



COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



**THE SENATE**

**PROOF**

**MOTIONS**

**Minister for Defence**

**Censure**

**SPEECH**

**Wednesday, 26 November 2014**

BY AUTHORITY OF THE SENATE

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## SPEECH

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<b>Questioner</b>	<b>Responder</b>
<b>Speaker</b> Lambie, Sen Jacqui	<b>Question No.</b>

**Senator LAMBIE** (Tasmania) (17:10): I rise to contribute to, and support, the censure motion put before this Senate by the opposition against the Minister for Defence, Senator Johnston. I congratulate the Australian Labor party for standing up for Australian jobs, Australian shipbuilding and Australian national security and I urge all senators to support this censure motion. I agree with all five points of this censure motion. I agree that the Minister for Defence has insulted the men and women of ASC by stating he 'wouldn't trust them to build a canoe'; undermined the confidence in Australia's defence capability; threatened the integrity of Australia's defence procurement project; broken his promise made on 8 May 2013 to build 12 new submarines at ASC in South Australia; and cut the real pay and Christmas and recreational leave for Australian Defence Force personnel.

This is now a serious credibility and leadership crisis for the Abbott government, which is best described by this important question: how can any Australian believe any promises that this minister and, indeed, his Prime Minister make? The public record shows that this government, through the defence minister, Prime Minister and other Liberal Party ministers, has broken promises and deliberately misled ordinary Australians and the men and women of the Australian defence forces.

The government created the crisis surrounding Australian shipbuilding because of a failure of leadership by the defence minister and the PM. The defence minister should be sacked or, even better, should have enough integrity to resign for his incompetence and lack of honesty. That might buy the PM some time; however, we should not have to remind government members how vitally important it is for Australia to be able to manufacture ships and weapons. The government of Australia should have followed the advice that the new Governor-General, Sir Peter Cosgrove, gave in 2013 as the former Chief of the Defence Force. The now Sir Peter Cosgrove said:

Whenever I am asked why we should build submarines in Australia, my short reply is that we can't afford not to

Yesterday, I met with members of the AMWU who represent proud Australian skilled tradesmen. They build ships and submarines to defend our nation. I was proud to support those men and their families in their campaign to guarantee that \$250 billion worth of shipbuilding over the next 12 years, for the service and defence of our nation, is carried out in Australia.

We are an island nation and I come from an island state. We should be able to build ships and submarines in order to defend Australia. Anyone who undermines our capability to build naval vessels should be charged with sedition or treason. They are obviously dangerously stupid, or working for Australia's enemies, and they certainly should not be allowed to hold high office or the position of minister in this parliament.

I have had my differences with the union movement in the past, and I do not believe the union movement gets it right every time; however, in this matter, the AMWU has got it absolutely right. Paul Bastian, the National Secretary of the AMWU, has given four good reasons why every Australian, including Tasmanians, should support Australian shipbuilding. Firstly, it is vital for national security, and he said:

Australia is an island nation dependent on maritime trade across our surrounding oceans. If our shipbuilding industry is allowed to die, we will lose the skills required to design build and maintain naval ships and submarines, skills that have been recognized as crucial throughout our history and in the recent Defence white papers tackling future strategic risks.

Secondly, it is good for our economy—and I quote: 'Commissioning a one-off build from overseas is sometimes cheaper than building at home in the short term. But this ignores the long-term economic benefits.'

Thirdly, 'Australian workers are productive and competitive'. That headline speaks for itself; however, I remind the Senate again that the only way we can become more productive and competitive is to guarantee that our

power and electricity prices are the cheapest in the world. While our competitors in America and the UK have power three times cheaper than ours, undue pressure will always be placed on Australian wages and conditions.

Finally, it is good for employment and nation building—and I quote: 'The Australian government has identified the need to build around eight warships at a cost of \$100 billion over the coming decades. Adding maintenance across the ships' lifetimes, the outlay is closer to \$200 billion.' I want Tasmania to have a share of that \$250 billion worth of Australia's shipbuilding. I want to remind this parliament that Tasmania can also play an important role in Australian shipbuilding for our ADF.

