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PRIME MINISTER

SPEECH BY THE PRIME MINISTER, THE HON P J KEATING, MP AUSTRALIAN EDUCATION UNION ANNUAL FEDERAL CONFERENCE MELBOURNE, 19 JANUARY 1996

***** CHECK AGAINST DELIVERY *****

Thank you for inviting me to address you today. I spoke at this Conference three years ago and then, as now, we were facing an election. It was a profoundly important election then and it will be just as important this time.

Some people are saying the lines are not as sharply drawn: that without the deeply ideological Mr Hewson, and the deeply iniquitous GST, Australians this time will have some kind of tweedle dum tweedle dee choice confronting them.

Nothing of course could be further than the truth. Last time we faced a right wing ideologue, a man who put his policies and ideas on the table and challenged us to persuade Australian voters that our policies and ideas were better.

This time we are facing a right wing ideologue who will not put his policies and ideas on the table.

John Howard has been shadowing me for a quarter of a century; we are the oldest political opponents still practising, I know him so well and his beliefs so well that if I close my eyes I can hear them playing like a broken record in my head - and it is the voice of the most conservative politician in the last quarter of a century.

Or, to use his own words, the most conservative leader the Liberal Party has ever had. And if anybody tells you that John Howard has suddenly become a cuddly small "l" Liberal who has seen the error of his reactionary ways, you can tell them that I am a Rastafarian and Tim Fischer is a Trotskyist.

So let's be in no doubt about this - sometime in the next two or three months Australians will make a decision about the basic nature of their society and the basic direction it will take into the 21st century.

Today I address you in a political environment which is fundamentally the same as it was three years ago.

What has changed is that we have moved on as a nation. We have moved on as a community. We have moved on in our social policy, our foreign policy, our industrial relations policy, our labour market programs, our cultural policy, our idea for an Australian republic, our superannuation policy, our policy on the environment, our policy for Aborigines and Torres Strait Islanders. The economy has moved on.

In everyone of these areas we have made dramatic strides in the past three years.

And, with your cooperation, we have made them in education.

Now you will remember that when I was here three years ago, Mr Hewson had committed the Opposition to shifting resources to wealthy private schools, introducing vouchers for vocational education and fees for undergraduate courses, and slashing \$10 billion from the social wage, including education.

Today Mr Howard says nothing about those nasty things. He offers none of the specific policy details, just nebulous policy directions - things he believes in, he says.

You don't have to be a political genius to know why John Howard is not giving us any details. My dog knows why. John Howard is giving us no policy detail because as we found with John Hewson - and Jeff Kennett - the devil is in the detail. And John Howard hopes that if he leaves the detail out, and just keeps smiling as cutely as he can, Australians won't see the devil lurking.

I know what he will say - there's that Keating trying to scare people, talking about lurking devils and John Howard being just like John Hewson. "Massive scare campaign", he will say.

Well let's look at just one of John Howard's policy principles. Let's see if there is a devil lurking in what he says he'll do about education.

John Howard has committed a Coalition Government to winding back specific purpose grants to the States. The States, he says, "will have greater freedom of choice when deciding their programs and priorities".

Now the Commonwealth Government provides over \$4 billion in funding for school and vocational education in the form of specific grants to the States - nearly one quarter of all specific purpose payments to the States goes to education.

These grants help meet the costs of teachers' salaries, curriculum development and the professional development of teachers. Grants to build and maintain schools and TAFEs. Grants to improve educational opportunities for Aborigines and Torres Strait Islanders, students with disabilities, children living in isolated regions and children who suffer socio-economic disadvantage. Grants to improve the quality of schooling and access to vocational education.

Mr Howard says he would wind back these grants.

And what would he put in their place?

The State's "programs and priorities".

So where is the devil lurking in this? Well, it just could be recognisable in the "programs and priorities" of certain States.

Victoria, for instance, where the education "priorities" of the Kennett Government have closed nearly 300 schools, reduced teacher numbers by 8,000, and cut the level of spending per student by 5%.

Or Tasmania, where real spending per student has fallen by 7 per cent.

And South Australia. The South Australian Government's priorities have seen the education budget slashed by \$40 million.

Where is the devil lurking in this particular Liberal Party policy "principle"? Answer - in getting the States to do the details. In getting the States to do the dirty work.

A little later I will be talking about another fundamental area of national policy where the Liberal Party is similarly attempting to impose their old agenda by new means.

