



EMBARGO: 7.30 p.m.

## PRIME MINISTER

FOR PRESS

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### WERRIWA CAMPAIGN ADDRESS

On Saturday week, 23 September, the people of Liverpool, Campbelltown, Green Valley, Ingleburn and Narellan have a great opportunity. You have the opportunity to elect an absolutely first class man as your Member for Werriwa - Bill Sadler. I know Bill is well-known to many here. He has long been a leading member of this community, an Alderman of the Liverpool City Council, a former Deputy Mayor of Liverpool, and a past editor of the Liverpool Leader and the Liverpool Champion.

Bill and his wife, Kaye, and their three children have been residents of Green Valley for the past 15 years. I have no doubt Bill Sadler would make a fine representative for this electorate in Canberra. He would be an effective voice in the Government for your interests - just as he has been fighting for this area for the last 15 years. He would be effective because he would not be just sitting on the Opposition benches. As a member of the Government team, he would have a direct influence on the Government of this country. No other candidate in this by-election is in that position. Bill would be having a direct say in your future.

As a member of the Government team he would be sharing in our task of restoring full economic recovery, or renewing growth and development in Australia, and of establishing stability, security and prosperity in which we can all share.

We all know what Australia's potential is. We have the initiative, the natural resources and the capacity to make Australia the great country we know it can be, and we now have a government which can maintain stability and progress through sensible and responsible economic policies.

When we were first elected just two and a half years ago, our job was to reverse Australia's downhill slide, to turn back the alarming increase in inflation and to build a strong, healthy and prosperous nation for all Australians. We all knew that this would not be an easy task - that tough and difficult decisions would have to be made in the long-term interests of this nation. We have taken on that responsibility, and already Australia has come a long way towards achieving these goals.

When we came to office inflation was 16 percent and more. It is now under seven percent. When we came to office, government spending was out of control. We have restored responsibility to the management of your government's funds. When we came to office, taxation was increasing at an appalling rate, removing any incentive to work harder or achieve more. We have slashed taxation to such an extent that this year - even taking into account the temporary increase in rates, Australians will pay \$3,000 million less in personal income tax than they would have paid if the 1975 Hayden tax scales were still in force. When we came to office, the confidence of the private sector and of overseas investors had been shattered. We have worked hard to restore their confidence and we are now seeing a sharp upturn in business investment.

In the recent Budget we have continued with our strategy to put Australia's economy back on its feet. Because we have acted responsibly, because we have kept the deficit down, and because we have spent every dollar of your taxes carefully, inflation is likely to be down to five percent or less before this financial year is out.

A low inflation rate is vital to the future of every person here tonight. Low inflation means that your savings are not eroded; low inflation means that businessmen have a greater incentive to invest in new projects, a greater incentive to create new jobs for Australians; low inflation clears the way for a drop in interest rates for home owners, for those of us who have overdrafts, for businessmen, shopkeepers, and tradesmen. Low inflation in Australia - while inflation is increasing overseas means Australia can become more competitive in world markets. Low inflation, through its boost to investment, exports and business, throughout the country, means healthier private enterprise in Australia, and therefore more permanent, lasting jobs for Australians. Our economic strategy is the only one which will produce real jobs - jobs that will last.

At the same time, we have been taking special steps to tackle unemployment directly. We have introduced manpower programmes particularly to assist young people. At the end of June 1978 there were six times as many people being trained under NEAT as there were at the end of June 1975, and we have changed NEAT to give a much greater emphasis to on the job training - training more directly related to industries' needs.

Our programmes to assist young people include the introduction of a Special Youth Employment and Training Programme. More than 60,000 young people have already been assisted by this programme since it was introduced in October 1976, and there are another 40,000 people in training under the scheme at the moment. A further 45,000 young people have been assisted under the Community Youth Support Scheme. We have improved apprenticeship support programmes, and allocated a greater share of education resources to technical and further education. We are improving the capacity of the Commonwealth Employment Service to serve people efficiently and promptly.

The combination of our economic strategy and our specific programmes to help the unemployed offer the only real solution to the problem of unemployment. Most people have concentrated on the economic objectives of the Budget, but let's not forget the great assistance this Budget gives to those in need.

Expenditure on key programmes for the aged, the handicapped, and children has significantly increased. We have raised spending on aged, invalid and widows pensions and supporting parents benefits by 11½ percent. We have increased spending on pensioner housing by 40 percent. Assistance to organisations providing facilities for the handicapped is up 37 percent, and the Handicapped Child's Allowance has been extended to students under 25, who do not receive an invalid pension. In the case of home care for the aged, even though the subsidy rate has been varied to meet greatly increased demand, total spending will increase 14 percent to over \$10 million. That makes a rise of 83 percent in home care for the aged in the last three Budgets.

We have also introduced new simplified health arrangements which cover everyone against serious illness, and protect pensioners and socially disadvantaged patients against all medical and hospital fees. From 1 November, the Medibank levy will be abolished. The Government will pay 40 percent of all scheduled medical fees - and 100 percent once the patient has paid \$20 of the bill. Standard ward treatment in public hospitals will be available free to all Australians, and pensioners and the disadvantaged will all receive free medical treatment. This scheme leaves maximum freedom of choice with the individual, while at the same time providing complete cover for everyone against serious illness, and meeting the whole of the health and medical costs of those most in need.

