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PRIME MINISTER

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ELECTIONS - 13 MAY 1974

THE POLICY SPEECH

BY

THE PRIME MINISTER OF AUSTRALIA

HON. E. G. WHITLAM, O.C., M.P.

BLACKTOWN, N.S.W.

29 APRIL 1974

Men and Women of Australia,

Just 17 months ago, I stood here, and from this place and from this city I asked you to choose for Australia a new team, a new program, a new drive for equality of opportunities. You gave us a clear mandate to go ahead with our program for the next 3 years. For 17 months we have driven ourselves to carry out your mandate, to carry out the program I placed before you. Now the government you elected for 3 years has been interrupted in mid-career. Our program has been brought to a halt in mid-stream.

Everything we promised, everything we have achieved, everything you expected of us - your expressed hopes for yourselves, your families, your nation - all this is suddenly threatened. It is threatened by the actions of the men you rejected a mere 17 months ago. It is threatened by the actions of men elected to the Senate not in 1972, but in 1967 and 1970. It is threatened by men who refused to stand by the umpire's verdict - your verdict - to give us a chance, to give you a chance, to give Australia a new chance.

*Senate
action*

These men who have falsified democracy now ask you to turn back. Turn back to what? Think again how it was when you elected us in 1972. Unemployment was at its worst for 10 years. Our rate of growth was one of the world's worst - a paltry 2%. The Australian dollar was grossly undervalued. Foreign money was flooding in to buy up Australian resources and Australian industries on the cheap. Accelerating numbers of migrants were leaving in disillusion. Australia was still deeply involved in the war in Viet Nam. Our whole foreign policy was based on hostility to China. We were running an army on the cheap by conscripting young men. There were young men in prison for their conscience. Australia was a deeply divided nation. Our young people were becoming alienated from the mainstream of Australian society. The disrespect in which our national leadership - the Liberals - were held at home had spread to disrespect for Australia abroad.

*Previous
Government*

Think again, indeed!

Mark today's contrast. The Australian economy is one of the most buoyant and vigorous in the world.

*Present
State of
Economy*

Full employment has been restored. Business activity is at its highest for a decade, company profits are at record levels and business expectations are at an all time high. Through our economic policies and our social security program, Australia's prosperity is becoming more fairly shared than ever before.

Abroad, Australia has never stood so tall. We have buried old animosities. We are held in new respect by old friends and allies. Never in her history has Australia been more secure.

We have ended national division, national disunity by ending our involvement in Viet Nam, and ending conscription.

Vietnam

We have opened up new and expanding markets for our farm products.

Trade

By placing family reunion for migrants above mere recruiting, we have stopped the migrant drift.

Migrants

For the first time Australia has a government determined to promote Australian ownership and control of Australian industries and resources.

Control of
FOREIGN
OWNERSHIP

For the first time for a generation Australia has a government dedicated to equal opportunity for all its citizens. We have more than doubled spending on schools. We have abolished fees at universities, colleges of advanced education and - going one better than our pledge - at technical schools.

Education

For the first time Australia has a government determined to make the conditions of life more equal for all Australians, wherever they live in Australia.

For the first time Australia has a government seriously concerned to give equality of opportunity to women.

women

For the first time Australia has a national government involving itself directly in the affairs of our cities.

cities

For the first time Australia has a government ready to give local government direct access to the national finances.

Local
Govt.

For the first time Australia has a national government prepared to co-operate in renewing our decaying urban transport systems.

Urban
Transport

For the first time Australia has a national government determined to fulfil its constitutional obligation towards the aboriginals.

Aboriginals

For the first time Australia has a government determined to preserve, protect and enhance Australia's national estate - our natural and historical inheritance, what we keep from our past, what we transmit to the future.

National
Estate

For the first time Australia has a national government which recognises the significance of the arts and artists in our society. Our support for the arts has released an unparalleled burst of creativity in this nation.

Arts

These achievements are just some of the fruits of programs based on expert advice. We sought and obtained the co-operation of the most highly qualified Australian men and women to enquire into and to report upon basic requirements in Australia's social and economic structures. These reports are public. The work of these enquiries and commissions is the basis of a continuing, coherent, comprehensive program. The new initiatives I announce tonight are the new dimensions and expanded fruits of this work.

*Committees
&
Commissions
of Inquiry*

This premature election means that these fruits are being denied the Australian people. It has meant deferring our entire legislative program. We have this legislation ready to go; it is crucial legislation, and we have it ready. We ask you to send us back to get on with the business - your business.

Six Bills

Senate

In the Parliament that has been dissolved four referendum bills had been twice rejected by the Senate. Under the Constitution the Governor-General is submitting each of them to the electors. Six other bills had been twice rejected by the Senate. That is why under the Constitution the Governor-General has dissolved both Houses of Parliament.

Rejection

The Senate had also rejected nine other bills. Some of them had been introduced a second time. When the Parliament was dissolved 24 bills were waiting to be passed. The government will reintroduce all these rejected and pending bills in the new Parliament. Also, 107 new bills have been already drafted and are awaiting introduction in the new Parliament; a further 104 bills are being drafted on the government's instructions.

Our programs - the programs you endorsed in 1972 - had been developed over the previous six years. They were published policies; they were debated in public; they were scrutinized in Parliament. Time and time again as an Opposition, we put positive proposals up for debate in Parliament. By contrast our opponents have never since put up a single proposal for examination by either Parliament or the public. When they forced this election, none of us knew anything of what they proposed. All we knew was what they opposed. And that's really all we know now.

In defence of their wealthy friends and vested interests, they rejected the democratic principle of equal electorates; they blocked attempts to democratise and modernise the trade union movement; they denied representation in the Senate to the people of the Northern Territory and the Australian Capital Territory; they sought to deny to local government direct access to national revenues and borrowings; they preserved for foreign mining interests the right to exploit our off-shore resources. They preserved the inequity, inefficiency and injustice of an antiquated health scheme. They have prevented one million of our fellow-citizens from having any protection against hospital and medical charges.

*Oppositions
Policy*

By shelving the Trade Practices Bill they left the door open to monopolies and big corporations to fix prices, organise cartels and exploit the Australian customer. By shelving the Australian Industry Development Corporation Bill they blocked the most effective instrument for ensuring Australian control of our industries and developing new industries. They left the door open to foreign takeovers and foreign exploitation of the Australian economy. Yet you had given us a clear mandate for every one of these proposals they have opposed and obstructed.

A.I.D.C. Bill

These are the men who forced a premature election. Now they are asking you to make a judgement affecting your lives, your families and their welfare, your nation's future for the next three years on the basis of policies cooked up in the last three weeks. When they destroyed my government's power to govern they had no more idea of what their policies would be than you did. All they knew is that they were out to destroy the Whitlam Government. The Leader of the Opposition in the Senate admitted on the night of the dissolution of Parliament "We embarked on a course some 12 months ago to bring about a House of Representatives election". In the five weeks that the Senate sat this year votes were taken on 43 occasions. The three opposition parties combined to defeat the government on 42 of those occasions. They had made the parliament unworkable.

WHITLAM GOVT.

What a spectacle this must present to the world - a world where everywhere democracy is under challenge. In no other country in the world could an Upper House, elected 3½ years ago and 6½ years ago, use an outdated majority, a chance majority, to bring down the government elected by the people only one and one-third years ago.

And in Australia this had never been before attempted by the Senate. Until our opponents lost office, after 23 years, it had never even been threatened in the Australian Parliament.

One result of their actions is that for only the third time in Australia's history, we are to have an election for the whole Senate as well as the House of Representatives. In addition, you will be asked to support referendum proposals to make the Australian democracy more equitable and more efficient.

REFERENDUMS

REFERENDUMS

The last occasion on which you voted for the whole of the Senate and the House of Representatives was 1951. The first referendum proposal is designed to avoid the situation after 1951. Barely two years after the 1951 double dissolution there had to be an election for half the Senate and then a year later a separate House of Representatives election. It is quite wrong to suggest that the present dissolution of both Houses of itself synchronises future elections for them.

It does nothing of the sort. The elections for the two Houses will remain out of kilter unless you accept our referendum proposal. Australia has too many elections. Since 1963 we have had a national election every 1½ years. That is not good for Australia. It does not make for good government or for a healthy Parliament.

Australia needs a period of stable government. Australia needs a period of stable leadership. We enter upon a time of difficult decisions. Such decisions can be taken only by a united government, a united leadership, a united Party, a united nation. And our government alone offers such unity, such leadership.

We need a Parliament which reflects the will of the people as fully and accurately as possible. Our referendum proposals are designed to achieve this.

Our proposal to synchronise elections for the Senate and House of Representatives was recommended as far back as 1958 by the all-party Constitution Review Committee established under Sir Robert Menzies in 1956. The second proposal is to allow the Constitution to be altered if a majority of all the electors in Australia approve and also a majority of the electors in not less than one-half of the States; this proposal was also recommended by the Constitution Review Committee in 1958. The third proposal is that after July 1976 there should be equal electorates in the House of Representatives and in every State House of Parliament; the method has been perfected for the U.S. Congress and State legislatures by the U.S. Supreme Court over the last 10 years; in Australia it will be applied by the High Court. The Senate opposed your having a vote on any of these issues, even those recommended as far back as 1958. But where the Senate twice rejects referendum proposals, the Constitution gives you, the people, the right to vote on them regardless of the Senate's rejection.