In fact, the more of these policy "principles" we look at the more we will see that, under John Howard's leadership, the Liberal Party is attempting to do by stealth what last time they attempted to do by open debate.

For the Australian public, not getting to see the detail means not getting to see the fundamental difference between the Government and the Opposition. It means they don't get to see the choice.

In fact the choice is very much the same as it was the last time John Howard led the Coalition in an election campaign. It is very much the choice Australian voters have faced ever since the Liberal Party bought the idea that "small government" and a market free-for-all is the best means of governing a country.

For a decade or more, John Howard has been chief spokesman for this position and in successive elections the Australian people have rejected him and his ideology. This election is his last stand - this is John Howard's Little Big Horn - and there is nothing he won't do to escape the fate of Custer.

If it means renouncing policies he has espoused all his political life, he will do it. If he can hide them he will. And if he can get the States to practise them on his behalf - well, what could suit him better?

Why you would give the States more responsibilities when many of them are walking away from their existing responsibilities is beyond me. It is beyond Labor.

We say education is too important to leave to the States.

We say that the interests of our children are the interest of the Commonwealth Government; the interests of those millions of Australians who need vocational training are the interests of the Commonwealth Government. The interests of social equity and economic efficiency are the interests of the Commonwealth Government. We say all these issues concern the national interest and the national interest is the interest of the Commonwealth Government.

Through its funding decisions, a government demonstrates its priorities and interests and where it believes its responsibilities lie.

Through the provision of real increases in funding for school education - 54 per cent since we came to office - the Labor Government has supported access to education for all Australians.

In establishing the National Professional Development Fund, we have worked with teachers to strengthen and widen their professional knowledge and expertise, acknowledging that teachers are the main agents of educational reform.

Through support for EdNa, we have identified the national significance of ensuring our schools are equipped to take advantage of new technology.

In our support for Aboriginal education, students from disadvantaged and isolated areas, students with disabilities and students from non-English speaking backgrounds, we have put a premium on access and equity.

With funding for the new civics and citizenship education program, we are recognising that our young people should understand our democratic institutions and participate in the civic life of the nation.

In implementing the National Strategy on Asian Languages and Studies, we have recognised the need to improve Australia's capacity to understand, interact and trade with our key Asian neighbours.

Through our \$1.5 billion increase in funding for vocational education, we are signalling that a world-class vocational education system is essential for building a competitive nation, and we are demonstrating that this Government has a rock solid commitment to a public vocational education system which creates life opportunities and allows access for all.

The Federal Labor Government has a deep interest in the shape of the nation's education system and the education of our young people. But this interest would be hollow if it were not backed up by funding to sustain and improve the education system. This is just what specific grants to the States are for. And this is just what the Liberals would hand over to the States.

I have said before that education - and especially public education - is a wealth transfer. It is a profoundly democratic and just investment - and it is essential to the maintenance of the social fabric. It is also essential to a healthy economy. A better trained workforce is a more productive and innovative workforce.

Because education is fundamental to our aspirations as a nation and as a people, because it goes to the core of our egalitarian values, because it is an essential means of creating social cohesion, because it is a basic right of all Australians, the Commonwealth Government has a duty to provide for it.

As teachers I expect you will have some sympathy with this attitude. As teachers you have professional aspirations and interests - an interest in the people you teach, the quality of your schools and colleges, the quality of curricula, the standards of your profession.

But you also have aspirations as citizens - as Australians with ambitions for yourselves and for your children, with expectations that the reward for the work you do will allow a reasonable amount of time for leisure and recreation, and a reasonable salary to buy a reasonable life style now and in retirement. As people who dedicate your labour, skills and knowledge to educating others, you expect, and have a right to expect, decent pay and conditions of employment, including security of employment.

That is why as well as your interest in what Governments do about education, you have an interest in what they do - or propose to do - about industrial relations.

When we talk about industrial relations we are talking about more than the level of wages and salaries - although we are certainly talking about them too. When we talk about industrial relations, we are talking about the welfare of individuals and families and their children. We are talking about the distribution of wealth and opportunity in our society.

The industrial relations system, broadly speaking, is the framework in which opportunity and wealth are delivered. It is the basic mechanism of social justice. And, like education, it sets the boundaries for the sort of society we are and want to be.

That is why, like education, it is an arena in which governments have a proper interest. In education we accept our responsibility to provide schools, equipment, technology, teachers. In industrial relations we accept responsibility to provide a system that works fairly, efficiently and delivers security. That means we accept responsibility to provide a safety net and an umpire.

