



FIRST SPEECH TO THE SENATE

By Senator Mathias Cormann on 15 August 2007

Senator CORMANN (Western Australia) (5.02 p.m.)—Thank you, Mr President. Congratulations on your election as our President and thank you for the advice and wisdom you have shared with me in the short time we sat together in this chamber. My very best wishes go to your distinguished predecessor and his family. I have very much appreciated Senator Calvert's generosity towards me as a new senator.

I would also like to pay tribute to my predecessor, former Senator Ian Campbell. Ian became a great friend very soon after my arrival in Western Australia. Working with Ian in the Western Australian Liberal Party over many years, I have always admired his passion and his directness in standing up for what he believes in. Before he announced his decision to resign, I was in fact looking forward to serving alongside him as part of the Senate team from Western Australia. I am conscious that I have some big shoes to fill and I wish him and his family all the very best for their future.

Mr President, serving the people of Western Australia and the Liberal cause as a senator for Western Australia is a tremendous honour and privilege. Joining all of my now 'fellow' senators, many of whom I have observed over the years putting their heart and soul into making Australia a better place, is a truly humbling experience indeed. I am grateful to the Liberal Party in Western Australia for having put their trust in me. My commitment in return is to give it my best—to make a positive contribution, representing the Liberal cause and the people of Western Australia.

Let me pause here for a moment because by now I suspect senators have noticed—yes, a slight accent. The rumours are true: I was not born here. I chose a life in Australia very shortly after finishing my studies. Like many Australians, I am a migrant to this country. Australia is a great country and Western Australia is a great state, and I am proud to have become an Australian citizen.

As an Australian, I am proud to say to my fellow migrants: this is a country where, if you put your shoulder to the wheel, work hard, embrace the people and values and become an integral part of the community—in short, if you have a go—there is no limit to what you can achieve in your chosen field of endeavour. We all come to this place with a commitment to make a positive difference. Other than our energy and our enthusiasm, we bring to the table our background, our experiences and our values.

I was born in Belgium nearly 37 years ago. As a child, I grew up in Raeren, a village right near the Belgian-German border. My parents and my sisters and their families still live in the region I left behind when moving to Australia. They are watching us today on the live broadcast over the internet. Hello, Mama, Papa, Anita, Christel and Veronika.

Something my friends in Perth always find quite intriguing is that I was taught at primary school in German and at high school first in German and then in French, before spending two years at university in French and three years at university in Flemish—all of that in Belgium, a country less than half the size of Tasmania and with about half the population of Australia. In fact, it was not until I was 23, participating in a one-year student exchange program at the University of East Anglia in Norwich, that I actually first learnt how to speak English. The many weeks and months spent communicating with people through a dictionary continue to be an entertaining memory.

History, of course, has brought Belgium and Australia together in the most tragic of circumstances, when thousands of Australians lost their lives and many more were wounded in the Third Battle of Ypres towards the end of the First World War. The good people of Ypres in Belgium continue to this day to mark the courage, the sacrifice and the bravery of the Australian soldiers on their shores. Every night the traffic around the Menin Gate is stopped, while the *Last Post* is sounded beneath the gate by the local fire brigade.

Belgium, like Australia, is a constitutional monarchy, a system of government I wholeheartedly support. Belgium, like Australia, has enshrined in its constitution a federal system of government. Today, as a senator for Western Australia, I come to this place with a clear focus on our national aspirations and a commitment to our national interest; however, I also come to this place with a strong and dedicated commitment to representing the best interests of the great state of Western Australia and its people. I am a committed federalist. Much has been said in recent times about the evolution of our federal system of government in Australia. The reality is that no system of government remains static. I support the proposition that federalism in 2007 is necessarily different from the way federalism was understood and practised in 1901. Federalism in 2107 will in all likelihood be different again. Times change. The challenges and opportunities we face as a people change, and our various institutions necessarily have to evolve to respond to those changing needs. In that sense, federalism for me is not just about states rights; it is first and foremost about people's rights. An effective federal system of government helps ensure that governments remain close to the people. It encourages the decentralised development of our very large country, allowing for unique and innovative ways for tackling social, economic and political challenges and it provides for important checks and balances on government power.

