and will further entrench the financial disadvantage of women who choose to have children.

Carers will not have to be working full-time to access the Coalition's Paid Parental Leave scheme because it uses the same 'work-test' as Labor's proposal that requires an average of at least one conventional day of paid work a week; and over a 'continuous qualifying period' of paid work which amounts to a least 10 months of the 13 months prior to the expected date of birth. The scheme will be available to all employees, including contractors and the self-employed.

Importantly, a primary carer who earns less than the Federal Minimum Wage (mostly working part time) will have their Paid Parental Leave payment lifted to the minimum wage currently \$569.90 per week – so they would receive \$14,817 (gross) in support.

No woman will be worse off under the Coalition's Paid Parental Leave (PPL) scheme and all working women earning a wage will be financially better off compared to Labor's current PPL scheme.

The Coalition's 26 week PPL scheme is precisely the duration that health experts recommend is the minimum period for optimal maternal and health outcomes.

The Coalition's PPL scheme recognises that a family's financial responsibilities don't reduce – indeed, they increase – when a new child is born into that family. There is no maternity leave from mortgage payments, power and fuel bills or grocery expenses.

32. Population

The majority of Australians are uncomfortable with the notion of a Big Australia of 36 million people as evidenced by recent surveys conducted by Lowy Institute (69 per cent opposed), Morgan poll (90 per cent opposed) and Ninemsn poll (82 per cent opposed).

The Coalition is prepared to consider alternative population growth scenarios that are sustainable and will preserve the quality of life for Australians, both now and in the future.

To this end the Coalition is keen to engage Australians in a national debate on a sustainable population growth path for Australia.

We will make the Productivity Commission the Productivity and Sustainability Commission, with a specific brief to address population sustainability issues.

The growth bands, to be adopted by the Government, would be expressed in terms of an annual rate of growth deemed by the Commission to be sustainable. This assessment would be based on an ongoing review of Australia's capacity to accommodate growth through the delivery of improved infrastructure and services, the management of our environment and resources, and the needs of our economy.

The Coalition recognises that Australians are looking for immediate and direct action to get our population growth under control.

The Coalition will commit to the production of a White Paper on immigration that will reframe the structure and composition of Australia's immigration Programme to address the policy challenges of sustainable population growth.

This process would work in parallel with the work undertaken by the Productivity and Sustainability Commission – and will adopt as its starting point the task of achieving the Coalition's first term population growth target of 1.4 per cent, taking into account advice on the current pipeline of applications.

33. Schools

Labor promised much, but has delivered very little.

The Coalition is committed to the principle that all children must have the opportunity to secure a quality education.

To achieve this in Government we will work to better support and improve the teaching profession by working with universities and the states to improve teacher quality across the board.

We also want to have the best and most robust curriculum available in the world.

Productivity rises as a result of what happens in our schools, and knowing the languages of our key regional partners is critical to unlocking the potential of the Asian century for Australia.

A Coalition Government will work urgently with the states to ensure that at least 40 per cent of Year 12 students are once more taking a language other than English within a decade.

And we believe a parent's involvement in their child's education is critical, which is why we support school autonomy so parents can be involved as much as possible in school life and decision-making processes.

Labor Failures

Labor's so-called Education Revolution has failed on all levels.

Labor promised to provide a computer for every secondary school student in Australia. The programme costs blew out by \$1.4 billion and none of the computers have been linked into Labor's promised 100 megabits per second internet connections.

Julia Gillard's school stimulus programme – the BER - has seen enormous waste. Price gouging for school halls and other buildings has seen a budget blow out from \$14.7 billion to \$16.2 billion.

Some estimates suggest as much as \$5-\$8 billion has been wasted in the programme.

BER has again highlighted the incompetence and the dismal managerial capacity of Labor governments.

Labor's literacy and numeracy programme has also failed to improve student outcomes, despite a \$540 million spend in this area over the last five years.

An independent performance audit of Labor's literacy and numeracy programme which examined national testing data from 2008 to 2011 concluded the programme is yet to make a statistically significant improvement in literacy and numeracy in any State.

Julia Gillard's teacher bonus scheme promised at the last election has also been put on hold and delayed until at least 2014, so very little has been achieved to better support and reward our teachers.

Labor has also failed to deliver or even outline a new funding model for schools as promised in 2007 despite having completed a major review of school funding known as the Gonski Review.

After five years it has become clear their only policy is to attack the current funding model put in place by the former Coalition Government.

They have also failed to guarantee that school funding will be indexed in real terms, potentially leaving non-government schools exposed to a \$4.2 billion loss in real terms.

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The Coalition Alternative

We will:

- Ensure all students have access to world-best education opportunities, and provide schools with funding certainty which means real increases in funding as costs rise.
- Give parents greater choices in determining and accessing the education they consider most suitable for their children.
- Ensure more action is taken to improve both the quality of new teachers coming into the profession, as well improving the performance of current teachers.
- Support the good work of our teachers in our classroom by implementing a curriculum that is rigorous without being too prescriptive or overcrowded.
- Give principals and school councils more autonomy and authority in the running of their schools.
- Take real action to address the inequities in our education system, by improving the outcomes for the most disadvantaged students, including those with special needs.
- Tackle cyber bullying with a plan to engage the experts to find real solutions.

The Greens

Want to abolish SES funding for private schools, which would discourage private investment in education and create more dependency on taxpayer funding to fund school education.

Impose new federal controls on where new non-government schools can be built or how many students they could enrol, which would severely limit parental choice.

Want Commonwealth funding for private schools kept at 2003/04 levels, which would see many schools be forced to close or sack teachers in order to stay open.

Oppose performance payments for teachers.

Believe that education unions are the appropriate industrial representatives in all educational matters.

