

**National Press Club Address**  
**Senator Natasha Stott Despoja**  
**Leader of the Australian Democrats**  
**Wednesday 8 August 2001**

*CHECK AGAINST DELIVERY*

Thank you for inviting me to address the National Press Club again. I am honoured to be doing so, for the first time, as Leader of the Australian Democrats and on the topic of changing politics.

I acknowledge the importance of this institution in providing a stage for speakers from politics, the arts, science, business and entertainment fields.

Since 1969, the National Press Club has held pre-election debates and addresses by the Party leaders and I hope will continue to provide a place for the Democrats, as the third force in Australian politics.

I also acknowledge the ABC's broadcast of these speeches to the nation, and the broader role the ABC has played over the past 69 years, in reflecting our national identity and telling Australian stories.

The Democrats have always been the greatest supporters of a strong and independent public sector broadcaster and that is why we have sought to protect the ABC and for funding to be brought back to 1985 levels, in real terms. We believe the ABC requires approximately \$700 million untied, for operational purposes.

I have addressed this forum, as Deputy Leader of the Australian Democrats, on two previous occasions.

In 1999, I spoke about Biotechnology, and, particularly, the need for a ban on human cloning and the prohibition of genetic discrimination. I am very pleased that the issues of genetic privacy and stem cell research are now firmly on the agenda.

The Democrats have been calling for a ban on human cloning since 1998, so I was pleased to see the Prime Minister's announcement in June. In 1998 I also introduced a Private Member's Bill, the *Genetic Privacy and Non-Discrimination Bill*, which I continue to urge the Government to debate.

I also spoke here, in August 1998, on the topic 'The Future for Young Australians'. That was three years ago – almost to the day.

Over the last three years, I have become increasingly convinced that creating a future for young Australians, requires not just a change in policies, but a fundamental change in politics.

Three years ago, as now, Australia was heading into a federal election campaign, that was dominated by taxation issues.

Significant events have occurred in the last three years: the independence of East Timor and our peacekeeping role; here at home, the fallout, from the battle on the waterfront, hundreds of thousands of ordinary Australians crossed bridges for Reconciliation; and of course the 'greatest Olympic games ever'.

Some things, however, have stayed the same. As *The Australian* newspaper's political editor Dennis Shanahan, pointed out last weekend, "We are confronted with the prospect of a third election in just eight years being fought on tax,"<sup>1</sup>.

For too long, taxation has dominated political debate in Australia, while there has been relatively little discussion about where we - as a nation - should spend those funds for the greatest rewards.

You would think elections were nothing more than a contest for the biggest fist full of dollars. Well, I believe Australians want more than that from their elected representatives.

I think they want honesty. I think they want a vision of where Australia could be in 20, or even 30 years time, not just after the next election. I know they want more funds for education and health.

The Prime Minister and Opposition Leader are out of touch if they think Australians will simply settle for a policy vision consisting of little more than 'tax cuts'. What this really means is fewer services like hospitals and schools, no scientific innovation or job creation, and more poverty.

This election should be about the triple bottom line: the economy, the community and our environment. It should not be about who has the biggest tax cut.

The Australian Democrats pledge to change politics. As the Party holding the balance of power, we will set the parameters now on tax, so our position is clearly known and understood.

The Australian Democrats today pledge that we will not support any increase in the rate of the Goods and Services Tax.

We will not support tax cuts to the rich while the poorest are neglected. We will not support tax cuts unless necessary improvements are first made in education, health and environmental protection.

The Democrats have always looked out for the most disadvantaged Australians. We believe welfare reform is part of this nation's unfinished business. It will be a key part of our election platform.

In the coming months, the Democrats will be releasing a number of policies focusing on aged care, disabilities, veterans and other Australians to whom we owe a special obligation.

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<sup>1</sup> Dennis Shanahan, "Tax and counterattacks" *The Weekend Australian*

Today, I am announcing one of the key commitments the Democrats are taking to the election and beyond.

One million Australians live significantly below the poverty line. There are unemployed people, students and other young people who are struggling to live on Government allowances that are 20% to 40% below the poverty line.

The Democrats want to start pulling people out of poverty by raising welfare allowances including the Youth Allowance, Austudy and Newstart, to the level of the aged pension.