From a Western Australian point of view, it is true to say that we get nervous when people talk about centralisation of government power. The reason for that is that we know that much of government decision making is about prioritising the allocation of limited resources to unlimited demand. We know that at different times on some issues the needs and aspirations in different parts of Australia, though all legitimate from their respective points of view, will from time to time be different. In the face of that ultimate power in politics, the power of numbers, Western Australians understandably take great comfort from the checks and balances offered by federation. Over the coming decades as a nation, as a federation of states, let us ensure that we get the balance right. Let us ensure that we take into account both the requirements of the 21st century in a global world and the legitimate aspirations of people and states in all parts of Australia to representation that is responsive to their local and regional needs.

Mr President, we live in the greatest country at the greatest time in human history. Our challenge is indeed to make our great country even better, not just to sustain our current growth but to expand it further. In seeking to help meet

that challenge, I support the principles of free enterprise, individual freedom, personal responsibility, reward for effort, low taxation, less regulation and incentives for people to stretch themselves and to reach their full potential. These are universal political values and principles which in countries around the world have proven to deliver better outcomes for people, their families and the community. Good government based on those values and principles will see people and communities flourish and prosper.

It is in that vein that the Australian government over the past couple of decades redefined the role of government, embracing markets, reducing tariffs, reducing government ownership, liberalising Australian workplaces and tax reform, promoting competition including in the government sector, shifting to a work focussed welfare system and putting stability back into macroeconomic management. These changes led to a more limited but more pivotal role for government. They laid the foundations for new opportunities, and Australians made the most of those opportunities with breathtaking results.

While everyone's home is special, Western Australia is truly special—indeed, unique. Not only does the sun go down over the ocean but it is the economic powerhouse of the nation. It is a state with an abundance of natural resources in a world increasingly hungry for them and a place of vast, open spaces and few people in an increasingly crowded world. One of our greatest challenges in Western Australia is a lack of people, not just workers with select skills but people of all skills, including people whose only skill is a willingness to work in Western Australia. Right now, we need cab drivers, meat workers, waiters, chefs, childcare workers and coordinators, cabinet-makers and hairdressers, bricklayers and painters, as well as architects, engineers, geologists, teachers, nurses, doctors and police officers. We are even short of lawyers. We are short of people in many other occupations. This is not a temporary state of affairs. The size and scope of the labour shortage, the strength of the economy and the ageing of the population all point to a continuing need for more people. This requires a different mix of policies in different parts of Australia, and clearly that is not a straightforward proposition. However, the demand for people and labour in WA is more urgent and quite different, I believe, than that in the more mature communities on the east coast.

From a national point of view, we will need to continue to come to grips with that challenge—that is, structuring our national immigration program in the face of different requirements at different times in different parts of Australia. Of course, the Howard government has done much to address the people shortage. It has more than doubled the immigration intake, it has introduced and expanded the range and volume of temporary visas, its welfare reforms are pulling people off welfare back into work and the Treasurer appears to have encouraged a new baby boom. Of course, the challenge is not only to get more people but to ensure that workers and workplaces have the skills, incentive and flexibility to make the most of the opportunities on offer. Without the flexibility provided by workplace agreements there would be no resources boom in Western Australia. Any proposition to remove workplace agreements and hand workplaces back to the tyranny of union bosses will put a stake through the heart of the Western Australian and the national economy. We cannot let this happen.

The growth Western Australia is experiencing is a great opportunity for the nation; however, it also comes with significant challenges, particularly when it comes to keeping up with all the necessary capital and social infrastructure requirements. Many parts of Western Australia are bursting at the seams. We need more people but are struggling to accommodate them. We have the

potential to continue to grow at a rapid rate but are facing capacity constraints that will need to be addressed with all levels of government and the private sector on deck and working together. It is, I believe, in the national interest for WA to maximise its growth potential, which necessarily involves strategic investment in expanded infrastructure.

While the private sector does and should own, build and operate a large proportion of the infrastructure requirement, there is a growing demand for government funding for multi-user facilities. This need will grow as new areas open up. While the state government in Western Australia is currently flush with funds, thanks to the GST and excessive property taxes, and at this stage needs no more, this will change in a few years time, even if the boom continues.

