

Speech to the ACTU Congress 2009  
Brisbane Convention Centre

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E&OE

It's great to be back in Queensland, for this supreme parliament of working people, the Congress of the Australian Council of Trade Unions.

But Jeff, Sharan, Joe – how on earth did you manage to schedule this speech on a State of Origin night?

And your second crime against humanity – to schedule this speech on a State of Origin night in Brisvegas when the home of the ACTU is in Melbourne – which is where the State of Origin is being held.

This is a total Victorian conspiracy.

To deny Queensland and NSW delegates of their birthright.

Where's Bill Ludwig or Ron Monaghan when you need 'em – to explain to their Victorian colleagues about such sacred occasions.

Anyway, as Prime Minister I can only be seen to be speaking in the national interest - which is to back Queensland all the way.

As Bill Ludwig would say, what's good for Queensland is good for Australia.

But it's great to welcome Congress back to Queensland.

The State that was the birthplace of the Australian Labor Party – and the cradle of the Australian trade union movement in the tumultuous events of the 1890s.

This Saturday, Queensland celebrates its 150th anniversary.

It's a one hundred and fifty year-long history that's been greatly influenced by a strong history of collective representation for working people through the labour movement.

A labour movement that gave Australia one of our greatest Prime Ministers, Andrew Fisher – the first Labor leader anywhere in the world to win a parliamentary majority in a national election.

A good friend of Keir Hardie, the founder of the British Labour Party, who he'd served alongside in the prolonged miners' strike on the Ayrshire coalfields in 1881.

And a man whose contributions, a century after he came to office, are only now being understood: the Prime Minister who presided over the introduction of the age pension, which came into effect one hundred years ago on July 1st; a lifelong fighter for fair compensation for injured workers; a great Australian nation-builder who built a stronger, fairer and more secure Australia.

The hundred years since Andrew Fisher's government have seen extraordinary changes in this State and in our nation.

But if the changes of the past hundred years have been extraordinary, the changes in the past 18 months have been no less astonishing.

The Government has confronted the worst global economic collapse in three quarters of a century – the result of rampant greed, excessive speculation and unrestrained market forces.

The global crisis is the product of neoliberal ideology based on a form of free market fundamentalism that says that markets are always self-correcting, that markets are always right and governments are always wrong.

This global recession has spread faster, and gone deeper, than any economic slump in our lifetimes.

- every one of the major advanced economies is in recession;
- 24 out of all 30 of the OECD countries are in recession, and
- 29 out of 30 OECD countries have experienced at least one negative quarter of economic growth.

Growth rates around the world have collapsed.

In the first three months of this year, each OECD economy experienced an average contraction of 2.1 per cent - the largest fall in the 50 year history of the OECD.

Unemployment rates are soaring around the world – already rising to almost 9 per cent in the US, 8 per cent in France, Germany and Canada, and 7.1 per cent in the UK.

Australia is not immune to this massive global economic slump.

But today's National Accounts figures show what Australians can achieve if we all pull together as a country, and recognise that we are all in this together.

The National Accounts data today showed that the Australian economy grew by 0.4 per cent in the March quarter.

Australia has the fastest growth of all the major advanced economies.

Australia is now the only economy of the major advanced economies not to be in recession.

But we are not out of the woods yet.

Australia's economic performance is not the result of random chance.

It is because Australians have risen to the occasion and because government policy is working to cushion Australia from the worst impacts of the global recession.

Today's figures show that the Government's cash stimulus payments – which the Liberals loudly opposed - have worked to cushion Australia from the global recession until our infrastructure investments kick in over the medium term.

Treasury figures confirm that without the cash stimulus payments, Australian growth would have been negative 0.2 and Australia would have been in recession.

Among the major advanced economies, Australia has the lowest budget deficit, the lowest debt and the highest growth.

This result is a tribute to all Australians:

Employers and employees who worked hard to keep their businesses afloat.

Small businesses who took the decision to keep people in work.

Unions, businesses and families who showed resilience and confidence in the face of this global recession.

A tribute to all Australians working together.

The global recession has a long way to go – and there is more work to do.

There is no doubt that there will be more ups and downs before this global recession is out.

Growth will continue to be slow for some time.

Unemployment will continue to rise.

And there may be negative growth in the future.

That is why the Government has a long term economic strategy as well as a short term economic strategy.

Australia's response has been to step in with strong, early, decisive action as the private sector retreats.

Since October last year, the Government has invested \$77 billion in economic stimulus through a combination of short, medium and long term support for the economy.

In the short term we invested \$21 billion to provide immediate support to the economy – through cash payments to families, pensioners, veterans, and low income earners.

Those payments have boosted the Australian retail sector.

