



PRIME MINISTER

CHECK AGAINST DELIVERY

EMBARGOED UNTIL DELIVERY

SPEECH BY THE PRIME MINISTER
"OUR FOURTH ANNIVERSARY"
BATHURST - 8 MARCH 1987

Fellow members and supporters of the Australian Labor Party,
Cabinet and Parliamentary colleagues, Friends:

Last Thursday we passed an historic milestone in the great
march of the Australian Labor Party and the Australian Labor
Movement - the fourth anniversary of our government's
election on 5 March, 1983.

For four years now this Government has proudly represented
the party, served the people, and built the nation.

We have shared those tasks with Labor Governments in four
Australian States.

Never before in the long history of our party - spanning
nearly a century - have so many voters in so many parts of
the country elected and re-elected so many Labor Governments
to office.

So it is fitting that we should take a brief moment to
celebrate these historic achievements.

And especially, I want to pay my tribute to the thousands
upon thousands of our fellow Australians, the Labor men and
women, whose work and support, whose faith and loyalty and
firmness of purpose have made it all possible.

And it is absolutely fitting that we should do so, here in
Bathurst - the place forever associated with the name of
Chifley and with all he stood for and fought for, all he
represented for Australia.

We are celebrating not just the victory of a party.

We are celebrating a victory for the people of Australia.

We are celebrating the successful fight we waged for the
very heart and soul of this nation, four years ago.

But the note I wish to sound tonight is not one of self-congratulation, and certainly not one of complacency.

Rather, it is a note of urgency - a deep sense of the urgent demands the future of Australia makes upon us, as a party, as a movement, a government, a nation.

Four years ago we brought to office a determination to build reforms that would endure, create growth that could be sustained, promote genuine equality of opportunity.

And I believe we have been, and are being, successful in fulfilling those promises.

By any standards, those four years have been difficult ones for a Federal Government and we have never disguised those difficulties from the Australian people.

The legacy bequeathed to the nation by Malcolm Fraser and his Treasurer John Howard was scarcely a rich one.

They bequeathed an almost tangible pall of gloom over the country, a gloom created by lengthening dole queues, continuing business failures, racking confrontations in our work places, economic mismanagement, double digit inflation - in sum, the worst recession this nation had endured in 50 years.

Our first task was to reverse that recession. This we did. We restored growth and revived employment throughout the nation.

But we then had to face a new and even greater crisis. A sudden collapse in commodity prices meant that our traditional primary exports - our wool, our wheat, our meat, our dairy products, our sugar, our minerals - were no longer bringing the prices on which we had confidently relied in the past.

The fact is, that collapse slashed \$6 billion off our national income - the equivalent of \$1500 for every Australian family.

Our living standards have been pushed down.

Only by restructuring the economy, by creating a more competitive and productive attitude within the Australian community, can we restore our nation to the prosperity we seek for ourselves and our children.

That means breaking our cycle of dependence on those agricultural and mineral commodities whose prices have fallen so sharply; reorienting our economy to look outwards; exporting; competing; paying our way.

This is the only sure way towards lower unemployment and higher living standards.

that hard fact sets the stage for the Government of Australia for the remainder of the 1980s and beyond.

So this government has initiated the most sweeping reform of Australia's economy in the history of our nation.

In the terms of the pledge we made to the people four years ago, we have effected national reconciliation. We have generated national recovery. We are now achieving national reconstruction.

And we are doing it within the context of the great Labor tradition - the application of Labor principles and Labor aspirations to the demands of present challenges.

It has been our task, and our achievement, to undertake the task of reconstruction while also protecting the essential welfare of the disadvantaged, the battlers, and the ordinary men and women of Australia.

Let there be no doubt about the contrast. This Government has started the long task of reconstruction and has distributed the burden of hardship fairly and compassionately. The opposition parties, with their spurious and reckless promises, have made it clear they not only cannot provide the answers but cannot even comprehend the problem.

So don't let us have any of this nonsense that we are not a real Labor Government.

Don't judge me or my government by whether we have blindly adhered to the standards of the past or uncritically observed the shibboleths of the past.

