



26
(copy?)

PRIME MINISTER

FOR MEDIA

TUESDAY, 22 FEBRUARY 1983

KEATING'S WORDS WILL DROWN HIM

Australians should be under no doubt about what Labor would do to fund their multi-billion dollar spending spree.

The Shadow Treasurer, Mr Keating, has made his Party's position abundantly clear. Just eight days ago, on national radio, he said, and I quote his own words - his words, not mine:

"We have massive savings locked up in the banking system (with) which the Commonwealth could quite easily fund this sort of deficit and get the Australian economy moving again". ("P.M.", 14/2/83).

I was asked in Sydney today how Mr Keating would get his hands on this money. I said then, and I repeat now, that a Labor Government could pass laws to give directions to the banks. Indeed, in its prices and incomes policy document, Labor says it will even make institutions like building societies and finance companies subject to Commonwealth direction.

Or they could put up interest rates so much by their borrowing programs, including using funny bonds, that money wouldn't be available for people to borrow for housing loans or for their small businesses.

We all remember in 1975 how Mr Whitlam was going to use the money in private banks to pay public service salaries because he had been denied supply by the Parliament.

Labor today, with Mr Keating as Shadow Treasurer, clearly still would have no compunction about how they would use the banking system for their own needs.

This afternoon, Mr Keating has tried to hide the true intentions of Labor by making wild accusations about other people. All I've done is quote his own words. Those words are around his neck. They will drown him and his Party.

Australians will reject out of hand this attempted use of Government power.