It is not without significance that our opponents used their numbers in the Senate to block your chance of having your say as electors on proposals to make Australia a more stable democracy and a more equal democracy. Despite their obstruction, you will, at referendums on the same day as the elections, be able to have your say.

I know that these matters require your thought and your time if you are to make a reasonable judgement. I ask you again as I asked you two weeks ago, to give close thought to them and five minutes of your time for the future of Australia on the 18 May.

THE ECONOMY

We Australians all now face together one of the great historic challenges of our time; to make democracy work; to make the parliamentary system work; and make it work better. We share this challenge with most other parliamentary democracies. Equally, with them, with all major trading nations, with all mixed economies, we share the problem of inflation. We are all seeking ways by which the expectations, the wishes, the aspirations, the hopes of every member of the community can be reconciled with freedom, good order, security, stability. There is no simple answer, no one answer, no easy cure. But if a solution is to be found or even attempted, we need a strong, courageous, united leadership. We need at the same time, a national leadership passionately concerned about the preservation of the democratic system and a leadership compassionately concerned to protect the weaker members of the community. I suggest to you that our government, since you elected it only 17 months ago, has shown such dedication and has shown its capacity for firm and courageous decisions - decisions which were sometimes initially unpopular, opposed by powerful interests, but which have proved their correctness and which have proved the doomsayers wrong.

World events and the policies of our predecessors inevitably meant a higher rate of inflation in 1973 than in 1972. We have acted firmly to moderate these pressures.

And these policies are beginning to work - inflation has slowed.

All our efforts to curb inflation have been opposed or obstructed by our opponents. Where we took administrative action, they criticised. Where we took legislative action, they obstructed. Where we sought more powers from you by way of referendum, they opposed. Where we have sought co-operation with the States, governments of the same political persuasion as our opponents have failed to pass the necessary legislation.

Administratively, we cut tariffs by 25% to reduce the price of imports without damaging Australian industries. We have twice revalued the Australian dollar reflecting its true status as one of the world's strongest currencies.

By legislation, we have tried to promote competition. As long ago as 1963 the present Chief Justice Sir Garfield Barwick pointed to the need to outlaw collusion between corporations in fixing prices above their genuinely competitive level. Last September we introduced legislation to do just that. Our opponents in the Senate combined three times, not just to oppose this legislation, but to prevent it from even being debated.

Only the Labor State of South Australia has co-operated in setting up land commissions to stop the spiral in residential land prices. The average price for a home site in Adelaide is \$5,000 and has begun to stabilise. The average price in Sydney is \$18,500 and is still rising.

Not content with obstructing our efforts, our opponents in their election promises now propose economic vandalism. Their policies mean soaking the average Australian wage and salary earner. They mean cutting back on opportunities for creative employment. They mean the same sort of unemployment Mr Snedden as Treasurer created two years ago. They mean the same rise in indirect taxes which they imposed when in government they pretended to reduce income tax in 1970. They mean disrupting our program for help to all Australian schools. Their policies mean that once again, as happened so often in the long life of the previous government, Australian children - year after year - will be set back in their opportunities. When Mr Snedden speaks of cutting back on government spending he means cutting back on schools, on health, on social security. They are the only fields where meaningful cutbacks can be made. Why should the children of Australia, the migrants, the old, the handicapped, the sick, the retarded, the aborigines, the disadvantaged groups pay the price for Mr Snedden's economic fantasies? Let our opponents say clearly, honestly, unequivocally, that their weapons in the fight against inflation in Australia are to be the children of Australia, the aged of Australia, the handicapped of Australia, the aborigines of Australia, the disadvantaged people in our Australian community. For that is what their policies mean. These are the consequences, the undoubted consequences of their rag bag of proposals.

Forget their half-baked proposals and look at the performance - their performance of obstruction in Opposition, their performance of mismanagement in government.

You will recall how for a disastrous week before Christmas 1971 the then coalition government nearly fell apart about the international value of the Australian dollar. The Leader of the Country Party - the man who wants to be Treasurer, the man whose remedy for inflation is to double the price of oil - threatened to walk out of the government unless he got his way. And get his disastrous way he did. Their division as much as their actual decision to devalue did great harm to Australia in those days. Australia cannot afford a repetition - yet nothing is more certain, than that the return of our opponents to government would mean deep, unbridgeable and continuing division and damage on the matter of the value of the Australian dollar. Division on such a matter means undermining the strength of the Australian dollar

Following the decision in 1971, this nation was flooded with millions of dollars of unwanted foreign capital, capital which sought to buy Australia up on the cheap. You must not allow it to happen again.

This vast infusion of foreign money was one of the root causes of the inflationary problem which we have faced ever since we came into government. The men who created that problem now ask you to give them back the government. The same men created the major economic problem - much more than an economic problem - a social and human problem - which we first had to face when we came into government. It was the problem of unemployment. The Budget of 1971 created Australia's worst unemployment for 10 years. The man who made that Budget, the Treasurer who presided over that unemployment, is the present Leader of the Opposition. We promised to restore full employment. We have restored it. Every comparable country in the world shares the problem of inflation. We are distinct from all those countries in this: that in Australia alone, there is no unemployment; in Australia alone, unemployment and inflation do not march side by side. Our opponents by their divisions, by their decisions, started the new round of inflation in Australia. Yet simultaneously, they created unemployment. And these are the men who ask you to give them control over your economic affairs.

TAXATION

The new prosperity our policies have created, the restoration of full employment we have achieved, the rise in wages and salaries has brought new problems, in particular for the lower and middle wage and salary earners. It has created a whole new range of problems and new inequities in the field of personal taxation.

In September 1972 our predecessors appointed members of a Committee under the chairmanship of Mr. Justice Asprey to inquire into the structure and operation of the present Commonwealth taxation system and to formulate proposals for improving the system by making changes in it, abolishing any existing form of taxation or introducing new forms of taxation. The Committee was to have regard to the effects of the present system upon the social, economic and business organisation of the community and upon the economic and business organisation of the community and upon the economic and efficient use of the resources of Australia and to the desirability of a fair distribution of the burden of taxation and of a system of collection which was not unduly complex and did not involve the public or the administration in undue difficulty, inconvenience or expense.

The Treasurer, Mr. Crean, and I have had discussions with the Asprey Committee, which will make a report to us by 1 June. Its recommendations will therefore be taken into account in this year's Budget, when we shall be giving urgent consideration to the restructuring of the taxation system.

In my Policy Speech in November 1972 I promised that we would expand the terms of reference of the Asprey Committee to include State and Local Government taxation systems and collection methods. The Premiers of South Australia, Western Australia and Tasmania agreed to cooperate but the responses of the other Premiers made it impossible for the Committee to carry out the expanded inquiry.

Last month, however, at a Constitutional Convention standing committee which I chaired, it was decided that Commonwealth and State officers should confer and report on the respective occupancy by the Commonwealth, State and Local Governments of the fields of income taxation, excise duties and sales tax, vehicle and fuel taxes, death duties and land and property taxes. We shall be consulting fully with the States on those items of shared taxation, such as death duties, on which our officers are to report.

The Treasurer has already announced in Parliament that the estate duty law is to be amended to establish a Board of Relief to hear applications for release from liability for duty in cases of serious hardship. Such a Board has proved its worth in the case of income tax. The estate duty board will be empowered to release an estate from all or part of the duty payable where payment would impose serious hardship on a beneficiary or beneficiaries and where relief granted would be for the benefit of beneficiaries so affected.

One aspect of estate duty is particularly unjust - the taxation of the matrimonial home. This practice constitutes a failure to recognise the role women play in our society. The person who looks after the home and the family contributes as much to the economic value of the family home as the person who goes to work. In estates in which the matrimonial home or an interest therein passes to the widow or widower of the deceased the value of the deceased's interest, up to a limit of \$35,000, shall be excluded from the dutiable value of the estate; the proportion of the value exempted from duty will be reduced by 2% for every \$1,000 above this limit.

This is one of the very few completely new undertakings in this policy speech. It will cost only about \$10 million per year but will ensure that no widow or widower will have to sell the family home in order to meet federal estate duty.

The present income tax law allows concessional deductions for dependants to Australian resident taxpayers only where the dependants are themselves resident in Australia. In the case of a migrant who comes to Australia intending to bring his wife and children out to this country as soon as he has made a home for them, a period of 5 years is regarded as a reasonable time for the wife and children to join the migrant in Australia. If he maintains the family during this period income tax deductions for the dependants are allowable to him.

However, migrants who are maintaining dependent relatives overseas with no view to bringing them to Australia, or who may be prevented from bringing them to Australia by restrictive emigration policies in force in some countries, are unable to qualify for a tax deduction for dependants. It is my Government's intention to extend the provisions of the income tax laws governing dependants' deductions so as to entitle people in these situations to the taxation advantages available already to all of us maintaining dependent relatives who reside in Australia.