Judge us by our ability to take our inherited principles and breathe new life into them, applying them anew to the task we face today.

Let me show you in detail how we have done that.

Through the Accord, the industrial and political elements of the Labor movement have forged anew their traditional links - not just to protect the interests of working people but to advance the task of cooperatively building a better future for Australia.

The reward has been clear: we have created three quarters of a million new jobs in our first four years - the highest rate of employment growth in Australia's history - and we have halved the number of industrial disputes.

Like previous Labor governments, it has been our achievement to fulfil to the maximum extent we could, our historic responsibilities to the underprivileged.

We have worked to help the poor, protect the battler, and ensure that the elderly and people with disabilities and the sick are well cared for.

We have made the taxation system fairer and more efficient than it ever was under the Fraser-Howard years.

Income tax rates have fallen and will fall further. Rorts open to the privileged few - the free lunches, the company cars and the tax-free capital gains - have been closed off.

Young people are staying at school longer, learning the skills they need to play their role in the workplace of the future. When we came to office, only 36% of school kids stayed on to year 12 - by the end of this year more than 50% will.

Health care is now available to nearly two million Australians who were previously without insurance, thanks to our restoration and improvement of Medicare.

In addition to our range of existing rural programs, we are providing \$150 million in assistance to farmers, who though they are the most efficient in the world, have been hit especially hard by the collapse in our commodity prices. In every appropriate international forum we are pushing for an end to the insanities of American and European protectionism which are squeezing us in our traditional markets.

We have spent more on public housing than any other Government - a 42 per cent real increase.

We have introduced sex discrimination legislation and affirmative action legislation which for the first time guaranteed a fair go for women in the workforce.

We have provided more child care places than any other Government since Federation. By June next year we will be funding 106,000 of them, compared with just 46,000 when we came to office.

We have established new levels of care for the vast majority of aged people who wish to stay in their homes rather than entering an institution.

We have stopped millionaires from getting the pension. We have lifted the pension by more than 6 per cent in real terms; the conservatives managed a meagre 1 1/2 per cent increase over their entire seven years in office.

We have acted decisively to protect the environment. We stopped the Franklin Dam. We are protecting environmentally valuable forests in Tasmania while exploring alternatives to logging them. We are legislating against mining in the existing Kakadu national park. We have nominated Stage 2 of the Park for the World Heritage List and are adding large areas to the Park.

We have restored a proper sense of independence and self-respect to the conduct of Australia's foreign policy.

Without seeking to exaggerate the importance of our influence, we have sought where we can to ease tension, encourage dialogue, promote disarmament, discourage violence.

We have involved ourselves constructively in the great issues confronting the world and our region.

We have devoted unprecedented effort to the practical pursuit of peace and disarmament, both in our dealing with the superpowers, and in our own region, where we took the lead in creating the South Pacific Nuclear Free Zone Treaty. Australia has become one of the first independent sovereign countries in the world to make a commitment by national legislation never to acquire nuclear weapons.

We have taken the lead in the Commonwealth to fight for democracy and justice in South Africa against the evil of apartheid.

We stand with our South Pacific neighbours in favour of decolonisation in New Caledonia.

In recounting this record of achievement, I do not seek to deny there have been hardships along the way.

Because of the acute economic problems we are going through, some people have had to do with less than they might have expected. Aged pensioners have taken a delay in the increase of their pensions; home buyers have had to endure high interest rates; some groups legitimately seeking government assistance have been given a 'no' or at least a 'not yet'.

But this has to be understood clearly: without wage restraint, without a smaller budget deficit, without temporarily higher interest rates, we could not have made the progress we have in reforming the Australian economy, making it more resilient, and putting us back on the road to prosperity.

The need to make further spending cuts in a May Statement demonstrates that we remain committed to achieving a still lower deficit.

And let me make a further comment about interest rates.

No politician in his right mind wants interest rates a point of a per cent higher than absolutely necessary - because high interest rates do cause difficulties for farmers, small businessmen, home buyers - the whole community.