Australian retail sales are now running at 4.8 per cent above their levels of November last year.

This contrasts with a 1.1% fall across the major advanced economies over the same period.

We invested \$2 billion in the First Home Owners Boost to support the housing and construction industry.

In April, total building approvals rose by 5.1 per cent.

Private house approvals have risen for the last four months, to be at their highest level since August 2008.

And the Government acted early and decisively to stabilise the financial sector with a government guarantee for 13 million bank deposits.

Beyond the immediate term the government also acted early to support the economy in the medium term through shovel-ready infrastructure projects, including:

- the largest school modernisation in Australia's history;
- free ceiling insulation for around 2.7 million Australian homes, and

- the construction of more than 20,000 new social and defence homes.

Over the longer term, the Government's strategy is nation-building for recovery.

We are supporting jobs today by investing in the nation-building infrastructure Australia needs for tomorrow.

We are investing in major rail, road and port projects.

We will also be investing up to \$43 billion in a partnership to build a high-speed National Broadband Network to finally bring Australia into the global digital economy of the 21st century.

And we'll be investing in major clean energy projects, including the largest solar energy project anywhere in the world.

In total \$49 billion – or around 70 per cent – of our stimulus is directed to nation building infrastructure.

By the end of the year we'll have more than 35,000 construction projects underway around the country.

Every one of these projects is necessary to help build our way out of this global recession.

Our strategy is this: nation-building for recovery.

Supporting jobs, small business and apprenticeships today.

By investing in the nation-building infrastructure we need for tomorrow.

And each time I visit one of these building sites, one of what will be 35,000 building sites, I am struck by the resilience of the Australian people as we all work together to try to cushion our economy from the worst of the global recession.

We have pursued this nation building for recovery strategy because we are unashamedly a Labor Government, committed to Labor values and to supporting working people in the toughest global economic collapse in 75 years.

These measures will support over 200,000 jobs over each of the next two years.

Jobs in retail. Jobs in construction. Jobs in transport. Jobs in hospitality. Jobs in education. Jobs in health. Jobs in small businesses. Jobs in the technology sector. Jobs across our public services.

These are important jobs doing important nation-building work.

And we are also creating new positions for apprentices across the nation, by ensuring that the tendering processes give priority to those businesses with a demonstrated commitment to trainees and apprenticeships.

Because now is the time for us to train a new generation of Australian tradesmen and women – instead of waiting until the next skills crisis, like the Liberals did over the decade just past.

Delegates, while we are by no means out of the woods, if the Government had not acted early and decisively, Australia would already be in severe recession.

GDP would have been 2.75 per cent lower over the next twelve months, and a further 1.5 per cent lower in 2010-11.

Over 200,000 more Australians would be out of work.

And a generation of Australians would be facing years of exclusion from the labour market.

This Government has not and will not stand idly by while the economy suffers the greatest external shock in three quarters of a century.

This Government believes in making a difference.

We cannot wish the global recession away.

But we can act to cushion the impact of that recession on Australian working families - and that is what we will continue to do.

But there are still some people in Australian national life who would rather score a political point than support the jobs of Australia's working people.

Malcolm Turnbull and the Liberal Party oppose these nation-building investments and criticise the necessary deficits and debt that underpin them – pretending they'd never have happened if the Liberal Party was still in power.

As if the \$210 billion collapse in government revenues had never happened – the largest single collapse in government revenues in history.

But when pressed, they admit they'd have virtually the same deficit and debt as the Government.

Our deficit is the lowest of the worlds most advanced economies.

Our debt is the lowest of the world's most advanced economies.

Our AAA credit rating was re-affirmed after the Budget.

Yet still they talk the economy down.

While we seek to build the economy up.

But if you want to see absolute hypocrisy on display – watch out for the stampede of Libs and Nats lining up for photo opportunities at local nation-building projects in their electorates.

Claiming ownership for them locally, while voting against them nationally.

The hypocrisy is breathtaking.

If Malcolm Turnbull had his way, the stimulus would not have happened.

The global recession would have thrown thousands more Australian businesses against the wall, and thrown hundreds of thousands more Australian workers out of work.

And a generation of young Australians would be condemned to long-term unemployment.

If the Liberal Party was still in power, Australia would still have Work Choices; still have AWAs; the Government would still be in denial about climate change, and the global recession would be wreaking absolute havoc on our economy as the free market ideologues sat on their hands and waited for the market to “self correct”.

As others have said in recent times, maybe one of the reasons it's called an invisible hand is that sometimes it's just not there.

Delegates, this Labor Government is rising to the challenge that the global economy has thrown at us.

This Labor Government is standing up for working people, against the massive threat of this global economic crisis – and we will continue to do so.