CUSTOMER PROTECTION

The Australian Government has already taken important measures to protect the safety and economic interests of customers. They include the 25% tariff cut and decisions to ensure cheaper colour television sets and F.M. radios. When passed, the Trade Practices Bill will make safety standards mandatory, and will require specified information to be disclosed when specified goods and services are offered for sale. Collusive price-fixing by corporations will be prohibited and the protection of customers will be promoted through the encouragement of a competitive climate in industry. Last year we established the Interim Commission on Consumer Standards, which has recommended that a permanent body succeed it.

We will establish a Bureau of Customer Protection. The Bureau will ensure that consumer interests are properly consulted and represented in all aspects of governmental activity on consumer protection.

The Australian Government laboratories will be oriented towards product testing; the results of such tests will be made public.

NEW STRUCTURES

The greatest burden on the Australian economy, the biggest drag on our national prosperity is the inefficient, costly structures inherited from the past. The great theme of our legislative program - the program now disrupted and deferred by this premature election - has been one of reform and renovation. We recognised from the beginning that the reforms we were seeking for Australian society - for a more just and humane Australian society - would be possible only through reforms in the structure of the government itself.

The accumulated deadwood of inefficiency of our urban sprawl, uncoordinated local government bodies, too many trade unions, obsolete communications, archaic public transport systems, lack of hospitals where most people now live, our land use and abuse, the duplication of essential services because of a misinterpretation of the true meaning of federalism, an education system which until last year never took adequate account of needs - it is all these archaisms, anachronisms, and inefficiencies which generation after generation, have built into the Australian economy such high costs for such poor returns. And this is precisely what we have attempted - to reform and restructure institutions and systems whose inefficiency or antiquity impose a tremendous burden on the Australian economy and the Australian Society.

The Constitution states: "There shall be an Inter-State Commission". One of the first acts of the Menzies Government in 1950 was to repeal the act establishing the Commission passed by the Fisher Labor Government in 1912. The Government will re-establish the Commission this year.

We have completely remodelled the departmental structure of the Australian Government. To give organisational thrust to our new priorities we have created new departments - Minerals and Energy, Urban and Regional Development, Aboriginal Affairs, Environment and Conservation and Northern Development. We have remodelled and reinvigorated other departments and have amalgamated and are amalgamating still others. We have a more efficient administration. Even more important, the national government is now equipped to involve itself in new important and urgent fields. In 1972 I said:

"We shall need the help and seek the help of the best Australians. We shall rely of course on Australia's great Public Service. We shall seek and welcome advice and co-operation from beyond the confines of Canberra".

To promote further the efficiency of the Australian Public Service we shall establish a Royal Commission. It will be headed by one of Australia's most distinguished and experienced former public servants - a great servant of the Australian people - Dr. H.C. Coombs.

I have already announced our acceptance of the recommendations of Sir James Verron's Royal Commission on the Post Office that the Post Office should be independent of the control of the Public Service Board and that a separate Australian Postal Commission and Australian Telecommunications Commission (incorporating the Overseas Telecommunications Commission) should be established. We shall follow the same principle in the transport field for QANTAS, the Australian National Railways, our airport and stevedoring operations and, jointly with the respective States, the Newcastle dockyard and the Maryborough shipyard,

We have armed the administrative machine with new capabilities and new organs to deal with the increasingly complex and difficult problems of planning for the needs of a growing industrial society. Some of the new bodies were given permanent statutory form, such as the Schools Commission, the Social Welfare Commission, the Hospitals and Health Services Commission, the Prices Justification Tribunal and the Pipeline Authority; others had their statutory charter utterly transformed such as the Grants Commission, the Cities Commission and the Industries Assistance Commission.

Obviously, our new departments, statutory authorities, the commissions and enquiries advising the Government and the Parliament cannot operate without staff, without advice, without qualified men and women. Of course, that costs money - not a cent too much, not a cent too soon. Yet for the sake of paltry short-term savings, at the price of losing the time and talents of men and women who have agreed to serve their country - judges, academics, state public servants and businessmen, our opponents propose to throttle these new activities; they intend to cut off the source of expert and public advice so essential to any planning for the effective, efficient, most humane and least expensive ways of dealing with Australia's accumulated social and economic problems for the rest of this century. The fact is that we have to spend a little and plan a lot - now, in 1974 - if we are to build a decent, humane, efficient society for the generations to come.

So we have begun basic and quite massive re-organisation of the structures which governments use in Australia to carry out the people's business. This we propose to continue to do. In some fields, notably education, we were able to act immediately. In other fields, we had to wait for more information and more expert advice - so we immediately set about getting that advice and recruiting the experts. In other fields, like health insurance, we have met concerted obstruction. But in all fields and all levels, the work goes on. It must not be interrupted. It must not be disrupted. It must not be destroyed.

EDUCATION

The value of the work of our new Commissions and Committees of Enquiry have been great and continuing. The Karmel Committee on Schools, now instituted as the Schools Commission, has transformed the outlook for Australian education.

We have almost doubled Australian Government spending on education. That money has been distributed according to the needs of all schools. We have assumed full financial responsibility for tertiary education. We have abolished fees for tertiary and technical education. For the first time we are giving assistance to teachers' colleges and pre-school teachers' colleges on the same basis as universities and colleges of advanced education. We are giving much more generous allowances to students and have more than trebled the number of teaching scholarships.

The parents of Australia well know - and history will record - that the greatest single achievement of our Government in its first year was to change the face of education in Australia, and to change the basic attitudes of the Australian people towards education. If we had achieved nothing else, we would be remembered for this: that we buried once and for all the futile and divisive debate over so-called "State rights" and "State aid" for schools. We not only freed vast amounts of money for schools; we freed the whole debate on education so that from now on, parents, teachers, and educational authorities can engage rationally in discussion about what is really best for our schools and what is truly best for our children.

Of course, many reforms still remain to be made within the Australian education system. The Schools Commission is already conducting a study of those groups not receiving full benefits from their schooling: the culturally disadvantaged child, the linguistically disadvantaged, the emotionally or intellectually disadvantaged. The greatest inequity in the system however, as the Karmel Committee itself remarked, is its bias against girls: the fact that so few girls as compared to boys sit for their final school exams or continue into the technical trades or enter the professions. This is one of the major reasons why women are concentrated in the less well paid jobs in our society. I have asked the Commission to study the causes of this situation and recommend remedies.

We have drafted a bill to establish a Curriculum Development Centre.

CHILD CARE

The advice of the qualified and the concerned men and women now being made available through our commissions and enquiries enables the Government to implement its broad vision of the nature and purpose of education in a modern society. We want not only to provide wider opportunities for education for a lifetime, we want to provide opportunities for a lifetime of education. Such opportunities must be made available if Australians are to be able to lead full and happy lives rewarding to themselves and to the community. In a society undergoing such rapid change as ours, the plain fact is that a majority of people will change their occupation more than once in their lives. Redundancy is no longer the lot of manually skilled workers alone. Few occupations are going to be left untouched by the technological revolution.

In the next Parliament our big initiatives in education will concern the care and education of pre-school children, technical training, and adult retraining. The foundations of our initiatives rest on work done by the Social Welfare Commission, the Pre-Schools Committee, the Kangan Committee on Technical and Further Education and the Cochrane Committee on Adult Training and Re-Training.

There are at present about 1.3 million children of pre-school age. For more than one in four of these children, there is no parent at home during working hours. Of these only one in every 10 attends a child care centre: A child in Canberra has twice as good a chance of attending a pre-school as a child in Victoria and four times as good a chance as a child in New South Wales. At least 15,000 children are left totally unattended during the day. Thousands more are left to the care of brothers or sisters. Furthermore, for too many of our primary school children there is nowhere to go outside of school hours or during vacations. Too many children begin school with educational, cultural or psychological disadvantages.

The Government's program for these children reflects the recommendations of the Pre-School Committee, whose report was tabled last December, the Social Welfare Commission, which was established by an act passed last November, and the Priorities Review Staff. The program will develop a variety of services including the development of family day care programs, day centres, preschools, playgroups, outside of school care, emergency and occasional care, toddlers groups and baby-sitting pools. Provision will be made for payment of care by relatives, friends or neighbours. The scheme will be diverse and flexible to recognise different needs of different communities.

To encourage the creation of child care centres in industry, we shall remove the anomaly in the Income Tax Act which impedes the tax deductibility of spending by companies on child care.

We envisage that 500,000 children will benefit by 1977 and that by 1980 all Australian children will have access to local centres designed to take care of their educational, health, psychological and other needs. All children, not just the 4 year-olds, whether cared for in their own home or in full, part-time or occasional care, will have access to free pre-school education.

Child care services will be subsidised with parents contributing to the cost according to their means, the main thrust of the program in the first years being to assist disadvantaged children. It is estimated that the cost of this program in the first year - a program of vision and imagination based on a compassionate understanding of the needs of the child, the parent and the community - will be \$130 million.

TECHNICAL EDUCATION

We are determined that technical education shall cease to be the cinderella of Australian education. The reports of the Kangan and Cochrane Committees will provide an effective and expert basis for bold new initiatives to allow technical skills to find their proper and honoured place in a changing society. These proposals represent a major attack on social inequality. We have drafted a bill for a Technical and Further Education Commission.