But, at present, interest rates have to be held at their current level to support the dollar. They cannot be lowered without the certainty of losing the exchange rate, dramatically higher interest rates and higher inflation. I assure you interest rates will begin to come down the moment economic circumstances permit. No sane government could have any other objective.

The simple fact is this: the sacrifices the community has borne during these difficult economic times would have been more onerous, indeed they would have crippled the long term health of the nation, had our opponents been in charge.

Nor would they have endeavoured to share with fairness the burdens of restraint, as we have ensured they are shared.

They claim to stand for the Australian family.

But in 18 out of the last 20 National Wage Cases they have urged a wage freeze.

How can they protect the family with a policy of pure and simple wage freeze? How can they protect the family by totally lifting the lid on prices with the abolition of the Prices Surveillance Authority?

How is the welfare of the family advanced by their commitment to renew for the exclusive use of the privileged few all the tax lurks and perks which we have eliminated?

And the real consequences of their tax proposals could only devastate the families of Australia.

If the conservatives again dismantled Medicare, they would set the average Australian family back some \$15 a week.

So their promise to help Australian families is empty. They pretend to offer huge tax cuts, but those supposed cuts are so spurious, they could only be paid for by bigger deficits or drastic cuts in Government services.

As for the National Party, whether, I stress, led by Ian Sinclair or Joh Bjelke-Petersen, what does it stand for?

Environmental vandalism. Cronyism. Perversion of one vote - one value elections. Racism at home. Friendship with the racists in South Africa. Free enterprise rhetoric cloaking massive intervention on behalf of greedy vested interests.

Now, my friends, I suppose we are entitled, as Labor men and women, to take a passing pleasure in the disarray of our political opponents - in the way they have unleashed upon themselves the forces of division they want to unleash upon Australia.

But looking deeper, we must take urgent warning from this spectacle, as Australians, passionately concerned about the future of Australia.

For there is more to this than their squalid brawling.

What is happening on the other side of politics today is an attempt to revive the kind of Australian politics the people of Australia rejected so decisively four years ago.

In our election campaign in 1983, we asked the people of Australia to set their face against the politics of division and of confrontation.

They did so then, and equally clearly, they did so again in 1984.

Yet what the conservatives now propose for Australia is precisely a return to divisiveness and confrontation - the setting of Australian against Australian.

The factions which make up the non-Labor forces want to tear Australia apart, hoping in the process to pick up some of the pieces from the wreckage to satisfy their personal ambition or their collective and individual greed.

And the strategy behind it all is very clear: to use the individual and sectional discontents inseparable from times as complex and difficult as these, to exploit the anxieties of the groups which make up the fabric of this society, and to stitch together a temporary coalition of fear and greed.

But I deeply believe the whole strategy is based on a gigantic miscalculation.

It is one thing to hi-jack the National Party - and they have done that.

It is one thing to hi-jack the Liberal Party - and they are more than half way to doing that.

It is one thing to hi-jack the coalition - and they have certainly done that.

But nobody - however rich and powerful their hidden backers - can hi-jack Australia.

Because Australia has an unbeatable weapon against what Howard himself has called "this political terrorism".

It is the greatest weapon of all, in defence of democracy, in defence of stability, in defence of sanity, in defence of all the freedoms and decencies of the Australian way of life.

It is the matchless weapon of the commonsense, the intelligence and maturity of the Australian people.

And I will back this commonsense against all the armoury of deceit and irrationality, that could ever be brought to bear against us.

So much for the Liberal-National coalition. Not liberal, never national, and no longer a coalition.

Contrast all that with the great Australian Labor Party.

Where they are desperately divided we are in fundamental unity - above all, united on the correct course for Australia in the years ahead.

Where they squabble over who should lead them and what direction they should travel, we provide a strong, united, competent and decisive team.

Where they are in barren opposition we shoulder the broad national responsibilities of government.

They stand for the deliberate creation of conflict. We stand for the resolution of conflict.

They opt for the short cut. We run the whole race.

As the election draws closer, one thing will emerge with stark clarity for the overwhelming majority of the Australian people, day by day.