If this defence minister is allowed to have his way, if he is allowed to remain in this high office, undermining national security by his lack of credibility, leadership and respect for the truth, then my state of Tasmania will lose all hope of ever contributing to that \$250 billion national defence building program.

Tasmania has a maritime network taking the world by sea. Like other states, we have world-class maritime engineers, designers and shipbuilders. We have Incat, APCO Engineering, Australian Maritime College, Cawthorn Welding, Revolution Design, Plastic Fabrications, Richardson Devine Marine Construction, Sabre Marine & General Engineers, and the list goes on. Tasmania has world-class skills training and research: Australian Maritime College, Asia Pacific Maritime Institute, CSIRO, Skills Institute, and the list goes on. Why shouldn't Tasmanian designers, shipbuilders, tradespeople, apprentices, trainers and small-business owners share in the work and the wealth that is generated by ships and other equipment for Australia's defence?

I am sure that all my fellow senators from Tasmania, no matter what political party they are members of, will have to agree with my argument. I am sure that Senator Abetz and Senator Colbeck are just as angry as I am with Senator Johnston for denying our shipbuilders the opportunity to contribute to the national defence.

Australia's leading defence writer Ian McPhedran recently reported:

A wave of anger has erupted from the ranks of the Australian Defence Force and the community following the government's decision to cut pay and leave entitlements for military personnel.

I have said this before but this censure motion gives me an opportunity to say it inside this Senate chamber: I am not going to stand by silently and fail to act as this Liberal-National Party government steals money, holidays and entitlements away from those who are ready to fight and die to protect us from our enemies. Our ADF heroes did not die so that selfish politicians could take what they please from the public purse while soldiers who risk their lives to protect our freedoms are treated like dogs and thrown scraps from the nation's table.

It is possible to honour the dead and at the same time fight like bloody hell for the living. All Australian politicians must live up to the Anzac legend and not off it. What we have in the case of the Minister for Defence is a politician who is prepared to arrogantly live off the Anzac legend, a defence minister who is prepared to make a big-noting, self-serving, hypocritical speech on Remembrance Day or Anzac Day while being part of a Liberal Party plan to cut real pay, and Christmas and recreational leave for our Australian diggers.

Senator Johnston, shame on you. How could you enjoy the luxuries and the perks of high office while forcing a real pay cut on our defence families? How could the defence minister allow his chiefs of defence on salaries of almost \$800,000 to do his dirty work? Doesn't he know what harm it does to the diggers' morale when the top brass—on \$700,000 a year plus, and who have just received tens of thousands of dollars of annual pay rises—tell the troops that they are expected to take a pay cut and lose Christmas leave? The defence minister was MIA, or missing in action, when it came to delivering the bad news about the ADF pay cuts.

I have received from the Office of Parliamentary Counsel a first draft of a private members' bill, which will link Defence Force pay to the pay of politicians or the CPI rate, whichever is higher. Will the defence minister, once this censure motion has been passed, make amends and agree to support my private members' bill? This piece of legislation, if passed by the Australian parliament, will forever solve the Australian Defence Force pay crisis created by the minister and Mr Abbott.

Members of our Defence Force do not have a union. They do not have a strong voice in the room when their pay and conditions are negotiated. Our diggers cannot go on strike if their government forces them to take a pay cut, and to lose holidays and entitlements. Yet our diggers are expected, as part of their normal work conditions, to be killed or terribly wounded. The latest wage offer by the Abbott government—which effectively means a

1.5 per cent pay cut, and loss of up to six days of leave and important travel allowances—is further proof of why politicians, especially Liberals, cannot be trusted to manage ADF pay. It is also proof that ADF salaries should be automatically linked through legislation to the salaries of politicians or the CPI, whichever is higher. Who could reasonably argue against the proposal that our diggers, who are prepared to shed blood in war for us, should have their remuneration linked to those who send them to war?

