



PRIME MINISTER

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Australia is a country of great potential, great promise. To realise that potential, Australians need a Government whose policies reflect certain basic beliefs which most Australians share.- a resolve to develop our great resources of mineral wealth and human initiative, and thus to see our nation grow; a willingness to defend Australians' independence against great concentrations of power, whether they be union, business or government bureaucracy; a determination to see justice done for all Australians, whoever and wherever they may be - above all a belief in the great creative capacity of free people responding to a rapidly changing world.

Only the Liberal and National Country Party coalition can provide such a government.

We govern for no class, we are beholden to no special interests, we govern for all the Australian people. We have a structure of Government which combines broad consultation with effective decision-making.

The Labor Party, by contrast as this campaign has made clear once again, is so closely tied to a sectional group, the trade unions, that its clearest policy position is to give trade unions privileges beyond the law. In addition, as this campaign has once again demonstrated, the Labor Party's decision-making structure renders it incapable of pursuing a stable and sound economic policy for Australia.

The tests of this campaign have demonstrated the hopeless policy confusion that characterises the Labor Party whenever it is put under pressure. The conflicts and contradictions between Labor's multiple spokesmen on economic affairs evokes memories of the conflicts and changes of course when Labor was in office. Perhaps this in part is the underlying reason for a most interesting feature of current political life. The working men and women of Australia, people who have traditionally supported the Labor Party, are recognising in growing numbers that the kind of Australia they want is now best secured by a Liberal/NCP Government. They see the Labor Party's approach as completely destructive of jobs, of opportunities, of prosperity.

But the Labor Party's internal conflicts and structure are only one part of the explanation. Even more fundamental are the policies Labor has pursued. To take one example - tariff protection. Mr. Whitlam's doctrinaire stand on tariffs, destroyed so many thousands of jobs when he was in office. Then Labor deliberately used unemplo'ment as an instrument of policy. On Monday Conference two weeks ago, Mr. Uren explained Mr. Whitlam's 25 per cent across the board tariff cut by saying that it was designed to correct an "over-employment" situation. Presumably Mr. Whitlam is well satisfied with the results, for he is once again threatening industries employing tens of thousands of Australians. Just last week Labor refused to give the apparel, clothing and footwear manufacturers any firm support for the next three years.

In response to these industries' request for support, the ALP's research officer is reported to have said that no such support could be given because "we are a free trade party". Unionists know well that a "free trade party" spells disaster for Australian living standards and maintaining present levels of employment in industry.

This Government

has made clear our commitment to protecting the jobs of tens of thousands of Australia's working men and women in this period of high unemployment. Our preparedness to give industry the protection it needs is just a part of our total economic strategy - a strategy which provides the sound basis necessary to reduce unemployment in Australia.

The unemployment we are suffering is a tragedy which need never have occurred. It cannot be beaten by any single policy, by any gimmick or quick fix. In the last two years, we have achieved the single most important victory in this fight - breaking the back of inflation. The rate of increase in consumer prices has now been held below 2.5 per cent in each of three successive quarters for the first time in four years. This, together with the investment we have promoted, our restraint of Government spending, our wages policy, lower interest rates, and our tax reforms will lead to unemployment falling from February.

The Labor Party has no anti-inflation strategy - it has scarcely bothered to pretend that it has. How can inflation be reduced with a strategy based on faster increases in wage costs; higher personal taxes; higher Government spending; bigger deficits; and higher interest rates. Taken in conjunction with Mr. Whitlam's doctrinaire stand on protection, it is a sure-fire prescription for a massive increase in unemployment. Beyond this the commitments in the Labor Party's new economic planning platform - adopted only six months ago - constitute a full-fronted attack on our free enterprise system. They are formulated in words which only the socialist left of the Labor Party could have dictated. Labor is committed to emphasising or extending "public enterprise, in particular in the fields of banking, consumer finance, insurance, marketing, housing, stevedoring, transport and in areas of anti-social monopoly".

The implementation of Labor's policies in current economic circumstances would unquestionably wreak even more havoc on the Australian economy than did Labor's last experiment. In 1972 the Labor Government inherited an economy in which inflation and unemployment were relatively low. Now by contrast, our economy is in the process of recovery and thus would be far more quickly and permanently damaged by Labor's policies.

Mr. Whitlam's economic policies will not reduce unemployment among working men and women - they will add to it. His tariff policies will again create another pool of jobless. His wages policies are a receipt for prolonged unemployment. Mr. Whitlam's Labor Party is out of touch with Australia's working men and women.

It is no wonder that the Government parties in recent years have been receiving more and more of the votes of Labor's traditional supporters. Nor is it only in the employment area that the Government's policies are recognised as being the kind of policies which are needed by Australia at the present time. The related area of personal tax reform has highlighted in this campaign. In recent years major committee reports to this Government and our predecessors have emphasised the great importance of personal tax reform for the economic health of the nation - the Mathews Committee, the Asprey Committee, the Jackson Committee.

This Government has given high priority to reducing the burden of personal taxation. We have introduced completely new tax scales. We have significantly reduced the marginal rates of tax. We have abolished personal tax for a quarter of a million low income earners. By 30th June next taxpayers will have saved the very substantial sum of \$3,300 million in tax. Our personal tax reforms are essential for economic recovery. They further ease the upward pressures on wages, they restore incentives, they provide a non-inflationary stimulus to the economy, they impose responsibility on Government spending. I say without hesitation that they are the most important series of tax reforms ever introduced in Australia. They are reforms which express the basic philosophy of this Government that Australians should have a greater say in making decisions which affect their daily lives.