But let this be clearly understood.

The Government is nation building for a stronger long-term future, not just nation-building for jobs and recovery today.

Our \$77 billion stimulus investment delivers the greatest-ever national investment in productivity-boosting infrastructure and education in our nation's history.

Because these are the investments that will build a stronger, more productive Australian economy beyond the recovery and for the future.

Investments that for 12 years were neglected by the Liberal Party when they were in power, as infrastructure crumbled and more than 300,000 young Australians were turned away from TAFE colleges.

The Government has begun to deliver an education revolution in our pre-schools, schools, TAFEs, universities and research centres.

We have also committed to a Jobs and Training Compact that delivers training, support and local initiatives to help Australians get back to work.

The three-pronged Jobs and Training Compact comprises a Compact with Young Australians, a Compact with Retrenched Workers and a Compact with Local Communities, with our efforts targeted to those at greatest risk.

Alongside these measures to support jobs and local communities, we're also supporting jobs in highly exposed industries like manufacturing.

Just yesterday, General Motors in the United States went into bankruptcy – the largest industrial bankruptcy in US history.

Industry Minister Kim Carr has worked extensively with General Motors Holden and the unions in anticipation of this event.

And the good news is that the bankruptcy filing in the US does not threaten Holden workers in Australia, and will not directly affect local engineering and manufacturing operations.

And as Holden has made clear, the forward-looking support from the Government's \$6.2 billion New Green Car Plan has helped secure the future of Holden's operations in Australia.

Delegates, I have no time for those who constantly denigrate the Australian automotive industry.

As I said to the national Parliament yesterday, Australia is one of only 15 countries in the world that can produce a car from scratch – and we should be proud of it.

And with leadership from the Government through the Green Car Innovation Fund, Australians can look to a future in which we will be producing more innovative, fuel-efficient vehicles.

Delegates, in just 18 months in office we have opened a new chapter in our nation's great tradition of the 'fair go'.

The fair go is no longer heading out the nation's back door.

It's now back in the front room.

And it's there to stay.

We have stopped the Liberal Party's AWAs, which stripped away basic rights from working Australians.

Employees now have a right to protection from being unfairly sacked and to redundancy pay.

And for the first time in history, from July 1st Australian workers will have a right to good-faith collective bargaining.

I want to pay tribute to Julia Gillard for her extraordinary effort in working with the union movement, employers and other stakeholders to get the Fair Work Act through the Parliament, even though we don't have the numbers in the Senate.

The Government has also delivered record investments in homelessness and housing, education and training and in helping parents to balance work and family life.

We have delivered \$46.7 billion in tax relief to working Australians, delivering an extra \$60 per week for a family with a combined income of \$100,000.

For the first time in our nation's history we have delivered a Paid Parental Leave scheme – a cause for which the ACTU has fought tirelessly.

For the first time in 100 years we have fundamentally reformed the single age pension.

We've delivered the nation's first-ever permanent carers' supplement of \$600.

We have extended the child-care tax rebate to 50 per cent, invested in training child care workers and begun building new child care centres – with a total \$12.8 billion commitment to child care.

We have delivered the nation's largest-ever investments to tackle homelessness, invest in 21,000 new social housing units and help younger Australians into their first home.

And after delivering the national apology last year, the Government has made a \$4.6 billion investment in closing the gap in Indigenous disadvantage in life expectancy, health, education and employment outcomes.

The Government is also tackling the critical challenges of the future that for 12 years were neglected by the Liberal Party.

The Government has delivered successive chapters of the education revolution – establishing universal pre-schooling from 2013; the largest school modernisation program in Australian history; investing in the digital revolution for all middle and senior high school students; investing in trades training centres for the benefit of every Australian secondary school; providing 711,000 TAFE and vocational education and training places, and delivering the biggest long-term investment in higher education and research in our history.

In real terms, our investment in education over the next five years has been lifted by more than 50 per cent.

After 12 years of Liberal Party neglect, this is an education revolution.

We have also begun the reform of our health and hospitals system, with a new \$64 billion funding agreement for public hospitals, a \$750 million direct investment in emergency departments and a \$600 million investment in elective surgery waiting lists.

We are investing in our health workforce - funding the training of approximately 18,000 nurse supervisors, 5,000 allied health and VET supervisors, and 7,000 medical supervisors.

We have invested \$3.2 billion into 36 major health infrastructure projects, including a \$1.2 billion national integrated cancer care initiative.

And already, more than 258,000 teenagers have taken advantage of our Teen Dental plan to get a preventative dental check.

We have also ended the era of climate change denial.

We have ratified the Kyoto Protocol.

