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PRIME MINISTER

CHECK AGAINST DELIVERY

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LUNCH IN INALA -
25 SEPTEMBER 1985

Ladies and Gentlemen,

It is a great pleasure to be here today.

The pleasure is not only because it gives me the opportunity to see at first hand the needs of this area. It is also because nationally we are at a crucial stage in the economic development of this great country.

Particularly here in Queensland we should be reflecting on what is happening in the economy. At the national level we are moving into the third year of strong economic growth, rapidly approaching our three year goal of 500,000 new jobs, and have inflation down to half what it was when we came into office.

Queensland's economic performance, by contrast, has been very poor. Measured by most of the key economic indicators, it is performing worse than any of the other States of Australia. Worse - despite having a resource base at least as good as the other states, indeed better than many. Worse - despite a growth rate which outstripped other states just a few years ago. Worse - despite the policies of the Commonwealth Government which have been overwhelmingly successful elsewhere over the past two and a half years.

Let's look at the evidence.

The unemployment rate for Queensland is the highest in Australia at 9 per cent in seasonally unadjusted terms, compared to 7.9 per cent Australia-wide.

Where in every other State the relative incidence of industrial disputation has been falling, in Queensland it has risen dramatically in the period since August last year. This is a compelling indictment of the

confrontationist industrial relations policies of the Queensland Government.

Consumer demand and confidence, measured by registrations of new motor vehicles, is also well below the Australia-wide average. And dwelling approvals fell sharply in the three months to July this year compared to the same three months a year earlier and contrasts with a much smaller decline for Australia as a whole. All Queenslanders should be deeply concerned about such trends. Queenslanders deserve, indeed they have a right to demand, better of their State Government and its policies.

My Government's aim is to see all Queenslanders benefitting as they should from the strong economic performance we are achieving nationally.

My Government's vision is of an Australia growing stronger every year, growing stronger by using its rich human and material resources to the full: growing stronger in partnership with the world's most dynamic economic region; growing stronger by developing a fair and equitable society in which equality of opportunity for all Australians was a realisable goal. Above all, the Australian Labor Government's vision of Australia - and I'm sure it's a vision every person here tonight shares - is of a dynamic, self-reliant nation, making a worthwhile contribution to a goal shared by all humanity - the goal of a world free from the threat of nuclear war.

At the last two elections I have put our vision of Australia to the people. That vision is a startling contrast to the actions of our liberal predecessors. And it is even more dramatic to contrast our objectives of a united, growing nation with the policies of the new Opposition leadership. But today I want to emphasise how we have lived up to our vision, how we have honoured the promises we made to the Australian people.

When we were elected in 1983 our inheritance from the Liberal Party was an Australia showing the effects of seven years of rule by confrontation and division. Their approach was to confront the trade union movement, to attack the arbitration system and the Conciliation and Arbitration Commission, and to undermine and then abandon centralised wage fixation.

The result of these policies was a wages explosion, followed by a new bout of inflation, and the worst recession for fifty years culminating in zero growth, record inflation, record unemployment and record industrial disputation.

My Government has rebuilt the Australian economy from these ruins. We have created the conditions for economic growth. We have put in place policies to provide sustained economic growth at the same time as reducing and containing inflation.

These priorities recognised that sustained growth is the only way to generate more jobs, reduce unemployment and allèviate associated poverty and distress.

The distinguishing feature of my Government's strategy has been a consensus based approach to economic policy - making. The Prices and Incomes Accord has been the centrepiece of this approach. Its recent renewal for a further two years has been a matter of momentous importance.

Our strategy recognises the vital role of the private sector in sustained and expanded economic recovery. We have set a framework within which the private sector can plan and work with confidence. Central to this was the Government's trilogy of commitments on fiscal policy.

The May Statement represented the first instalment in meeting the trilogy; the Budget continued the strategy of economic restraint to make way for private sector expansion.

The credentials of this Government as sound economic managers are without question. Shorn of all but the most basic statistics, we have achieved:

- . Economic growth averaging 5 per cent per annum. This is more than twice the annual average rate of growth of 2.3 per cent achieved by our predecessors.
- . A reduction of inflation to less than half the level which was inherited from the previous government.
- . The creation of more new jobs during the first two years of the Labor Government than in the whole seven years of Liberal-National Party rule.

Remember that in the year before we came to Government 160,000 jobs disappeared and unemployment increased by over a quarter of a million. Under Labor, in just 28 months, 430,000 jobs have been created.

The Prices and Incomes Accord, which the opposition has pledged to abandon, can take credit for the fact that industrial disputation has fallen to levels last

realised in the late sixties. The agreement reached recently with the trade union movement on discounting wage increases for the impact of the dollar's devaluation on prices will enable us to contain the inflationary effects of the devaluation. This agreement could not have been achieved by the previous Government and their confrontationist policies.

This Government is a Labor Government; a Government proud of the record of social reform of the Australian Labor Party, a Government committed to ensuring that Australia continues to develop as a fair, just and equitable society.

The provision of security to the Australian family is basic to the goal of a fair and equitable society. Any Government has a responsibility to ensure that all Australians have the security afforded by an economy that can provide jobs now and in the future.

A Labor Government has a particularly heavy responsibility to ensure that high standards of education, health care, housing and social welfare can be achieved and maintained. We have delivered on these fronts.

My Government has:

- . Substantially increased education funding and ensured that increased funds will be directed to the most needy schools.
- . Provided a fair, equitable and stable health care system through Medicare, thus putting an end to the interminable changes in health policy which have marked the past decade.
- . Attacked inequity, evasion and avoidance in the tax system, as well as reducing taxes for honest, and especially low income, taxpayers.
- . Increased public housing funds by more than sixty per cent and assisted 140,000 first home buyers.
- . Substantially increased welfare funding, with an emphasis on relative need.

The Government has given a high priority to increasing levels of assistance to those in greatest need - pensioners and beneficiaries renting privately, those with children and those unemployed beneficiaries who were so callously victimized by the previous Government. The fall in real disposable income of most pensioners and beneficiaries which occurred under the Liberal-

National Party Government has been reversed.

Ladies and gentlemen my Government cannot be accused of discriminating between the States in its programmes. Queensland's relatively poor performance finds its complete explanation in the failures and inadequacies of the Bjelke-Petersen Government.

Under my Government, the Commonwealth has undertaken major civil works programmes in Queensland, including the construction of the Burdekin dam, and the Brisbane and Townsville Airports.

In fact, out of a total allocation of \$443M for the 1985-86 financial year for civil and defence capital works, \$102M will be spent in Queensland this year, an increase of around 15 per cent over last year's expenditure.

We are also addressing the problems faced by some of Queensland's major industries. The crisis in the sugar and dairy industries would be among the most pressing. As you would all know we have taken important initiatives aimed at securing necessary solutions to the problems of those industries.

Mine is a Government of action. It will not shirk the hard decisions. It will continue working tirelessly in the best interests of all Australians. I look to you all for your continued support.
