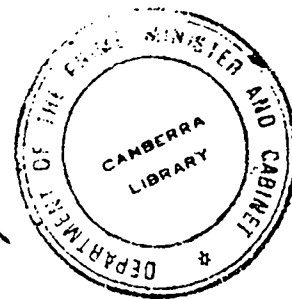


ADDRESS



BY

THE DEPUTY PRIME MINISTER AND LEADER OF THE NATIONAL  
COUNTRY PARTY OF AUSTRALIA  
THE RT HON. J.D. ANTHONY M.P.

AT

A MEETING OF

THE FEDERAL MANAGEMENT COMMITTEE

OF

THE NATIONAL COUNTRY PARTY OF AUSTRALIA

19TH HOLE MOTEL, CANBERRA

SUNDAY, 2ND MARCH, 1980

I have no hesitation in saying today that the coming months of 1980 will be vital ones, for the Liberal-National Country Party Government, and for the nation as a whole. We face an international situation made more unstable by the Soviet invasion of Afghanistan and by events in Iran. There is potential for further instability, and more clouds on the international economic horizon - not the least of them the steadily rising price of oil.

Against that, we need to note the new determination of the West, led by the United States, to stand up to the Soviet Union's expansionist policy, and the important role in this new climate of opinion played by the Prime Minister. We need also to look at the invaluable economic advantages Australia has - at a time of rapidly rising energy prices - with its significant if relatively temporary self-sufficiency in oil and its massive reserves of other energy resources, such as coal, gas and uranium.

The challenge Australia faces in 1980 and in the years to come is to maximise the advantage given by our energy resources to give security to our existing industries and to attract new investment, new industry and new jobs. If there is any downturn or faltering in the world economy, we will share in the problems - there is no doubt of that. But if we can take full advantage of our energy resources, our economic and political stability and our comparatively low inflation rate we can succeed in assisting the continued growth of the Australian economy and of rising standards of living for all Australians.

The challenge to the Government is to decisively confirm a course for what could well prove to be the most important decade in Australia's history. In the 1980s the nation will make decisions with profound implications for its future, for those Australians who are children now, and for those not yet born. The availability of jobs for coming generations will depend very much on the decisions we make in the next few years - decisions about how we respond to the technological changes under way or coming, about the way we educate our children, about the way we develop our natural resources, and about the way we trade in the products of our land, mines and factories.

The policies of the Coalition Government and its achievements since 1975 have already set Australia on a successful course for the 1980s. The particular challenge of the coming months, in this election year, is to ensure that this course for the decade is recognised, accepted and put into practice.

The cornerstone of economic success and social stability for Australia will be and must remain the control of inflation. Another major aim in the economic area is the further reduction of taxes on earnings, both of individuals and companies. At the same time, we face the competing and also important demands of reducing the deficit - the amount the Government borrows in competition with the private sector - and maintaining spending in important areas of Government activity. These are economic policies which have been vital for many years and will remain so. A further demand has been imposed on the Australian Government and the governments of oil-consuming nations around the world by the oil supply and pricing uncertainties of the last few years.

As a result of this situation, the Government introduced a policy - which at first received bipartisan support - of pricing Australian crude oil at world parity. Since the introduction of that policy, there have been substantial increases in the price of oil, and thus of the price paid by Australians for fuel. As Leader of the National Country Party I am made aware daily of the concern of country people at rising fuel prices. I take this opportunity, however, of stating that although the Government recognises the concern, and sympathises with it, it will not - it cannot - alter the policy of pricing Australian oil at import parity. I believe that for the Government to do so would be to abandon its responsibility to the nation, not just now but in the future, and in the end would bring about a great deal more harm than today's fuel prices could ever bring.

However much the rural sector, and other industries which depend on liquid fuel, dislike current fuel prices, they need to understand that they have more to gain from the success of the policy, and more to lose from any failure to pursue it, than anyone else. Farmers, in fact, should be speaking more loudly than anyone else in support and defence of this policy. They can be sure that the Government will stick to the policy. There is no other policy it can realistically and responsibly follow.

Last week we saw the go-ahead given for the Rundle oil shale project - the first big alternative-energy breakthrough flowing from import parity pricing. In the years to come, when Australia's farmers and transport operators are running their trucks, tractors and harvesters on Rundle fuel, there will be few complaints about the policy which made Rundle viable. Without import parity pricing for 'new' oil - a policy introduced by the Whitlam Government after continuing pressure from the Liberal Party and National Country Party - the oil at Rundle would stay in the ground. Import parity pricing is the key which will unlock this massive reserve of oil - and the others which I am sure will follow. It is also the key that will help give us fuel from coal and from crops.

