PRIME MINISTER

MOVING AUSTRALIA FORWARD LOWY INSTITUTE, SYDNEY 6 JULY 2010

CHECK AGAINST DELIVERY

Thank you very much to the Lowy Institute for hosting me today.

The Lowy Institute has established a reputation for independent, robust and forceful analysis of Australia's place in the world. It is exactly the right place to make today's address: *Moving Australia Forward*.

I first would like to acknowledge the enormous contribution of the Institute's founding benefactor, Frank Lowy. Frank Lowy is a great Australian. He was a refugee who escaped to Israel after World War Two in a crowded boat full of asylum seekers.

After fighting for Israel, he arrived on our shores as a very determined 21 year old. He worked hard and went from factory worker to milk bar owner to Blacktown shopping centre developer and in time, to the largest retail property group in the world - Truly great achievements and a remarkable story.

As the Socceroos' number one supporter, no doubt Frank has had some frustrating recent weeks in South Africa. I think both the Socceroos and Frank fought proudly for Australia.

But down to the business of today.

In my first press conference as Prime Minister I said I would lead a strong and responsible government to take control of our future.

That's why I moved to immediately end the uncertainty caused by the proposed RSPT, which has been successfully adapted to become the Minerals Resource Rent Tax. The investment community can be assured that the future of mining in Australia is strong and secure, And to all of our mining communities across the length and breadth of Australia, I assure you that your future is also secure and your prospects are bright.

I have also made it clear that a national leader must recognise when a Government needs to take a breath, slow down, weigh the evidence and make the right, considered judgements for our people. To this end I've made it clear that I support sustainable population growth and reject the idea that Australia should hurtle down the track towards a big population.

Population growth has always been a part of Australia's story. I arrived in Australia as a little girl with my family in 1966 – since then Australia's population has doubled from 11 to 22 million people, reflecting both immigration and natural population growth.

In the years ahead, our population will continue to grow, but the issue for Australia is both the speed of that growth, and whether - and where - it can be sustained.

We are very roughly the same size as America and we are a great country like America - but we are not America. We do not have the inland sprawling plains, fertile soils and cities for that kind of population. 80 per cent of our population lives along our coast precisely because our continent is different.

In many faster growing parts of Australia – like western Sydney, south-east Queensland and the growth corridors of Wyndham and Melton, in my own electorate in Melbourne's western suburbs - people would laugh if you told them population growth was intended to improve living standards. People in these communities are on the front line of our population increase and they know that bigger isn't necessarily better.

At the same time, other parts of Australia are crying out for more people – skilled workers to fill job vacancies in occupations like mining, health and aged care, and community services. I regard this alone as a giant policy question for Australia. It is truly the mismatch of modern Australia: communities with too many people and not enough jobs and then other communities with too many jobs and not enough people.

This is reason enough to declare that population policy should not be driven by an arbitrary single number.

Instead, I believe it must be driven by the needs and the circumstances of each region across the nation. With this in mind I have commissioned the Minister for Sustainable Population, Tony Burke to develop a population strategy for a sustainable Australia.

If we move forward together with 'sustainability' guiding our way, there are also new industries we can grow, new jobs we can create, new skills we can teach, new technologies we can develop and, if we get this right, a quality of life that will continue to be the envy of the rest of the world, and so we have begun an important debate on sustainable population growth. It is a positive debate we intend to lead and one that must not be constrained by self censorship or political correctness.

I have no truck with constraining debate on the big questions. I am for frank, open, honest national conversations, so let's have a frank, open, honest national conversation on the issues of border protection and asylum seekers.

Today I am announcing steps to strengthen Australia's border protection arrangements. I am setting out the long-term approach we will take to dealing with the pressure of unauthorised arrivals.

We are taking these steps in response to the increase in unauthorised people movements in our region and around the world.

I am also making the Government's policy goal clear: it is to wreck the people smuggling trade by removing the incentive for boats to leave their port of origin in the first place; to remove both the profitability of the trade and the danger of the voyage.

I will return to these steps in a moment, but let me turn first to some remarks made in the last few days by a prominent Australian, Julian Burnside QC, an eminent lawyer, much respected in our community. Mr Burnside said:

"I challenge Julia Gillard to point out to the public that at the current rate of arrivals it would take about 20 years to fill the MCG with boat people."

He went on to refer to certain Australians as:

"Rednecks in marginal seats"

On the first point Mr Burnside is very, very right and I'm happy to oblige. He is right because in the context of our migration program, the number of asylum seekers arriving by boat to Australia is very, very minor. It is less than 1.5 per cent of permanent migrants each year; and indeed it *would* take about 20 years to fill the MCG with asylum seekers at present rates of arrival. This is a point well made.

