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PARLIAMENTARY DEBATES



**THE SENATE**

**PROOF**

**ADJOURNMENT**

**Infrastructure, Renewable Energy  
Target, Australian Defence Force**

**SPEECH**

**Thursday, 27 November 2014**

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## SPEECH

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**Senator LAMBIE** (Tasmania) (20:01): Today I got Christmas tree envy! I walked past the Prime Minister's office and noticed his magnificent Christmas tree, and I wondered if there was a present or two for the people of Tasmania under Mr Abbott's tree. So, with Christmas less than a month away, my meeting confirmed with the PM next Monday, and decorations, trees and carols everywhere in Australia's Parliament House, I thought it would be timely to share with the Senate my Christmas wish-list for Tasmania, just in case a fat jolly man, or even the Prime Minister, were listening and feeling generous. After all, with the Christmas naughty-or-nice list most likely all drawn up, and given that I haven't upset too many people and done too much wrong this year—or, if I did, it was all in the good cause of putting my Tasmania first—I have every hope that Tasmania and I will end up on the nice side of Santa this Christmas!

On a more serious note, on the top of my Christmas-tree wish-list for Tasmania is, as to the RET, the immediate removal of the need for a large manufacturing business to purchase renewable energy certificates, because tens of thousands of direct and indirect jobs are in danger of being killed off if businesses like Bell Bay Aluminium, Norske Skog paper manufacturers, Grange Resources, Nyrstar and TEMCO manganese smelter close down because the total cost of energy becomes too expensive. Why should our big energy users, big employers and big wealth-creators be forced to pay what is nothing more than a sneaky extra tax on their electricity use, when the electricity they use is 100 per cent clean renewable hydro energy?

When Tasmanians turn on the light switch, and when our manufacturers power up their factories and provide jobs and wealth for thousands of workers, we are the only state in Australia who can hold our head up high and say: 'We don't pollute the environment with CO<sub>2</sub> because effectively we don't use coal power. We use water power to create our energy. We use 100 per cent clean renewable hydro power—the best form of renewable energy in the world—to produce goods to sell to the rest of the world.'

So why have the mainland states of Australia, through the current unfair RET scheme, ganged up on us and penalised Tasmania, as if we are polluting the environment with CO<sub>2</sub> created by coal-fired power stations? Why have both federal Labor and Liberal governments since 2001 forced our big manufacturers to pay, over and above their normal taxes, more than \$20 million per year into a fund which was created to ensure that mainland states receive more renewable energy?

A polite way of describing the situation created under the unfair mainland RET scheme is a 'wealth transfer'; a less polite way is a 'complete rip-off'. So a 'wealth transfer'—or 'RET rip-off'—from Tasmania to the mainland of more than \$260 million has occurred since 2001 because our big energy users and big employers have been forced to buy RET certificates. And I am not even including the 3.6 per cent RET charges, identified by the federal Parliamentary Library, which are also forced on everyday Tasmanian residential users.

I repeat my point: why should any Tasmanian be forced to pay one more cent of RET penalties for our electricity use when we use 100 per cent renewable hydro-electricity? If these RET charges or penalties are taken into account, it is clear that, since 2001, hundreds of millions, if not billions, of dollars have been unfairly taken out of Tasmania, putting at risk the jobs of tens of thousands of hardworking families and small businesses. How many jobs in Tasmanian over the last 10 years were lost because of the overinflated and highly expensive energy costs?

So my Christmas wish for those tens of thousands of Tasmanian families who rely on the manufacturing industry is for them to have a breadwinner in permanent work—to have job security—and for those families to stop worrying that the business they work for could become unprofitable and close down in the very near future. If that happens—if one of Tasmania's big employers and big manufacturers closes because they cannot afford the RET and energy charges—then the great danger is that other big energy users will close because the energy costs will shift and Tasmania will suffer catastrophic manufacturing failure and job losses. If that happens, there is only one group to blame, and that is the group called the Liberal Party, led in the lower house of this parliament

by Mr Abbott and in the Senate by Senator Abetz, because they designed this crazy RET scheme which ignores the fact that Tasmania is powered by 100 per cent hydro.