34. Sport & Recreation

Australia is a great sporting nation. The Coalition recognises the pivotal role sport plays in our culture and the Australian way of life. The Coalition has a track record of investing heavily at every level of Australian sport, from encouraging participation among young Australians to developing the country's elite athletes – our champions of tomorrow.

In the 2007/08 Budget, the Coalition, then in Government, invested \$267 million into Australian sport. This was a 190 per cent increase in funding since 1995-96 in which the Federal Labor Government directed \$92.2 million to sport.

The Coalition is also committed to continuing support for people with disabilities to participate in sport. The previous Coalition Government more than tripled funding for sport for people with a disability.

The Coalition has placed equal emphasis on community, as well as elite sport. Encouraging our children to be more active and healthy is crucial for a healthy and cohesive society.

Some of the major funding initiatives introduced by the Coalition in Government include:

- A commitment of \$65 million, announced in the 2002-03 Budget, for a major upgrade and expansion of the Australian Institute of Sport.
- An additional \$52.3 million over four years in the 2005 Budget for an AIS European base to assist Australia's elite athletes in their preparation for the Olympic and Commonwealth Games and World Championships.
- A further \$2.24 million in 2007-08 to the Australian Sports Anti-Doping Authority (ASADA) for the enhanced investigation of alleged doping violations and the subsequent preparation and submission of briefs in relation to individual cases.
- The \$116 million Building a Healthy, Active Australia initiative announced in 2004 to address childhood obesity. The initiative consisted of a number of elements, including an Active School Curriculum and the Active After-School Communities Programme.
- \$25 million for the construction of a new grandstand at the SCG.
- \$25 million for the redevelopment of Adelaide Oval.
- \$15 million for the construction of the South Australian State Aquatic Centre.
- \$10 million in 2006-07 towards Stage 2 of the National Sports Museum at the Melbourne Cricket Ground.
- \$10 million for a major upgrade of Penrith Stadium.
- \$10 million over four years to help support regional university sport, as announced in May 2006.
- \$9.6 million for a major upgrade of Toyota Park (Cronulla).
- \$8 million for the redevelopment of Whitten Oval.

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- \$8 million for a major upgrade of Kogarah Jubilee Oval.
- \$4 million for the redevelopment and upgrade of facilities within the Launceston Regional Sport and Recreation Precinct.
- \$2.5 million for the construction of an aerial ski jump at the National Training Centre for Aerial Skiing.
- \$2 million for the construction of a legends boulevard at Geelong's Kardinia Park (Skilled Stadium) – Australia's only regional AFL stadium.
- \$905,000 in 2006-07 to improve three community-based sporting facilities in regional NSW. Provided a further share of \$400,000 for women to pursue sports leadership opportunities in 2007-08.

Labor Failures

Labor has created an uncertain environment for athletes, sport participants, sporting organisations, and local clubs.

Labor's Minister for Sport in its first term, Kate Ellis, had no interest in improving Australia's sporting successes or encouraging Australians to participate in sport. Instead, she chose to focus on pet issues such as imposing compulsory student unionism on university students.

The Crawford Report into Australia's sporting achievements was effectively ignored by Labor, who shifted policy decisions stemming from the report to COAG. In November 2009, Australian Olympic Chief, John Coates declared that Minister Ellis had 'gone missing' in her portfolio and that 'she certainly hasn't engaged with us since she's become the Minister.'

Labor has not guaranteed ongoing support for the Coalition's Active After School Communities programme. The programme was neglected by Minister Ellis, until Minister Arbib extended the programme for just two more years. The government most recently extended the programme for just 12 months, leaving parents, children and communities to wait with uncertainty to see if it will be extended beyond 2013. Parents and young people wait with uncertainty to see if the programme will be extended beyond 2012.

The Coalition recognises that clubs are crucial to facilitating local sport and community sporting infrastructure. Julia Gillard's deal with Andrew Wilkie to introduce a mandatory pre-commitment system for poker machines created uncertainty and threatened the viability of local sporting clubs and organisations around Australia.

Compared to the Coalition's record of drastically increasing funding for Australian sport during its time in office, Labor has actually cut funding to the Australian Sports Commission over the forward estimates. In an Olympic year this is not good news for Australia's sporting community and raises serious questions about Labor's commitment to Australian sport.

The Coalition Alternative

Active After-schools Communities (AASC) programme

The previous Coalition Government committed \$90 million to establishing the Active After-School Communities programme in 2005. The programme builds health, wellbeing and motor skill competencies of Australian children by providing them with increased opportunities to participate in safe, fun and inclusive structured physical activities during the after-school hours.

The AASC programme reaches approximately 3,300 primary schools and out-of-school hour care services around Australia, providing the opportunity for around 190,000 children to experience a positive introduction to sport and physical activities. While the Coalition recognises the success and significance of this important programme Labor has failed to guarantee its continuation beyond 2013, creating uncertainty for parents, schools and children across Australia.

Coalition Plan to Reduce Drownings

In January 2012 it was announced that a Coalition Government will commit an additional \$10 million to assist surf life saving clubs across Australia purchase much needed equipment and will extend the Beach Drowning Black Spot Reduction Programme. This is the first stage of the Coalition's Plan to Reduce Drownings. We will make further announcements regarding our plans to reduce drownings in our rivers and waterways and in households over the coming year.

Coalition Commitment to Sporting Infrastructure

The Coalition's commitment to elite and community sport is reflected in several commitments we made at the 2010 election to upgrade sporting infrastructure, including:

- \$10 million for the redevelopment of Brookvale Oval;
- \$36 million for a major redevelopment of Skilled Stadium and Kardinia park in Geelong;
- \$5 million to upgrade local sporting facilities in Penrith; and
- \$3 million to upgrade the Central Coast Football grounds.