In March last year my Government appointed a special manpower commission to study manpower policies abroad. We now propose to amalgamate all existing training schemes into one new National Employment and Training Program. N.E.A.T. will work in close collaboration with the trade union movement and employer organisations to identify immediate needs and to make long-term projections of labour needs to meet the future demands of industry. We will offer relocation assistance to those who find themselves in regions or industries affected by economic, structural or technological change. In the provision of its training facilities, N.E.A.T. will give priority to persons affected by changes in tariff policies and those made redundant by technological change. N.E.A.T. will provide training opportunities for all persons without discrimination on grounds of race or sex.

Our retraining program will help ensure that our present unprecedented growth in employment opportunities can be met and maintained.

Increased productivity and our growing prosperity depend upon our ability to make full use of the whole of our available manpower.

STRUCTURAL CHANGE

The Government realises that, in times of rapid technological change a mechanism is needed to promote and make easier the movement of employees from one occupation to another, from one industry to another, from one region to another.

Accordingly, the Government has decided to introduce structural adjustment assistance to individuals and employers. Individuals, including small owners and rural producers, adversely affected by structural change will be eligible for generous income maintenance payments, retraining assistance and re-location grants; and firms will be eligible for consultancy grants, loan guarantees and, where relevant, closure compensation.

This scheme will improve the Australian economy in the interests of the consumer and will provide industry with a better resource base and pattern of skills.

MIGRANTS

We recognise the outstanding contribution migrants have made to our productive capacity. Our primary concern, however, is not their economic value but their happiness as settlers and citizens. We have begun a vigorous drive to help migrants overcome the disadvantage inseparable from life in a new country. The number of social workers and welfare officers working amongst migrants has been more than doubled. Some 1,500 special teachers have been employed in schools at Australian Government cost to give special tuition in English to 60,000 migrant children, twice the number receiving it under our predecessors. Provision has also been made for emergency classroom accommodation. For adults the number of specialised courses - intensive or accelerated courses, courses in industry, courses for women and arrangements for one-to-one tuition in migrants' own homes - has been developed or expanded.

Migrants have responded and have demonstrated a new interest in identifying with Australia. The number who have become Australian citizens in 1973 has increased by 48% over 1972, and the number returning to their countries of origin has declined for the first time in 9 years.

SOCIAL SECURITY

For too long Australia has demeaned herself and millions of our fellow-citizens by the idea that those unable to work, or to engage with full vigor in the work and leisure of a vigorous community deserved charity but lost their right to self-respect and dignity.

We inherited a system of social welfare based almost entirely on the concept of cash payments. We inherited a system whereby society accepted that it had fulfilled its obligations to the disadvantaged sections of the community once it had settled upon the level of cash payments for those deemed to be in need. It was an easy way to fob off our collective conscience. It was a system which took little real account of true need. It was a system which did nothing at all to provide its beneficiaries - or victims - with a chance for dignity, a chance for rehabilitation, a chance for taking a real place in the living community.

The Social Welfare Commission has been established to help the Government set goals for social welfare and to allow the community to help determine these goals. The public reports of the Commission serve as a standard by which the community can judge the Government's decisions and performance.

Certainly cash payments for all classes of pensions and welfare benefits have been significantly increased.

Since taking office, we have increased age and invalid pensions by 30% - a significantly greater increase than the rise in average weekly earnings or prices.

We have introduced a number of new benefits and improved a number of existing ones. We introduced the Supporting Mothers Benefit and the Orphans Pension. We abolished the discrimination of classes of widows - all widows now receive the same amount. We have increased the grants and liberalised the conditions for Aged Persons Homes, the Home Care program and Rehabilitation allowances.

We have proceeded to abolish the means test according to our promised schedule.

My Government's over-riding concern, however, has been to overhaul the entire system so that Australia shall be, as once she was, as she ceased to be in the coalition years, a pioneer and a leader.

The Australian Assistance Plan has been established to expand and enhance, co-ordinate yet diversify the activities of welfare agencies, official and voluntary alike. The Plan places emphasis on the need for human contact, counsel and compassion as an addition to cash payments. Funds on a cost-sharing basis with local government and voluntary agencies have been made available in 35 regions throughout Australia.

In 1975 the Australian Government will make funds available under the Plan to every region in Australia.

NATIONAL COMPENSATION

We are determined to place the security, the welfare of those who suffer incapacity through accident or sickness on a sure and certain basis - on the basis of confidence and freedom from financial anxiety for themselves and their families. Australians should not have to live in doubt or anxiety lest injury or sickness reduce them to poverty. We want to reduce hardships imposed by one of the great factors for inequality in society - inequality of luck. Accordingly, in March last year, we established the National Rehabilitation and Compensation Committee under the chairmanship of Mr Justice Woodhouse of the New Zealand Court of Appeal. In February its terms of reference were extended to cover the sick as well as the injured. It is expected to report at the end of June.

HOMELESS MEN AND WOMEN

My Government has decided to introduce a program to help meet the material needs and raise the dignity of homeless men and women.

Capital grants will be made available over a three-year period to voluntary agencies, local and statutory authorities for projects such as night shelters, hostels, flats, day centres and specialised clinics and centres.

This is a program devised in response to a much-neglected need: it will be of benefit to the young as well as the old. It will be of benefit to any person in immediate need: to the permanently homeless, to the deserted or disturbed woman and her children, to the aboriginal or teenager in want or distress, to the battered woman or the battered child, to the single parent - in short, to anyone without support or an income.

NURSING HOMES

In keeping with the government's commitment to protecting and improving the position of the sick and the aged, the government will substantially increase benefits paid to nursing home patients to take into account the increased costs incurred by nursing homes. The estimated cost of this in 1974/75 is \$6 million.

In addition, an alternative form of financial assistance will be offered to religious and charitable organisations conducting nursing homes under which the operating deficits of the homes will be met by the government. The government is well advanced in discussions with representatives of these homes regarding this arrangement which will enable these homes to improve still further their standards and facilities.

The Minister for Social Security, Mr. Hayden, will announce the details of the proposals and other welfare measures in the government's welfare policy speech in Melbourne on Wednesday.

HEALTH

The government is determined to fulfil its constitutional responsibility for providing hospital benefits and medical and dental services and to give all Australians access to high quality health care at reasonable cost.

Our proposal for universal health insurance put to you and strongly supported by you in the elections of 1969 and 1970 as well as 1972, was twice rejected by the Senate. It was among the measures on which the Governor-General granted the double dissolution. It will therefore be one of the first measures brought before the new Parliament. Meantime more than one million Australians are still unprotected against hospital and medical charges.

We will extend medical benefits to cover consultations with optometrists.

We propose to restore free hospital treatment established by the last Labor Government in 1947 and abandoned by the Menzies Government in 1952. We shall offer to share with the States half the cost of making hospital treatment free in standard wards.

Further, the national government is itself prepared to build, staff and operate hospitals in areas and regions now inadequately served. We have already approached the States.

We have offered to provide half the cost of building and operating a new General Hospital in Launceston and wholly build and operate a new women's hospital in Hobart.

We have offered to construct and operate teaching extensions at the Royal Newcastle Hospital without cost to the N.S.W. Government.

In the last Budget we set aside \$4 million to proceed with the building of a teaching hospital at Westmead, N.S.W. Though this project has been planned by the N.S.W. State government for six years, that government has informed us that they are unable to spend the money we have provided. Our offer still stands. The money is there. It is up to the N.S.W. State government to use it.

We shall press on with the establishment of community health centres, where possible in co-operation with State and local governments.

The Australian school Dental Scheme will be expanded to cover all primary school children by 1980.

We shall institute a domiciliary dental service for the chronically ill and frail aged, to serve 70,000 people at a cost of \$600,000 annually.

We shall reconstitute the Commonwealth Serum Laboratories and establish a Pharmaceutical Commission to research, produce and wholesale drugs along the business lines recommended by the Vernon Royal Commission for the Post Office.

CITIES

In all these matters - in education, social security, health - we have had these great objectives: to reduce inequality, to promote equality of opportunity, to make the system itself more efficient and equitable. All these aims are combined in the biggest new effort my government has made - in our great cities, in our growing centres all around Australia. At last Australia has a national government prepared to involve itself in the affairs of the places where most Australians live - our cities and our centres.

We have recognised, as I said in 1972, that "a national government which cuts itself off from responsibility for the nation's cities is cutting itself off from the nation's real life". In its direct involvement in cities the Australian Government has entered the mainstream of Australian life. That new involvement has been central not only to the affairs of the great majority of Australian people; it is central to our relations with State government and local government. We not only want to remould, modernise, revitalise our cities; we want to remould, revitalise, modernise the relations between the three levels of government - national, state, local. We have involved the national government in matters which previously were left to the States - or not done at all. If they were left to the States, they were too often done inadequately, or not done at all. If left to local government, they were too often done inadequately, financed unfairly - or not done at all.

In this field we have had some examples of splendid co-operation with the States yet equally we have met some of the worst obstruction from the States.

