

**PRIME MINISTER**

FOR PRESS

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**PRIME MINISTER'S ADDRESS TO THE SOUTH AUSTRALIAN YOUNG LIBERALS
DINNER**

Between now and December 10, the Young Liberal Movement, the Liberal Party, and the Government, have a great challenge to meet - winning the election so that we can continue in our objective of making Australia a better place to live for all Australians.

We are going to this election for two fundamental reasons. In the first place, we were committed to synchronising the House of Representatives and Senate elections. Having simultaneous elections has been supported by a great majority - 62% - of the electors at the May referendum. Sixty-six percent of South Australians voted for it in May. All the parties in the Federal Parliament agreed that the elections should be synchronised and all campaigned for the proposal. Given this commitment, we had a choice between going to an election in December this year, or waiting until April or May 1978, a total span of just four to five months. Choosing between these two options was not easy. What finally made our minds up was the need to give people the certainty that our policies would continue not just for four or five months, but for years.

Since being elected, we have made significant progress in righting the Australian economy. With the last 2% increase in the CPI, the evidence that we are winning the fight against inflation is crystal clear. Interest rates are falling, investment is rising, confidence is returning.

To allow the economic strength of Australia to recover fully, and to progressively reduce unemployment - and this is a vital Government objective - there has to be confidence that our policies will be continued. Without this confidence, this certainty, economic progress is likely to be retarded, and a significant growth in unemployment opportunities is unlikely. All this is highly undesirable at a time when school leavers will shortly be seeking to enter the work force.

The December election will end uncertainty, and give the economy a clear uninterrupted run to complete the recovery now under way.

The issues in the election are clear. In Australia today, there is a real difference between our policies and the policies of our political opponents. The choice, the division between Liberal and Labor, is clear. It is not just a choice between two policy documents. It is a very real choice about the kind of Australia we want.

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I think you know the options. But it is worthwhile stopping and thinking about these issues again. Does Australia want big Government where Government influence is maximised, or does Australia want a Government that is committed to maximum individual choice and responsibility. Does Australia want an all-powerful, all-knowing Canberra? Or does Australia want a Government committed to keeping the process of Government close to the people? You know the answers. You know what this Party and this Government stand for. That is precisely why each one of you - and my Parliamentary colleagues and I - have a responsibility to convince people that the choice we offer is the right one. That is a task for all of us - the Government, the backbench, the Party and the Young Liberal Movement. We all have a responsibility to make it perfectly clear to our friends, our workmates, exactly what we stand for. They should also understand what our opponents stand for.

In the last two years, the Liberal Government has achieved things of which you can be proud. You have something worth arguing about, something worth standing up for. Do not shy away about declaring your stand, about declaring your politics. Do not be hesitant about the achievements of a Liberal Government.

You know the kind of problems that the nation asked us to tackle just twenty two months ago. You all know them, because you experienced them in your own lives. Australia had been through an extraordinary experiment. It was an experiment by a Government determined to push itself into people's lives, at whatever the cost. Money did not matter to Labor; responsibility did not matter; Australia did not matter; but power and control did matter.

We took on the great task when Australia was almost at the point of no return. Our economy had collapsed, the fabric of our society was being eroded, our national resilience was tested as it never had been. We were at the crossroads.

Today, there is new hope, new confidence. People know that we have faced the problems head on. We have made no alibis. We did not pretend problems did not exist. We did not expect easy solutions. We refused to accept the Labor way, which was to do little more than throw money at problems - and hope it would all work out.

Our great social reforms, our tax reforms, our legal reforms, and above all, our concern for the individual - and for those in need - has brought Australia back to life.

