



PRIME MINISTER

FOR MEDIA

MONDAY, 15 SEPTEMBER, 1980

ADDRESS TO N.S.W. YOUNG LIBERALS SYDNEY

Both Tamie and I are delighted to be able to join you. And this is all the more so now that an important federal election is only a matter of weeks away.

The decision we will all face as Australians, is an important one. For it is a decision to choose a Government with policies, past performance, and responsibility in leadership which will enable us, as a nation, to respond successfully to the challenges of the 80s. By these standards, the Liberal/National Country Party Coalition has a proud claim to Government in this election and in the years ahead.

Especially is this so since, by this, you will have noticed that the Labor Party want us to imagine that they have two and a bit leaders. I am told that, subject to Neville's confession, the combined ages of the Labor troika is about 150. Already eligible for two and one-third old age pensions. No wonder they want to turn Australia into a welfare state.

But I have no doubt that Liberal principles are those on which the majority of Australians want Government in the 80s to be based. Yet what we must never forget is that the battle for the supremacy of our values, our principles and our way of life, is a continuing one. And elections remind us that liberalism can only be as strong as those who, believing in it, are prepared to fight for it. By any standards, we are well armed for the coming election battle.

The productive partnership between Government and individual Australians in the last five years has recharged the national confidence. Now we stand at the gateway of a new decade, much better placed than many of our overseas competitors. Our financial position is the envy of many industrialised countries. Our business confidence is high and the confidence of overseas investors has fully recovered. Last year rural exports were the highest for the decade. Our balance of trade was the best result for the decade. The growth in employment in the 12 months to July was the best for ten years, and under this Government, Australia's policies and initiatives have won for us a respected place in world affairs.

But our achievements are more than a matter of simple arithmetic. For a new spirit, a new commitment, a new enthusiasm, and a new confidence in our future have been re-awakened. But do we want our dreams of the future to be turned into another Labor nightmare? Can we trust our hard-won victories to the Labor Party - the Party of proven failure. Nowhere was this failure more evident than in the pessimism and gloom that gripped Australia in 1975. Inflation had increased almost four-fold in three years. Federal award wages rose by 38% in one year. Under Mr. Hayden, Commonwealth health expenditure rose by over 110% in one year. Personal income tax rose by 125% in three years, and the Budget deficit rose by nearly \$3,000 million.

Do we want our new national wealth to be transformed into this kind of national debt? Is this the track down which Australia is to travel again in the 80s? The choice confronting Australians is clear; and the sense of commitment to Australia's future that has been generated derives predominantly from the priority we have given to the fight against inflation. For inflation has a destructive capacity to put individuals, business, and the nation's security at risk. It strikes at those least able to defend themselves from it: the sick, the old, the disadvantaged, and the low income earner. That is why we will persist with this fight. And to date, in absolute and relative terms, we are ahead. From a level as high as 17% in 1975, inflation has fallen to 10.7%. It is more than two percentage points below that of America, and more than six percentage points below that of Britain.

Our achievements on the inflation front have been widely acclaimed, even by some of our opponents. Even Mr. Wran is on record as saying: "Let me give credit where credit is due ... one of the things (the Prime Minister) has achieved ... is bringing inflation down. And all of you would be aware what a massive task that has been. And how some very tough decisions have had to be taken to achieve that ...". I think that's fair enough don't you?

In a difficult world economic order, when major economies throughout the world are struggling, the priority we must give to the fight against inflation is as valid as it has ever been. What is also being increasingly accepted world-wide is the need to support the battle against inflation with restraint in Government expenditure.

In the financial year just ended, we achieved the largest ever recorded reduction in the Budget deficit - \$1.5 billion. And in this financial year, the domestic deficit will be eliminated altogether. It is achievements like this that have helped to make us competitive again in world markets. And these achievements have won international recognition.

A recent survey of British investors reported them as saying they had a confidence in the Australian economy which they could not get elsewhere. It is a confidence they said (and I use their words, not mine) which is "conditional upon the continuation of a Liberal Government". Surveys of our own demonstrate the same sense of optimism.

The recent Department of Industry and Commerce Survey indicates that \$29 billion worth of major resource projects are either under way or about to go. Doesn't that entitle us to have confidence and optimism in the future of Australia? Yet, didn't Mr. Hayden say a year ago that the 80s would be a decade of despair? And didn't he say a couple of weeks ago that the 80s would be a dead-end decade?

Perhaps this is just another by-product of Mr. Hayden's membership of the troika - just a little bit of Wranism. Nonetheless, such statements of pessimism and gloom have no place in Australia's future. They demonstrate the incapacity of the Labor Party to offer national inspiration and national leadership. And that is perhaps why the Labor Party have chosen to hide their political leader.

But who are they trying to hide him behind? Someone who ought to have enough to do here in New South Wales. It would be hard to find anyone in Sydney who did not believe that Mr. Wran has many problems on his hands right here, which demand perhaps more of his time, and a good deal more of his skill, than he has so far given to them.

The other person is a man who is not even in Parliament. What does that say for the Parliamentary members of the Australian Labor Party; how barren they are and how destitute they are.

Of course, Labor and inflation go together; most political parties get by with one leader. Labor needs three. But that is to be expected as it takes three men to carry around Labor's election promises.

But whether the Labor leadership comes in one's or three's it cannot ignore the significant achievements in Australia during the last five years - achievements which derive primarily from the greatly improved state of economic health. Because of this, a great programme of national development is under way.

It is development which is, in part, a response to the oil crises of the 70s. More importantly, it is a reflection of the Government's recognition of the opportunities that these crises have provided. The increased price, scarcity, and uncertainty of oil supplies are leading not only to a search for new sources of oil; but also increasing recognition of the value of Australia's other energy reserves of coal, uranium and natural gas. And we are seeing a major expansion of energy intensive industries, especially aluminium smelting.