The Coalition will release a comprehensive policy for the future of Australian sport in good time before the next election.

35. Status of Women

The Coalition values women and men as co-contributors to the economic and social wellbeing of Australia. Whatever a woman's circumstances and aspirations, we believe it is the role of government to keep her safe from violence and discrimination, and provide support and services that help her and her family to thrive.

Our priorities are to enable women to lead secure lives in safe communities, to further economic independence and stability, and to improve flexibility in working arrangements.

The Achievements of the Howard Government

From 1996 to 2007, the Howard Government carried on the Liberal tradition of supporting and improving the position of women in Australia.

The safety of women was a top priority for the Howard Government. It dedicated \$75.7 million over four years to the 'Women's Safety Agenda' which addressed four broad themes of prevention, health, justice and services. The initiatives included the national 'Violence Against Women, Australia Says No' campaign and the national 24 hour Helpline on 1800 200 526. Since the campaign was launched in June 2004 received more than 73,000 calls, providing much needed community support.

The Howard Government also introduced a number of measures to allow women to better prepare for their retirement with improvements to superannuation including the Superannuation Co-contribution Scheme.

The Howard Government also introduced a number of policies to support Australian families. These measures included the introduction of the baby bonus in July 2004 (now known as the maternity payment), substantial increases in the rates of family benefits, the provision of extra childcare places, the introduction of the childcare tax rebate and the encouragement of flexible family-friendly work practices.

The achievements of the Howard Government are testament to the commitment of the Liberal Party more broadly when it comes to recognising, protecting and enhancing the position of and opportunities for Australian women.

We look forward to building on those achievements.

Labor Failures

Consistent with the actions of the Rudd Labor Government, the Gillard Government has been strong on rhetoric but weak on delivery when it comes to policies that advance Australian women.

Labor's indifference to the portfolio was highlighted most starkly by the omission of Status of Women portfolio from the initial portfolio list when the Gillard Ministry was first announced.

Add to this:

- The Government's tardiness in responding to the Review of the Equal Opportunity in the Workplace Act and Agency;
- Taking more than two years to appoint a permanent Director for the Office for Women in the Workplace Agency;
- The delay in launching the National Plan to Reduce Violence against Women and their Children 2010–2022;

- The admission by the chair of the National Advisory Group on Body Image that the Voluntary Code of Conduct recommended by that group has failed;
- The failure to properly advance and implement the White Ribbon Workplaces Programme;
- The failure to include superannuation in its paid parental leave scheme; and the failure to include paternity leave in the initial scheme;
- In relation to the Australian Government Panel of Gender Experts, the failure to implement monitoring arrangements as to who, in which departments or in what quantity Government departments are accessing the specialist knowledge of the panel members;
- The admission by government officials at Senate Estimates in 6 October 2010, that the Labor Government's promise that it would appoint at least 40% women and 40% men on Government Boards, was merely an aspirational target and the Government offered no guarantee that the 40% - 40% gender split will happen, nor do they have any feasible plan or proposed legislation to make these percentages become a reality;
- The hastily announced reforms to the Fair Work Act to better reflect "gender equity" and then the failure by the Government to commit to any follow through;
- The unnecessary pressure the Government is placing on the childcare sector through the implementation of the National Quality Framework which is placing cost pressures on centres, which are inevitably passed on to parents;
- The failure to build 222 of the 260 additional child care and early education centres on school and community sites promised during the 2007 election campaign;
- Reducing the Child Care Rebate cap from \$7,778 to \$7,500 and subsequently freezing its indexation for four years.

The Coalition Alternative

A Coalition Government will take a whole-of-government approach to implement policies that reflect:

- The Liberal values of non-discrimination and a fair go for all;
- Our zero tolerance of domestic violence;
- Improving educational opportunity for all;
- The need for better work life balance for women and for men and increased flexibility in working arrangements to allow families to structure their lives in the best way possible;
- Greater support for families;
- Improved employment opportunities, including pay equity and equal pay for equal work;
- Greater workplace flexibility and promotional opportunity for women;
- Meeting the challenges generated by our ageing demographics; and
- Our international obligations in relation to the status of women.

A focus on reducing violence against women

The Coalition understands that violence against women has a profound and devastating impact on its victims and on the community.

The Coalition's policies will focus on delivering greater personal safety to all Australian women. We will ensure that domestic violence is tackled and does not become intergenerational.

Australia simply cannot afford the societal and economic costs of failing to redress the current rate of violence against women.

We believe that keeping women and their families safe from violence is the most fundamental step towards ensuring their security and prosperity. Violence undermines our social fabric and prevents women from achieving social and economic equality and advancement.

Women seeking to escape from domestic violence currently deal with an uncoordinated and uncertain system, looking for court support, refuge, counselling for themselves and their children and appropriate housing.

The Coalition is committed to continuing to improve the safety of women and children through initiatives designed to enhance community safety, raise community awareness, deter violence and ensure support and assistance for the victims of violence.

The National Council to Reduce Violence against Women and their Children is strongly supported by the Coalition. The Coalition will ensure that the National Council to Reduce Violence against Women and their Children continues to be implemented and that future programmes are properly resourced and effective.

Women at Risk - Guaranteed minimum of 1,000 places

A Coalition Government will provide a guaranteed minimum of 1,000 places for women at risk and their dependents within Australia's annual humanitarian intake. We will ensure that Australia's refugee and humanitarian resettlement programme provides places to those we can help most and those who are most in need.

Women at risk and their dependents waiting in camps and other desperate places offshore are among the most vulnerable of all who seek a better life in Australia. They have neither the means nor the opportunity to escape their circumstances. This group will be given a very high priority by a Coalition government in Australia's refugee and humanitarian programme.