The Albury/Wodonga agreement to create Australia's first large centre away from the seaboard since the founding of Canberra has been a splendid example of co-operation. We have also made agreements with the States for new growth centres, finance for sewerage and grants for urban transport. It would have been unheard of until 1972 that an Australian national government should involve itself directly in regional development, sewerage, urban transport. Because previous national governments even with all their monopoly over the really big and growing sources of revenue, would not involve themselves, nothing effective was ever done about decentralisation; our great cities had the largest unsewered areas of any comparable cities in the world; and our urban transport systems were approaching breakdown. Of course it has been impossible in so short a time to reverse the trends resulting from decades of neglect. But we have made a beginning - a great beginning.

LOCAL GOVERNMENT

Yet crucial to making a good continuation and a good culmination of these efforts is the role of local government. And it must be said that our efforts to raise the status of local government and to give local government direct access to the nation's finances have met with scant co-operation from state governments.

We have sought to make local government a genuine partner in Australia's federal system. We have remodelled the Grants Commission to allow local government bodies to make submissions and to allow the Commission to make recommendations on the amounts of money needed to reduce inequalities between regions and within States as traditionally it used to do as between the States.

The role we assign to local government is the real answer to charges of centralism. Under a variety of programs we have provided local government with the funds to undertake a range of activities previously inadequately carried out or totally neglected. The Australian Assistance Plan, the programs for community health, area improvement, the national estate, the arts, tourism and recreation and aborigines - all these provide funds for community activities to be organised by local government. We deliberately have made and shall make local government a vehicle for our legislation on aged persons' homes and hostels, sheltered employment, handicapped children, meals on wheels, home care and nursing, nursing homes and homeless men and women. These are all activities which cannot be closely regulated from the centre and are best planned and implemented by local government working with local communities. They justify assistance from the nation's finances but not increases in rates.

We insisted on local government representation at the Convention on the Constitution in September last year. We made local government representation a condition of participation by the national government.

At that Convention I put the case for local government representation on the Loan Council. The States' Premiers then, and at a special Premiers' Conference in October, turned down our proposal that local government should have a voice and a vote in the Loan Council.

The fourth referendum now before you will take the next crucial step in raising the status of local government. It will enable the national government to make grants direct to local government bodies, if they wish, and to borrow money on their behalf, if they wish. Only if this is done can local government acquire reasonable access to the nation's finances. Only if this is done can local government carry out the increasing responsibilities and bear the increasing burdens which federal and state governments alike impose upon it and which the people need. Only if this is done can inequality between regions be reduced. It remains true, as I said in 1972, that more and more the standard of life of the Australian citizen depends not so much on how much he earns but where he lives.

URBAN TRANSPORT

We are providing \$31 million this year to the state governments for urban public transport improvement. We are proposing to provide another \$41 million to complete projects commencing this year. Half the money has been allocated for the acquisition of new railway rolling stock, buses and trams.

Other major projects being assisted include quadruplication of the railway line between Granville and Penrith, construction of a number of additional tracks in Melbourne to

relieve congestion and increase the capacity for express services operating to outer suburban areas, and electrification of urban rail links in Brisbane and Adelaide.

From as far back as 1907 each mainland State government has from time to time consented to the Commonwealth Government constructing or extending railways in its state; these railways have always been country lines and have usually involved State expenditure. Last February my government sought the N.S.W. government's consent to construct a railway in the metropolitan area, to be constructed and operated without cost to the N.S.W. government. The railway system we seek to construct will radiate from Parramatta to Hoxton Park, Castle Hill and through Carlingford to Epping. It will allow the introduction of the best contemporary signalling practices and carriage sets.

I have told the Premier that we wish to provide funds in the next Budget for the commencement of construction and the ordering of rolling stock and equipment.

HOUSING

We recognise too that where Australians live is less and less a matter of truly free choice, but a matter of the availability and price of residential land. I regret to say that here again, in our efforts to hold down the price of land, we have met State government obstruction. From the time we took office we have been negotiating with the States to establish land commissions to clear and develop land at new centres or on the fringes of existing cities. The Commissions, by selling building blocks at a fair price, would help dampen spiralling land costs. They would also be a key to better town planning. In the last Budget we allocated \$60 million to be spent over two years by the land commissions. Only one State - the Labor State of South Australia - has so far passed the necessary legislation. The former Labor Administration in Western Australia passed the legislation in the Legislative Assembly, only to have it rejected in the Upper House.

We have found the housing problem one of the most difficult of all our inheritances from the previous government. During the two years prior to December 1972, there was a massive growth in money supply within Australia and vast sums were channelled to the housing industry for private dwelling construction. The result of this was that the housing industry became grossly over-extended, long delays occurred in the supply of materials and labour to building sites, construction times were greatly extended and excessive cost rises became the order of the day.

Public housing programs for which the government provided a record assistance of \$218.65 million in 1973/74 were not being fulfilled because of the demand for resources in private housing and other building construction.

While maintaining all our efforts to recover from the position we inherited, we propose further measures to reduce housing costs and the burden of paying for a house.

A major program has already been launched to produce a uniform housing code and recommended practices for dwelling units of various types ranging from high to medium and low density housing.

This is aimed at simplifying and rationalising many of the unnecessarily complex and non-standard items which add unduly to housing costs and which do not contribute to the quality of living.

HOUSE INSURANCE

The government is determined to give home-owners the opportunity to insure their properties for lower premiums and against natural disasters. The Commonwealth Banking Corporation introduced on 1 February a House Insurance Scheme with rates more favourable than those set by any insurer other than the Defence Service Homes Insurance scheme, while the latter scheme provides wider cover than other insurers, as flood victims in Brisbane have come to realise.

Accordingly the government will set up an Australian Government Insurance Office which will compete actively in all forms of insurance and which, in particular, will provide the widest possible cover for homes at the lowest possible premiums.

INTEREST DEDUCTIONS

We will help new home buyers to rearrange their mortgage repayments. The Treasurer and the Minister for Housing will have early discussions with the major lending institutions on this matter. Our intention is to help a rearrangement of mortgage payments so that younger home owners will pay less at a time when the demands on their income are highest and begin to pay more later in life when they are better able to provide higher repayments.

We are thoroughly aware of the burden interest rates impose on those buying their own home, particularly young married couples. We are determined to ease that burden for those in greatest need.

In my 1972 policy speech I undertook that until interest rates can be reduced a Labor government would introduce a scheme of tax deductibility for home interest payments. All taxpayers whose actual income is \$4,000 or below will be entitled to deduct 100% of their interest rate payments. The percentage of total interest payments which is deductible will be reduced by 1% for every \$100 of income in excess of \$4,000. That scheme as I announced in February 1974 is due to go into effect in July of 1974. The legislation has already been drafted. The scheme

will provide direct tax relief not only for new home buyers, but also for nearly all those who are at present paying off their homes.

ENVIRONMENT

Increasingly Australians have come to see the relation between their own homes, their suburbs, their communities, and the whole Australian environment. We are the first generation of Australians to become sharply aware of the conflicting demands between growth and preservation of the environment. Our government is the first Australian government to attempt to develop sound environmental policies to reconcile these demands, to ensure that growth and development are not bought at the price of the destruction of the nation's natural and historical inheritance. We believe that the polluter must pay, not future generations of Australians.

One of my first actions was to confer with the Premiers of N.S.W., Victoria and South Australia on the functions of the River Murray Commission, which have been virtually unchanged for 60 years and which are now quite inadequate to safeguard the urban and rural users of Australia's greatest waterway.

We have drafted an Environmental Protection Bill providing for environmental impact statements and public hearings on them.

I have proposed to the Premiers that joint environmental impact statements be required on all projects for State works financed by the Loan Council. Every Premier except the Queensland Premier has agreed to discuss this proposal.

I have also proposed to the Premiers that joint environmental impact statements be required for private projects involving exports. To quote Mr. Justice Hope's National Estate Committee on Inquiry: "The Constitution gives the Australian Government power to control the export of goods and, in particular, the export of minerals and timber. It can require that it be satisfied that the exploitation of mineral or timber resources, or the manner or extent of that exploitation, will not adversely affect the environment before giving a license to export." Our government will exercise that power, regularly and effectively on the basis of skilled and independent advice.

We have drafted a National Parks and Wildlife Conservation Bill. It will establish a National Parks and Wildlife Commission and Service to manage and develop national parks, including such areas as Kakadu, the Great Barrier Reef, the Central Australian wilderness, the Australian Alps and the vacated defence lands in Sydney Harbour and Port Phillip Bay.

The Government has banned the export of products of kangaroos and related species. It has done this to convince the international community that Australia stresses the importance of wildlife conservation and to indicate to the States that it is not satisfied with the lack of uniformity in their approach to conservation programs for kangaroos.

FOREIGN CONTROL OF RESOURCES

The national estate belongs to all Australians. We have accepted the responsibility of the national government to help protect it and preserve it for the benefit of all Australians. Equally, we have accepted our responsibility to protect Australia's resources so that henceforth Australians will have a greater share in the control and ownership of their own resources. We have tried to stop the great Australian sell-out. We have tried to help Australians buy Australia back. In these aims we have met unrelenting obstruction from our opponents.

For years the Australian Labor Party advanced the idea of the Australian Industry Development Corporation and in 1972 undertook to expand its activities to enable it to join with Australian and foreign companies in the discovery, development and processing of Australian resources. Eight months ago we introduced the legislation; the Senate stalled it. Companion legislation for the National Investment Fund had the same fate. Through this fund we intend to help ordinary Australians invest in the development of their own resources and industries instead of subsidising to the tune of millions, foreign investors and multi-national corporations. The N.I.F. will raise funds by operating savings and superannuation plans for the general public and by offering securities and investment bonds to both private and institutional investors.