Since being elected to government—even though every Liberal member of this government, including Senator Abetz, Senator Colbeck and Mr Brett Whiteley, has heard the same warnings and pleadings from desperate and caring general managers like Ray Mostogl of Bell Bay Aluminium, and Rod Bender of Norske Skog paper manufacturers—those Liberal members of this parliament have refused to support and go over the top with me on this fight, and have done nothing to fix this RET injustice. They been happy to either knife me in the back, or stand by silently and watch while I am supposed to horse-trade with their Prime Minister for the job security of tens of thousands of Tasmanians. I am happy to go in and fight for the survival of manufacturing industry in Tasmania; it is what I was elected to do. But what makes me angry is the absolutely cowardly and pathetic behaviour of the government members of this place. This Christmas they should be given time in the naughty corner and made to answer this question: what are they doing to help ensure the unfair RET tax is removed from our big manufacturers thus saving tens of thousands of direct and indirect Tasmanian jobs?

One of the reasons Tasmania has found itself in a very difficult economic and social situation with the nation's youth, and with general unemployment at record highs, is because we have a Bass Strait transport cost crisis. The cost of transporting products, people, vehicles and machinery across Bass Strait—a state border—is too expensive and unfair when compared to other Australian state borders. I have said this before, but it is worth repeating: if Tasmania is to be treated fairly as a state of Australia, the cost of transporting both domestic and international bound goods and containers, machinery, food and fuel between Hobart and Melbourne should be no more than the cost of transporting a container on a semitrailer between Melbourne and Wagga Wagga on the Hume Highway. If we are to be treated fairly as a state, the cost of people taking their cars, motor homes, campervans, caravans, motorbikes, greyhounds, racehorses, reindeers and Santa's sleigh from Devonport to Melbourne or vice versa should be no more than the cost of driving 327 kilometres, give or take, of national highway from Melbourne to Albury.

The distance between the Victorian state border and the Tasmanian state border must be treated by policymakers, premiers and prime ministers as a national highway. They are not treating it like a national highway. The distance and cost of surface travel between Tasmania and the Australian mainland is a national disgrace, not a national highway, and it is time to fix it. In particular, goods made in Tasmania and shipped to international destinations for export should and must attract the same rate of compensation as goods shipped for domestic destinations. The fact that international bound products fail to attract the same transport compensation rates as products for domestic locations has created a situation where there is a large disincentive for local businesses to value-add products bound for international markets. There are examples of raw products being shipped from Tasmanian to the mainland for value-adding because they attract more money from the Tasmanian Freight Equalisation Scheme. Those products are value-added on the mainland and then shipped to international markets.

There should be no financial disincentive to value-add in Tasmania and then export to different countries around the world. I will not accept as a solution to this problem another review—and another review and another review—from the federal government. We have had review after review after review after review. What I want to see is some action and extra cash from this government for the Tasmanian Freight Equalisation Scheme. I do not want to see any more reviews; the days of reviews are over.

It is time we had a fair dinkum debate about boosting the numbers of our military through a new national military trade and traineeship scheme. I have spoken to opposition leader, Bill Shorten, about this scheme. He has listened carefully, and I thank him for his serious consideration of this initiative. If we placed every full-time member of our Army, Navy and RAAF in the Melbourne Cricket Ground, we would just half fill it. To put that number in context: one of our nearest international neighbours, Indonesia, has a full-time military strength of about 470,000 and yet Indonesia still receives over \$550 million each year in foreign aid from Australia.

My call to reintroduce a form of national military service through a boost in the number of military traineeships and apprenticeships for our struggling young people is not because I want to send them to a war. It is a genuine attempt to repair our degraded national defence capacity and ensure Australia's continued survival while offering a positive, compassionate solution to our record youth unemployment. It is also an attempt to address a national trade skills shortage which was, in part, caused after our military trade apprenticeship scheme was gutted in the early 1990s, following Australia's signing of the UN Convention against the use of child soldiers.