This aspect of energy development - the encouragement of alternatives - is one of the important objectives of the import parity pricing policy. The price arrangements for 'new' oil are boosting exploration, and the arrangements for 'old' oil are fostering fuel conservation and rational decisions about fuel types, as well as encouraging the recovery from the ground of oil which previously could not be economically produced. No one is happy about rising fuel costs, but we all have a stake in seeing that fuel does not run out. This is especially true of people like farmers and transport operators, who are 100% dependent on portable fuels. Availability of fuel, in the end, will be far more important than price. We must develop other energy sources, and they will not be developed unless people are assured of getting a price that will make development economically viable. Import parity pricing does just that.

The Government's firm stand on this policy has been recognised and shown to be vital. Our firm stand on the major global issue of the day - the Soviet invasion of Afghanistan - is equally vital.

The ALP has mounted a campaign of slogans and empty gestures to attempt to hide its unwillingness - or inability - to reach any consensus at all on effective action against the Soviet Union. It's a campaign which will not succeed. It's a campaign which depends on hysteria and ignorance. Australians have seen through it as yet another knee-jerk reaction from a Labor Party so conditioned to internal dissension that it is only able to unite in opposition to the Government.

Labor parliamentarians seem to think that they can best serve the interests of sportsmen and women, and presumably what they see as the national interest, by yelling abuse at the Government. It's no coincidence that three of those the Labor Party sees as its top men - I refer to Mr. Hayden, Mr. Keating and Mr. Young - are among the most adept in the party at just that tactic.

The low point in this mindless, demeaning exercise came in Parliament last week. We heard then some of the most vituperative, bitter and personal attacks it has ever been my misfortune to witness. The principal target of all this foul language was the Prime Minister, who is of course, the man who has done most in Australia to respond effectively to the Russian invasion of Afghanistan, and whose political courage and leadership have been responsible for Australia's part in moves for an effective international drive to bring home to the Russians the revulsion of the free world at their actions.

That seems to be why they hate him most. He has acted and led while they have fumbled and squabbled. You only have to look at some of the language used in Parliament last week to see the depth of the Opposition's bitterness on this issue. On 28th February, Mr. Keating, for example, in one speech called the Prime Minister a "mako shark", a "Judas", "a phoney", "a humbug", and so on. A whole catalogue of spleen. This behaviour was rightly condemned as deplorable by the community. For the Labor Party, these violent outbursts against the nation's leader were the explosion of the frustration and division which had been building up since the Russian troops went into Afghanistan. The Prime Minister said, quite rightly on February 26th, and it is worth quoting: "There has been a thread through the Australian Labor Party which, quite plainly, has wanted to find excuses for the Soviet Union's actions. If it has not been a question of finding excuses for the Soviet Union's actions, it has been a question of finding reasons why we should do nothing".

Those two sentences summarise exactly what is going on in the Labor Party over the Soviet invasion of Afghanistan. It is very easy to find the thread in the Labor Party trying to make excuses for the invasion. The great majority of Labor Party members, however, are as strongly opposed to what the Soviets did, what they are doing in the world, as any of us. The Labor Party and the Government may be in dispute about some of the ramifications of the Afghanistan situation, and the Government sees a graver threat to world peace arising from the invasion than the Labor Party does, but essentially, our positions are little different.

Where we do differ is in our response to the Soviet invasion. The Government has condemned the invasion, has considered a response, announced it and acted on it. The Labor Party has condemned the invasion - it is unable to respond. As I have said and as the Prime Minister has said; the Labor Party says it wants to act to protest to the Soviets, but cannot agree to support action which would have impact. All it can agree to do is criticise, misrepresent and try to distort everything the Government does. Instead of constructive proposals it offers abuse, meaningless slogans and catchcries, empty gestures.

The Labor Party has committed itself to opposing Australia's part in what we believe will be an effective boycott by much of the free world of the Moscow Olympics. It has not done this because it believes a boycott would not be effective. My Hayden and many of his colleagues have said it would be effective, again and again. It has opposed Australian participation in such a boycott because it cannot unite sufficiently to support any action at all, apart from blindly opposing the Government, and because it believes its empty response and its empty slogans might win a few votes.

On the other hand, the Labor Party has called for unsupported Australian boycotts of trade to the Soviets. Again, it has not done this because it believes that such boycotts are effective. Again, Mr. Hayden and his colleagues have said they would not work, over and over.

The Labor Party believes an effective Olympic boycott would work but it opposes Australian participation in efforts to achieve that boycott. Yet in the clearest demonstration of the effects of its own ideological split personality, it believes Australia should impose unsupported boycotts on trade while saying they would be useless, and in fact harmful to Australia.