My critics in the past have said that I will just be a lone voice in parliament, that I would have no effect on this debate. But what they fail to understand is that a lone voice armed with the facts, passion and the truth, in our parliament, a great chamber of democratic debate, can influence and change the course of history for the better.

The Parliamentary Library background research I commissioned for my private members' bill shows that in one year alone, 2012, Australian politicians were awarded a 34.3 per cent pay rise, from \$140,910 to \$190,550. This was an increase in one year of almost \$50,000 for an Australian politician, while an Australian soldier received a pay rise of 2.5 per cent, or approximately an extra \$1,900 per year. Sadly, the Parliamentary Library research reveals for the first time that the average yearly rise in Defence pays over the last 10 years has been approximately three per cent. This stands in stark contrast with the average yearly rise in politicians' pay, which since 2004 has been almost seven per cent. The politicians' pay rise included the 2012 pay rise of 34.3 per cent.

One of the important messages I have received from legal experts at the Office of Parliamentary Counsel is that my private member's legislation does not breach any provisions of Australia's Constitution. Therefore, anyone who says otherwise is simply trying to muddy the waters and let the Abbott government off the hook with regard to its appalling management of the Defence pay crisis. The national ex-service organisations, made up of the Australian Peacekeeper and Peacemaker Veterans Association, the Australian Federation of Totally and Permanently Incapacitated Ex Servicemen and Women, the Australian Special Air Service Association, the Defence Force Welfare Association, the Legacy Australia Council, the Naval Association of Australia, the Partners of Veterans Association of Australia, the Royal Australian Air Force Association, the Royal Australian Regiment Corporation, the Vietnam Veterans' Association of Australia, the Vietnam Veterans Federation of Australia and the War Widows' Guild of Australia, have released a media statement which offers extraordinary criticism of this Defence minister and his government. They did not make this statement, as the Attorney-General would have you believe, because of a slip of the tongue. They have put out these damaging statements because of a prolonged period of dysfunction and incompetent management of the Defence and Veterans' Affairs departments.

The national ex-service organisations have said:

The recent pay decision which purportedly *“in no way reflects the value that the Government places on ADF personnel”* is but one of a number of decisions in the ‘employment package’ for ADF members which have the effect of reducing the value of their total remuneration in a time of rising living costs hitting those in the lower ranks disproportionately.

We ask the Prime Minister to personally intervene recognising the unfair impact of these decisions;

To ensure disabled veterans and war widows pensions adjustments remain as at present;

Instigate a reworking of the Commonwealth's position on the Workplace Remuneration Arrangement to provide an outcome for our service personnel that at least matches the expected increases in living costs over the next three years;

Revise the pay case process to abolish the provisions for an “agreed case” to ensure no more behind closed door dealings and allow the ADF and Commonwealth proposals to be argued in open proceedings before the Defence Force Remuneration Tribunal for adjudication; and

Ensure Defence engendered charges such as married quarter rent, uniform and ration charges are not increased by more than the salary percentage increase.

During the course of this censure debate, I am also offering the government and the Defence minister a chance to give a guarantee that his government has not entered into a secret deal to put more troops on the ground in Iraq. Today my office received numerous information to suggest that this Defence minister, along with the PM, has given a secret commitment to the United States to put more Australian boots on the ground in Iraq. I understand the seriousness of this allegation but, given the history of public deception that this minister and government

has, now is the perfect time to stand in this Senate and tell me that the people who have contacted my office are wrong—because the Defence minister is not here.

In closing, it is obvious that this Liberal Party decision to favour overseas ship and submarine builders over Australian companies smacks of self-interest rather than the national interest. If we really want to guarantee an Australian shipbuilding industry, must we also be forced to guarantee that the Liberal Party can get a kickback from the process? I support the men and women of our ADF and I support the men and women who build our ships and other Defence machinery. I support this censure motion before the House.

The PRESIDENT: The question is that the motion to censure moved by Senator Wong be agreed to.