In recent years, the annual intakes in the women at risk category have steadily fallen from 995 visas in 2005-06 to 759 visas in 2010-11. This reflects the downward trend that has seen fewer places made available to poorer and more vulnerable offshore refugees, including those in the women at risk category. This is a direct consequence of Labor's decision to abolish the Coalition's proven border protection policies.

Currently the number of places available for offshore refugee and humanitarian entrants has fallen to fewer than 9,000 places. The Coalition will reserve a minimum of 11,000 places available in the 13,750 place Refugee and Humanitarian programme for offshore applicants. Of these 11,000 places, a minimum of 1,000 Woman at Risk visas will be allocated.

A Coalition government will ensure that appropriate settlement services are provided to women at risk once they arrive in Australia.

The Coalition's Paid Parental Leave Scheme

Labor has failed to provide an adequate Paid Parental Leave scheme and has offered only 18 weeks of the minimum wage from January 2011.

The Coalition will offer real wage replacement for a period of 26 weeks for all eligible primary carers up to a maximum of \$150,000 per annum or the payment of the minimum wage, depending on the primary carer's income.

The Coalition's Paid Parental Leave scheme will be funded with a modest levy of 1.5 per cent on companies that have a taxable income in excess of \$5 million. This levy will affect a tiny fraction of Australian companies: only about 3,200 companies out of more than 1.8 million, or less than one twentieth of one per cent of all Australian companies.

The Coalition's scheme will:

- Provide payment to all full-time, part-time and casual workers provided they meet the 'work test'.
- Include superannuation contributions at the mandatory nine per cent. Labor's PPL scheme does not provide for any superannuation payments during PPL, further entrenching the financial disadvantage of women who choose to have children.
- Signal to the community that taking time out of the workforce to care for children is a normal part of the work-life cycle of parents.
- Help promote increased female workforce participation because it creates a financial incentive for women to be engaged in paid work prior to childbirth and to return to the workforce after their period of leave.

Greater female workforce participation will have positive impacts on the individual, families and society at large.

No woman will be worse off under the Coalition's PPL scheme and all working women earning a wage will be financially better off compared to Labor's current PPL scheme.

The Coalition's PPL scheme recognises that a family's financial responsibilities don't reduce – indeed, they increase – when a new child is born into that family. There is no maternity leave from mortgage payments, power and fuel bills or grocery expenses.

36. Superannuation

Labor Failures

An efficient, transparent and competitive superannuation industry is critically important to maximising retirement incomes for all super members.

However, Labor has failed to make necessary improvements to corporate governance and transparency standards in superannuation recommended by their own Cooper Review into superannuation.

Labor has also failed to ensure Australians in default superannuation are able to benefit from genuine competition in the default superannuation market. This is despite emphatic promises that before the 2010 election that Labor would ensure default superannuation funds under so called modern awards would be selected through an open, transparent and competitive process.

Labor has also undermined the incentives framework designed to encourage increased voluntary savings and superannuation contributions put in place by the Howard government. In government they immediately reduced support for the super co-contribution scheme and dramatically reduced concessional contribution caps. Instead of providing incentives to encourage increased voluntary savings to complement the current 9 percent compulsory super arrangements, Labor took the complacent approach of increasing compulsion by proposing to lift the superannuation guarantee from 9 to 12 per cent.

The Henry Review recommended that the Superannuation Guarantee remain at 9 per cent, because an increase would disproportionately disadvantage low and middle income earners.

These are of course Labor's forgotten families already doing it tough in dealing with increasing cost of living pressures.

The cost to the budget from the increase in compulsory super comes from a reduction in income tax revenue because higher income earners pay less tax on their income forced into superannuation than if they had to pay tax on income at higher marginal tax rates.

That cost to the budget from the proposed increase in compulsory Superannuation is supposed to be funded by Labor's mining tax.

The Coalition opposes the mining tax and all programs related to the tax.

We have voted against all legislation linked to the mining tax and related programs, including the increase to compulsory superannuation contributions.

However if the compulsory superannuation increase does become law the Coalition will not rescind it in Government because workers need certainty about their compulsory super contributions rate. This is entirely consistent with the Coalition position in the past not to initiate compulsory superannuation changes but to keep them once they were in place.

Keeping the compulsory superannuation arrangements will cost \$740 million over the forward estimates which we will fund through savings in the budget.

While the compulsory superannuation increase will not be rescinded, we don't intend to proceed with the associated spending on other programs funded by revenue from Labor's mining tax.

While Labor wants to force workers to put more into their super, it has delayed any action to remove current anti-competitive arrangements in the selection of default funds under Modern Awards until 2012.

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Further, Labor has undermined voluntary savings by:

- increasing taxes on voluntary savings by lowering concessional contribution caps from \$50,000 and \$100,000 to \$25,000;
- reducing the government's superannuation co-contribution from \$1,500 to \$500 and reducing the eligibility thresholds making it harder for low and middle income earners to qualify along the way; and
- introducing a new tax on superannuation for people earning more than \$300,000 a year.

In government Labor has also:

- Failed to adequately fix the problem of disproportionate tax penalties for people who inadvertently breach their concessional or non-concessional contribution caps through unintentional excessive voluntary contributions.
- Failed to deliver on its promise to introduce genuine competition and transparency into the default superannuation market. Current anti-competitive closed-shop default superannuation arrangements continue to favour one segment of the market with close relations to the Labor Party, when genuine competition would help maximise value for all Australians with superannuation, including those with default superannuation.
- Given Labor's tax and spend record in government so far there are serious concerns that the recently established Superannuation Round Table is just a Trojan horse for another round of tax increases targeting Australians retirement savings;

Labor's mismanagement of the federal budget has forced the government to attack previously available tax incentives aimed at encouraging Australians to save more voluntarily. Australians aspiring to achieve a self-funded retirement were forced to pay the price for Labor's waste and mismanagement which led to \$174 billion in accumulated deficits over four years in government and more than \$145 billion in net debt.

