

**PRIME MINISTER**FOR PRESS13 July 1977ADDRESS TO THE NATIONAL PRESS CLUB

It is very good to be able to address the National Press Club again. A July appearance at the Canberra coliseum has become an established a very productive part of my schedule.

When I addressed this Club in July 1975, I outlined a basic philosophy for putting Australia back on the road to recovery, and for restoring individual liberties and incentives eroded by the public sector's increase in power and size. The Government was elected later that year on a far ranging programme of responsible Liberal reform which sought to put this philosophy into practice.

In my speech here in July last year, I summarised the principal objectives of that programme - they were: cutting government spending and freeing resources to individuals and business enterprise; providing incentives to investment; making governments more responsible; protecting individuals against unlegislated taxes on their earnings; helping those in need; and protecting individual rights against an increasingly powerful and intrusive state.

The half-way mark has now been reached in the first term of this government. This period has been one of real achievement in respect of each one of the objectives to which I referred last year. Government spending has been brought under control, and the spiralling growth of the Commonwealth Public Service has been reversed. This has helped to restore confidence and impetus in the private sector and has played a major role in our unremitting fight against inflation.

Inflation has hurt us all - and as the Henderson Report revealed - it hurt none so hard as the poor and the least privileged. Australians recognise that getting inflation firmly under control is vital to our future - and that to do this, government spending must be tightly controlled. Our anti-inflationary policies have been notably successful. The C.P.I. figures issued in April showed that the annual inflation rate, after adjusting for Medibank, had fallen in just one year from almost 17% to 10%. We will reduce inflation further.

To hasten recovery and revive the private sector, we introduced a generous investment allowance and other tax reforms. Changes in the financial relations between the Commonwealth and the states which will make Governments responsible for their actions, are well advanced.

For individuals our promise of tax indexation has been introduced - not in three years but in one. This is an historic reform, it caused a rise in everyone's paypacket last week, and will ensure that any government which wishes to increase income tax must legislate to do so. Even Labor has now belatedly endorsed this reform.

In social welfare, assistance has been directed to those most in need and has increased choice and individual self respect. There is no better example of this than the Family Allowance Scheme. The indexation of pensions is also a significant advance, and another of our reforms which Labor has now endorsed in principle.

We have vigorously protected individual rights against the bureaucracy. Some of the things we have done in just 18 months include: appointing the first Ombudsman; bringing in legislation to establish a Human Rights Commission; commencing the work of the Administrative Appeals Tribunal and expanding its jurisdiction; giving every citizen the right to require that reasons be given for any administrative decision which adversely affects him; introducing legislation defining the powers of the Commonwealth Police in criminal investigation; and, rationalising and improving the delivery of legal aid.

We are moving to introduce Freedom of Information legislation and to confer greater political rights on the citizens of the A.C.T. and the Northern Territory.

This record of reform - and I pay due tribute to the Attorney-General, Bob Ellicott - singles out this government as the greatest Liberal reforming government since Federation. These reforms have been introduced without fuss, without controversy and have largely gone unnoticed. Yet I believe they constitute an historic achievement of which this government can rightly feel proud.

In industrial relations we have moved to further protect rights of individual unionists, notably by the introduction of secret postal ballots.

Lastly, and this is not an unimportant consideration, we have established an efficient and better coordinated government. But there are still significant problems in our society. There is still much to be done.

Unemployment is of the greatest concern. The present level of unemployment is unacceptably high. Unemployment, for those who genuinely desire employment, is a dispiriting and wasteful experience which undermines self-respect. The Government has implemented a number of innovative schemes to alleviate unemployment, and the results have been encouraging. The Community Youth Support Scheme imparts basic skills to some 15,000 young people under 118 separate programmes. The National Employment Training Scheme (or NEAT) has been expanded to cover 18,000 people - three quarters of whom have found a job at the end of their term under the Scheme. NEAT's special youth employment training programme is particularly successful. It subsidises employers to hire young people who have been unemployed for a lengthy period of time. Over 70% of them retain their job when the subsidy expires. The "CRAFT" scheme for promoting apprenticeships has also been a notable success. It now covers over 35,000 apprentices and since its introduction, there has been a rise of more than six percent in apprenticeships throughout Australia. Relocation assistance is paid to those who have to move to another area to obtain employment. The total cost of all these schemes in the year just ended was over \$83 million.