And if you look at how our industrial relations system has worked in the last decade and a half, and consider the improvements which are still being made, you would have to ask why anyone would want to tear it down. Why would you want to walk away from your responsibility to provide the umpire and the safety net?

The system we presently have and the one we have been developing for the last twelve years or so has delivered results which were unimaginable in the days when the Coalition was in office.

It delivers a safety net for all workers. It delivers real wage increases. It delivers more than twice the labour productivity of the country whose individual contract system the Coalition most admires, New Zealand. It delivers the lowest rate of strikes since 1940. It delivers employment growth. It delivers low inflation; and increasingly it delivers flexibility, skilling, and work place reform.

It delivers an industrial culture of cooperation rather than conflict. It delivers an environment in which fundamental, and fundamentally necessary, economic reform can take place without the social damage which has accompanied such reform in other countries.

It delivers the means by which Australia has become a competitive and open economy, and yet retained its social cohesion and the social values which have traditionally underpinned it.

In view of all this, you have to ask - why would you tear it down?

Because despite their most recent efforts to pretend otherwise, tear it down is what the Coalition would do.

Labor market reform has been John Howard's passion for a decade.

What's the first thing the Coalition would do? They would throw away the Accord.

John Howard yearns for the pre-Accord days. We should remember what those days were like.

Australia was strike-prone.

The best measure of industrial unrest, working days lost per 1000 employees, stood at 590 per annum under Fraser and Howard - in 1994 the number was 76. The average under the Accord is 67 per cent lower than it was pre-Accord.

The change since 1983 has not been a slight variation to the industrial weather - it has been a major change in the climate.

But in the last resort, the umpire still prevails.

In the CRA conflict of last November an industrial disaster was averted because the system worked: the Australian Industrial Relations Commission stepped in.

The same Commission that John Howard wants to do away with. "We will stab the Commission in the stomach" he said in his braver days of 1992 when the Coalition thought they would win by being honest about their intentions.

John Howard supported Comalco - the same John Howard who last week said he believed in equal pay for work of equal value!

Ask yourself, what would have happened, without the Commission.

Comalco was paying workers up to \$20,000 less than their fellow workers performing identical tasks, just because the latter signed individual contracts.

Ask yourself how long that dispute would have gone on, and what the casualties would have been if it hadn't been fixed quickly. The country would have been brought to its knees.

The costs would have been extreme, and the consequences would go on for a long time.

Our reputation as a low strike country has taken more than a decade of mature perseverance. But it would all be lost in a few weeks with the Howard hostility to unions and without an umpire to sort it out.

Our industrial stability is under even greater threat from the Coalition than first appears. The deplorable strike record delivered under John Howard in 1975-82 occurred under relatively favourable circumstances compared to what will happen under the Coalition of the present.

At least in the 1975-82 period the Liberal Government did not directly seek conflict with the union movement, as its current policy does. It was more an approach of benign antipathy; today it is one of aggressive hostility - they talk about "breaking" union power.

At least in the 1975-82 period the Liberal Government did not sideline the umpire, the Industrial Relations Commission, as its current policy does.

So under the Coalition there would be a much bigger fight than before, and there would be no referee.

The Accord processes are more than about cooperation and industrial peace. They reflect a consensual view on the importance of the link between labour cost changes and national economic performance.

When the Government came to office in 1983, we inherited double-digit inflation and double-digit unemployment - an Australian first.

In the period of the Accord we have had macro-economic outcomes foreseen by no economist and unimaginable under the previous approach.

Real GDP growth has averaged 3.7 per cent growth per year under the Accord. It was 1.9 per cent in the seven years before the Labor Government. That is, the Accord has delivered nearly a doubling of growth.

And it's continuing - we now have had a record 17 successive quarters of GDP growth.

Economic growth means jobs growth. The Accord has delivered average employment growth of 2.3 per cent per year; when Mr Howard was Treasurer the figure was 0.8 per cent.

In absolute numbers, the job growth figures are even starker: 164,514 per year under the Accord, 50,199 per year under Mr Howard.

If employment had continued to grow at the same rate as it did under Howard, there would be 1.4 million fewer jobs today.

Inflation has been reduced to an average of 5.2 per cent a year under the Accord: Mr Howard's record: 9.9 per cent. For the last 4 years it has averaged 2.25 per cent, a figure that 13 years ago would have been incredible.

Real average weekly earnings for full-time adults has increased by 6.8 per cent under the Accord. The Coalition says wages have fallen, but that's because they are using shonky data - a point explained in the document I am launching today.

