



Costello warns of billion-dollar bureaucratic blowout under Rudd PM told to deliver on housing

**Patricia Karvelas
Matthew Franklin**

GOVERNMENT MPs have demanded John Howard act to help young people buy homes and trump Kevin Rudd's political dominance on the housing affordability issue.

In a marathon policy debate involving 50 government MPs yesterday, the Prime Minister was told housing affordability was the biggest hurdle to the Coalition's re-election.

The brainstorming session came as ministers buoyed by the Government's recovery in the Newspoll published in *The Australian* yesterday, attacked the Opposition Leader as a phoney whose idea of policy-making was to order new reviews or create new bureaucracies.

The latest Newspoll shows Labor still heading for a landslide win but the Government is closing the gap, gaining four points over the last fortnight to trail 55 per cent to 45 per cent on a two-party-preferred basis.

Peter Costello predicted administrative chaos should Mr Rudd win the election, saying the Labor leader would establish dozens of inquiries, committees and reviews.

His comment came after the Government produced a list of 96 reviews and 67 new bureaucracies proposed by Labor.

The proposed bureaucratic structures include a Department of Homeland Security, a national health and hospitals reform commission, and a national curriculum board.

Labor has also flagged dozens of inquiries and reviews of existing government regulations in-

cluding a petrol price inquiry, a review of federal-state relations and a review of the job network.

The Treasurer said the costs of salaries, information technology and office reorganisation would easily reach hundreds of millions or dollars.

"It could even run into billions," Mr Costello told *The Australian* last night.

"The legislation, administrative orders and executive decisions would take enormous resources and it could be years before the results could be assessed and dealt with. It is a recipe for paralysis."

And Mr Howard said true government governed. "When we redesigned the Australian taxation system, we didn't ask a committee to tell us how to do it," he said.

"We sat in the cabinet room and we made the decisions. We happen to take the view that if you are elected to government it's the responsibility of the ministers, and not others, to make decisions about the future of our nation."

But Mr Rudd said the Government was misrepresenting his position, probably on the advice of its public relations adviser Crosby Textor. He said Labor had announced a series of concrete policies including \$4.7 billion for broadband, \$2 billion to eliminate cost-shifting in health and \$5 billion to create 2650 trades/training centres in secondary schools.

"Where's Mr Howard's plan in response to that?" Mr Rudd said. "Mr Howard is saying that he doesn't support Labor's proposal for a national petrol price inquiry. Is Mr Howard going to say that he doesn't support a national review into the price of groceries? Well

he should say so."

Liberal MP Sophie Mirabella told the Coalition partyroom first-home buyers should receive the benefits of negative gearing on the home they live in.

"It's no secret that for some time, many of us have believed an equitable manner of assisting first home buyers is to extend the negative gearing benefits currently available to investors to first home buyers," she said.

West Australian senator Alan Eggleston backed the idea, saying it was a huge issue for young voters.

"If you're a first-home buyer you get your mortgage and the interest on the loan is deductible, which on a medium-priced house in Perth or Sydney could be quite a lot of money," he said.

"The housing affordability issue is a very important issue in terms of attracting the support of younger voters, because to younger people it is a mighty big issue and it is very daunting to look at the medium price of a house in capital cities."

Mr Howard, Mr Costello and the rest of cabinet listened to the
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Deep thought: Treasurer Peter Costello scratches his forehead as John Howard answers questions
Picture: Gary Ramage

KEVIN'S BUREAUCRATIC PICNIC

New departments

- Department of Homeland Security
- Department of Innovation

New agencies/centres

- Australian Coastguard
- Infrastructure Australia
- Regional Development Australia
- Superannuation Clearing House
- Fair Work Australia
- Financial Services Authority
- National Health and Hospitals Reform Commission
- Regional Disaster Management Centre
- Pacific Climate Centre
- Australian Early Development Index Support Centre
- Refugee Determination Tribunal
- Local Job Protection Authorities
- Urban Development Offices
- Enterprise Connect Centres
- Registered Employment Authorities
- National Curriculum Board

- Skills Australia
- National representative body for indigenous Australians
- Independent regulator of legal profession
- Independent heritage listing body
- National body to safeguard quality of higher education

New offices

- Climate Change
- National Security
- Work & Family
- Early Childhood Education
- Children and Young People
- Petrol Commissioner
- Office to co-ordinate strategic industry policy interventions

New advisory groups

- Advisory Group on Federal-State Relations
- Taskforce on Preventative Health
- Health and Hospitals Advisory Group
- Disability Advisory Council
- Industry Innovation Councils
- National Sustainability Council

- Australian Textile Clothing and Footwear Industry Council
- Green Car Innovation Fund Taskforce
- Small Business Advisory Council
- Council of Business Advisers
- Forestry Skills Council
- Wood and Paper Industry Innovation Council
- Agriculture and Climate Change Panel
- National Housing Supply Research Council
- National Housing Advisory Committee
- Africa-Australia Council
- Council of Australian Local Governments

New positions

- Minister for Housing and Urban Development
- Minister for Youth
- Chief Nursing Officer
- National Sustainability Commissioner
- National Commissioner for Children and Young People
- Ambassador for Older Australians
- Australian Defence Force Chief Recruiter



Wisdom questioned: Kevin Rudd during question time in the federal House of Representatives yesterday
Picture: Ray Strange



Lib MPs tell leader to deliver on housing

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contributions but provided no immediate feedback.

Former Liberal minister Dana Vale, the member for the aspirational southern Sydney seat of Hughes, said the commonwealth should release land and build homes with the private sector.