The Coalition Alternative

The Coalition supports Australia's three-pillar retirement income system comprising:

- an aged pension;
- a compulsory system of retirement saving through superannuation; and
- incentives for voluntary saving.

The Coalition wants to encourage as many Australians as possible to plan and save for their retirement, and to take full advantage of the benefits that the superannuation system can offer.

Improving the performance of the superannuation industry will boost people's confidence in the system, which will in turn increase their willingness to make additional voluntary contributions.

That's why the Coalition will continue to support any changes to make our superannuation system more efficient, transparent and competitive.

In particular, the Coalition in government would immediately ensure competition in the default superannuation market.

The Coalition strongly supports the Cooper Review's SuperStream proposals which will deliver real efficiencies and savings over time, which should benefit superannuants.

The Coalition also supports the Cooper Review's recommendations to improve superannuation governance.

However, we don't support Labor's proposal to increase compulsory super from 9 per cent to 12 per cent.

Rather than increase compulsion, our policy instinct is to encourage increased voluntary savings to complement the 9 per cent in compulsory super.

Whenever there is government compulsion regarding how people have to allocate their own hard-earned money, there ought to be a line in the sand beyond which government won't go.

The Coalition believes that the onus is on superannuation funds to work harder to demonstrate value to their customers across Australia, to convince them to put more money into super voluntarily.

In turn, the best way to encourage super funds to maximise value for their members is to ensure there are proper competitive tensions in the system. Informed and active choice will drive higher investment returns and therefore higher superannuation balances.

To this end, the Coalition will deliver what Labor has so far only promised to do: to introduce transparency and competition in the selection of default workplace super funds under Modern Awards.

The Coalition will also ease the burden on small businesses of complying with superannuation obligations, by giving them the option of remitting their Superannuation Guarantee payments to the ATO.

37. The Arts

The Coalition Government helped the Arts in Australia be a part of our entire community, like never before, through:

- Record levels of financial support, totalling \$680 million in 2007-2008, representing an increase of \$40 million since the previous year, and an increase of more than 65 per cent since Labor were previously in office.
- Introducing a \$282.9 million Film package to bring more international film productions to Australia, encourage greater investment in the Australian film industry and strengthen our film production and acting skills base.
- Providing almost \$420 million over three years from 2007-08, for the Australia Council – an increase of \$20 million over the previous three years.
- More than \$30 million (\$31.5M) over four years from 2006-07 to make Old Parliament House the premier institution interpreting Australia's political history.
- \$26.5 million for the National Archives of Australia over four years from 2006-07 for a new purpose built preservation and record storage facility.
- \$10.6 million over four years from 2006-07 to improve the governance, finances and artistic standards of the Australian Opera and Ballet Orchestra and Orchestra Victoria.
- Securing the future of the Australian Ballet School with a \$4.6 million funding package to refurbish the school's facilities and expand their training programme.
- Enhancing the stability of Australia's small-to-medium performing arts companies with funding boosts in the 2004-05 and 2007-8 Federal Budgets, providing \$7.8 million per year to 60 small-to-medium arts organisations.
- Increasing funding to Australia's 20 Major Performing Arts Companies, which will benefit their combined audience of around 2.4 million Australians, including almost one million children.
- Providing \$6 million over four years from 2007-08 for the Bundanon Trust.
- Developing and extending the Visual Arts and Craft Strategy to support artists, galleries, Indigenous visual arts centres and contemporary art exhibitions. So far the strategy has resulted in a 23 per cent increase in organisations' earned income, a 98 per cent increase in public programmes and a 41 per cent increase in gallery visitor numbers.
- Ensuring generations of young musicians will be able to develop their talents through Australian Youth Orchestra (AYO), by providing \$1.9 million over four years.
- Supporting the National Institute of Dramatic Arts (NIDA) to the tune of \$4.8 million over four years.

Labor Failures

Labor's resale royalty right scheme has been criticised by all corners of the arts community, including the National Association for the Visual Arts, which said on 29 May 2009: "The Australian art community could not be more disappointed in the artists' resale royalty bill..."

In 2008, Labor's botched attempt to close down the Australian National Academy of Music left the education of our elite classical musicians in limbo.

Labor has cherry picked funding from important arts Programmes including the Regional Arts Fund which has had its funding cut by 29 per cent. Only the Coalition is committed to providing access to the arts for all Australians.

The Coalition Alternative

The Coalition remains committed to supporting the arts and Australia's unique culture.

The Coalition has a strong track record in delivering for Australia's film and television industry.

Indeed in September 2007, when the Coalition was in Government, it was the then Minister for the Arts and Sport, Senator the Hon George Brandis SC who established the Australian Screen Production Incentive. This initiative provided more than \$280 million over four years in generous incentives for Australian film and television productions and for offshore productions to locate to Australia.

This work has continued in Opposition. In recognising that timely acquittals are critical to the effectiveness of the Producer Offset (PO), the Shadow Minister for the Arts introduced the Tax Laws Amendment (Improving the Producer Offset) Bill 2009 as a Private Members Bill.

38. Tourism

Labor's hollow promises have failed to deliver for Australia's tourism industry. Labor is making a bad situation worse for an industry already struggling with the impact of a high Australian dollar.