On the second point he is very, very wrong. It is wrong to label people who have concerns about unauthorised arrivals as "rednecks".

Of course, there are racists in every country but expressing a desire for a clear and firm policy to deal with a very difficult problem does not make you a racist.

For too long, the asylum seeker policy debate has been polarised by extreme, emotionally-charged claims and counterclaims; by a fundamental disrespect that I reject.

But as poor as this commentary is, even worse is the deliberate use of inflammatory politics presented as policy. I speak of the claim often made by Opposition politicians that they will, to quote: 'turn the boats back.'

This needs to be seen for what it is. It is a shallow slogan. It is nonsense.

Under John Howard, only a handful of boats were ever turned around. Tony Abbott claims that the Howard Government had an active policy of turning boats back. This is simply not true.

For the entire time of the Howard Government, only seven boats were turned back. The last Suspected Illegal Entry Vessel (SIEV) "returned from whence it came" was SIEV14 which arrived at Melville Island in the Northern Territory on 4 November 2003 with 14 Turkish passengers.

The Howard Government did not turn a boat back after 2003.

Let's ask ourselves why. Was it because the Howard Government suddenly lacked the resolve to turn the boats back? Of course not.

The Howard Government's actions changed because of a change in the practical reality, and the reality that confronted Prime Minister Howard confronts us today: the reality that to avoid being turned around boats are sabotaged raising safety of life at sea concerns for Australia's customs and border protection and defence personnel as well as the asylum seekers on board.

And the second practical reality is that there is nowhere to turn the boats back to.

My opponent, Mr Abbott, is good at slogans: a great big new tax on everything; a great big new tax on mining; a big bad tax; and now, turn back the boats.

But these slogans are hollow.

The Opposition is trying to sell the Australian community a fairy tale in which all you have to do is go out to an asylum seeker boat and turn it around and everything will be fixed - but this fairytale is not the facts.

The facts are the boat will be scuttled and start to sink.

The facts are that this nation would then be confronted with a stark choice: either we could leave the scene in the certain knowledge people including children would drown or we could rescue the asylum seekers from the water.

Today let me say one thing loud and clear: our nation would not leave children to drown. We are Australians and our values will never allow us to embrace this kind of evil. So, inevitably, the so-called strategy of turning the boats back would become a strategy of rescuing asylum seekers from the water with all the risks that entails to the lives of defence and customs personnel.

The slogan is hollow and Mr Abbott knows it.

In his own policy document he says that the so-called turnaround of boats would only happen "Where circumstances permit". This is an admission that it won't work.

How appalling it is that this is where the long-running debate on asylum seekers has taken us – to an unedifying exchange of incendiary labels like 'red neck' and hollow slogans like 'turn the boats around', with nobody asking how we can move the nation forward.

Think of the impasse this division has created.

If you are hard-headed you're dismissed as hard-hearted. If you are open-hearted you are marginalised as supporting open borders.

I say to those engaged in this type of rhetoric: Stop selling our national character short. We are better than this. We are so much better than this.

The other way, the path less travelled in recent times, is the path to move us forward together - to discuss the facts, reject the myths and make our decisions on what we know to be true on the principles that can unite us.

So let us start by considering the facts.

Last year, Australia received 0.6 per cent of the world's asylum seekers.

Refugees, including those referred for resettlement by the United Nations High Commission on Refugees, make up less than 8 per cent of migrants accepted in Australia.

Even if all those who arrived in unauthorised boats were found to be refugees - which they will not - they would still be only 1.6 per cent of all migrants to Australia.

The total number of people accepted into Australia each year under our refugee and humanitarian program is 13,750 people. This is a fraction of our annual migration intake. This number has remained stable for many years and does not increase even when we face surges in boat arrivals. If more boats arrive, fewer people can be sponsored under our special humanitarian program.

We should also understand that what drives the peaks and troughs in the numbers of boats trying to get to Australia has less to do with what we do here and more to do with the conditions people are escaping - conditions like war, genocide, imprisonment without trial, torture, harassment by authorities, the disappearance of family and friends, and children growing up in refugee camps with no prospect of ever again seeing their home.

And when conditions deteriorate in countries with sea routes to Australia, as they did between 1999 and 2001, more boats come – some 5,516 people came to our shores in 2001. But then when conditions improved as happened after 2001 with the downfall of the Taliban regime fewer and fewer boats arrived.