The issue I am raising is not one of parochial self-interest but of the underlying dynamic in the system by which GST payments are allocated to the states. There is a school of thought that it is essentially a bit like a large welfare program, with all the typical distortional effects that come with that. It takes from productive areas such as Western Australia and redistributes to areas in decline. In so doing it redistributes scarce funds from high to low areas of return, encourages consumption over investment and discourages mobility and job creation. The system, in my view, needs adjusting. In the face of vested interests across individual states, this will require Commonwealth leadership. Equally, the states and the Commonwealth should work together to develop a national strategic approach focused on the infrastructure requirements across Australia, with a view to laying the foundations for our national economic prosperity over the next 50 to 100 years.

Climate change is a challenge we are facing as a global community. If we take a sensible and considered approach to meeting that challenge, Australia can play a pivotal role in facilitating the production of clean energy for the world. In the north of Western Australia some will tell you very passionately about the great potential of tidal energy, and I agree that we should continue to proactively explore its potential. However, we are blessed with immense reserves of clean energy in the form of gas and uranium. No other place in the developed world has such reserves. Moreover, the growing bulk of this energy is being exported directly or indirectly in the form of processed resources to China, the epicentre of the world's growing energy challenge.

Our greatest possible contribution to addressing climate change is to export more energy. Each unit of clean energy exported from Australia reduces the consumption of less clean energy in China and elsewhere and, therefore, reduces greenhouse gas emissions. The Kyoto protocol failed to recognise the unique role that resource and technology intensive countries like Australia play in providing clean energy to the world. That is never more relevant than in a state like Western Australia. This, of course, was at the forefront of the Howard government's decision not to ratify the Kyoto agreement.

The government's recent announcement of a national emissions trading scheme, including offsets for trade exposed industries, is a positive and sensible approach to addressing global warming. Going forward we need to remain vigilant against pursuing one-policy-fits-all measures that fail to recognise our unique capacity, particularly in Western Australia, to use more energy and reduce global greenhouse gas emissions at the same time.

In concluding my remarks I would like to say some important thankyou's. Firstly, from the bottom of my heart, to my parents for having given me the best

possible start in life, even in the face of adversity and challenge. I will give it my very best to make you proud during my time in the Australian Senate. To my soul mate, Hayley, you are just awesome. Thank you so much for everything. We will make this work together, I promise. A heartfelt thank you to my many friends in Western Australia—those very special people I met when I first came to Australia and who adopted me as part of their family. Thank you to my many friends in the Western Australian Liberal Party; they are too many to mention individually but they all know who they are. Many of them made the long journey over to be here today, and I thank you so very much.

Politics at its best is a noble profession. It is a noble pursuit but it is ultimately also a profession. In any profession, as much as you may be keen and interested, you have to learn the ropes before you can become good at it. When I first came to Australia somebody took a chance on me because he could see behind the raw enthusiasm perhaps some talent that deserved to be nurtured. All of us will have benefited over the years from the wise counsel of some friends and mentors on our journey to this place. I was very lucky. I ran into somebody special who started off as my boss, became my mentor and over the past 11 years has become a true friend. Thank you, Senator Ellison.

There is so much more that I would have liked to talk about today; however, mindful of the clock, Mr President, let me in closing just quickly reflect on some of the policy outcomes I would like us as a parliament to be able to look back on in 20 years time. Hopefully, by then: Australia will have become the most prosperous country in the world, with all Australians having the opportunity to share in the benefits of that prosperity; Australia will be benefiting from the significant commitment made to downstream processing and value-adding as an additional component to the striving resources sector in Western Australia; and Australia will have achieved a sustainable and secure water supply for our growing population and economy, including better use of water from the north—yes, done sensibly, after close consultation with the people and the communities in our north and after a creative Australian engineering company has come up with the most cost-effective way of achieving this challenge. Hopefully, in 20 years time: Australia will have become a world centre of excellence in the use and development of clean energy technology, including gas, clean coal, nuclear and geothermal—and, yes, why not tidal power; Australia's successful and thriving uranium mining industry across the country will be credited for significantly contributing to both our prosperity and a reduction in global warming; Australia will continue to be a beacon of democracy and economic freedom in the world; and, yes, we will be living in an era of freedom and peace in the world.

Mr President, I believe I have just about run out of time. Thankfully, there will be other opportunities—I'll be back.