We are also making the greatest initiative Australia has ever undertaken to assist our ethnic communities, the people that have contributed so much to Australian society. Migrants to Australia have to face extreme psychological and social stresses - loneliness, homesickness, anxiety and, in many cases, the frustration caused by language difficulties. They have to cope with a completely new environment, different laws, different customs. The government is making every effort to see that the changing needs of migrants are met as effectively as possible, and recently a review was completed of all programmes and services for migrants arriving in Australia.

As a result, the government is setting up 16 centres to enable newly arrived migrants to take part in full time English and orientation courses; spending an additional \$10 million over three years to teach English to migrant children; upgrading and increasing English classes for adult migrants; extending the telephone interpreter services; making more funds available to ethnic groups and community organisations to employ their own welfare workers, health workers, and people skilled in assisting their children and the aged; and establishing a new Institute of Multi-Cultural Affairs to encourage the further growth of our multi-cultural society.

To meet all these new initiatives, the Government will be spending an additional \$50 million over the next three years. These new migrant settlement services and improved English language training will be of great significance for this electorate.

There are many other initiatives in the Budget which have not gained publicity, but which are designed to increase the growth and development of our great country. In the face of these constructive and far sighted policies initiated by the Government, it is appropriate to ask: What does the Labor Party offer?

All year, the Labor Party has done everything except come forward with new policies. They have whined and whinged and utterly failed to concentrate on the fundamental issues that really matter. Labor has put forward no constructive alternative policies of their own. They have suffered an acute case of policy constipation. They are a Party of no ideas, no plans, no initiatives and no hope.

Their problem is that the Australian people told them last December in the clearest terms possible exactly what they thought of Labor's negative no hope policies. Now the Labor Party has had to set up an inquiry to work out where they are going. All this has been too much for Mr Hayden. Last week he lamented to some students at Melbourne University that the prospect of the next decade "is almost terrifying". He said the 1980's was the "decade of despair". I can sympathise with Mr Hayden, the 1980's certainly will be a decade of despair for the Labor Party.

The prospects for Australia's growth and development in the '80's under a Liberal Government are excellent, and the near certainty of Labor's eclipse during the coming period of stability and prosperity has driven Labor's leader to despair and desperation. He has now come forward with a plan which he has bravely called an "alternative Budget". He would have us believe that his so-called alternative contains some spark of new thinking by Labor.

A moment's analysis of this sad and desperate document shows that it is nothing but a second serve of the same old recipe for economic disaster that Labor concocted in its three years in office: More public spending, bigger deficits, and more taxes - higher taxes, penal taxes, retrospective taxes, which would hurt us all. Mr Hayden says he would have a deficit of \$3.6 billion - a huge deficit in anyone's terms. But in fact the position is far worse than that, for when his new revenue proposals are examined in detail, it is clear they would raise only a fraction this year of the amount he claims.

Labor's deficit would in fact be over \$4.5 billion. Such a deficit, far from being the salvation of Australia, would cause lasting damage, the very damage that the last Labor Government inflicted on us all. It would accelerate inflation, it would force up interest rates: It would undermine our prospects for sustained growth, and it would destroy the confidence of domestic and overseas investors in the Australian economy.

Mr Hayden's "alternative" contains an extraordinary collection of tax increases. His solution to our need for further investment in industry is to abolish the investment allowance altogether. What is more, he would do it retrospectively, penalising businessmen, large and small, who last year in good faith installed new plant and equipment. Mr Hayden's solution to our oil shortage is to confiscate \$340 million from the oil companies - the very money they might otherwise be using for essential oil exploration. His arithmetic is so brilliant that he says he could take \$340 million from these companies, even though their total expected after-tax profits this year will be only \$300 million.

Mr Hayden's solution for encouraging Australians to show more enterprise and initiative is to resurrect the old socialist chestnut of a capital gains tax, the very tax that Labor itself abandoned in 1974. And just in case there are still a few people who are still doing well despite all the other tax increases he wants to impose, Mr Hayden wants to increase the tax rates for all incomes over \$25,000. He would raise the maximum tax rate to 72 cents in the dollar. What a wonderful contribution that would make to incentive, initiative and investment in this country.

Labor's problem is that it is motivated by the politics of envy. It cannot abide success or achievement; its solution for all problems is to cut down anyone showing enterprise or achieving success. This is not the path to a stronger, growing and prosperous Australia. It is not a path which Australians will ever accept.

It is high time the people of Werriwa had a representative who could share in the task of making Australia the great country we know it can be. The people of Werriwa need a man of Bill Sadler's experience and compassionate understanding for their problems. The people of Werriwa need to have a direct say in the government of this country - not just another voice crying in the wilderness of the Opposition backbenches.

When you come to vote on Saturday week, I ask you to think carefully about your future. Ladies and gentlemen, the choice in this election is clear. Will you reject Labor's policies of futility and fear or will you choose the Liberal Party's policies of growth and confidence which are policies of success.

Our country is poised to move into a decisive decade. We are a nation of many cultures and many rich traditions. A nation to which people from all over the world have contributed through a sense of national unity, of purpose.

With a sense of determination by all Australians, we can build a better life for everyone. We can achieve a quality of freedom and of opportunity for individual Australians unequalled anywhere in the world. We can build a society which meets the fundamental needs and aspirations of the working men and women of Australia.

The people of Werriwa can help our country move towards that light on the hill by making Bill Sadler part of the Liberal team in Canberra