

THE ENTRANCE COMMUNITY PRECINCT COMMITTEE

CRAIG THOMSON'S ADDRESS TO THE ENTRANCE COMMUNITY PRECINCT COMMITTEE ON THE EVENING OF TUESDAY, 17 FEBRUARY 2009, AT 7:00PM.

The Federal Member for Dobell, Craig Thomson was warmly welcomed by the chairperson of T.E.C.P.C, Vivienne Scott, and thanked him for his attendance and agreeing to address the Precinct Committee on Federal issues effecting residents of the Central Coast.

Craig opened his address by emphasising that Australia was better placed than most countries to handle the impacts of the global financial crisis. He advised that Australia's Gross Domestic Product (GDP) is still strong and compared to the USA, Australia's unemployment rate of 4.8% is still relatively low. He warned however that the rate of unemployment would increase, stating that it could rise to 7%. The people of Wyong Shire already know what that level of unemployment is like with an existing rate of 6.95% and that will rise. It was because of this that the Federal Government could not be complacent and employment stimulation was needed. The governments response was to introduce the \$42 billion Nation Building and Jobs Plan to support jobs and invest in future long term economic growth.

Craig went on to detail the key measures funded to create jobs and stimulate the economy. These included:

- Build or upgrade a building in every one of Australia's 9,540 schools
- Free ceiling insulation for around 2.7 million Australian homes
- \$950 one off cash payments to eligible families, single workers, students, drought effected farmers and others
- Build more than 20,000 new social and defence homes
- A temporary business investment tax break for small and general businesses buying eligible assets
- Significantly increase funding for local community infrastructure and local road projects

Craig advised that the Federal budget was going into deficit and the argument with the Federal opposition was not about going into deficit, but about the size of the deficit. While the Federal opposition has said it is too big, others have said it is not big enough. When growth returns to over 3% the Government plans to start repaying the debt. He advised that Australia is in a sound position to borrow with the debt to Gross Domestic Product (GDP) ratio at 2%, compared to 90% in the USA and 50% in Europe.

Summing up his comments on the stimulus package he emphasised that it was a two pronged attack; firstly providing the much needed short term stimulus to the economy and secondly investing the future by nation building.

Craig answered a number of questions from the floor and in doing so emphasised that the the \$42 billion Nation Building and Jobs Plan, was in addition to the other measures introduced in the Federal Budget, for example increased spending on hospitals..

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- He advise that locally there were three projects that he took a keen interest in, being the Mardi pipeline project, the restoration of Tuggerah Lakes and the new GP super clinic at Wyong, on which there would be an announcement next week.
- He agreed that transport was the biggest problem facing Wyong Shire as it impacted on both the economy and employment.
- Craig advised that he was the chair of the Standing Committee on Economics in the House of Representatives, and was in a very good position to closely monitor the decisions of the Reserve Bank on interest rates. He advised that Australian banks were changing their lending habits and that it was no longer possible to obtain a 100% of price loan from a bank.
- He advised that the \$300 million grant to councils was aimed at stimulating local employment. Both Gosford and Wyong Councils received \$1.5 million each for this purpose.
- When asked why more was not being done to import water from the flooded north to the drought affected south, he replied that it was being addressed by the Murray Darling Scheme and that money allocated was brought forward following negotiations with .the independent senator from South Australia, Nick Xenophon to speed up the work.
- He advised that the importing of labour to help farmers pick fruit, a job Australians did not want to do, have a two fold benefit. As well as helping farmers the imported labour was not a general invitation but targeted at specific Pacific Island nations that received economic aid from Australia.
- When asked about increasing the Medicare levy to allow it to cover dentistry, he replied that he was not in favour of increasing taxes, however he expected that all the work that had been going on to have dentistry covered would be announced with the next election policies.
- The issue of the huge deficit resulting from the stimulus package and subsequent debt was raised by V Scott ... and acknowledged by Craig who indicated that the debt would be repaid in future years from the growth in the economy and from taxation raised. He stipulated that we were in uncharted waters and that there was no option but to implement the stimulus package.
- Bob Dunnet thanked Craig on behalf of The Entrance Community Precinct Committee and added the sentiment that we all hope that the stimulus package will work. Craig responded that he was pleased to present to the Precinct Committee and request that in future we provide him with a list of questions prio to the meeting. Further , Craig indicated he would suit his heavy schedule by having combined meetings of neighbouring Precinct Committees.
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Note taker: Doug Darlington, Secretary, TECPC.