Labor's most recent federal budget delivered a triple whammy hit on Australia tourism. An increase in the Passenger Movement Charge (a departure tax levied on people departing Australia) and increased government security charges for Australian airports, as well as the world's biggest carbon tax, will all make holidaying in Australia more expensive.

In addition to making Australia a more expensive holiday destination through the carbon tax and an increase in the PMC and airport charges, Labor's policies pose a great risk to Australia's reputation as a holiday destination. Budget funding cuts to Customs' passenger processing at airports will mean increased delays at airports, which will impact on Australia's enviable reputation as an enjoyable, hassle-free, tourism destination.

The tourism industry has become so frustrated with Labor's constant tourism attacks it was forced to launch an unprecedented anti-government campaign following the budget, The Coalition was pleased to work with the tourism industry to force the government in to an embarrassing back down on its plan to increase the Passenger Movement Charge every year.

Only the Coalition understands the importance of tourism and will act to support its future. The Coalition's Shadow Treasurer is a former Tourism Minister and our current Shadow Tourism Minister has worked in the industry.

Tourism is part of the Coalition's strong plan for economic growth. The Coalition will ensure that Australia has a vigorous five pillar economy – with a resilient tourism services sector.

Labor Failures

When Labor launched its Tourism 2020 document in 2011, industry responded; "what's the use of this if the government can't get the settings right in 2012?"⁴⁴

During calendar year 2011 the annual gap between the number of Australians travelling overseas and international visitors to Australia reached more than 1.9 million trips. While overseas departures grew at a remarkable 9.6 per cent during 2011, arrivals actually fell 0.2 per cent.⁴⁵ This increasing outbound market is contributing to a widening 'tourism trade deficit', from a peak surplus of \$3.6 billion in 2001-02 to a deficit of \$7.2 billion in 2010-11.⁴⁶

At a time when the Australian tourism industry is being hit hard by uncertain global financial conditions and a strong Australian dollar Labor has decided to:

- reduce funding to Tourism Australia in real terms, taking Tourism Australia's funding to its lowest level since 2003;
- introduce a massive 45 per cent increase in the Passenger Movement Charge levied on international tourists;

⁴⁴ <http://www.travelweekly.com.au/news/industry-and-government-clash-at-meeting>

⁴⁵ ABS Overseas Arrivals and Departures, December 2011 (3401).

⁴⁶ Tourism and Transport Forum, International Tourist Arrivals Down in 2011, 7 February 2012.

- increase government security charges for Australian airports;
- remove 'chefs' and 'cooks' from the skilled business migration and training list of occupations, compounding the difficulty that hotels and restaurants have in competing with the mining sector for staff;
- cut the Customs and Border Protection budget, increasing passenger processing queues at airports;
- apply further business red tape on the sector; and
- impose the world's biggest Carbon Tax on Australia's tourism operators, reducing their competitiveness and forcing them to pay more for electricity, gas and transport. The carbon tax is expected to cost 6,400 jobs across the tourism industry and result in net revenue losses of \$731 million.

Since 2008 Australia has slipped from fourth to thirteenth place in the *World Economic Forum Travel and Tourism Competitiveness Index* rankings.

The Coalition Alternative

Only the Coalition will take real action to support and expand Australian tourism.

We understand the importance of tourism and services exports to the national economy, and the fundamental role tourism plays in providing jobs, investment and growth in towns and communities right across Australia.

If elected, the Coalition will not proceed with Labor's damaging carbon tax that only advantages overseas operators and forces small and medium sized Australian restaurants, hotels and other tourism businesses to pay more for electricity, gas and transport.

When the Carbon Tax was first announced the Tourism and Transport Forum (TTF) produced a report that forecast 6,400 job losses industry wide as a result of the carbon tax. In the same report the TTF stated that the "net revenue loss for Australian tourism businesses after the imposition of the carbon tax will be \$731 million." In a low margin labour intensive sector this will prove to be a significant impost.

The Coalition will rescind the carbon tax, which will only add costs to Australia's tourism industry, and also discourage Australian holidaymakers by adding to their household budgets.

While the Coalition's policy on business migration and skills and training will be announced in good time before the election, the Coalition has already announced it will be looking at a much more flexible, genuinely temporary work visa (up to 12 months) to accommodate labour market shortages, not just skills shortages. The Working Holiday Maker visa will remain in place and will retain its primary tourism purpose of allowing people to perform short term work to fund their holiday in Australia (not as a work visa).

The Coalition will liberalise the 457 visa arrangements to make it easier for industry (without compromising compliance issues or unwinding the employer sanctions legislation), particularly in the regions, to fill gaps in labour and skills.

The Coalition will release its plan for tourism before the next election. The Coalition's plan for Australia's tourism sector will give it the support it needs to grow and prosper and will restore hope, reward and opportunity to the industry.

39. Veterans

The Coalition in Government has a strong record of delivery for veterans and their families.

Funding for veterans' affairs almost doubled between 1996 and 2007 and spending on veterans' health care increased by 108 per cent in real terms.

Labor Failures

Labor has broken the trust of the veteran and ex-service community.

Labor voted with the Greens to defeat the Coalition's *Fair Indexation* Bill which would have provided DFRB and DFRDB superannuants aged 55 and over with fairer indexation of the pensions. Labor and the Greens opposed this because it would cost too much, but on the same day announced a \$12 million publicly-funded advertising campaign for their carbon tax.

Labor was dragged kicking and screaming to properly resource the Australian War Memorial. Under Labor, the Memorial faced closure one day per week and the loss of one in five staff because the operational budget had been cut by 20 per cent. Only after a concerted campaign by the community and the Coalition did Labor belatedly act.

Labor's pharmaceutical reimbursement scheme will leave out more than 1,500 of our most disabled veterans.