Further, the Senate twice rejected the Petrol and Minerals Authority Bill. This is designed as our basic instrument for ensuring development of our energy and mineral resources and to maximise the ownership and control of these resources by Australians. It was another of the measures on which the Governor-General granted the double dissolution and it also will be promptly brought before the new Parliament.

Our opponents' pattern of resistance to measures designed to promote Australian ownership forms part of a pattern of encouragement of foreign ownership they set when in Government.

The great sell-out occurred when they formed the Government. They are still the apologists for foreign ownership. Their return to office would again open wide the door. As a result of their policies, 68% of our energy resources are controlled overseas. Just how wide our opponents opened the door is now being revealed. The Department of Minerals and Energy set up by this Government has now received a thoroughly documented and impartial report on the mining industry - the Fitzgerald Report.

Australians now know for the first time the extent to which they have been subsidising mining investors - mainly foreign corporations. The profit on their operations for the last 6 years was \$2,000,000,000. Our predecessors developed a system of taxation concessions so generous to these struggling corporations that the Australian taxpayer gave \$341,000,000 in subsidies and concessions. But the companies paid only \$286M in taxes and royalties, \$55 million less.

We have been paying to be exploited. The Fitzgerald report will be the starting point for the formulation of policies aimed at maximising the return to Australia of her natural endowment of mineral and energy wealth.

We will continue to pursue with vigour the surveillance of all foreign takeover proposals for shares or assets of existing Australian companies. We have established surveillance of new foreign investment proposals for which exchange control approval is required. We have given particular attention to certain industries. Australia is well furnished with financial institutions so there is little advantage in allowing additional institutions to be established by foreign interests. This is particularly the case in the field of insurance. In the area of minerals we have indicated clearly that it is our objective to reduce the extent of foreign ownership and control and to maximise Australian control, particularly of energy resources. Furthermore we have stopped the sell-out of Australian land, and exchange control approval for foreign investment in real estate has been limited.

The Government will proceed with the further definition of guidelines for foreign investment and will extend the present systems of surveillance and revise into a general screening process of foreign takeovers and new direct foreign investment. This screening process under the co-ordination of the Treasurer will seek to develop performance guidelines particularly in the areas of export franchises, research and development, licensing of technology, purchasing policies, and tax avoidance.

ENERGY

The world energy crisis forced a critical test of the resources policies of the Australian Government. They met that test triumphantly. We have no intention whatsoever to use our possession of vast resources to gang up against the resource users. We stand ready to join with other nations in search of solutions. We recognise the interdependence of our economy and our prosperity with our great trading partners, particularly Japan, Northern America and Europe. We are, however, determined that our resources command a fair price in world markets. This we are achieving. Through export controls and discussions with exporters the Government has obtained higher returns for exporters.

For the first time an Australian government has used its authority to reinforce the bargaining power of Australian exporters. We shall not sell our resources on the cheap.

Australia has emerged as one of the world's energy rich countries. We have minimum dependence on imports of heavy crude oil and we have been among the countries least affected by escalating crude oil prices overseas.

To obtain advice on how this situation can best be used for the continuing benefit of all Australians the government has set up a Royal Commission under Mr. Justice Collins to enquire into all aspects of petroleum products, refining and pricing. Further, we approved last year the creation of a Pipeline Authority to provide for the transmission of natural gas by an interstate pipeline system. The first stage of the National Pipeline System will link Sydney to the Gidgealpa fields. It is ultimately proposed that the pipeline will continue to Palm Valley. In view of the critical energy shortage in Western Australia a joint Commonwealth-State study is under way to evaluate the feasibility of a pipeline link between Palm Valley, Kalgoorlie, Perth and the natural gas fields on the North-West shelf.

The Australian Government is working closely with the Western Australian Government on a study of a major industrial complex in the Pilbara based on the utilisation of the abundant supplies of natural gas, iron ore and salt in the region. The report will provide the basis for decision on our future role in development of the area. It will be ready in June.

PRIMARY INDUSTRIES

Australia's future as an exporter rests increasingly upon our newly discovered mineral resources. The farm sector, however, remains and will long remain fundamentally important to our trade, fundamentally important to Australia's prosperity.

My colleague, Senator Wriedt, the Minister for Primary Industry, will deliver the government's rural policy speech in Goulburn on Wednesday. Let me, however, outline the Government's general approach and record.

Most Australian farmers this year have enjoyed unexampled prosperity. The average net income of Australia's 190,000 rural holdings this year is about \$15,000. The average for the previous 6 years was less than \$6,000. Our policies have contributed in no small measure. In particular, we have sought aid to farmers to take the best advantage of present favourable conditions to obtain new markets. We want to encourage industries which have solid, long term prospects of selling their products at a good return to the farmer.

To this end, we have vigorously expanded existing markets and opened new ones.

The Trade agreement with the People's Republic of China is only the most notable and novel example. Within the terms of this Agreement, substantial long-term contracts have been arranged for the supply of Australian wheat and sugar to China. It is beyond question that the government of China will honour absolutely any agreement, nonetheless, political relations cannot but affect trade relations. Our prompt recognition of the People's Republic was indisputably a significant factor in the co-operative and generous spirit with which both sides negotiated the Trade Agreement.

In addition, the Australian Government has reached a new level of understanding on trade with Japan, the Pacific region, eastern Europe and the Soviet Union.

We have passed 30 Acts for the protection and reconstruction of primary industry in general and for such specific industries as wool, wheat, meat, eggs, wine, honey, apples and pears. We have drafted 16 further bills for nitrogenous fertilizer subsidies and wheat stabilization and for the sugar, dairying, pig-farming, wool, canned fruits and apple and pear industries. Although our wheat stabilization plan was endorsed unanimously by the Australian Wheat-Growers Federation, it has now been placed in jeopardy by the new Western Australian government.

My government conceded the correctness of primary producers' complaints about high tariffs. By reducing tariffs by 25% across the Board we shall save primary producers at least \$100 million this financial year.

The Tariff Board has been succeeded by the Industries Assistance Commission on the basis of a report we sought from Sir John Crawford. Although the new commission for the first time enables the government to seek expert and impartial advice on assistance for primary industries on a regular basis, the Country Party in both Houses voted against the Bill establishing it. I have already asked the Commission to report on rural promotion and research and reconstruction on bovine brucellosis and tuberculosis slaughter compensation schemes, and on assistance to the mushroom, apple and pear, dried vine fruits, dairy and gold-mining industries and to Western Australian new lands farmers.

The government is awaiting a report from a committee of which Sir John Crawford is also a member, on the principles which should be adopted towards a national and rational rural policy for Australia.

We are pressing ahead with special studies of the Burdekin and Bowen Basins in Queensland.

FLOOD MITIGATION

The recent disastrous floods in Queensland have amply demonstrated the need for a positive, co-ordinated national approach to flood mitigation.

Accordingly, I have personally invited the Premier of Queensland to submit a State-wide plan on flood mitigation as the basis of consideration for Australian Government assistance. I await his reply.

We propose that agreed flood mitigation schemes for river basins should be undertaken co-operatively between the Australian, State and local governments, as already applies in the case of New South Wales.

I contrast this co-operative approach, this national approach with the attitude of the present Leader of the Country Party when he told the House of Representatives on 16 May 1963: "The problem of flood mitigation rests squarely on State Governments".

ROADS

The present Commonwealth Aid Roads Act expires at the end of June. The Bureau of Roads made a report to assist the government in considering financial assistance to the States for the ensuing period. The Minister for Transport tabled the report last December. Discussions have since been held with the States and also, for the first time, but in accordance with the Bureau's recommendation, with Local Government authorities. These discussions will be resumed after the elections.

Meanwhile the government has decided that it will itself press on with the construction of a national road system in those areas which fall within its own constitutional responsibilities.

First, the government will take responsibility for the whole cost of constructing and maintaining the principal road between the State capitals. In the interests of safety and economy a new 4-lane divided highway needs to be constructed at once between Goulburn and Holbrook, passing through Collector, Tamat and Batlow and coming close to Canberra. It will reduce the road distance between Sydney and Melbourne by 70 miles. The government will consult with the State and local government authorities on the precise route.

Secondly, the government will take responsibility for the whole cost of export roads of particular significance. These include northern beef roads (over the next three years we propose to spend \$24 million in Queensland and \$5.23 million on the Fitzroy Crossing-Wyndham road in Western Australia), and other rural roads joining mines to seaports and urban roads to major sea and air terminals.

Thirdly, we shall make special provision for roads between Canberra and neighbouring towns in New South Wales and between the Northern Territory and the three surrounding States.

SEA TRANSPORT

We have appointed Mr. Malcolm Summers, the former secretary of the Department of Transport, as a Royal Commissioner to inquire into the Maritime Industry. His report will be the foundation of a complete modernisation of the laws covering our ports and our coastal and overseas trade.

