



PRIME MINISTER

WERTH LUNCHTIME RALLY

30 NOVEMBER 1977

It is great to be in your state. Western Australia is the living example of the growth and vitality this government stands for, and all praise to Sir Charles Court. This election will decide whether development and growth is encouraged, or whether we will allow Labor's policies to bring Australia to a grinding halt.

Australia is on the threshold of a new era of progress and prosperity. We have broken through in the fight against inflation. We have halved Labor's inflation — inflation is now down to 9% and still falling.

We have cut taxes and revived incentive. We have ended Labor's big tax ripoff. We have boosted investment — both by Australians and from overseas. Interest rates are falling, and will keep falling. They could be as much as two percent lower within twelve months. This means an enormous stimulus to business. This means \$10 a week saving for the average young couple buying their first home.

Our policies are giving people confidence. They are revitalising business. Australia is ready to go with \$6,000 million worth of investment — in mining, in manufacturing, in processing, in construction, in retailing.

Western Australia will benefit most from this job-creating development. One and a half billion dollars of this investment is going to your great State, and this is only the start. There is still your mammoth North West Shelf development which my government and Sir Charles Court have so actively encouraged.

Australia is on the move, because of our consistent, forward-looking policies. Australia is on the move because we have provided incentive to invest and reward for initiative. Labor has no alternative to offer. It's still the party of internal wrangling, incredible economic policy, extravagant spending schemes, and leadership failure. Yesterday's men want to rerun yesterday's policies — policies which sky-rocketed inflation to a peak of 19%, which stopped growth, which increased unemployment by 157% in one year. Well the Australian people won't let them.

Mr Whitlam's thirteen day old policy speech lies in ruins, undermined and disavowed by his menagerie of economic spokesmen. Mr Whitlam said he would increase the Australian people's taxes to pay for his extravagances — abolishing payroll tax would cost the Australian taxpayer \$850 million in the next six months; \$1900 million in the next financial year.

--Six of Mr Whitlam's other policies alone would cost more than \$2,000 million. Labor has wriggled and squirmed for a week before finally admitting that they would end not only the recent reforms to the tax scale starting next February 1st, but they would end tax indexation too.

Labor policies would increase the average earner's taxes by \$6 a week. Mr Whitlam said that he would use these tax increases to abolish payroll tax - he pretended that this would reduce inflation and unemployment. That contrived illconceived schemes immediately foundered on the facts

A survey of major employers found that not one company surveyed expected to increase its own employment levels if payroll tax was lifted.

Now Mr Hawke is sabotaging his own Party's scheme. At a news conference yesterday, he made it plain that the ALP might have to look again at their payroll tax plan - look at other alternatives. Haven't the Labor Party thought anything out, and what alternative did he offer?

Why tax cuts - the very things he and Mr Whitlam have been set on taking away.

If the President of the ACTU wants equitable job creating tax cuts I've got just the answer for him - vote for the Liberal Party. Next, Mr Whitlam said that his government would support full wage indexation for everyone. Mr Hayden said that wasn't right at all, that Labor would only have full wage indexation up to the level of average weekly earnings. Mr Hawke then said Mr Whitlam was right. Only to be rejected by Mr Whitlam who said Mr Hayden was right and that there was no contradiction between them at all.

Labor's other economic spokesmen - they have five or six - were so convinced by their leader's assurance that they had a five-way telephone hook-up to decide what Labor's policy on wages really was. Sadly, Mr Whitlam was excluded from that hook-up. His opinion it seems was not important enough.

Now Mr Hurford has announced that Mr Whitlam's tax proposals were wrong. In his policy speech, Mr Whitlam had said that our tax cuts - the tax cuts Labor wanted to rip off Australians - were worth "nothing". Mr Hurford chimed in with the claim that they were worth "almost nothing". Now those phrases must haunt them.

The tax reforms which we have passed into law benefit all taxpayers and they exempt 225,000 low income earners - including tens of thousands of pensioners, widows, students, and others of modest means - from paying tax at all. Mr Whitlam's regressive proposals would have made these low income earners pay tax again so that Labor could subsidise large companies which now pay payroll tax. Mr Whitlam wanted to strip money from pensioners so that he could pay UTAH \$2 million a year, BHP \$33 million a year. He wants to strip \$6 a week from the average wage earner to pay to big companies. To Mr Whitlam, it seems, this was "nothing".

But then we have long known other people's money means "nothing" to Mr Whitlam. The Labor Party's pretence to being a party of social concern has been shattered, its claim to being the party of the working man has been destroyed. Mr Whitlam understands nothing of the needs, the concerns of the working men and women of Australia.

That's why they were defeated resoundingly in 1975; that's why they will be defeated resoundingly in 1977. As an afterthought, Mr Hurford rushed forward with an ad hoc scheme which purports to assist low income earners. But what does Mr Hurford's afterthought do for those in need? Absolutely nothing.

It does not reduce taxes for low income earners by a single cent because our tax cuts are already law.

Mr Hurford wants increases in tax for everyone, except those with incomes under \$3,750. Even for them he only proposes an ad hoc scheme which will last for just five months in 1978-79.

After that, these pensioners and others would be worse off than under our existing legislation. All Mr Hurford has done is to admit that the tax cuts which Mr Whitlam scores are valuable both in money terms and in terms of the social reform they represent.

Mr Whitlam is starting to feel his troops deserting him.

