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PRIME MINISTER

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HAWKE'S POLICY SPEECH

PRIME MINISTER

Ladies and Gentlemen, the Australian Labor Party comes forward with a policy that would in a sense have made Mr Whitlam appear like a scrooge because it's \$2,750 million - that's additional spending - and as always, when the Labor Party says they're going to spend, spend, spend, they don't really say where the money is going to come from. Mr Keating said they could get it from the banks, but how get it from the banks? By putting up interest rates and damaging small businesses and home buyers and everyone else who is dependent upon bank finance or just by passing some law so they could direct the banks to invest in government-nominated exercises?

That, would be extraordinarily damaging for many people, many small businesses and home builders and home buyers right throughout the country. Labor is thoroughly deceitful in its approach.

If it's just a question of printing money, that adds to inflation as indeed the Labor programs always have. Mr Whitlam increased expenditure by 46% in one of his years. I'm told it's Mr Hawke's ambition to try and exceed that particular record. Well if that ever happened, it would be doing something that would be enormously damaging to Australia and all Australian families.

We're still left with a policy without a policy. We had an economic policy last week which was meaningless because it was barren. There was nothing in it except the ultimate expenditure figure and an admission that their policies would cause a balance of payments crisis. But now we have a policy document but we still don't have that prices and incomes policy. I would have thought that in developing a prices and incomes policy for Australians, you would go to a country which in many ways is most like Australia namely the United Kingdom and see how the experience of the prices and incomes policies had worked in the United Kingdom. But in fact Mr Hawke denied on a television program that there had been such a policy in the United Kingdom and then it was left to the ex-British Labor Minister who had been responsible for administering that policy to say Mr Hawke did not know what he was talking about. But again the Australian public are asked to buy a policy with its lynch-pin totally and absolutely missing and when it does appear it will be tinsel without anything underneath the wrapping paper. And I believe that these policies have been very hurriedly put together. I don't know how much Mr Hayden has had to do with it but I find it hard to see how he could support the spending proposals that Labor has put forward. Because those proposals

have and will guarantee that Labor will lose this election on March 5.

But on the prices and incomes policy, since it has been so important to their general policy, since Mr Hawke has been responsible for developing that policy with the trade unions one would at least thought he knew what he was talking about. And it was here on a television program and the response from Mrs Williams, Mrs Shirley Williams in the United Kingdom, it is plain that he hadn't done his homework and did not know what in fact he was talking about.

I'm quite certain that people will understand that the total expenditure proposals that Labor is putting forward or reductions in revenue that includes the tax point will mean great damage and harm to Australia and Australian families. Because they know the big spending approach can't work. It can't work in your own family expenditure. The family can't spend more than they have and certainly not for more than a very short period and the same would go with the kind of policies that Mr Hawke is trying to espouse.

But there's one other element of policy which I have before me on page 32 where Mr Hawke tries a massive confidence trick where he says the essential elements of Australian defence and foreign policy have taken on a policy of bipartisanship inconceivable before then. Well where is the bipartisanship? In supporting the force in the Sinai? Mr Hawke has said that force is to be withdrawn irrespective of its consequences on the rest of the force, irrespective of the fact that it was plainly because of the essential nature of the task our people undertake immense difficulties for the other members of the force and maybe for the continuity of the force itself. And if you remember what the Labor Party has said about Afghanistan, if you remember what they said about ANZUS, how can they say that the essential elements of foreign policy are the same. Because they quite bluntly are not. Mr Hawke, unless there are a few R.J. Hawke's in the country, should be challenged as to why he signed that document calling for an end to ANZUS some little while ago and calling for a non-aligned foreign policy.

He's changed policies many times through the ten days of this election. Which Mr Hawke should be believed?

Question: (inaudible)

Mr Fraser

We cut taxes substantially in the last budget. Those tax cuts are flowing through and what people are going to have to focus on are the total expenditure programs of the Australian Labor Party on their figures. It has been so vague up to the point where nobody can check whether their figures were valid or not and it's just not on. The people of Australia are not going to fall for this three card trick.

Question

On the proposed referendum in the industrial relations area, what enforcement provisions would be foreseen in the essential services legislation?

Mr Fraser

Well, there are a variety of approaches that can be adopted for that. Many of them are on the statute books as you know. But the important feature would be to enable it to give the Arbitration Commission itself power to secure the agreement of its own awards and determinations.

Question

But when would the government be able to invoke such legislation?

Mr Fraser

At the times it was necessary to protect the people of Australia. We have all seen on many occasions times when Australian unions have done a great deal of damage to Australia and to Australian industries. And it is time it stopped.

Question

(inaudible)

Mr Fraser

No. We're talking about industries where the dispute has gone beyond state boundaries.

Question

Your visit to the Kirby factory this morning. Does that indicate a Prime Ministerial seal of approval for the wage cuts that that company has put on, and would you be suggesting or even encouraging firms to take wage cuts, or to put wage cuts into action.

Mr Fraser

You have an example there of a firm of employees working together, to see that the firm can survive, to see that they can go on producing. That is to be commended. Our policy is for the wage pause and for the maintenance of the wage pause. That particular company and its employees made a decision to go further, that's their decision made in the light of the economic circumstances of the firm. But the important thing about it was the determination of management and employees to work together to overcome difficulties. That is what should be commended.

In relation to BHP I put to Neville Wran and to Mr Bannon last week that we ought to be discussing together, the three governments, what could be done to help improve industrial relations climate in the steel industry because it has not been good... (inaudible)... of unions that BHP have to deal with. Now while Mr Bannon and Mr Wran both believe that sort of examination is necessary, they weren't prepared to enter into consultation. Now that again puts at risk the credibility of the Labor slogan "working together" because in that particular instance neither Mr Wran nor Mr Bannon were prepared to work together to consult with the Commonwealth at this point as to what improvements in industrial relations might be introduced into the steel industry. In those

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consultations we would explore the degree of agreement between governments and then you would move out for discussions with other people. They won't even make the first step.

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