The initiative would also include sickness allowance, widow allowance, partner allowance and mature age allowance. The base payment rate would be the single pension rate, indexed to movements in male total average weekly earnings. (MTAWE).

A single unemployed adult presently receives \$21 a week less to live on than a single pensioner. An adult student receives \$52.90 a week less.

There is no logical explanation for the growing gap between allowance rates and pension rates. Even the McClure Welfare reform report recommended that there be a common base payment for all eligible persons. Regrettably, the Government ignored this recommendation. Real welfare reform would have raised these payments to above the poverty line.

This initiative would mean a much needed increase in income for one million Australians. That is half a million unemployed; 400,000 youth and students; and around 100,000 widows and those on sickness, partner and mature age allowances.

It would cost an extra \$1.5 billion per year, but a phased implementation could be achieved for \$300 million per year, with greater expenditures in subsequent years covered by the same economic growth that John Howard wants to turn into tax cuts.

We should not be considering tax cuts for those on higher incomes until we have addressed the issue of welfare recipients living in poverty.

We can afford to reduce poverty, the only question is do we want to?

Last month, the Workplace Relations Minister Tony Abbott said, "We can't abolish poverty because poverty, in part, is a function of individual behaviour".<sup>2</sup>

Well it is also, in part, a function of the Government's failing to give people enough money to live on.

We are talking about people who are in poverty before they even start making choices about where to spend their money. Let us at least start them at an income they can live on.

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<sup>2</sup> ABC's Four Corners program, 9 July 2001

One in nine Australians now live below the poverty line. The Democrats believe that pulling people out of poverty is a higher priority than tax cuts for high income earners.

In fact, greater expenditure on health, education and other social services is *also* a higher priority than tax cuts for high income earners.

If unemployed people have enough money to live on and access to decent housing, transport, education and employment opportunities, they have a better chance of employment. In the long run this will reduce expenditure on welfare.

Mr Howard says voters must choose between Labor's likely increases in income tax or return the present Government for a third term. Actually, there are more choices than that.

A Federal election should provide the ultimate contest of ideas and ideals for a nation. Mr John Howard will run a tax bribe strategy hoping Australians will forget that it could disappear as a non-core promise the morning after. Mr Kim Beazley will try to remain the smallest possible target for the longest possible time, in the comical hope that he can tip toe into the Lodge.

People have seen the last six years of Government, and many remember the thirteen years before that, under Labor.

The old parties' lack of vision has created a vacuum ready to be filled by a credible alternative.

We are seeing record numbers of Australians turning away from the old parties. In the Senate, the vote for parties other than the two old parties, rose from 13.5% in 1993 to 25% in 1998. At the next election, it could be as high as one in three voters choosing an alternative to Labor or Liberal.

Election analyst, Antony Green wrote recently in *The Age*:

"The strongest conclusion that can be drawn from Aston is that the electorate's record vote for minor parties will be repeated at the federal poll. The Democrats and local independents look set to draw huge support..."<sup>3</sup>

In the recent by-election, I am proud that the Democrats were the only Party whose vote increased since the last federal election, but we have a long way to go and I am not under any illusion as to how tough this upcoming federal election campaign is going to be.

It is an exciting time for the Australian Democrats, with membership and polls on the rise. This election we are going to run Democrats in every House of Representatives seat, giving all Australia a chance to vote for a real alternative.

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<sup>3</sup> Antony Green, "Ambiguous signs from Aston poll" *The Sunday Age*, 22 July 2001

The important choice facing the voters is not just which Party will be in Government, but whether the Democrats will continue to hold the balance of power in the next Parliament, or a coalition of minor parties and independents.

How the Democrats poll, will determine whether Pauline Hanson's One Nation Party shares the balance of power role. We believe that most Australians recognise that politics is more than complaining, it is finding positive solutions.

Yet, with members of the Coalition doing preference deals with One Nation, there is an opening for One Nation to gain more seats in the Parliament.

This would have a huge impact on Australian public policy and the markets.

The International ratings agency Standard and Poor's recently released paper on the repercussions of this year's election, says, "... if the Coalition decide that a Labor victory is most likely, they might seek to complicate things for the incoming Labor government by preferencing the non-Democrat minor parties....."<sup>4</sup>

The S&P paper also says that in terms of "... the incoming Government passing a coherent legislative program, it would be preferable for the Democrats to hold the balance of power..."