He was left out of Labor's happy hook-up - he has a major hang-up over that. He refuses to talk to the press, and now he is complaining about people who ring him up on talk-back radio programmes. He says the people who ring him up are all Liberal supporters. I think he is right. There are millions of Liberals all over Australia - the number is growing each day.

Poor Mr Whitlam. He can't talk to his colleagues, he won't talk to the press, and he complains when he talks to the people. Soon there will be no-one left in the whole of Australia for Mr Whitlam to talk to.

The tax reforms which will put more money in every wage-earner's pay packet from February 1, and will help to create more jobs.

Only through a Liberal Government will there be the growth and development necessary to create real jobs, good jobs, jobs which those out of work can get and keep.

We are tackling all the causes of unemployment, and two major causes are high wage claims and industrial disruption.

In both these areas we have fair but firm policies which protect the general public as well as the employee immediately concerned.

We have consistently argued before the Arbitration Commission for wage restraint - for we know that such restraint would greatly hasten Australia's transition back to prosperity.

We have had some success in this - though not as much as we would have liked. Labor has two conflicting wage policies - Mr Hayden's and Mr Hawke's. Mr Whitlam, as only he can, claims to support both policies simultaneously. All that the two policies have in common is that they are both a sell-out to the unions which dominate the Labor Party.

Our record in industrial relations is strong. We have passed laws protecting individual unionists and giving responsible rank and file unionists the chance to have an effective voice in how their union is run. Laws which are supported by all responsible unionists. Labor would repeal these laws. Mr Willis the Labor spokesman on industrial relations confirmed this on Monday. Labor would repeal secret postal ballots for union elections; Labor would repeal our laws to protect the public from industrial disruption; Labor would repeal our laws which let unionists know how their union's funds are being spent - and some unions receive as much as

\$8 million a year in dues. Labor would exempt unions from the provisions of the Trade Practices Act. Labor would repeal the ban on damaging secondary boycotts.

This totally negative response of giving the unions all they ask for is a remarkable abdication of Labor's responsibilities in this area.

In this election there is no question as to who is running the country this government is, and we shall continue to do so after December 10. There is a very real question about who is running the Labor Party - and the events of the last few days are providing the answer.

Mr Hawke's over-ruling of Mr Whitlam in the past few days on tax indexation on wage indexation and on payroll tax clearly show the union leaders' power over the Labor Party.

Power in the Labor Party lies with the union leaders and the extremist-led unions, all of which are affiliated with the Labor Party - all of which pay money to the Labor Party - all of which help decide official Labor policy. It is because of the extremists' power that it is Labor's official policy to place unions above the law.

Mr Whitlam has wiped his hands of this whole vital area - he says government never solves industrial disputes. That's true of any government which he may run - but we have shown that we are prepared to take a firm and fair stand to protect the public against industrial disruption. And it works - Sir Charles Court has shown it in this state. We have shown it in the air controllers strike - in the postal workers dispute; in the case of the ACTU's uranium moratorium - they backed down.

And in the Victorian Power Dispute - a strike that laid off 450,000 workers for weeks and caused 36,000 people to permanently lose their jobs. It was our move to deregister the unions involved that led to the strikers returning to work. Of course, Mr Hawke claims the credit for being the great peace-maker in that dispute. Mr Hawke never goes near a dispute till its settled. What happened when there was trouble in the Pilbara - Mr Hawke went to Japan.

Perhaps you have seen Labor's commercial in which he is in a motel room hurriedly packing his bags to go out and resolve yet another of his industrial disputes. Well in the case of the power dispute it took Mr Hawke nine weeks to finish packing his bag get out of his motel room and take a hand.

We will continue to take the fair and firm approach in industrial relations which has proven to be successful. We will not allow extremist union leaders to succeed in their aim of putting a stop to the promise of prosperity which Australia is poised to grab.

As our country grows and develops, essential services by the government must also improve. We will give special attention to interstate railway services and as a high priority, improve the Kwinana section of the East-West railway line. We will help the states to improve urban public transport - to improve the lot of the suburban commuter. We will improve town and rural water supplies through our new five-year national water resources programme. We will provide a new deal for telephone subscribers by reducing the cost of long distance off-peak telephone calls to about 40 percent of the standard rate.

Our taxation reforms will be maintained and strengthened. On being returned to government we will make all deceased estates and gifts between husband and wife, parent and child, exempt from Federal estate and gift duty from November 21, 1977, the day of my policy speech. And over the life of the next Parliament we will abolish all estate and gift duty.

We have many other imaginative policies for the handicapped, for families, for our ethnic communities, for the defence and security of our nation. All these policies add up to a creative programme which is both socially responsible and financially responsible.

Ladies and gentlemen, the choice in this election is clear. Mr Hawke said yesterday at a press conference:

"There is no confusion... There is an absolute clarity in the minds of the Australian electorate between the two alternatives."

I could not agree more. There is absolute clarity about the comparison between Labor's failed economic policy, so tellingly rebuked by Labor's own spokesmen, and the government's coherent strategy. In my policy speech I make this clear and the government made firm, financially responsible commitments to the Australian people.

A vote for the return of the Liberal Government is a vote of confidence in Australia's future - a vote for the growth and development of this great country of ours. We are ready to step into a new era of development and prosperity - we aren't going to let Labor throw it all away.

On December 10, I ask for your support for our great country's growth, its prosperity, its development. I ask for your support for this government.