No-one denies that our athletes will be hard-hit by a boycott of the Olympics. It is a tragedy that world events have made it necessary to propose such an action. But I stress that such a boycott will be the single most telling blow the countries of the free world can strike at the Soviets. Russia could shrug off even a total embargo of its imports from Australia with no more effort than a cat shaking water off its foot. It could conceal from its people the fact that such a boycott had ever occurred.

It could not conceal the absence of many of the world's leading sporting nations from the Moscow Olympics. The Government knows this and the Opposition knows it.

The six points for a bi-partisan policy, announced last week by Mr. Hayden, cannot get the Labor Party off the hook it has hung itself on. The Government would welcome a bi-partisan policy. Nothing could be better for the national interest and for Australia's significant part in the international effort to protest to the Soviets. But Mr. Hayden's proposals are phoney. Mr. Hayden talks about linking an Olympic boycott with a trade boycott. That's just an excuse for doing nothing. Mr. Hayden does not believe in unsupported trade boycotts himself. He knows the harm that would do to Australia, and has said so, repeatedly. But he tries to stop an Olympic boycott, which he knows would work.

Mr. Hayden must call a halt to all the talk, rein in his colleagues and show some real leadership. He has to end the empty gestures and the ranting and vicious abuse. There is far too much at stake, for Australia and the free world. If Mr. Hayden cannot bring himself and his party's warring factions together to accept the basis for a genuine bi-partisan policy, he should stand down and let someone replace him who is willing to try.

Earlier, I spoke of some of the policies we will need to carry Australia successfully into the 1980s. It is also worth looking at how we as a nation are shaping up - and I do not think the picture could be much more encouraging. Almost wherever you look in the economy today, there are clear signs of a return to prosperity after the three hard years of Labor misrule.

The outlook for Australia's farmers is better than it has been for many, many years. Their improved circumstances are again helping the economic fortunes of the rest of the nation, with much of the recovery in the economy the result of higher rural incomes, and thus higher rural spending. Market conditions for sugar, wool, wheat and beef are very bright. All these things have not occurred by accident, as I am sure you realise.

They are the result of a number of things, including the way in which the Government, and the members of this Party, have worked to improve the basis of those industries. For example, I have devoted a great deal of time and effort, along with the Prime Minister and other Ministers, to negotiating a better deal for Australia's farmers in the Multilateral Trade negotiations and elsewhere. We have achieved significantly greater access to world markets for Australian primary products. For the minerals and energy sectors of the Australian economy, the opportunities offered by the 1980s are unparalleled.

New resources projects or expansions to existing projects, either under way or planned in Australia now, are valued at a total of \$20 million. In 1979, overall mining export prices were up about 20 per cent on 1978, and volumes were up 4.5 per cent. Re-emerging confidence is demonstrated by a marked increase in mining investment, which has risen from \$500 million in 1976-77 to \$800 million in 1977-78 and \$1,150 million in 1978-79. A recent survey by the Australian Mining Industry Council forecasts a further 22 per cent rise in capital expenditure in the industry this financial year. Estimates suggest that our net energy exports, now running at about 22 million tonnes of oil equivalent a year, will increase to about 300 million tonnes a year by 1990. On these figures, we will be one of the world's major energy suppliers.

In the field of increased processing, the major developments have been in alumina/aluminium, with a number of forecasts suggesting that aluminium will be one of the fastest-growing mineral-based industries in the next 20 years. Our aluminium smelting capacity is expected to increase from about 250,000 tonnes a year to about 1.2 million tonnes a year by 1985, making us one of the world's major producers. Capital spending in aluminium projects in the 1980s could reach \$3,500 million, with total spending in the bauxite/alumina/aluminium areas going over \$5,000 million.

In other areas, too, the outlook is brighter than it has been for a long time.

I know there is concern about unemployment. It is a concern fully shared by the Government, and by myself personally. But it is worthwhile pointing out that there are now more people with jobs in Australia than ever before. The number of civilian employees in Australia went over five million for the first time in October 1979. The seasonal peak in unemployment in January was down on the peak reached the previous January, and did not disguise the underlying improvement in the job situation.

I welcome the upward direction to the economy as a response to the Government's economic management. The great majority of Australians have the commonsense and foresight to demand firm and responsible decisions from their political leaders - and that is what they are getting. Our success in controlling inflation through firm restraint has put Australian industry in the box seat in a tough, highly-competitive world. It would be a tragedy if that advantage and the progress we have made were thrown away by politicians who lacked the resolve to stick to necessary policies. We need a Government that puts the nation's interests ahead of all else - not one which puts outdated slogans and philosophies at the top of its priorities.