This ebb and flow has been evident since the time when Malcolm Fraser was our Prime Minister in the 1970s and the people arriving in boats were from Vietnam.

Through their efforts to disrupt people smuggling, the Australian Federal Police, working with our regional neighbours, have prevented more than 5,000 foreign nationals coming to our shores illegally since September.

These are the facts.

But moving forward also means we must agree on the organising principles for developing policy. I submit we can agree on these principles:

That we should be prepared to accept people in legitimate need just as a young Frank Lowy was accepted 60 years ago;

That there is nothing humane about a voyage across dangerous seas with the ever present risk of death in leaky boats captained by people smugglers;

That Australia's basic decency does not accept the idea of punishing women and children by locking them up behind razor wire or ignoring people who are fleeing genocide, torture, and persecution, nor does it allow us to stand back and watch fellow human beings drown in the water, but equally that there is nothing inconsistent between these decencies and our commitment to secure borders and fair, orderly migration. The rule of law in a just society is part of what attracts so many people to Australia. It must be applied properly to those who seek asylum, just as it must be applied to all of us;

That no one should have an unfair advantage and be able to subvert orderly migration programs;

That there should be no incentive for people smugglers, to take even bigger risks with people's lives in the name of mercenary profits;

That people smuggling is an evil trade to be punished;

That hardworking Australians who themselves are doing it tough want to know that refugees allowed to settle here are not singled out for special treatment;

That people like my own parents who have worked hard all their lives can't abide the idea that others might get an inside track to special privileges;

And that finally, if this were to happen, it would offend the Australian sense of fair play.

And so with the facts on the table and these uniting principles as our guide we move forward. We move forward to an effective, sustainable, long-term solution:

To stop the boats not at our shoreline but before they even leave those far away port;

To ensure people smugglers have nothing to sell and so ending the long and dangerous voyages.

That means building a regional approach to the processing of asylum seekers, with the involvement of the UNHCR, which effectively eliminates the on shore processing of unauthorised arrivals and ensures that anyone seeking asylum is subject to a consistent process of assessment in the same place.

A regional processing centre removing the incentive once and for all for the people smugglers to send boats to Australia. Why risk a dangerous journey if you will simply be returned to the regional processing centre?

To this end I can report today that I have already taken steps to achieve this goal.

Irregular migration is a global challenge, and like all global challenges it can only be tackled by nations working together.

That's why we have put so much effort into regional cooperation in recent years. We co-chair the Bali Process with Indonesia, and through this process, we are working with our regional neighbours and key organizations like the UNHCR and the International Organisation for Migration, to manage irregular migration and stop people smuggling, and can I say how much we appreciate and value our cooperation with Indonesia as co-chair.

We do these things because we believe that building a sustainable regional protection framework is the most effective way to address irregular migration, including to Australia.

Building on the work already underway through the Bali Process, today I announce that we will begin a new initiative. In recent days I have discussed with President Ramos Horta of East Timor the possibility of establishing a regional processing centre for the purpose of receiving and processing of the irregular entrants to the region.

The purpose would be to ensure that people smugglers have no product to sell. Arriving by boat would just be a ticket back to the regional processing centre.

It would be to ensure that everyone is subject to a consistent, fair, assessment processes.

It would be to ensure that arriving by boat does not give anybody an advantage in the likelihood that they would end up settling in Australia or other countries of the region. It would, of course, have to be a properly run, properly auspiced, properly structured centre.

President Ramos Horta told me that he welcomed the conversation about this possibility and I look forward to further consultation and dialogue on developing this initiative into a proposal that would advance the proper and consistent treatment of people arriving without authorisation in our region.

I have also spoken to New Zealand's Prime Minister, John Key, about this possibility, and he has said to me that he would be open to considering this initiative constructively.

East Timor and New Zealand are vital countries in this initiative as they are already signatories to the Refugee Convention, and New Zealand – like Australia – is a key resettlement country.

I have also already discussed this initiative with the United Nations High Commissioner for Refugees, Antonio Guterres.

Australia maintains its strong support for the capacity of the UN to ensure appropriate forms of refugee assessment.

I told the High Commissioner that my Government is <u>not</u> interested in pursuing a new Pacific Solution - instead Australia was committed to the development of a sustainable, effective regional protection framework. Again, I look forward to a constructive and concrete dialogue with the UNHCR on this initiative.

This problem is not Australia's alone.

I want to reassure Australians that this is not about a quick fix – there is no quick fix. It is about stopping people getting in boats, but it is also about improving the protection outcomes for refugees by establishing a framework for orderly migration within the region. It will take time. I believe it will be worth the effort.