Let us look at some of the major achievements of this Government. Historical social reforms like Family Allowances, indexation of pensions and benefits, new deal for the handicapped. Reforms to protect individual rights - the first Ombudsman, the Administrative Appeals Tribunal, simplified appeals against bureaucratic decisions, bill for Human Rights Commission, the Security Appeals Tribunal. Tax cuts for individuals, tax concessions for business, tax concessions to mining and petroleum companies to get exploration and development under way again. Reforms which give people more choice and participation in affairs which affect them, such as the new direction in aboriginal programmes which ensure aborigines participate in running their own programmes; such as our reforms to Medicare which give freedom of choice in health insurance; such as our legislation for secret postal ballots for union elections.

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There are many more achievements which have assisted ethnic communities, rural producers, small businessmen, local government and technical education. They have given Australians new confidence in the future - and today we have established the solid groundwork from which to forge ahead and take advantage of Australia's great potential.

Of course problems still remain. One of Australia's biggest problems at the end of 1977 is unemployment. It was a severe problem when we came to office. Under Labor, unemployment increased 157% in one year. The Whitlam Labor Government created an entrenched chronic and serious unemployment in Australia. That Government, in the space of three years, turned two decades of sustained full employment, created and maintained by successive Liberal Governments, into a serious and entirely avoidable economic recession. The legacy of the Labor experiment is still with us in the form of high unemployment. Too many Australians who want to work cannot get jobs. Money alone will not solve the problem. Look what happened when, in 1974, Labor increased Government expenditure by 45% in a year. From January 1974 to January 1975 unemployment went up 191,000. Labor panicked and introduced the inflationary and discredited R.E.D. scheme - Labor themselves stopped spending on that programme in 1975.

Going in for big spending just accelerates inflation, reduces the confidence of the people who created jobs, and it is not just that it undermines the creation of new jobs - it loses jobs that already existed.

That same disastrous Labor Party with its same unwanted and unloved leader, has now the gall to suggest that it has the solution to high unemployment and should be trusted to implement it. In the same breath, it is mouthing policies of reckless spending, unbridled wages and industrial anarchy, identical to those which caused the original disaster. The Labor Party did nothing to contain the Victorian power strike - which had as a direct result caused an additional 53,000 people registering as unemployed with the C.E.S. Now it is trying to engender fear by forecasting rises in unemployment in the months ahead. Of course unemployment will rise in the Christmas period because of school leavers. It always does, but from February, unemployment in Australia will fall in a steady and sustained way.

The Government has shown sensitivity and concern about unemployed Australians. We have developed policies that tackle the real causes of unemployment, and at the same time, provide creative solutions to immediate problems. We have made a number of fundamentally important policy decisions. We have protected employment, by giving industry the protection it needs.

Remember the jobs that Labor exported when they lowered tariffs across the board by 35%, and their across the board decision to lower tariffs was taken despite the fact that they had in their hands a report warning that that 30,000 jobs would be lost as a direct consequence. In fact, as a result of their tariff cut and their other policies, 107,000 jobs were lost in manufacturing industry in one year.

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We have got inflation now running at an annual rate of about 9%. And it is still coming down. That means that business will become more profitable, it will expand, and it will increase its work force.

The problem of unemployment cannot be tackled in any meaningful way if inflation is allowed to keep galloping along. At the same time as we have been fighting against inflation, we have responded to unemployment in a sensitive and responsive way. We have not told the young men and women looking for jobs: "Hang on until we solve the inflation problem". We have introduced a number of new programmes to provide immediate help to the unemployed. We have set up or expanded manpower - I suppose they should be called 'personpower' - training programmes, including N.E.A.T., a special youth employment scheme, the Community Youth Support Scheme, relocation assistance, and the C.R.A.F.T. scheme for apprentices. More than 122,000 Australians - mainly young Australians - have already benefitted from these schemes. Further, in the last Budget, the Government made \$102.7 million available to continue and support these programmes. This is a 33% increase over last year. More will be spent, if necessary, because no eligible unemployed person will be refused assistance under these schemes.