This finding recognises that, for the last 24 years, the Democrats have been negotiating with whichever Party is in Government, to produce the fairest laws for all Australians.

We are offering positive solutions.

Australians want leadership – but not the leadership the old parties offer.

The recent Voter's Voice series in *The Australian* newspaper, looking at the views behind the polls, has uncovered dissatisfaction in the community with the old parties.

'Disillusionment', 'don't trust them', 'voting to keep the worst people out' - these are the emerging themes.

The public's cynicism about politics is not surprising. It is quite logical in light of what they see of parliamentary politics: 'non-core promises', rorts, junkets, and the childish cheap shots during question time.

The Voter's Voice survey found that what Australians say they want is honesty, strength, dignity and compassion.

Similarly, Leadership Victoria recently conducted a national survey asking Australians to nominate good leaders. What the respondents valued, was honesty and the language of non-competitive politics.

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<sup>4</sup> Standard and Poor's MMS "Australian Federal Election: A Change of Government?" 13 July 2001, p.7

Clearly, people are looking for a less aggressive, less combative style of leadership.

By the election, how many times we are going to hear about how the Coalition is 'mean and tricky' and the Opposition is 'policy-lazy', and who does not have 'ticker', and who does not have guts?

To most Australians, political debate just sounds like 'two dogs barking'. They want something different.

There are exciting and even inspirational aspects to politics, and that is what I want to try and convey to people.

In the Parliament, the Democrats favour negotiation and intelligent debate to find positive solutions. When you do not have the majority numbers you have to rely on the merits of your argument, rather than the loudness of your voice.

Unfortunately, negotiation and mutual agreement rarely make the news, even if they are the key to achieving the best and fairest laws for all Australians.

I am not saying all cynicism about politics is unhealthy. The democratic spirit is to challenge, to debate and to protest against what is unjust. I welcome the fact that Australians are proudly irreverent, they challenge their leaders, and speak their minds.

But I am concerned when politics seems so distant, so corrupt, and so irrelevant that almost half Australia's 18 year olds are not enrolled to vote<sup>5</sup>.

The question of how to engage people in politics is ongoing. Citizenship is more than voting, paying taxes, owning a passport or even knowing who the first Prime Minister was.

"The strength of democracy is that every man and woman whose names are on the roll can exercise a vote as powerful as the highest in the land." Over a hundred years ago that was written on the South Australian ballot paper for Federation.

In 1901, Federation was an important leap in our journey as a democratic, united nation. The Republic and Reconciliation will also be significant milestones.

As well as the Democrats' traditional role of keeping them honest, the Democrats also give them a few good ideas: World Heritage Legislation; tax breaks to conserve land; Health Care cards for foster children; and Private Member's bills to address emerging issues in Science and Technology.

Most of the measures this Government has instigated to combat climate change through reducing Greenhouse emissions, are Democrat initiatives.

We are a Party that has shown initiative, coming up with practical positive solutions and negotiating to bring them about. This is what the Change Politics campaign is

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<sup>5</sup> ABS, "Estimated Enrolment of Young people". As of 30 June 2001, 56% of 18 year olds were enrolled to vote.

about: good ideas and positive outcomes, not just insults and underbidding the opposition.

The Democrats have always been 'years ahead' in regard to protection of the environment, and respect for human rights and continue to be.

The Democrats also have a proud record in addressing the disadvantage suffered by rural communities, particularly the brutal changes as a result of deregulation.

The Democrats have also led the field in terms of accountability and honesty in Government. It was ten years ago the Democrats forced a public register of political donations to be kept.

The Democrats stand for a new type of politics where backroom deals and powerful vested interests do not dominate. We listen to business and we listen to unions but we are not bound by either. Our first commitment is to the Australian people.

The old parties are still being forced to respond to agenda we are setting, from accountability to privacy, and biotechnology to globalisation.

Change Politics is about creating the Australia we want, over the next 30 years at least, not just trying to buoy the polls over the next 4 months.

Health, education, environment, and job creation, are all areas in which you invest now, and the long term returns are priceless.

Environmental protection, is essential to our long term future.

The Democrats' Environment policy will be the first major policy launch. It is an area in which the Democrats have a long and proud record of achievement and we will be proposing some new initiatives.

The Prime Minister's attempts last week to establish his environmental credentials, suggest he has been convinced of the importance of environmental issues in the minds of voters, but his speech contained no new initiatives and no new money to address the multitude of environmental threats that Australia faces.