Only this sort of long-term approach will deliver what we need. I ask for the patience and support of the Australian people as we work with the countries of our region on this shared challenge;

A regional solution with the participation of the UNHCR could prevent the piling up of authorised arrivals in detention in Australia;

A solution that I will pursue relentlessly.

It is also clear there are steps we must take in the interim in accordance with the principles I outlined earlier. Last night, the UNHCR published its revised eligibility guidelines on Sri Lanka. The guidelines are just one source of information which has helped to inform the Government about the changing situation in Sri Lanka.

The UNHCR report confirmed the improved human rights and security situation in Sri Lanka and that displaced people continue to return to their homes. Instead of automatically presuming that particular groups in Sri Lanka are refugees, the UNCHR states that all asylum claims must now be considered on a case by case basis, noting that some groups may still be at risk.

With the new information, acceptance rates are likely to fall.

Today, in light of these circumstances, I am announcing the Government has decided to lift immediately the suspension on processing claims for Sri Lankan. Those currently in detention will have their claims processed against a range of country information including the revised UNHCR report I have described.

So I have a message for people in Sri Lanka who might be considering attempting the journey to Australia. Do not pay a people smuggler, do not risk your life, only to arrive in Australian waters and find that far, far more likely than not you will be quickly sent home by plane.

The other group of arrivals for whom processing has been suspended is people from Afghanistan. So far this year more than 60 per cent of all asylum seekers arriving by boat have come from that country. Although there was a time when large numbers of Afghan asylum seekers were granted refugee status, since April there have more than 500 primary refusal decisions for Afghans. During the past month the primary refusal rate has exceeded 70 per cent.

If upheld at review, these increasing rates of refusals will result in many more people being returned to their homelands.

I am not immediately ending the suspension of processing of Afghan asylum seekers, but my Government will keep that decision under review in the coming weeks and months.

Under my leadership, the Government will work closely with the Government of Afghanistan on a range of migration-related issues – including putting in place arrangements for the return of Afghan nationals who are found not to be legitimate refugees to Afghanistan.

This process is essential for the integrity of our migration program, and it is important for sending a clear message of deterrence to people-smugglers and their clients that they cannot buy their way into Australia.

I look forward to securing an efficient return arrangement and then resuming processing Afghanistan asylum seeker claims and getting Afghans home.

To reiterate: I am committed to treating people with decency while they are in Australian detention, but if people are not found to be refugees, I am committed to sending them home, and whilst ever boats are attempting to enter Australian waters there must be effective policing.

We are successfully prosecuting dozens of people smugglers through our courts. We have successfully extradited alleged people smugglers from other countries.

Since September 2008 we have made 149 arrests for offences related to people smuggling – 48 people have been convicted, and a further 99 prosecutions are now underway in our courts.

We are also investing in eight new patrol vessels with improved surveillance and response capability - strengthening our Border Protection Command, which already has18 vessels and 18 aircraft available for patrolling Australian waters all year round. We already have more assets deployed for this task than any other Australian Government has had.

We ultimately destroy the illegal boats we intercept.

The Government recently strengthened penalties with the enactment of the *Anti-People Smuggling and Other Measures Act 2010*. This legislation includes mandatory minimum penalties for organisers and created a new offence of providing material support for people smuggling, with a maximum penalty of 10 years' imprisonment and/or a fine of \$110,000.

If re-elected I will legislate to toughen these measures further, increasing maximum penalties for situations where a people smuggling venture results in death.

Finally, with regard to those who are accepted as refugees:

I believe Australians are prepared to welcome those who are genuine refugees, but they also expect them to learn the rules under which we live and abide by those rules. That means that when newcomers settle in our community, they accept their responsibilities as members of the community – to learn English, enter the workforce, and send their kids to school like everyone else.

Most refugees fulfil these obligations and are grateful to be able to make a new home in Australia – just as hundreds of thousands of refugees also did in the aftermath of the holocaust and the Second World War in Europe.

But the rules are the rules. We will ensure refugees shoulder the same obligations as Australians generally.

In conclusion, we are implementing the changes I have announced today based on the principles I have outlined.

Moving forward means effective policy.

It means respecting the anxieties that are held by many in our community, but basing our policy and our discussion on the facts, moving beyond the false promises and simplistic slogans.

It means speaking frankly about the difficulties we face, and seeking common ground, consistent with the values that Australians share – values of fairness, respect for the rule of law, tolerance, compassion and responsibility.

I speak today cognisant and proud of these values, and before the end of this year I will seek our people's endorsement so that we may all move forward together.