We are particularly aware of the burden placed on the Tasmanian economy and on Tasmanians by their reliance on sea transport. We have appointed Mr. J.F. Nimmo, a member of the Grants Commission, as a Royal Commissioner to inquire into the impact of freight rates on the Tasmanian economy.

THE WORK-FORCE

Here then is a picture of the nation - rich in resources, and through our policies, getting richer; rich in its ability to develop those resources and, through our policies, getting richer; a nation rich in the means of marketing those resources at home and abroad, rich in the means of getting them to those markets at home and abroad and, through our policies, getting richer. Yet we recognise that the basic Australian resource, the key to our wealth and continuing prosperity, is the Australian workforce, as skilled as any in the world, as hardworking as any in the world. This workforce is overwhelmingly and increasingly composed of employees. More than ever before - and the trend will continue - the more skilled a person is, the more likely it is that he will be an employee.

For the first time the submissions before the Australian Conciliation and Arbitration Commission have been positive and constructive. As soon as we were elected we reopened the equal pay case and our submission was successful.

In the 1974 National Wage Case, we argued that the minimum wage should be extended to women and the automatic wage adjustments to compensate for rising prices should be reintroduced. There are compelling industrial, social and moral arguments for the equal treatment of women in the workforce. Further all women - whether in the workforce or not, will know the need and the justice of automatic adjustments to wages every three months. If accepted by the Commission these automatic adjustments would remove the cause of many industrial disputes and would protect the family budget against the effects of inflation.

The vast majority of Australian employees are members of unions or employee associations. The key to industrial efficiency is efficient employee organisation. Our opponents have obstructed our efforts to modernise and democratise Australian trade unions. There are too many unions in Australia. We have sought to reduce the number of unions. There are too many needless strikes in Australia; we have sought to remove the causes of needless strikes. In those efforts we have been opposed by our opponents in the Federal Parliament and have met with no co-operation from their confederates in the States.

Responsible leadership of both unions and industry strongly supports a reduction in the number of unions and of demarcation disputes between rival unions. Our legislation to help union amalgamation has been twice rejected by the Senate.

In February 1969 the Industrial Court pointed to the urgent need for the Australian, New South Wales, Queensland, South Australian and Western Australian Parliaments to remedy the problems created by conflicting and unco-ordinated federal and State industrial laws. In particular, this situation has caused industrial strife through competition for union membership within the same industry. We have acted urgently on this matter which the Industrial Court said was urgent 5½ years ago. We have repeatedly asked the States to co-operate with us in co-ordinating legislation. Only South Australia has acted. We have met with no response in particular from New South Wales, the State where the problem is most acute, most urgent.

It is not my concern, however, to dwell on matters where we have been frustrated, either by the Senate or the States. For the real story of the last seventeen months has been one of continuing and positive achievement. It has been a story of new initiatives carried through, of new beginnings, of new co-operation at all levels; to the great and enduring advantage of the people of this nation. Our aim has been to see that no Australian, nobody who lives in Australia and chooses to cast his lot with us, should be excluded from the family of the nation. We have sought to unite the nation and all who live in it.

We have sought to make opportunities more equal. We have sought to open new opportunities; we have sought the enrichment of the lives of all our people. We have sought to raise opportunities for all citizens so that the nation might no longer be diminished by the existence amongst us of the grosser inequalities, the grosser disadvantages, the grosser discriminations.

ABORIGINES

In my policy speech in 1972 I said that "All of us as Australians are diminished while the Aborigines are denied their rightful place in this nation". December 1972 brought to an end a phase in the long history of Aboriginal Australians marked by shameful brutality, exploitation, neglect and contempt. We do not claim that our efforts have been wholly successful. But we have set a new course. We have at the very least opened a door to hope.

Despite inadequacies much has been achieved and the road for the future becomes daily clearer. For the first time Aboriginal voices have been heard and heeded. From now on there will be through local community councils and at the national level through the N.A.C.C. Aboriginal bodies in close touch with Aboriginal opinion and interests with authority to speak for them and to work in their interests. My government, as one of its first acts, decided that Aborigines in the Northern Territory should be granted rights to their traditional lands where these could be established and appointed Mr. Justice E.A. Woodward to advise us on how legislative authority could best be given to that decision. The Woodward Commission's report is complete and will be published before the election. My government has not yet had the opportunity to study the report which we are confident will give expression to our firm intentions. I am proud to head a government which has taken this historic step.

We have fully accepted the overwhelming instruction of the people of Australia given in the referendum of 1967 to accept national responsibility for Aboriginal affairs. The Western Australian Parliament has passed the necessary complementary legislation to give effect to the people's instruction and agreement has been reached in principle on this matter with all States except Queensland. No agreement has yet been reached on the transfer of responsibility for Aboriginal Affairs from the Queensland Government to the Australian Government, as the people so decisively demanded 7 years ago. We intend to eliminate the remnants of discriminatory Queensland legislation against Aborigines and Islanders, a hope declared but unfulfilled by Prime Minister Gorton.

All Aborigines are now entitled to free legal aid from the Aboriginal Legal Services we established.

THE LAW

We have sought, however, to bring legal aid within the reach of all Australians. We are concerned to protect and enhance the rights of all Australians. We are determined to give real meaning to the concept of equality before the Law.

The Australian Legal Aid Service has been established to ensure ready and equal access to the Courts to give every Australian equal protection before the law. The service is already functioning in all State capitals and in Canberra and Darwin. Offices will be opened in regional centres throughout Australia in the next 3 years.

The refusal of Supply by the Senate has delayed our legislation to establish an Australian ombudsman and Administrative Appeals Tribunal.

We want to simplify the law and make it less expensive. We have established a Law Reform Commission and have set up a Legislative Drafting Institute for training in the drafting of simpler and clearer - and therefore better - laws. We shall legislate to extend to public servants the maximum possible freedom to exercise the civil and political rights enjoyed by other citizens.

We will proceed with our Freedom of Information Act.

The referendum proposals before you are designed to protect and enhance Australian democracy, to establish true equality of representation in our parliamentary processes.

As a further protection against perversion of these processes, we propose to legislate for the disclosure of the sources of funds passing to all Australian political parties.

The Government will appoint a judicial inquiry into the structure of the Australian security services and into methods of reviewing decisions adversely affecting citizens or migrants.

We will re-introduce our legislation for the Superior Court of Australia, a proposal launched by Sir Garfield Barwick in 1961, developed by the present Leader of the Opposition as Attorney-General and introduced as a Bill by Mr Justice Bowen when he was Liberal Attorney-General in 1968 - but rejected by the Senate opposition a month ago.

The Australian Government is convinced that the High Court of Australia must become the final court in all matters pertaining to Australia and to the legal rights and obligations of its citizens. We will proceed with our legislation to abolish appeals to the Privy Council.

We have passed three bills concerning general and life insurance. We have drafted legislation on new insurance companies and on the supervision of insurance brokers. We have twice introduced but not yet passed the Financial Corporations Bill. We would have already introduced legislation for the control of the securities industry but for the constant deferment of a report from the Select Committee on Securities and Exchange which the Senate set up over 4 years ago. We shall introduce a National Companies Act which will establish uniformity - a principle sought by Liberal Governments since the late 1950's but acknowledged to be unattainable through separate acts of the States. We have drafted legislation to establish an export bank and to permit loans by the Commonwealth Development Bank for tourist development projects.

ARTS

Fundamental to our whole philosophy and fundamental to our programs is the idea of a vigorous Australian national spirit - a healthy pride and confidence in ourselves, in our country's promise, in our capacity to lift the standards of our people and help our less fortunate neighbours to a fuller and better life.

To help cultivate a rich and enduring national pride, and to enlarge the people's opportunities for cultural fulfilment, we have given high priority to the encouragement of the arts.

We have reconstituted the Australia Council for the Arts and provided \$16 million for the arts in our first Budget - more than twice the amount given by our predecessors. We have introduced, but not yet passed, legislation for the new Australia Council; it will be headed by Professor Karmel the Chairman of the Australian Schools Commission.

It is not just the artists themselves who will benefit. Our purpose is to make the arts more accessible to every Australian, to let every man and woman share in their challenge and enchantment and in the richer and fuller life they can bring.

In the past 17 months we have encouraged a greater participation of Australian creative and performing talent in radio, television and cinema production.

Never before have there been such opportunities for Australian artists. We are firmly committed to maintaining those opportunities and increasing them still further.

In our next three years in office, we will provide at very little cost, an additional radio network for the ABC in the majority of rural areas that now receive a single ABC service.

We will introduce FM radio for high quality broadcasting of all kinds of music, beginning with metropolitan areas and regional growth centres. The previous government was committed to creating FM in the UHF band rather than on the internationally accepted band. The public inquiry which we established calculated that this would cost an extra \$250 million. It would have been another F111. The previous government also turned a blind eye to the technical possibilities of new AM radio stations. Additional radio frequencies will enable us to expand the commercial services, establish educational and foreign language stations and make special provision for minority groups.

We shall introduce colour television in Australia on 1 March next year. The previous government balked at asking the Tariff Board to inquire into the cost of colour television receivers. One of the first steps I took after becoming Prime Minister was to refer the matter to the Tariff Board for inquiry. Because of action taken by my government to date, colour television receives in Australia will be available to the public at a much cheaper price than would have been the case had the inquiry not been held.