He said, "there is no more pressing issue than tackling water quality and salinity issues", so why is he simply talking tax cuts? Why is he saying, "Further reduction in personal income tax must be on the political agenda".

In addition to environmental protection, the other vital investment a country can make in its future is education.

Yet, education barely rated a mention in the Prime Minister's address last week, and it is hardly surprising since his Government's performance has been disgraceful. He has presided over the systematic degradation of public education in schools, TAFEs and universities.

Worsening staff - student ratios, increased barriers to access and casualisation of teaching is the legacy of this government. Australia is one of the few OECD countries with declining school retention rates. In a world that we know is increasingly dependent on highly skilled, adaptable learners, why are our school retention rates going in the wrong direction? Why are there so many barriers for our university and TAFE students?

This is a very poor base to grapple with the massive future challenges and opportunities of the knowledge economy.

The Democrats would like to see positive debate about the merits of both the Innovation Package and Knowledge Nation, and specifically, what funding is being offered to back them up.

Why not - as an ABC Radio journalist asked the Prime Minister last week - why not release the Charter of Public Honesty early so that we all go into the election knowing the true figures?

And, even if we do not know the size of the surplus, we all know that we need more funds for education. As Education spokesperson Senator Lyn Allison said when both the Coalition and Labor voted to shift more public funds into private schools, "The Democrats remain strongly opposed to inequitable grants to non-government schools, particularly wealthy non-government schools, while public schools remain chronically under-funded".

Similarly, as a result of the Government's cut to the Research and Development tax concession, business investment in R&D has declined each year since 1996, in real terms and as a percentage of GDP.

To encourage internationally competitive levels of private investment in R&D, at a minimum we must restore the R&D tax concession to 150% and prevent this Government's attempts to constrain R&D definitions.

In 1999/2000, Australia's Gross Expenditure in R&D was 1.43 per cent of GDP. The OECD average was 2.05 per cent. That is a gap of \$3.9 billion less than that required to merely make us average.

Much is made of the need to leave future generations debt free, but what about leaving them an inheritance? A good education, good health, social infrastructure and a clean environment, are the endowments future generations will need.

Last week I could not believe the Prime Minister had the nerve to say his Government had "strengthened the social safety net." He did not even mention in passing, the most disadvantaged Australians.

How dare he talk about the "*right to self-reliance*" when there are 680,000 unemployed people and only 95,000 jobs to go around?

Where is his "*commitment to offering choice and opportunity*" for the 600,000 Australian disability support pensioners who did not receive the Government's

Budget bonus of \$1,000 or \$300 one-off payment, and who will never benefit from superannuation because they cannot compete for work?

Where is the “*Balance between work and family*” and “*choice about staying home*” for sole parents who must leave their sick or disabled children at home because this Government is telling them that parenting is not enough activity?

I hope the Prime Minister will take up the challenge of the new Sex Discrimination Commissioner regarding paid maternity leave. While the old parties have recently started talking up ‘family friendliness’ there is all too little action out there on the ground.

The Democrats have long been committed to the provision of universal maternity leave. Innovative funding solutions might include bringing forward the family tax benefit as a lump sum payment.

We need to make sure that the costs and benefits of maternity leave are spread around and that small business - a very significant employer of women - is not carrying the load. We need a scheme that government, employees and employers contribute to on a fair basis - whether or not they employ potentially pregnant women.

All of us benefit from the creation and care of the next generation. That is the flipside of the ageing population issue.

The Democrats’ triple bottom line is the environment, the economy and the community.

All the Prime Minister’s talk about ‘choice’ does not acknowledge that the market place can only ever provide market values, not community values.

Beneath the economic bottom line there is a treasure chest of community values that cannot be costed, but must be counted.

Mr Howard emphasised the choices his Government was offering people but neglected the greatest choice Australians want at the forthcoming election – to change politics.

What happens in the Parliament can have an enormous impact on people’s lives, but we want to convince people that politics is not just about what is done ‘up on the hill’.

Politics is also what every Australian does every day. How you work, and care for others, what you do with your time. What contribution you make to your community. What you buy and what you throw away, and where you throw it, are all political acts.

The state of the nation is not determined by John Howard or Kim Beazley but by the collective efforts of every one of us.

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