The Government has also commissioned the Norgard Inquiry into the Commonwealth Employment Service, to see whether more effective methods of serving the unemployed might be devised. The Report is now before the Government. It recommends a major overhaul of the C.E.S. - and suggests many ways in which the operations of the C.E.S. might be improved. Among the major recommendations are: that the management of C.E.S. should be vested in a statutory authority solely concerned with employment and manpower matters; that other activities such as administering unemployment benefits and collecting labor market statistics should be conducted by the Department of Social Security and the Bureau of Statistics respectively; and the C.E.S. operations should be reorganised. Mr Norgard has recommended that an immediate start should be made on the introduction of computer assisted job matching; that the placement function should be reorganised into a three tier service in recognition that not all job seekers require the same level of service - a self-help service, a counselling service for those with labour market problems, and specialised help for those who are significantly disadvantaged; that counselling and guidance services should be greatly improved to assist special groups of job seekers who could be expected to find job seeking difficult.

The Government has already agreed to a significant upgrading of the staff and facilities of C.E.S. offices on the basis of Mr Norgard's preliminary findings, and we shall be considering shortly what further action is required in the light of the findings of Mr Norgard.

A prime cause of the unemployment problem, is, quite bluntly, wage awards which have priced many people out of the labour market. We have not yet recovered from the wages explosion of 1974 - when real male award wages rose by 17%. In money terms they increased from \$77 to \$104. Over the same period real female award wages rose 20% - in money terms from \$63 to \$90. This may be compared to an average annual increase over the previous decade of under three percent in real award

As profits and investment declined, employers sought further means to minimise their work force. It is a cruel irony that the 1974 awards which appeared so favourable to the Australian worker, have in fact proved to be the harshest weapon against him. Because of the high price of labour, employers ^{are} ~~and~~ reluctant to take on more employees even when their sales increase. They prefer to purchase more labour saving machines. Excessive wages impeded economic recovery and reduce employment opportunities. This situation calls for a responsible attitude towards wage increases by union leaders. In the present economic environment one man's wage increase is another man's job.

Another cause of unemployment in far too many cases is industrial disputes. In our major export based mineral projects, stoppages are having a most damaging effect. The industrial record in the Pilbara is appalling, an average of over one strike a week.

The dispute between the Seaman's Union and the Utah Company in Queensland has led directly to the suspension of the \$250 million development at Norwich Park.

The management company has had to postpone conclusion of sub-contracts and employment has been seriously affected. The same could happen to other major developments which should play an important role in our economic recovery.

It has been estimated that the use of Australian-manned ships would increase the cost of freight for coal by 60-80%. The demands of the Seamans Union clearly have grave implications for the coal and iron ore industries which must maintain competitive prices to secure and maintain overseas sales contracts. Mr. Nixon and Mr. Street will be reporting to me on these matters I have asked the Premiers of New South Wales, Queensland, and Western Australia to meet with me. We will be meeting on Friday.

Labor, as we all remember, was in government less than two years ago. How did they see the morality of uranium mining and export when they were responsible for their actions?

On 31 October 1974, the Minister for Minerals and Energy said that Australia "will ensure that our major trading partners - Japan, Italy, and West Germany - obtain an equitable share of the uranium we have for export." In October 1975, the then Minister for Aboriginal Affairs stated in the House "International assurances have been provided by Ministers that Australia will meet the uranium requirements of our major trading partners which could amount to about 100,000 tons of uranium". In March 1975, the then Deputy Prime Minister, Dr. Cairns, and the Minister for Agriculture, Senator Wriedt, visited Iran. At the end of their visit, they issued a joint statement with Iran that "Iran would be given access to supplies of uranium from Australia under favourable conditions".

In the Parliament on 2 June 1975 the present Shadow Minister for Minerals and Energy, Mr. Keating, said "Japan is interested in moving into nuclear power and enriched fuel. We are prepared to give the Japanese any amount of fuel that they need, enriched if we can do so". "The only thing is that we would like to do the enriching. Instead of sending just yellowcake at bargain-basement prices, we want to get the profit that comes from enrichment." At Terrigal in June 1975, the ALP Conference resolved to develop Australia's uranium resources, and build a uranium enrichment plant. At that Conference, a motion was proposed that there should be a twelve month ban on uranium development, while a full scale Government inquiry into the problems of nuclear technology was conducted. Mr. Whitlam flatly opposed the motion, because, he said, it would jeopardise Australia's credibility and delay the negotiations his government was conducting for the sale of uranium to Europe. He also said that Australia had done all it could to see other countries adhered to the IAEA safeguards.

Ultimately, only four Victorians supported the call for a moratorium. Where was the Deputy Leader of the Opposition then - hiding his moral scruples under his D.U.R.D.? We all know where one of the advocates of the indefinite moratorium - the Premier of South Australia - was. He was promoting the establishment of a uranium enrichment plant in South Australia. The only problem

he could see with respect to uranium was whether South Australia's water supply was adequate for the enrichment plant. One final fact - on November 28, 1975, Mr. Whitlam and representatives of Peko Mines and the Electrolytic Zinc Company signed a memorandum of understanding between the Government and the companies for the development and mining of uranium ore deposits in the Ranger area in the Northern Territory, and for the production and sale of uranium concentrate from that ore.