Efficient and constructive Government has a vital role to play in realising the goals Australians share, and Governments must levy taxes to meet their responsibilities. Labor governments however have gone too far in imposing wishes on individuals. They have

imposed ever-increasing taxes. Our tax reforms go a long way towards redressing the balance between the legitimate needs of the individual and the state. Mr. Whitlam has a different philosophy. He has argued on many occasions the virtues of Government allocation of people's earnings.

reform. For him the old scales, the old high marginal rates, and vague and conflicting promises on tax indexation are good enough for the time being.

Once again the working men and women of Australia are to be asked to pay their earnings to inflating government and, a new twist, to large corporations. I am sure this approach will be rejected by most Australians.

There is yet another area of policy where this campaign has highlighted the contrast between the positive and constructive policies of the Government and the total absence of constructive proposals by the Labor Party. That is the area of Trade Union reform.

At least one survey has shown that an overwhelming majority of Australians, and of Trade Union members, take the view that Trade Unions have become too powerful in Australia.

The Government believes that it has a responsibility to Australians to recognise this concern, and to express it in a constructive programme of reform. The time for positive reforms could not be delayed any longer.

Mr. Whitlam, who depends on Trade Union funds and the votes of Trade Union delegates in Party conferences, naturally resists any change in this area - unless it be changes increasing Trade Union power and granting privileges to Union leaders far beyond that which the law applies to other Australians.

In this area, the apostle of intervention, pursues a policy of unmitigated laissez-faire.

This Government is committed to establishing the legal framework within which business operates, within which every organisation and individual must operate. Law which protects the community interest.

Unlike the Labor Party, we have taken the view that no one can be above the law; that individual unionists have a right to be heard, and to be protected from intimidation.

We have proceeded with our industrial legislation reforms of which I am confident have the support of the Australian people, and in so doing we have stood firm against threats and intimidation. Secret postal ballots for union elections are now compulsory. We have set up the Industrial Relations Bureau, to protect the public interest and also to act as an industrial ombudsman. Unions are now required to provide their members with an annual audited statement of their financial affairs. We are protecting individuals against being forced to join unions against their will. We have strengthened the means of dealing with demarcation disputes, and damaging secondary boycotts have been banned.

All this adds up to a firm and responsible policy which has the support of responsible unionists, and which protects the rights of the individual unionist and the public.

Mr. Willis, the Labor spokesman on Industrial Relations, confirmed last week that Labor would abolish all of these vital reforms, and indeed abolish other existing protection against union abuse of power.

Labor would repeal our laws to protect the public from industrial disruption. Labor would repeal our laws requiring postal ballots. Labor would exempt unions from the provisions of the Trade Practices Act. Labor would exempt unions and their members from civil actions in respect of otherwise actionable activities committed during industrial disputes.

Labor's approach is an abdication of responsibility in a vital area of law. This cave-in to a sectional, powerful vested interest is completely contrary to the public interest.

Ordinary Australians, including rank and file unionists, reject this sell-out to a powerful pressure group. They will continue to support our fair and firm approach in Industrial Relations which has proven to be successful.

Finally, let me mention one further area where the campaign has underscored the difference between Mr. Whitlam's Labor Party and the approach of the Government - Social Welfare reform.

Since we were elected, the Liberal Government has undertaken some fundamental social reforms, and commentators have found it difficult to fit these reforms into their conventional stereotypes of what Governments from our side of politics are meant to be like.

Our Social Welfare policies have had as their major priority, directing assistance to those people most in need. They have emphasised concern for the individual, careful testing and evaluation of imaginative schemes and experimentation. Our Family Allowances have redistributed. Our children's service programmes have been reoriented towards day-care for the children of working mothers. Our experiments in social welfare such as the housing voucher experiment, and our initiatives in the ethnic area reflect our concern for minorities, and the least privileged in our society.

All these initiatives and our explicit recognition of the fact that without a sound strategy to secure non-inflationary growth and development, all the welfare promises in the world are meaningless, I believe, are building a solid basis of support amongst those groups that are conventionally regarded as being Labor supporters.

We have been the Government that has indexed pensions so that they increase automatically in line with the Consumer Price Index. We have been the Government that has provided a completely new deal for the handicapped and those who financially support them.

We have been the Government that redistributed wealth by ending the concessional rebate for children which only benefitted families of significant incomes and replaced them with family allowances.

The Labor Party's reputation as the Party of social concern, is a vestigial one. A political party can live off one's past reputation only for so long. Labor's tax proposals underscored this in the most pointed way. They forgot the impact of their abandonment of our tax reforms on 225,000 lower income earners.

It was only an after-thought that Mr. Hurford came forward with his amendments to Mr. Whitlam's proposal and I do not believe that people will forget this.

As I said in my policy speech, the next few years can be exciting ones for Australians. And as the economic recovery is completed the Government will be able to focus more fully on the task of what might be called the fine tuning of social programmes.

There are many challenges before us. Technological developments, particularly in the area of communications will transform our lives. There is a constant need to protect and enhance Australians' civil liberties. Already we have done much in this area, but more remains to be achieved.

Changes in the make-up of our population will bring challenges in adjusting our social security and other social policies to the changing needs of our community. We are a multi-cultural society. There is the constant challenge of encouraging the rich diversity that is in our midst.

Australia is well-equipped to play a constructive role in meeting the world energy shortage. Again unlike the Labor Party we have a positive policy of energy development.

Beyond our shores there is the challenge of playing a positive role in securing a safer, and a more just world.

The Government cherishes the great ideals of freedom and dignity for all Australians. That is why I believe we will be returned on Saturday with the overwhelming support of the Australian people.