We have invested \$4.5 billion in a Clean Energy Initiative to support clean coal and solar and renewable energy technologies.

We have invested \$4 billion in energy efficiency measures.

And this week Parliament has begun debating legislation to create the Carbon Pollution Reduction Scheme.

We know the design of the CPRS will never satisfy all the demands and expectations of its different constituencies.

But it is a fundamental reform for our economy and our environment.

It will make possible the transition to a low pollution economy, and help to generate the clean energy jobs of tomorrow.

Delegates, there's one measure of the partnership between trade unions and the modern Labor Party.

And it's not how many resolutions are passed at a national conference.

It's what we deliver that truly benefits the Australian people.

Labor's modern bargain with working people has two dimensions –

First, humanising the workplace, and second, cushioning working families against the coldest forces of an unrestrained free market.

On the first of these, we now have a fair industrial relations system that's built to last.

A system for the future.

A system under which the trade union movement will no longer be hindered in its important work of representing the concerns of working people.

A system that gets the balance right.

The Government that I lead sees the Fair Work Act as a fundamental reform in Labor's proud reform tradition - alongside such reforms as Medicare and universal superannuation.

These are historic reforms, delivered in partnership with the trade union movement, that have made Australia a fundamentally fairer nation for working people.

Both Medicare and compulsory super became so strongly supported by a majority of Australians, that even a Liberal Government that spent twelve years in office could not destroy them.

Remember that even as late as 1993, the Liberal Party was sworn to get rid of them both.

But by '96, that had changed – or at least until Malcolm Turnbull re-opened the debate on the future of universal health care just one month ago.

These fundamental reforms were secured because a majority of Australians understood them and benefited from them.

And importantly, they were supported by a partnership between Labor and the union movement.

Subsequent conservative governments did not abolish them, and could not abolish them.

Together, we must resolve to make the same thing true of the Fair Work Act.

I want Fair Work to be a long-term reform that endures for decades.

Our resolve as a movement must be that no future Liberal Government can get away with dismantling it.

But delegates, that won't be easy.

Because the Liberals remain committed to a return to Work Choices.

A return to AWAs.

A return to the past.

The Government believes it's now time to turn our focus to the second part of the modern bargain with working families and working people – the lifetime-long span of Labor reforms.

Our challenge is to ensure that all Australians have the support and the opportunities they need throughout each of the stages and points of transition in their lives - as they learn, work, raise a family, enjoy the security of proper health care, make the most of their talents and contribute to their communities.

This is nothing less than the modern equivalent of the Harvester judgement one hundred years ago...

The great decision that guaranteed workers a standard of living which was reasonable for "a human being in a civilised community."

A quarter of a century ago, the Hawke and Keating Governments formed a historic partnership with the union movement to develop the social wage - the

partnership that delivered Medicare, universal superannuation and a strong safety net of support.

Ours must also be an historic partnership for the future – a 21st century social wage.

In this century, we must protect that legacy and build on those achievements by supporting the lifelong participation of every citizen in work and life.

A reform agenda that begins with the paid parental leave that helps parents to spend time with new-born babies.

That extends to flexible leave arrangements, quality care and pre-school during a child's earliest years.

That through the education revolution delivers a world class education, with excellent teaching, in modern facilities, with modern technology – so that we become the best educated, best trained and best skilled workforce anywhere in the world.

A nation that provides personalised assistance for those who struggle with the transition into work, the transition between jobs, or who need a hand when life's vicissitudes knock them down.

That supports Australians at key times like when they are sick, or when they buying a first home, and when they need help raising their kids.

And as the years pass, giving support for those who need to care for their loved ones.

And providing income security when we enter our retirement years, through superannuation and an age pension that lets older Australians live with dignity.

This is the modern agenda for a modern Labor Government.

And we value our partnership with the Australian trade union movement in developing and implementing these reforms.

Out of all the items swirling around in public debate, in ten, fifteen or twenty years' time, it's major reforms like these that will truly make a difference in the lives of working families.

And in partnership, we can deliver these reforms and write a historic chapter in our nation's history.

Delegates, in 18 months Labor in government has achieved much.

But much remains to be done.

But there is a hard slog ahead, and tough terrain to navigate.

We all know how important it is that Australians have a Labor Government to stand by them in these tough times.

As Australians, we're all in this together.

In this together - as business and unions; as communities right across our vast land.

And together, we can make our way through this recession and build an Australia that is stronger, that is fairer, prepared for all the challenges of the future, a place where the dreams and aspirations of working people can be fulfilled whatever their background, whatever the colour of their skin, whatever part of Australia they may come from.

For that was the Labor movement's mission in the past.

And that must be the Labor movement's mission for the future.