Mr. Whitlam's press statement announcing the memorandum said: "The Government believes that the Ranger project can be a major export earner and it will be working with Peko and EZ to bring this fully Australian mining project to fruition." Those who speak about the morality of the decision should ask themselves: what morality is there in a resolution that takes the unprecedented step of declaring that any contracts entered into by a non-Labor Government would be repudiated? What morality is there in a resolution that pays absolutely no heed to the world's need for energy resources? What morality is there in a resolution that does not look at its consequences for other nations? What morality is there in a resolution that ignores that one of its consequences would be an accelerated move to the plutonium economy? What morality is there in a resolution on which the ALP's leading figures refuse to even speak despite their reservations?

There was no reference in the Labor Party resolution to the energy needs of other nations. Mr. Dunstan, outside the Conference, summed up Japan's needs very well. Japan, he said "does not have an alternative energy technology to the development of nuclear power" But he showed no sign of concern about this - no interest in the impact of this on the Japanese people and Japanese society. He only referred to the grave economic consequences to Australia of refusing to sell uranium to Japan.

Our decision, however, does not only affect us. It affects other nations. Its impact on them must be considered. It affects the nations of Europe who are short of energy supplies. It affects the future development of the third world. Moral issues deserve debate, positions need to be put, their consequences assessed.

Mr. Hawke made some pertinent observations on this issue. He said he was not convinced as a matter of intellectual integrity of the arguments for leaving uranium in the ground. He said a decision against mining would not "do anything about the dangers, the disposal of nuclear waste, about terrorists acquiring weapons." It could lead to an increase in the price of energy and to the cost of living in developed and developing countries.

These were important observations which should have been argued out. Mr. Hawke, Mr. Hayden and Mr. Whitlam sat mute during the Conference debate. They were the very people who had an obligation as leaders or aspiring leaders to discuss the issues. Their words were uttered before and after the resolution was discussed - and adopted - not during it. It was not pure hearts and simple minds that caused the resolution to be carried, but a cynical political

deal in which the major opponents of the resolution kept quiet during the debate and spoke up later.

The Government of Australia has commenced its consideration of the desirability of uranium mining and export, and the many other issues raised by the Fox Report. We have already announced that if uranium is permitted to be exported, the most stringent set of safeguards will be applied, both through compliance with the requirements of the International Atomic Energy Agency and through bilateral agreements between Australia and each user-country.

Mr. Whitlam in the House on 29 March in a debate on uranium, laid down a set of safeguards which he argued should be applied to uranium exports. The Government's Safeguards Policy encompasses all Mr. Whitlam's requirements and indeed goes beyond them in many respects, particularly as regards eligibility of customers and added safeguards to be contained in the bilateral agreements. We do not simply have to make one fundamental yes or no decision. A whole range of inter-related decisions are required which affect not only Australians but people throughout the world.

Let me mention just some of the issues involved. We must consider: the adequacy of international safeguards to prevent nuclear proliferation; our obligations under the Nuclear Non-Proliferation Treaty, and particularly Article Four of that Treaty; the problem of the disposal of nuclear wastes and the fact that the reliable supplies of Australian uranium can defer the move to the plutonium economy, a deferral which would provide greater time for an international solution to be found for effective controls on the hazards of plutonium and high level waste; the urgency of the world's needs for uranium supplies to provide energy and the ethical question of whether we are entitled to withhold them; the world tension which would be created if we refused to supply uranium; our reputation as a stable and assured supplier of natural resources; the effect mining will have on aboriginal communities and all other Australians living near minesites; the appropriate boundaries of national parks near minesites; the impact of mining on our economy particularly on our foreign reserves, on unemployment, and on the economy of the Northern Territory; the proper regulation of mining if it is to be permitted, including its effect on the environment.

Above all, we must consider the impact of our decisions, not only on ourselves, but on our children, and future generations.

We spent most of yesterday's Cabinet discussing environmental issues, and the possible impact of mining on the aboriginal people.

These are fundamental issues, and no decision will be made on mining until we are absolutely satisfied that the needs and interests of the aboriginal people are safeguarded, and that the environment is fully protected.

Our deliberations are continuing. Decisions of this importance will not be decided overnight, nor should they. But when we have finally reached our conclusions, they will form a proper and considered response to all these inter-related and complex issues.
