

PRIVATE MEMBERS' BUSINESS

Poverty

Mr ROBERT (Fadden) (7.40 p.m.)—I rise to support the motion as part of Anti-Poverty Week and to lend my voice to the call for the Australian government to continue to play a leadership role in our region and to honour our commitment to the Millennium Development Goals. At the millennium conference in September 2000 Australia joined the rest of the world in saying, as part of the UN Millennium Declaration:

We will spare no effort to free our fellow men, women and children from the abject and dehumanizing conditions of extreme poverty, to which more than a billion of them are currently subjected. We are committed to making the right to development a reality for everyone and to freeing the entire human race from want.

For these fine aspirations to be achieved, it is essential that Australia continue to scale up its aid, as planned, towards 0.7 per cent of GDP.

By way of history: in 1970, the international community adopted an aid target for more-developed countries of 0.7 per cent—that is, developed countries should devote 70c in every \$100 they earn to international development assistance. The international aid target of 0.7 per cent of GDP has been affirmed on numerous occasions by the international community, including the UN General Assemblies of 1980 and 1990, the 1992 Rio de Janeiro Conference on Environment and Development, the 1995 World Summit for Social Change and Development in Copenhagen, the 2002 World Summit on Sustainable Development in Johannesburg and the 2002 International Conference on Financing for Development in Monterrey, Mexico. The international aid target has been recognised as a national aspiration by the current government and, indeed, the previous Howard government. The international aid target provides a way of ensuring that each developed economy can make an equitable contribution to the international aid effort.

It is noted that the domestic resources of many developing countries are so low that they are unable to make the investments they need in infrastructure, health and education. For example, in 2006 government expenditures, converted to purchasing power parities, saw the government of Australia spend a little over US\$6,131 per Australian, but the government of Cambodia was able to spend only \$109, the government of Malawi only \$122 and the government of Bangladesh \$140 per individual citizen. In other words, when the governments of Cambodia, Bangladesh and Malawi seek to provide services to their people they have revenues that, in purchasing power terms, are less than 2.5 per cent of the purchasing power of the Australian government.

Development assistance can help developing countries fill the financing gap. Yet let us not be fooled: aid alone cannot solve poverty. Developing countries must implement effective plans to lift their populations out of poverty and mobilise their own public and private resources to this end. But, even after they have done this, developing countries still may need assistance for the short term, provided by developed nations, to bridge the gap between their own resources and their needed resources. We know that well-used aid can achieve dramatic and rapid results. In recent years, Australia has made significant improvements to the volume and focus of its aid program, to the point where this year the budget is 0.32 per cent of Australia's GDP, rising to 0.5 per cent by 2015.

If the developing world is to engage and benefit from the resources provided by the developed world, the issue of corruption must be addressed. Corruption hurts countries, it harms communities and it scars individuals. It is a threat to the economic stability and security of countries whose resources have been stolen or diverted. The Royal African Society in London have stated that Africa loses as much as US\$148 billion a year in corruption—a figure that is accepted by the UN and the World Bank—which represents

25 per cent of the gross domestic product of African countries. They claim the money is rarely invested in Africa.

Eliminating corruption globally will require significant effort by all countries. However, it will not be assisted by withholding aid from developing countries. Withholding aid is likely to only increase corruption and hurt the poorest and least powerful in the countries where aid is withheld. Instead, aid needs to be targeted in ways that do not assist corruption and that support parts of society that are seeking to tackle the corruption epidemic. Whilst the answers to lifting many of the world's people out of poverty are complex, it must start with the leaders of the developing world being honest. It must start with corruption being anathema. I commend the work of Micah Challenge and I look forward to seeing the Millennium Development Goals realised.