Labor will cut \$8 million from grass roots veterans' advocacy funding over the next four years, despite the increasing complexity of veterans' compensation legislation. This decision may leave younger veterans and their families worse off, with reduced access to independent advice about and assistance with claims for compensation.

Labor has not committed any funding towards the commemoration of the Centenary of the ANZAC landing. Moreover, they have not shown a commitment to grassroots community commemoration of the most nation-defining event in our country's history.

The Coalition Alternative

The Coalition will never forget the service and sacrifice of the men and women who served their country, and the families who have supported them.

The Coalition will index DFRB and DFRDB superannuation pensions for over 55s in the same way as the service and aged pension.

The Coalition will ensure that the Centenary of ANZAC is appropriately funded

The Coalition will make sure entry and parking fees are not charged at the Australian War Memorial

The Coalition will strengthen our world-leading repatriation system to ensure it provides the best services possible to our veterans and their families.

40. Voluntary Sector

The Labor instinct is to replace the voluntary sector with government or to encumber it with needless regulation.

The Coalition has a different view. We know that no government could ever replace the work undertaken by volunteers in our community. That's why we so strongly support their role.

We see the importance of volunteers every time a national disaster occurs – floods in Queensland, as well as bushfires in Victoria and NSW.

Apart from funding, the main issues facing the volunteer sector are:

- The fact that in the current economic climate the demands on our volunteers and volunteer organisations are constantly growing.
- Falling membership in volunteer organisations. As the post WWII volunteers step aside we need to find ways to encourage a new generation to take up the volunteer spirit.
- The red tape and paperwork involved with volunteering raises barriers to participating in community activities and is often too onerous on volunteer organisations.

Labor Failures

Having driven the budget into deficit Labor has compromised the ability of government to support Australia's voluntary sector whilst placing greater demands on not-for-profit organisations.

Labor removed the additional funding element of the Volunteer Grants Programme which gave dedicated funds to fuel grants. At a time of rising costs of living and extra pressure on volunteer organisation resources, groups are now required to fight harder for their share of the grants programme.

Labor's new National Occupational Health and Safety regime will strike at the heart of what it means to be a volunteer. The laws will redefine volunteers as 'workers'. The laws will also redefine churches, beaches, footy fields and camp sites as 'workplaces'. Volunteers in organisations such as surf life saving clubs, scouts, churches and Meals on Wheels will be treated as though they were employees of corporations. They will be liable to fines of up to \$300,000 and prison terms of up to five years for OH&S breaches.

Labor will make life even harder for volunteers with the impact of the carbon tax. The Government will provide no direct compensation to voluntary groups for carbon tax price rises. Voluntary groups will have to either do more fundraising or reduce their activities or services.

The Coalition Alternative

We will support not-for-profit organisations to continue their invaluable roles and, recognising that many volunteers are getting older, will seek to instil the value of volunteering in a new generation of Australians.

The Coalition will abolish the carbon tax removing this impost from volunteers.

Labor's National OH&S regime should be delayed by a year so the true impacts on voluntary organisations can be assessed.

The Coalition's red tape reduction task force will examine the effect of Labor's OH&S regime on the voluntary sector.

41. Water

Labor Failures

Five years since the former Coalition government announced a national plan for the Murray-Darling, Labor has bungled reform in the Basin. Their record has been one of delay and dysfunction.

- The Basin Plan has been delayed at least six times over the past five years. Labor took 18 months simply to appoint a Board for the Murray-Darling Basin Authority.
- These delays have created a climate of uncertainty for Basin communities and dried up investment for the 2.1 million people who live in local Basin communities.
- Labor has failed to invest in improved irrigation infrastructure which can deliver water for the environment and to communities. The Coalition left Labor almost \$6 billion for this purpose but Labor has only invested a very small amount of this.
- Labor has presided over an ad-hoc and non-strategic water buyback programme. Every year Labor has spent more on buybacks than planned. Instead, investments in water-saving infrastructure should have been prioritised. When the Coalition proposed our 10-point plan in 2007 we prioritised investments in water efficiency so that we could return water to the environment and to communities

Even Labor politicians agree that Labor's approach has been a mess

- The House of Representatives bipartisan inquiry into the Murray-Darling was a damning indictment of how Labor has conducted \$1.5 billion of water buybacks in a non-strategic way, how it has failed to invest in water-saving infrastructure and how its management of the Commonwealth's billion dollar portfolio has been opaque.
- Labor politicians signed off on this report which stated that:

*The Committee heard of **grave mistrust of this department** [Department of Water] across Basin communities resulting from the failure of the department to identify and respond to community concerns on a range of issues. In addition, **this department has demonstrated a consistent failure to deliver water programmes**, including strategic water buyback, which is in the best interests of productive communities. **This department should no longer be responsible for delivering these programmes.** [emphasis added]*

Labor has found a way to create more uncertainty for Basin communities with the release of the draft Basin Plan.

Labor has failed Australia's foodbowl. The Murray-Darling produces almost 50% of our fruit and over 90% of our oranges. Labor's mismanagement has put investment in our primary foodbowl at risk.

The Coalition Alternative

The Coalition is committed to delivering the 10-point plan for the Murray-Darling announced by the former Coalition government in 2007. This would restore the Murray-Darling to health while still ensuring the viability of Australia's food producing communities.

- The future of the Murray-Darling should not and cannot be a choice between the environment or agriculture. We can and must address all parts of this equation.
- The Coalition is committed to ensuring that the Basin Plan balances economic, social and environmental factors in a triple-bottom line way.