The rapid employment growth and the higher real wages have influenced the best total measure of economic welfare: real disposable household income per capita. Under the Accord it has increased by 22.3 per cent, or nearly 2 per cent a year. For the previous pre-Accord period the total increase was only 6 per cent - less than 1 per cent a year.

Moreover, the Accord has provided a mechanism for transforming workplaces. It is not an accident, nor is it an international phenomenon, that our workplaces are being transformed significantly in terms of skilling and flexibility.

And is not an accident, nor is it an international phenomenon, that the transition is being accomplished in a cooperative and peaceful way.

It is the Accord.

The Accord has delivered and it is continuing to deliver.

In Accord VIII the partners committed to the creation of 600,000 additional jobs up to March, 1999. This promise builds on the Accord VII commitment of 500,000 jobs in the three years after the 1993 election. The time is nearly up and already 720,000 jobs have been created.

In this Accord the ACTU and the Government also committed to a 2-3 percent rate of underline inflation on average over the course of the cycle. It is unprecedented to have a union movement endorsing an inflation target of the Central Bank.

This Accord also supported a Special Case being brought before the Commission for teachers and nurses who had been unable to obtain wage justice from conservative State Governments.

What would have happened to teachers' pay without the Accord and capacity of the Commission to intervene when pay and conditions are being eroded by Governments not sympathetic to teachers? A large number of people in this room would be much worse off without this process.

We shouldn't forget the micro-economic reforms underway in Australian workplaces, with an emphasis on collective bargaining at the enterprise level. Well over half of all federal employees are now on agreements, many of them extremely innovative. And the number is growing quickly.

Workplace agreements - collectively bargained - are only possible if the total value of the award conditions is not reduced.

This is the real "no disadvantage" test, in which the agreements are closely scrutinised by the highly expert and respected Industrial Relations Commission before they become law.

The process of certifying agreements is a public one. Agreements are negotiated collectively; union representation is welcomed; no individuals have to bargain by themselves with the employer. There is not a large power imbalance and industrial relations inspectors are checking that agreements are fair and legal in practice.

Every worker is protected. The system looks after those whose bargaining position is weak. It is fair and is seen to be.

These issues and more are described, explained and analysed in the Government document *Flexibility and Fairness at Work*, which I am launching today with the Minister for Industrial Relations, Laurie Brereton.

Flexibility and Fairness at Work is a broad statement of the Government's Industrial relations stance. We are very proud of it. We are confident it will reassure Australians that there is every reason to maintain our Industrial relations approach and institutions because this system delivers flexible change and protects workers.

So, in summary, what do we get with the Accord? Industrial stability, a highly effective macro-economic instrument to deliver low inflationary economic and employment growth, a framework for protected workplace reform. A tested and proved way of operating.

Why would we want to put our social and economic security at risk by throwing it out?

What else does John Howard really want in Industrial relations?

One thing is not in doubt. He has been absolutely consistent in advocating radical change for the Australian labour market.

It has been one of the few things we could rely on. As he said himself in July last year:

"As you know, of all the issues I have been committed to over the last ten years, none has been more important, none has been more prominent, than my absolute commitment to the need to free Australia's Industrial relations system."

If he's said it once, he's said it a hundred times. He must have said it a dozen times last year.

When economic policy reforms have been accepted as being good for the country, he has always said things like, "yes but they won't do the most important thing - they won't change our inflexible wages system".

John Howard has always stood for one thing: he wants Australia to be a low labour cost country. He wants employers to have the upper hand with workers, because he says work contracts should be negotiated individually and not collectively.

Any fair assessment of his record leads inexorably to this conclusion only: he wants workers' pay and conditions to be cut.

How do we know this to be true?

As Treasurer in 1982 he initiated the wages freeze which ensured that the real value of workers' pay would fall.

He has opposed - not been quiet about, not ignored, *he has opposed* - every proposed wage increase for Australian workers since 1978, bar two.

He wrote *Jobsback!* for the last election in which there were no protections for workers, and no way of guaranteeing workers' pay and conditions. He has said on several occasions since the 1993 election that *Jobsback!* was the right policy. He said it right up until 11 days ago.

He has referred to overtime and penalty rates as "absurd job destroying imposts", and told us for a decade or more that labour market flexibility is the modern approach for Australia. Not having Governments, or unions, or Commissions involved in industrial relations is his panacea, his holy grail.

He looks with envy and admiration to the New Zealand changes in industrial relations which have totally removed the awards and pushed workers into individual contracts.

