



PRIME MINISTER

FOR MEDIA

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EXTRACT FROM ADDRESS AT THE OPENING OF THE HAMILTON CAMPAIGN HEADQUARTERS

Inflation would approach 20 per cent under an A.L.P. Government and Labor Party policies would put an end to the wave of development now taking place.

Announced Labor policies would guarantee that. Labor has promised to spend \$2.5 billion in six areas of expenditure as costed by Government Departments.

That massive increase in expenditure would plainly be inflationary.

On top of that the Labor Party has already proclaimed a hands-off policy towards wage cases before the Arbitration Commission. That was A.L.P. policy between 1972 and 1975 and as a result award wages went up by nearly 40 per cent in one year alone.

Massive Government expenditure, unreasonable wage increases leading to wage inflation would destroy the strength of Australian industry.

Primary industry has significantly recovered from the damage of the Labor years. Massive wage increases and massive increases in Government expenditure would be the death knell of rural prosperity.

Last year manufacturing exports increased by 30 per cent. All that would be ended. Under Labor's inflation, manufacturing industry would no longer be able to export.

That was the position before. Since their policies are the same, it would be the position again.

During the three years of Labor Government, personal income tax collections rose by 125 per cent.

Labor is obsessed with spending more money. They are not concerned about producing more, or creating a wealthier, stronger, and more vital Australia.

Their policies are a disaster. They are a party of disaster. They are a party of doom. They are a party that would destroy the strength of Australia.

While Mr. Hawke last week twice said that Labor would not increase taxation, he is plainly not stating Labor policy. He is not telling the truth. Both Mr. Hayden and Mr. Willis have promised to increase taxes.

They have promised a capital gains tax, a resources rent tax, a levy on domestic oil producers and a number of other tax initiatives, including the termination of family trust arrangements and the restructuring of tax scales to collect more tax.

How Mr. Hawke can twice last week, in a barefaced way, say that Mr. Hayden has promised lower taxes, is beyond credibility and comprehension.

When will Mr. Hawke stand up and tell the truth - that Mr. Hayden is pledged to increase a number of substantial taxes. Their expenditure proposals show they will have to.

They are a policy of disaster. Much has been achieved over the past five years. It would all be destroyed with another bout of Labor.