We should not, however, imagine that large and spectacular projects are the only, or even the basic, source of economic development. Small-scale enterprises serving Australian industry and consumers, employing Australian labour and entrepreneurial skills, developing new products and technologies, are no less significant. It would be quite wrong to see Australia's growth in the 1980s as symbolised only by massive mines or vast mineral processing plants.

No less important will be the efforts of many thousands of small businessmen; efforts which, while individually less spectacular, collectively make an enormous contribution to national well-being. Indeed, it is only through the wealth generated by all this activity, that the Government is able to continue its proud commitment to those in the community who need our help.

It is not a question of development for development's sake. The justification for our dedication to national development is that through the wealth it generates, more and more Australians are able to lead the kind of life to which they are rightfully entitled.

As some indication of this, since we came to office, \$600 million has been spent on manpower and training programmes for the unemployed; and 570,000 Australians have been assisted by these programmes in the last four years. Over 230,000 will be assisted this year. And to enable those who are unemployed to seek part-time work, from November 1, a tapered income test will apply to unemployment benefits. As a result, someone on unemployment benefit earning \$50 a week will be \$22 a week better off.

Our assistance to the aged, to families, to the handicapped, to migrants and to Aborigines, has also provided new and imaginative benefits. And all this has been done within a framework of responsible economic management. And responsible economic management is hardly something which conjures up thoughts of the Labor Party.

Almost every day of every week this year, Mr. Hayden has been promising to spend taxpayers' money. So far he is committed to over 300 separate spending commitments which would cost Australian taxpayers thousands of millions of dollars; which would destroy the living standards of the individual Australians who must pay for them through higher taxation.

Is this big spending and high taxation what Australia wants in the 80s? Can Australia afford the Labor Party? In only six policy areas, Labor is committed to spend \$2,500 million, representing a cost to each Australian taxpayer of \$8 a week. Are you prepared to let Mr. Hayden put his hands into your pocket?

It is Mr. Hayden who seeks to mount a campaign about Australian living standards; to argue that, generally, Australians are worse off. The only appropriate basis, the internationally accepted basis for measuring living standards is to see, across the country, what Australians are earning and spending. These broadly-based figures show that in earnings, real household disposable income, between 1975/76 and 1979/80, has risen by almost 28%. This is equivalent to about \$7 a week, at 1979/80 prices, for a family of four.

On the spending side, the figures show that between 1975/76 and 1979/80, real private consumption expenditure per head of population rose in Australia by over 48%. In other words, Australians are earning more, on average, and spending more than they were in 1975.

But there are other internationally accepted measures of living standards. Amongst these is a measurement of the number of vehicles and telephones per thousand population. In 1975/76, there were 366 vehicles per thousand population in Australia; in the last financial year there were 395; an increase of nearly 8%. In 1975/76, there were 267 telephone services per thousand population; in the last financial year there were 310; an increase of 16%.

Quite simply, Mr. Hayden has limited understanding of the extent and consequences of Australia's improved economic health. It is no wonder Clem Jones, one of the more successful members of the Australian Labor Party, felt inclined recently to remark that, "it is recognised that Bill Hayden has admitted he cannot read a balance sheet". Well, I would think that a would-be political leader who cannot read a balance sheet is about as useful as an honest scrutineer at a Sydney Labor Party pre-selection ballot. Fortunately, Mr. Hayden is not going to be let loose by the Australian electorate on the balance sheets of this nation.

But apart from troikas and balance sheets, one further development confirms the leadership vacuum within the Labor Party. All this year, the media have carried stories of the movement by the Labor Party to the socialist left. It is not Malcolm Fraser saying that Mr. Hayden is a prisoner of the socialist left. In April this year Bill Hartley pronounced Mr. Hayden, "the best Labor leader for the socialist left ...". Today, Bill Hartley tells us quite plainly, "that the socialist left (has) regained de-facto control of the (Victorian) Branch, especially in the areas of policy committees".

From the roots of the Party itself come these admissions that Mr. Hayden and the Labor Party are in the hands of left wing Soviet sympathisers. This must surely be a matter of grave concern to all Australians in the decade ahead when serious defence and foreign policy questions face the nation. Is this the time to be lukewarm in our commitment to democracy? Is this the time to be uncritical of socialism and communism? Isn't this the time for commitment, instead of compromise? Isn't this the time for action instead of apology?

I do not want to spend any more time on the Labor Party; they are condemned out of their own mouths. But one final thing; it has not taken Mr. Wran long to get into the traditional Labor string of things. Today's papers report a statement by the pin-up boy of the Federal Labor Party that the Government is contemplating introducing conscription. Such a statement is based on the most transparent untruth. If Mr. Wran is going to go on repeating something that he knows to be false, he is not going to advance his own reputation here or anywhere else. If that is the only policy the Labor Party have, to repeat falsehood, then they are a barren Party indeed. Mr. Killen has indicated over and over again that such an allegation is baseless. I have indicated that it is totally without foundation and I re-affirm that stand tonight.

Those who propagate these sorts of statements deserve the rejection of the electorate, which I have no doubt the Labor Party will receive. And, equally, I have no doubt that the Young Liberal Movement, throughout Australia, will contribute significantly to this rejection. The task ahead of us is challenging but invigorating. It is a task which we must successfully complete if the great potential that lies before us is to be fully realised.

It is a task which carries with it great responsibility and great trust. We are equal to both. I am confident that in the weeks ahead our efforts will be successful; and beneficial to the long-term interests of all Australians.

---000---