The Victorian approach to industrial relations, in which there have been significant pay reductions for Victorian State award workers, he describes as excellent policy.

When 400,000 Victorian workers chose to move to the federal award system to escape, he has said less and less about how good the Victorian model is. But Jeff Kennett has said that with a Howard government, these people would have "nowhere to hide".

John Howard has said that the Western Australian State industrial relations system is his preferred model. For West Australian workers there are individual contracts with just a few minimum conditions, and the certainty that employers can reduce pay legally.

He advocated a youth wage of \$3 an hour in the last election, and has only dropped it now because he argues that it is hard to explain the benefits. Nevertheless, he says that it is right.

He continually attacks the Government for its active support of the Accord, the Industrial Relations Commission, and bargaining processes that protect workers.

And, with these views and this line of attack, he is essentially saying two things: that "flexibility" - meaning pay cuts - is the solution; and that he is not prepared to support a system which genuinely protects the pay and conditions of workers.

The finest policy contribution that could be made by government in John Howard's view is the "freeing up" of the labour market with its attendant pay cuts and loss of conditions.

Simply, he wants another way.

It is his deepest philosophical commitment, the definition and framework of his policy position - his reason for being.

But then a strange thing happened just 11 days ago.

In the speech to the Young Liberals Annual Convention on January 8 he announced a complete change in his direction. He said things he had never said or thought, or felt, or countenanced for a moment in his entire political career.

What was his oldest anathema suddenly became his newest desideratum.

He said things that he had fought against in the Liberal party back rooms for a decade. Among young Liberals - at least the very young - it might not have raised a youthful eyebrow. But old Liberals must have been reaching for the smelling salts, and in boardrooms across the country the level of whiskey bottles fell by an average 8 centimetres.

Had their man gone mad? They give him one last chance - and this is what he does.

"Under a Howard Government you cannot be worse off but you can be better off", he said. "I give this rock solid guarantee", he said. "Our policy will not cause a cut in the take-home pay of Australians", he said.

He then went on to outline some changes to the Industrial relations system, including listing 10 so-called minimum conditions of employment. One of these was that take-home pay would be at least the same as the value of the award conditions.

How could this amazing turn-around be understood?

Has he radically changed? Have his previous commitments and principles now gone?

Is he entitled to be believed?

By the time they got the corks back in the bottles in the boardrooms and the better clubs, they knew the answer and were reassured.

They knew that this new system of his can't and won't actually deliver what he says. They knew that he still wants radical changes and his new system will deliver this.

That instead of being straight, like Dr Hewson was, it can all be achieved by stealth. That his speech was a ruse.

The truth is, he still wants radical change.

It is simply not credible that John Howard, by his own definition the most conservative Liberal leader ever, has now become an advocate of worker protections in the labour market.

He is not entitled to be believed.

And if he is not entitled to be believed he is weak, because he doesn't have the courage to stand up for and argue his beliefs.

And if he still wants radical labour market reform but seek it by stealth, then he is sneaky.

John Howard won't be the first Liberal leader to promise no reductions in workers remuneration and then cut pay and conditions immediately on winning government. In fact, it's becoming quite fashionable.

Jeff Kennett was the first in recent times. He said Victorian workers will not suffer "any loss of wages and conditions", but then abolished all State awards and took away holiday loadings.

Richard Court was next, saying he was no Jeff Kennett and that workers had "nothing to fear". When elected, he cut youth wages to \$3.77 an hour and removed all income guarantees from the Western Australian system.

John Howard's promise that "under Coalition policy...employees cannot be worse off" has a very familiar ring.

Kennett, Court and Howard have one thing strongly in common: an absolute conviction that labour market change - for which read lower wages - is essential.

It is more than just the comparison with his fellow Liberals that tells us that Howard is not entitled to be believed. It is the process of his new system that will make it inevitable.

Under the proposed system the Industrial Relations Commission will be made redundant. There will be no public testing or assessment of the fairness of contracts. Workers will have to bargain, as individuals, with the employer.

The Australian Workplace Agreement will be filed - and that just means put in a cabinet - with the new so-called Employment Advocate. It will not be looked at unless the worker asks for this to be so.

Let's think about the circumstances in which a worker would ask for an inspection of their contract.

If asked to sign an Australian Workplace Agreement would a job applicant say, "let me show it to the union, or to a lawyer first", when they know that some other more compliant applicant will then get the job? The answer is, of course not. Job applicants will have no effective choice.