We have established the Film and Television School and we will introduce legislation for the Australian archives, the Australian National Gallery, the Australian National Museum and Collections, the Australian Film Commission, performers' protection, a public lending right and the book bounty.

In short, as far as governments can act in terms of money and machinery, we are creating the conditions for a renaissance of Australian creativity.

INTERNATIONAL RELATIONS

More than ever before Australians are entitled to feel pride in their nation. We have never been held in higher respect abroad. More than ever before Australians are entitled to feel confident. I have said much about our resources. In the final analysis our richest resource, an irreplaceable one, is our national reputation. That reputation has never been higher. I have said much about providing security for all our citizens. In its widest sense this country has never been more secure. Australia now has basically a bipartisan foreign policy, not because of any change of heart or mind on the part of our opponents, but because we as a government recognised and acted upon the realities of world affairs and above all the realities of our region. Our opponents have just caught up with reality. The fears, the shibboleths on which they traded for a generation have been swept away. Try as they might, wish as they might, our opponents cannot return to the past.

It is because we recognised the realities of our times that our foreign policy has been so successful and our defence policy so relevant. We approach the management of defence matters on the basis that the international situation and the affairs of the region are in the process of rapid change. We saw that defence policy and foreign policy had to be brought into line with these changes, into line with these realities. We saw how far both defence and foreign policy had become based on past concepts and deep misconceptions of the present.

In 1972 I undertook to lead this country to her rightful proud and secure place in the world. We can be proud of our reputation; we can be confident of our security. We have set a new course for Australia - away from interventionism, towards true internationalism. This is the most genuinely international government Australia has ever had.

We have placed our relationships with the United States and the United Kingdom on the basis of mature partnership.

We have renegotiated the agreement for the United States Naval Communication Station at North West Cape. The agreement signed by our opponents was a denial of Australia's rights. The new agreement asserts and establishes them.

We have widened our horizons, sought and achieved growing co-operation with the countries of the Commonwealth and with the nations round the Indian and South Pacific Oceans.

We have brought co-operation and friendship with Japan, our greatest trading partner, to a new level. Following an agreement in principle between Prime Minister Tanaka and myself at the Ministerial Committee meeting in Tokyo last October, we will enter into a treaty of friendship - the Treaty of Nara - this year.

We have sought to break down ideological constraints which had for so long obstructed meaningful relationships with countries such as China, East Germany and North Viet Nam.

We have sought to remove any taint of racism from our national and international policies.

We have co-operated closely with the Government and House of Assembly of Papua New Guinea as our neighbour moves towards independence by December this year.

We have forged new and intimate links with the countries of A.S.E.A.N. - Indonesia, the Philippines, Malaysia, Thailand and Singapore. We have accepted their invitation to co-operate with A.S.E.A.N. on development projects.

With the agreement of all its members, we have secured the remodelling of S.E.A.T.O.

We have taken firm measures for disarmament and against the development and proliferation of nuclear weapons. We have ratified the nuclear non-proliferation treaty and the Sea-Bed Arms Control Treaty. We have protested against Chinese tests. We have used every available legal and political channel to persuade France to desist from its atmospheric pollution in our hemisphere.

We have actively supported the objectives of the zone of peace and neutrality in South East Asia and the Indian Ocean zone of peace. We have made powerful representations in Washington and Moscow to persuade them to exercise restraint and not to make the Indian Ocean yet another scene for great power rivalry.

We have introduced but not yet passed legislation to establish an Australian Development Assistance Agency in order to improve the quality of our aid program, and to move toward the international target, which we have accepted, of providing 0.7% of our gross national product in official aid to developing nations.

DEFENCE

We have encouraged and supported the detente between the great powers. We have taken advantage of the more hopeful outlook in our region to reorganise Australia's defence forces. To give a tangible and practical basis to our defence relations with other countries we have embarked on an expanded program of exercises with our neighbours and traditional allies. In June, the largest peace-time exercise ever held in Australia will be held in Queensland involving over 8,000 servicemen from Australia, New Zealand, the United States and Great Britain.

The Deputy Prime Minister, my closest colleague down the years, Mr Lance Parnard, has proved the most constructive and effective ministerial head of the defence forces in Australia's history. He has amalgamated the Defence Department and the 3 Service Departments as recommended in the report of the Morshead Committee which our predecessors suppressed for 15 years. He has undertaken to establish the combined Australian Defence Forces Academy. The services are being equipped to play a greater role in case of emergencies and natural disasters.

He has presented to the Parliament a new charter for the Citizen Military Forces, a new disciplinary code for the forces, a new procurement program for tanks, reconnaissance aircraft and destroyers. (Our present tanks were ordered by the last Labor Government a quarter of a century ago.)

He has appointed a military ombudsman. He has instituted the regular review of service pay and allowances and a comprehensive and comprehensible Defence Forces Retirement and Death Benefits scheme. He has co-ordinated the passage of 17 measures dealing with repatriation, taxation, education and accommodation benefits for servicemen and the drafting of 9 more such measures.

In short, we have moved steadily and firmly towards our aim that Australia shall have the defence forces she needs - finely equipped, highly professional, high mobile and highly respected.

CONCLUSION

Here then is a record of achievement, of purpose, yet it is a record of a government which has been in office a mere 17 months. It is a record of a government which came into office after 23 unbroken years of power held by our opponents; 23 years of decay and neglect. It is a record of a government which had had to overcome unparalleled obstruction in a Senate in which it was in a minority. This was our legacy in 1972 - 23 years of our opponents' mistakes and a hostile Senate. We have lived with the past and we have overcome the past, the record shows it.

Now our opponents propose a return to the past, the attitudes and policies of the past which you so firmly rejected only 17 months ago. Let there be no mistake about the true nature of these attitudes and policies. In the past 17 months our opponents have shown no repentance, they have done no re-thinking. On every major issue now as always, they come down on the side of privilege. The whole thrust of their policies remains the retention of privilege and extension of privilege. This has been the thread running through their pattern of obstruction and opposition. They resisted to the eleventh hour our proposals to give most money to the most needy schools. They have obstructed at every turn our plan to give health cover to the million unprotected Australians. On every occasion they have sprung to the defence of wealthy interests who fear that our efforts to retain the greater share of Australian control over our resources may inconvenience them. They have opposed our every effort to have greater equality in parliamentary representation in Australia.

The last election was essentially about the promotion of opportunities, of more opportunities and more equal opportunities for all Australians. In the past 17 months that effort has been carried on with zest, determination - and success. Imperfect success of course - the time has been so short, the backlog of 23 years so great. The question now is whether that work shall go on. The question is whether the great opportunities this nation offers shall be more and more equally shared, or whether privilege shall be deeper and deeper entrenched. This is what you have to decide.

When they make their judgement I look to the basic intelligence and idealism of the Australian people. I rely on it, and I rely upon it with confidence. In all my efforts to reform and revitalise Australia, in all my efforts to reform and revitalise the Australian Labor Party, I have relied upon that intelligence and that idealism. And you have never let me down. I look to the men of Australia who believe in a fair go - not just a fair go for an elected government, but a fair go for all those of their fellow citizens to whom our policies have brought a new hope, a new chance for a decent life. I look to the women of Australia, who well know what our program

has already meant for the future welfare of our children, of our aged, our sick, our handicapped. I look to the idealism of that vast new constituency of men and women over the age of 18 now voting for the first time. It is above all their future at stake. For the outcome of this election must go far to determine the sort of Australia they will be living in for the rest of their lives.

Here is the record. Here is the promise of the fulfilment of the programs we have begun with such vigor and determination - with dedication. The question is whether the action of our opponents last month was only a temporary interruption to those programs or their destruction. It is nonsense to believe that our opponents would accept and apply our programs and policies which they resisted and derided for 23 years.

Fellow-Australians: it is a time for decision, and I put these questions to you.

Are you for a fair go, not just a fair go for an elected Government, but a fair go for our program to work?

Are you for giving us a chance to make them work?

Are you for Australians having a fair opportunity to have a fair share in the control and ownership of their own resources?

Are you in favour of giving every Australian child, whatever his parents' means or creed, a fair start, an equal start in life?

Are you for the new deal we have given to our children, to the dependent, the disadvantaged in our community?

Are you for the more decent, the more humane, the more tolerant, the more compassionate society we have been trying to build in the last 17 months?

Are the Australian people to be allowed to reap the full harvest of our programs?

I don't believe the Australian people are going to turn back.

I don't believe they're going to turn their backs on the promise of the future.

I don't believe they're going to throw away the new opportunities, the new hopes, the new national spirit and national self-respect.

I don't believe they will have a bar of the tactics, the blatant opportunism of our opponents.

I don't believe for a moment they are about to do what they have refused to do in all our history - replace a strong, united government, a government with a clear program, a proven record, a great record, and hand this country over to a discredited, disunited, discarded coalition of frustration and futility, without policies, without unity, without leadership.

And that is the real choice on the 18 May.

Therefore I look with confidence to a great vote of affirmation on the 18 May - a mighty vote of yes - yes to our referendum proposals - yes to the return of our government - yes to the future, a bright, confident, proud, secure future for Australia.

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