Allowing home-buyers to access superannuation, and the development of superannuation-style low tax savings accounts were discussed with some MPs calling for the raising of the first-home owners grant, currently standing at \$7000.

A more flexible childcare policy was also raised, as was an innovative idea for the Government to pay women who leave the workforce to look after children superannuation for the years they are out of work.

Parliamentary Secretary for Education Pat Farmer said the Government should match dollar-for-dollar the money first-home owners saved for their deposit up to \$50,000.

The member for Kalgoorlie, Barry Haase, complained that Environment Minister Malcolm Turnbull's inner-Sydney electorate of Wentworth received a lot more federal money than his electorate — even though his was the largest in Australia, and the world. He said the Government needed to pay more attention to the bush.

Ministers were also urged to consider tax cuts or further financial support for families, boosts for pensions and self-funded retirees, while others said more needed to be done to give low income people access to dental services.

Other ideas canvassed measures to address the drought and

water shortages, environmental protection, crime and drug abuse prevention, health, childcare and maternity leave.

Victorian senator Mitch Fifield said the Government should go back to its core beliefs and give people tax cuts.

Political analysts yesterday had mixed views about the Government's new line of attack on Kevin Rudd.

Griffith University politics lecturer Paul Williams said the Government had struggled to find a political weapon to use against Mr Rudd and might have finally found a good option.

"I daresay that Rudd is more about committees of review and panels and commissions," Dr Williams said. "The idea that Rudd is pretty heavy on sizzle and style but not much on substance — it's probably a pretty good strategy."

But Dr Williams said that with Labor so far ahead in opinion polls, the attack might be "too-little, too-late".

John Warhurst, of the Australian National University's School of Social Sciences, said the tactic might not be successful because voters might not be concerned about promises of inquiries.

"I'm sure this is part of a strategy of painting the Opposition as vague on detail and just broad on promises," Professor Warhurst said.

"But I think most elections are stacked enormously in favour of the government in terms of its ability to produce detail.

"In some ways I think it's preferable to promise an inquiry than to promise a large amount of government spending on a fragile information base."



A LITTLE BIT MORE

Labor's array of new reviews

- Review of federal-state relations
- Audit of government services in regional Australia
- Review of CDEP
- Review of job-capacity assessments
- Review of Disability Employment Network (capped and uncapped streams)
- Evaluate disability employment strategies
- Review of Job Network and suite of employment programs
- Review of government training for mature workers
- Garnaut climate change review
- Review of national heritage protection
- Review of planning, strike capability and jet-fighter capability
- Strategic reviews of ADF capability
- Review of Defence bases
- Review of ADF pay and conditions
- Review of ADF mental healthcare
- Review of ADF common induction training
- Review of Defence capability plan
- Review of Defence export facilitation program
- Review of Defence financial management
- Review of surplus Defence land
- Review of Defence outsourcing
- Review of veterans entitlements
- Review of bursaries
- Review of phasing out of phosphate mining on Christmas Island
- Productivity Commission review to estimate costs/benefits of harmonising key regulations across state/territories
- Review of government innovation and industry assistance programs
- Review of Australian design rules for vehicle safety
- Review of building code for energy efficiency
- Review of business regulation measures
- Review of science and quarantine systems
- Review of existing strategic action plans for a range of industries
- Review of textile, clothing and footwear tariff levels
- Review of wood and paper industry
- Review of tourism jobs training
- Audit of government procurement
- Public asset review
- National infrastructure audit
- Comprehensive investigation of contemporary travel demand management initiatives
- Review of Roads to Recovery
- Review of Civil Aviation Safety Authority regulations and reforms
- Review of coastal shipping policy
- Review of Australian Maritime College
- Review of policy governing superannuation investments
- Review of regulations covering private equity investments
- Review of Corporations Act
- Review of criminal and civil laws relating to fraud
- Review of corporate managers training
- Review of ASIC powers
- Audit of consumer protection legislation
- A national grocery pricing inquiry (conducted by the ACCC)
- Review of ABC and SBS boards
- Review of regulatory regime for complementary medicines
- Review of Medicare schedule for midwives
- Review of Medicare (psychiatric consultations)
- Review of medical research ethics guidelines
- Review of child support
- Senate inquiry into the cost-of-living pressures for senior Australians
- Review of Commonwealth Rent Assistance
- Review of Commonwealth Rent Assistance to youth allowance recipients
- Review of youth rights
- Review of impact of poker machines
- Review of government support for parents with new children
- Public inquiry into the protection of human rights in Australia
- Review of genocide investigatory resources
- Review of legal fees
- Review of court fees
- Review of federal court system
- Review of juvenile sentencing practices
- Review of whistleblower laws
- Scoping study/review of Australian Federal Police numbers
- Review of anti-terrorism laws
- Review of Australian Crime Commission
- Examination of shared equity models that involve the federal Government
- Inclusive trade policies
- Review of all existing government consultative mechanisms
- Review of composition of governmental delegations to World Trade Organisation ministerial meetings
- Review of Export Market Development Grants Scheme
- Review of access to international markets for agricultural products
- Review of relationship with New Zealand
- Review of AusAID
- Review of diplomatic services
- Review of diplomatic programs
- Review of training visas
- Review of asylum-seekers appeals mechanism
- Review of settlement services
- Review of arts fellowships and grants
- Review of artist's incomes
- Review of Australia Business Arts Foundation
- Review of social security laws with respect to the arts
- Review of work for the dole for artists
- Review of arts in regional and remote areas
- Review of digital industry
- Review of free trade agreements
- Review of contemporary music industry
- Review of private investment in music
- Review of artists' copyright