These employment and training programmes, however, are not designed to help young people who lack basic skills and who have low motivation and self-esteem, and many young unemployed are likely to stay unemployed because of their lack of motivation and basic skills. All too often a vicious circle is set up. Many children leave school with a low level of literacy and numeracy. This lack of success at school is often followed up by a consequent lack of success at finding or holding work, the outcome being negative attitudes towards work or self-improvement. The education programme for unemployed youth this Government has initiated is designed to meet the needs of such young unemployed people, by conducting vocationally oriented educational courses to assist them develop skills such as literacy and numeracy needed in the workplace, and the motive and direction to find stable employment. Specially selected teachers at technical colleges re-teach small groups of young people, and while the E.P.U.Y. is still in its pilot stages, the results have been very encouraging, and we are determined to continue this initiative so long as young people need it.

Unemployment is not something that can be solved overnight. We have never pretended otherwise. The band-aid approach will ease the pain, but not cure the symptom. The symptoms are embedded deep in the way our society has evolved - and in the kind of education system that has developed. Last September, the Government announced that a Committee of Inquiry - the Williams Inquiry - would look at the whole field of post secondary education. The Inquiry - the first of its kind for more than ten years - is now looking at all of the implications of our changing structure of education and retraining programmes. The Government believes that education opportunities should be widespread. We believe that greater education and occupational choices should be provided, and it is against this background that the Committee is conducting its research.

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I expect that Professor Williams' report will be presented to the Government in June 1978. We will not delay in making decisions about this report.

The Office of Youth Affairs, which the Government set up early this year, will also look at the school/work transition issue and will make a submission to the Williams Inquiry. The Office, under Kevin Newman's guidance and with considerable input from members such as Grant Chapman, the Member for Kingston, has been active at the grass roots. As an example, it recently engaged in a project called "Speakeasy" on your local rock music station 5KA. Young men and women phoned up the station with all sorts of views on the unemployment problem. The views put during this project were used - along with other reports - to form the basis of a questionnaire for early school leavers. This in turn will form an important part of the Office's submission to the Williams Inquiry.

Only a few days ago, at the Premiers Conference, it was unanimously agreed that a special Youth Employment Task Force be set up in each State. That Task Force will promote a major campaign to encourage employers to make a special effort to employ additional young people from the beginning of 1978. In addition, the qualifying period for the S.Y.E.T. programme has been reduced from six to four months. We have made fundamental decisions that will improve the employment prospects for thousands of Australians. We have launched programmes that are effective and that do provide on-the-spot assistance, increasing people's skills and increasing each individual's dignity.

We have faced up to our responsibilities. We will continue to demonstrate concern for Australia's unemployed and will continue to develop policies that encourage Australian industry to create new jobs.

In December, the people of Australia have a clear choice - between a disunited Labor Party that has time and again in Opposition shown that it is committed to the philosophy that so damaged Australia between 1972 and 1975 - and the Liberal Government team that has put Australia on the move again. Making sure that the nature of this choice is clear to the public is a challenge no Liberal can ignore.

The Young Liberal movement has always been a key in the growth of our Party. It has been a sounding board of the highest order, a bridge and guide to the real feelings and concerns of young Australians. It has played a most constructive role in helping the Government develop policies that have relevance and that can be practically applied. Of course, it is still playing that role. It must continue. It must continue to be the source for creative and innovative policy ideas, that we can translate into reality. Between now and December 10, the Young Liberal movement has a vital and urgent task - communicating to the people of Australia, particularly with young Australians.

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Every Young Liberal in the room, every Australian Young Liberal, must understand that we will succeed as a Party as a direct result of the work that each one of you is prepared to put into getting our policies across. I do not make that kind of statement lightly.

We will succeed on our achievements and our vision for Australia, and on a public understanding of our achievements and vision. Make no mistake. Australia is poised to achieve our great potential.

We cannot achieve this potential under a Socialist Government. We can only achieve it under a Government that believes in the place and the role of the individual, which cares enough for individual Australians to ensure that that potential, that vision, becomes a reality.

That Government is a Liberal Government.

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