Thus job mobility will ensure that the system must quickly and inevitably reflect the law of the jungle. Under the Coalition's approach new workers will be forced onto agreements that will not be scrutinised by an effective or even expert body.

And job mobility is a huge issue. Over 1.7 million workers face a new employer each year: 400,000 married women returning to work; 250,000 tertiary education graduates; several hundred thousand year 11 and 12 leavers; and 600,000 workers who change jobs every year.

In 1994 a total of 28,258 school teachers took a job with a new employee - 7675 men and 18583 women. Some of them might be sitting in this room. That's over 10 per cent of all teachers each year without any effective protection.

The system will change radically, and quickly, because somebody wanting a job will sign up even if they are unhappy with the contract. And no one apart from the worker and the employer will know what has transpired because, as in Victoria and Western Australia, the contracts will be secret.

Existing employees are also not going to challenge their employer if they think the contract is unfair. This would amount to publicly questioning the employer's honesty and credibility.

The employer can make this costly in all sorts of ways - by not offering overtime hours, by not allowing holidays when they are wanted, by not giving promotions, and even by the sack under the Coalition's changed unfair dismissals laws. You'd have to be a mug to want to take on the boss publicly in this way.

And why would an Individual worker bother to bring a complaint to the Employment Advocate when it has no judicial power, and no way of enforcing a decision, other than to take it to court where it could stay for many months, and where the outcome is uncertain?

Even if the Workplace Agreement seems unthreatening at first, the Coalition has no process to up-date them, and says that even if the awards are improved this will not effect the Workplace Agreement. So over time the Agreements must become of lower value, with no mechanism to alter this, and no right for a worker to strike if an employer changes any aspect of them.

John Howard knows all this. And so do his political supporters.

It is instructive that neither the BCA nor the ACCI took John Howard to task for his apparent conversion to the cause of worker protection. It is instructive that Jeff Kennett and the WA industrial relations Minister, Kierath, both applauded Howard's policy announcement even though on paper it contradicts much of what they stand for.

The reason is that conservative business groups and other Liberals know what John Howard knows: he can achieve by stealth exactly what he and they have always wanted.

The conservatives saw the meaning of John Howard's speech, knowing it to be a ruse, camouflage from a leader without the leadership to admit where he wants to take Australia.

Camouflage from a leader who won't stand and articulate that which he passionately believes.

The bottom line is that John Howard is committed to radical labour market change - nothing is clearer. But he has now also revealed himself as someone who is prepared to publicly repudiate his most strongly held position because he knows that, properly understood, his industrial relations policy would lose him the election.

He is willing to wear the charge that he stands for nothing because he hopes to win by cunning what he has never won by advocacy.

Under Howard's system wages must fall. Conditions must be lost. And it will all happen quickly because the labour market has so much mobility, and it is the new job takers who will be most disadvantaged initially. But, over time, everybody will be affected.

The question is - why do it? Why throw away the Accord and put in place a system that must cut pay and conditions and take away basic rights of workers?

It can't be for profits, industrial peace, jobs or inflation. And it's not for productivity as the dismal performance of New Zealand has shown.

It can only be because he wants a radically different Australia, with considerably more employer power and considerably less employee protections.

It can only be because he wants a low wage cost country. Make no mistake, this obsession still rules him.

Under John Howard's arrangements the Australian industrial system will be changed in favour of employers, the bargaining will swing in their favour, the onus will fall on individual workers and - as a recent poll indicates, they know - workers' incomes will be cut.

The real John Howard won't be standing up in this election, but we've seen enough from the last quarter century to know exactly what to expect.

He will leave education to the States. He will leave the wages and conditions of Australian workers not to the IRC and the system of awards and the principle of no disadvantage - but to the law of the jungle and the survival of the fittest.

With the processes of his industrial relations system his rock-solid guarantee of worker's take home pay is a sham and a ruse.

With John Howard we have once again reached a fork in the road. His path leads inexorably to a reduced social wage, reduced educational opportunity, the end of the Accord, and the end of an industrial relations system which levels up the playing field of our national life.

Since I last spoke to you, we have had three highly productive years. There have been major economic and social reforms. We have maintained the environment of cooperation and tolerance which has taken us so far in recent years. In 1996, just about the only thing which hasn't changed for the better is the Coalition.

Even the recent change in rhetoric is no change - if you remember this time in 1993, they were attempting to sell a new cuddly version of Fightback.

We are seeing it all again. And with your support, we will see the same result at the election.

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