The Coalition will not support a bad plan for the Murray-Darling. The Basin Plan must:

- return water to the environment because the system has been over-allocated in the past.
- be based on an equal consideration of economic, social and environmental factors.
- provide a detailed plan for the economic and social future of Basin communities and involve local communities in true consultation and engagement.
- be about outcomes not a number, and be upfront about what the environmental benefits are and what are the economic costs
- take into account the natural limitations of water delivery in the Basin because it is simply not acceptable to flood vast areas of private land

Ultimately, a sustainable solution to the Basin requires the involvement of all parts of the Basin. The Coalition has a positive plan to maintain jobs in Basin communities, keep the price of fresh food down and restore our environment.

The right outcome is more important than a piece of legislation.

- A Senate inquiry raised questions about whether the current Act achieves a triple-bottom line. This adds to the views of Professor John Briscoe, Harvard University, Professor George Williams, University of New South Wales, Barrister Josephine Kelly and Judith Sloan, former Commissioner of the Productivity Commission.

The Coalition would release the legal advice that the government refuses to do.

- Senate estimates revealed that the Australian Government Solicitor has provided a total of 946 pages of legal advice to the government of which it has released a 10 page summary.

The Coalition will invest in new and upgraded dams

The Coalition will invest in Australia's future water security. Australia has been let down by a failure to plan for Australia's long-term water needs.

- State Labor governments have made poor investment decisions, deciding to pour billions of dollars into desalination plants which have contributed to the 60 per cent rise in water prices since Labor came to power in 2007.
- As a result, the long-term planning to secure Australia's water future has not been done. Crucial infrastructure in water assets takes decades to plan for.

The Coalition will invest in the water supply options that Labor has ignored during its time in government.

- Dams can provide reliable water supplies for cities, underpin the economic development of the agriculture, manufacturing and mining sectors, provide a low-emission source of electricity and mitigate the effects of flood.

Australia has not built a large dam for over 20 years. If we don't start planning for new investments now, then our water storage capacity will fall considerably over the next 20 years. That's why the Coalition's Dams Taskforce is looking at potential investments in Dam capacity across the country.

- Compared to 20 years ago, the amount of water we can store per person has fallen considerably. In 1990 Australia could store in its dams over 4.5 ML per person. Due to a lack of investment in dams, we can now only store 3.5 ML per person. By 2050, if no more dams are built, it will fall below 2.5 ML per person.

42. Youth

Under the previous Coalition Government teenage unemployment was dramatically reduced, apprenticeships doubled, work experience opportunities were created through the Work for the Dole Programme and the number of university places available to young people increased by 44 per cent.

When in Government, the Coalition did not shy away from tackling head-on the threat posed to young Australians by the illegal drug trade, the challenge of depression, youth suicide and youth homelessness

A National School Drug Education Strategy was developed in consultation with schools, parents, States and Territories and local communities, with an investment of around \$27 million.

The Coalition's Reconnect Programme helped address youth homelessness through early intervention and counselling to help facilitate reconciliation between young people and their families.

The National Youth Roundtable, the National Indigenous Youth Leadership Group and the Australian Forum of Youth Organisations were all established by the Coalition to ensure wide consultation on issues of concern to young Australians.

Labor Failures

Labor has failed to provide economic and job security for young Australians.

Unfortunately young Australians are amongst those suffering most from Labor's economic mismanagement and rising unemployment – with youth unemployment hit hardest. Youth unemployment sits at 13 per cent, compared to 9.8 per cent in November 2007, with almost 147,000 young Australians looking for full-time employment.

Labor has re-imposed compulsory student union fees at universities with the help of the Greens, despite Coalition attempts to block the legislation.

Labor's changes to Youth Allowance impacted severely on students in rural and regional areas. In 2010 Labor changed the criteria for accessing Independent Youth Allowance, requiring regional students to join the workforce for 30 hours a week for 18 months before claiming the allowance.

In September 2011 the Coalition prevailed in a hard fought campaign to make independent youth allowance fairer for inner regional students. At long last, the Government decided to ditch the 30 hour a week rule for inner regional students and apply the exact same and fairer criteria that applies to outer regional, remote and very remote areas. Perhaps the most significant policy impact of this Labor Government on the young people of Australia is massive government debt. Young Australians today will bear the debt repayment burden Labor has bequeathed to them.

The Howard Government inherited \$96 billion worth of Commonwealth debt and it turned that into a \$70 billion net asset position. By contrast, the current government has turned \$70 billion of assets, at last count, into \$134 billion of debt.

The Coalition Alternative

We will:

- Give priority to policies that reduce youth unemployment including: industrial relations reform, boosting vocational education and training, and ensuring university education is affordable and accessible for all;
- Abolish in Government any type of compulsory university amenities fee imposed on young people. It is a tax on students and “de facto” form of compulsory student Unionism; and
- Support the “Tough on Drugs” campaign.

The Coalition’s Review of Online Safety for Children

The Coalition will establish an Online Safety Working Group to assist parents, carers and teachers to better protect children and young people from the risks associated with the internet and social media.

Given the multi-faceted nature of the challenge facing parents, schools and regulators, the Coalition Online Safety Working Group will consult with key technology, education and cyber-safety leaders, parents and young people, as well as other interested parties, to further develop its online safety policy in the areas of education, regulation and enforcement.

The review will inform the development of policy leading into the next election, before which the Coalition will release a comprehensive youth policy.

The Greens

Want to give 16 year olds the right to vote.

Will increase Youth Allowance to the level of a living wage, irrespective of the cost to taxpayers

Introduce a Commonwealth Commissioner for Children and Young People.

Want to establish a \$3 million Artists Fund to ensure artists are paid for their exhibitions and performances which they say will be beneficial for young and emerging artists. The fund would be for publicly funded galleries to pay artist fees at the recommended industry rate. No details are provided beyond saying they will adopt the policy suggestion from the National Association for the Visual Arts.