



*Henderson Report on poverty
delivery*

PRIME MINISTER

FOR PRESS

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ELECTORAL TALK

I want to talk to you tonight about the mandate you have given my Government.

I want to spell out our commitment to every Australian.

Our mandate is clear. We not only have to resolve the present economic crisis - but we have to use this nation's unrivalled resources to rebuild a country which will be an example to other nations.

First, we have to reduce inflation, reduce unemployment and stimulate community confidence. We have to aim for stable prices, more jobs, more rewarding jobs, higher real incomes and better living standards.

However for us to succeed where Labor dramatically failed there must be a much more realistic view of what Government can and cannot do.

Governments cannot presume to live peoples' lives; they cannot set personal achievement goals for individuals; they cannot take important decisions in peoples' lives.

But Governments can - and should - create atmospheres where people have the confidence to plan ahead to achieve worthwhile goals and where the Government has adequate resources to generously assist the needy.

Over the past three years this confidence in Government has been eroded. Ordinary Australians have been forced to finance a whole host of costly programmes through personal taxes that flourished in the wake of the great inflationary tide.

And let's not fool ourselves. The people who have paid for these massive and costly programmes that were in no way related to Government revenue are those whose income and savings have been eroded by inflation.

The Henderson Report on poverty said:

Inflation favours the active and powerful. The position of the poor deteriorates. The wealthy can protect their savings ... it is the small saver with savings bank deposits who suffer.

Many of the Labor Governments programmes were introduced in the guise of assisting the disadvantaged. The fact that many of these programmes were financed out of inflation makes mockery of these pretensions.

Let's look at our mandate to the hundreds of thousands of unemployed Australians.

We are committed to erasing this blight - the worst unemployment level in this country since the Great Depression.

Three out of every four Australians rely on private business for their jobs. Therefore we must strive to create a climate where businessmen are again prepared to invest in plant, and machinery ...and people.

You are aware that the Government has taken a number of initiatives in this area. And only this week in Parliament the Treasurer (Mr Lynch) announced further investment measures that will particularly help the small businessman and farmer back on his feet.

I talked earlier of this nation's unrivalled resources. Of course they are great - but they are not unlimited.

We therefore must choose which of the things we do now, and which we postpone.

These choices are not just choices about different areas of Government spending. They are choices between Government spending and private enterprise spending.

The more Governments spend on goods and services, the less real value the wage earner will receive in his pay packet. The more politicians decide how to spend your savings, the less control you have over your own incomes, It's as simple as that.

So a responsible Government which values the freedoms of Australians - yet is mindful of the needs of the underprivileged - must be prepared not to earmark too much of people's pay packets for Government programmes.

Accordingly, as resources are limited the choice between Government and private spending should be explicit. That is one of the reasons that tax indexation is a major part of the Government's plan to protect the value of people's savings and earnings.

We strongly believe that by being responsible in our claims on people's incomes, so Australians will be responsible in their wage demands.

Australians do not want Governments to run their lives. They want responsible Government, ethical Government, honest Government and fair Government.

Our mandate then is to restore Australian Government to a role consistent with freedom and true democracy.