

PRIME MINISTER'S INTERVIEW WITH CHANNEL NINE - 15 AUGUST 1978

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QUESTION

Prime Minister, a ritual question. What sort of Budget is it going to be?

PRIME MINISTER

I don't know how often I have been asked that over the last few months. There is not really long to wait now, is there, because John Howard will be delivering that Budget towards the end of today, and then people won't have to speculate about it any more - they will have the facts of the Budget.

QUESTION

You have said a number of times in interviews with me that this Budget is going to set the course for some years to come. What do you mean by that?

PRIME MINISTER

I don't know that I used those precise terms. From the time we first came into government we set a course of getting inflation under control, restoring profitability, establishing the circumstances where Australia can look forward with confidence, with an inner strength, and with a determination to take its place in the world, as a middle-ranking nation, but one of some substance. You can't do that if you have got rampant inflation, you can't do that if unemployment is much too high. The ills that had come from earlier times in Australian society had to be put right - much progress has been made, but there is still much to be done. The Budget that will be introduced tonight will continue on the course - it will further move inflation down, and at the same time it will establish the circumstances in which the steady but sustainable movement down in interest rates can be continued and should be continued. This again, starts to set the pattern where it costs much less for the home purchaser to borrow funds to build that home. It costs much less because interest rates are less for businesses that are going to expand, that want to undertake new activities. This is the real way of getting things right in the Australian economy. You can never get matters right in an economy by pretending that the basic imbalances are not there. That has been the trouble with a number of countries overseas. I think one of the differences between this Government and some others is that we have recognised the basic imbalances and we have addressed our policies to putting them right. That is to the advantage of all people in Australia - young and old, no matter what they do.

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