



PRIME MINISTER

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ELECTORATE TALK

The backdown of the Cain Labor Government on probate in Victoria is yet another example of the confusion that follows Labor Governments as their doctrinaire policies come face to face with outraged commonsense. The determination of the Cain Government to re-impose probate on Victorians when the rest of Australia had seen the great practical difficulties of the tax, and the damage it would do, shows very plainly indeed the influence of doctrinaire ideology on Labor's thinking.

The Cain Government's proposal was always unrealistic. It was poorly thought out and unsoundly based. It was plain from the outset that Victoria's economy would be damaged by Mr Cain's proposal, that investment in Victoria would dry up, that businesses would leave, that house prices would fall. The Cain Government was so blinded by its ideology that it kept insisting the tax would only affect some 4% of estates, when the obvious reality was that the tax would affect all Victorians, through its disastrous impact on small business, on jobs, opportunities and confidence.

The Cain Government, by creating uncertainty and instability, is another example of the disaster of Labor Government in office. Victorians are becoming increasingly aware of the fact that the Cain Government is highly ideological and deeply influenced by the extreme Left wing unions affiliated with the Labor Party. It is the Cain Government, which has increasingly attacked our principal ally, the United States, as it attempts to carry out the ordinary and proper activities of an ally in visits to Australian ports. Despite Mr Cain's assurances that he has "no intention to intrude into the Federal Government's responsibilities for defence and foreign affairs", he has sought unceasingly to interfere in the diplomacy of Australia's relations with the United States. Only last Wednesday, Mr Cain tried to lecture the acting United States Consul-General on the Labor Party's ideology.

The infection of the Labor Party with an unwillingness to work closely with our major ally is equally clear in the Federal Party. Mr Hayden's vacillation on the Party's attitude to visits by American ships, and his North-West Cape policy, which would lead to shutting down of this base, has been amplified this week by Mr Bowen's proposals for a nuclear free southern hemisphere which would prevent our major ally from operating effectively anywhere near our shores. What

confidence can Australians have in a Party which has a large and influential group of members who actually oppose our principal defence alliance?

We see the influence of extremists on Labor policy in case after case. We see it in Mr Cain's sympathy for the BLF in his response to the Royal Commission's Report, and in his opposition to the deregistration of the BLF. We see it in Mr Wran's willingness to circumvent his own Government's Industrial Arbitration Act by granting shorter working hours to power workers in 1979, and in the massive wage rises he has allowed in areas affecting the power industry. These actions were significant steps towards the bankrupting of NSW by the Wran Labor Government. The story is the same whenever Labor is in office. They bankrupted Tasmania and they very nearly bankrupted Australia when they held Government in Canberra. This is plain from the policies Labor adopted at its recent conference.

As a result of that conference, Labor is committed to policies which would greatly damage private enterprise and the achievement of economic progress in Australia. Labor is committed to a most radical and far-reaching program to increase the power and privileges of the trade unions of this country, regardless of the effect on the rest of Australians. Their proposal for a resource rent tax, especially at a time of real difficulty for the miners can only damage investment in this vital industry. They want to shut down the uranium industry, and their policy nowhere states that existing contracts can be worked out.

The policies and actions of the divided Labor Party must be of growing concern to all Australians. It is vital that all Australians come to recognise the true character of the Labor Party.