I hope that Prime Minister Abbott next Monday only pays half the attention to my policy suggestion as Labor leader, Mr Shorten, did because trade training and the offer of serving their country would be a lifeline to the young people of Tasmania, especially around my area—Burnie Devonport, Ulverstone, Launceston and the west coast—who are stuck in unemployment queues.

The national broadband scheme, which was trialled in Tasmanian with such fanfare and hope, has come to a stop because this government has told the NBN companies to focus elsewhere, which I find extremely disturbing. Business on one side of the street in Hobart are being connected to broadband and able to quickly trade with the rest of the world while businesses on the opposite side of the street are denied access to NBN technology. Why?

Schools, which should be at the top of the list to be connected to the NBN network, are being treated as residential buildings and denied fibre-to-the-node connections. I spoke with Tasmanian education professionals at a recent NBN community forum in Devonport organised by lower house member Brett Whiteley. These are the messages those education professionals had for this Senate. I quote education professional 1:

From our perspective, what we require is cost effective and affordable internet bandwidth for our school.

So at the moment we've got microwave connection we're already spending about—

I won't go into the amount of money, but it is a considerable amount per month—

... 100 megabytes up and down that students need upload as well as download because a lot of their work is saved to the cloud so that they don't have to have USB or hard drives they can save it on the cloud and access their work from wherever they are as long as they can get internet connection.

So what we need is a very affordable and a large internet access.

I quote education professional 2:

My concern is that under the NBN is that schools are going to be treated as on the same level as a residence, or as a small business.

Whereas each school might have 500, 800 or 1,000 people using the network, we need to be treated as a school, as a node rather than a premise under the NBN.

I quote education professional 3:

Now, if we had a really high speed internet we might be able to collaborate across schools. Now we will have one teacher who will teach Mandarin Chinese instead of trying to get three teachers and factor in travel this lets us actually have one teacher.

You can connect them via a fast internet and you can actually have teachers in the classrooms as well, who not only have the students but they're actually getting an educational learning as well and this could be done with a number of subjects.

Communications minister, Minister Turnbull, who is responsible for the rollout of the NBN, failed at the Devonport community meeting to give a guarantee to the people of Tasmania that the NBN would be rolled out in the two-year period that was promised.

Indeed, there is still a large question mark over the total amount of time it will take to roll out the NBN. And schools have been left unsure whether they will be recipients of NBN fibre-to-the-node service. According to those education professionals who spoke to me, there was a question mark over the capacity of the existing NBN Bass Strait links. My message to the PM is that I would like the NBN to be given priority once again in Tasmania, especially in the north and north-west of the state. When it comes to the NBN we will no longer accept half-hearted excuses for the job not being done.

On the ADF pay issue: I received criticism from some because of my decision to vote against legislation in order to force the government to make a fair pay offer and to return Christmas leave to our service personnel and their families. Ordinarily, I would never use one bad government decision to block a number of pieces of unrelated legislation. However, this decision by Mr. Abbott's team to effectively strip money and leave entitlements away

from all members of the Australian Defence Force is extraordinary in its timing, arrogance and level of political cruelty.

The people of Australia could eventually take the view that it was not a smart use of the balance of power and punish me. I cannot let that selfish thinking influence my actions on this matter of principle. Too many politicians make decisions with the thought of receiving something in return. I am prepared to take a stand on ADF pay and veterans' entitlements in the Senate and take that risk because the government has chosen this course of action. They are prepared to steal money, holidays and entitlements from our troops. I could not look at myself in the mirror or the diggers in the eye if I did nothing while I had the power to do something.

There are times when politicians must make decisions they believe are right and in the national interest. For me, this is one of those times. Today we have heard members of this Senate debate how to fix the economic and fiscal mess we are in. I have heard Liberal member after Liberal member in the Senate. What they failed to mention is the fact that the Howard-Costello government sold off \$59 billion of government assets to pay off \$57 billion worth of Labor debt. I did not hear that. As a matter of fact, I did not hear anything from the Nationals either. There is an arrogance displayed by this Liberal government that has lingered from previous administrations. It can be overcome by the PM changing his ways and listening to the parliament, listening to the community and listening to the men and women of our Defence Force.