And it is the most basic fact of Parliamentary democracy itself - simply, that the purpose of an election is to elect a Government that can govern.

But to make that choice properly, the people have to know exactly what the competing policies are and exactly who will implement them after the election.

And whatever may emerge from all this turmoil, only one thing is certain.

This Opposition, in whatever form it emerges, whatever combination of incompetencies is stitched together, will be totally incapable of offering the people a government.

Because, ladies and gentlemen, a government is not just a gaggle of snake oil merchants, three or four of whom think it's about time they had a go at being Prime Minister.

It involves the highest responsibilities that Australian men and women can ever seek to undertake.

It demands discipline and a profound sense of responsibility for the welfare of all sections of the Australian community. It demands clear, coherent and consistent policies. It demands a high degree of party unity. And it demands at the very least, a moderate degree of mutual goodwill and common purpose among colleagues.

But not one of these minimum requirements for government in Australia can ever be met by this Opposition.

So ladies and gentlemen,

As we mark our Government's Fourth Anniversary, we are entitled to take pride in our achievement.

We offer stability, we offer unity, we offer competence, we offer co-operation, we offer leadership.

In these times of enormous challenge we offer a strategy for the future and we offer a vision for the future.

There are four elements to that strategy.

The first of these is the continued effort to restructure our economy to make it world-competitive and outward-looking.

Certainly, the great agricultural and mining industries which underpinned our prosperity in the past will remain as engines of growth. But, they must be supplemented by new exports. We must learn to develop a more competitive attitude towards production. We must find new markets. We must learn to pay our way again.

We are only part way along what will be a long road back to prosperity. As we approach the 1990s we must ensure that the start we have made along this road is not wasted by an opposition whose inability and irrelevance is so clearly demonstrated both at the level of leadership and in the generation of realistic policies.

Second, given the decline in our national income, we will continue to ensure that where sacrifices are necessary, their burden will be shared with fairness - and where gains can be made, their benefits will be passed on, with fairness, to the whole community.

Where the false prophets of the conservative parties offer Australian workers the immediate prospect of a wage freeze, we will make an explicit promise.

Under this Government there will be no wage freeze.

Under this government, workers will continue to receive wage increases as large and as prompt as Australia's economic circumstances can afford.

And where the conservatives offer the reversion to an unfair taxation system, where taxes will rise for virtually every item you buy, we will guarantee a continuation of fairness and efficiency in taxation.

The third element of our strategy for the rest of the 1980s is to continue to manage the economy and the nation with strength and stability.

And the keystone of that task is our capacity to maintain co-operation with business and unions, to work within the established framework of our conciliation and arbitration system, to provide leadership for the whole nation.

The fourth element of our strategy is to continue to ensure that today's policies not only achieve goals for today but are so geared as to protect the interests of our children and of our children's children.

This is why we must restructure our economy; it is why we must protect the environment for the future.

It underlies why we must continue to encourage school children to stay at school so they can productively contribute to society in a satisfying job; and it underlies why we must ensure that adequate technical training exists for those young people who need it; and it underlies our commitment to ensuring the talent and potential of young people is not destroyed by drugs.

Perhaps most fundamentally of all, it underlies the need to secure peace and effective disarmament in the world - without which all our hopes and plans can founder.

Friends,

These are our aspirations: reconstruction of the economy, fairness in the protection of living standards, stability in leadership, and care for the future of our nation.

They are the elements of a strategy which will guide Australia's economic and social growth in the lead up to the election and, after we have been re-elected, into the 1990's.

So we go together into our fifth year with renewed confidence - confidence in our ability to lead Australia through these times of high challenge to an even better and fairer future.

And the real basis of that confidence is our confidence in the people of Australia.

I am absolutely confident about the judgement the Australian people will make, for they will have an absolutely stark choice before them: the firmness and fairness, stability and security we offer, or the conflict and bitterness, the weakness and instability offered by this shambles of an Opposition increasingly dictated to and directed by the faceless men of greed.

Their old ramshackle coalition is dead.

Their parties are hopelessly split in at least five ways - that is, on the last count, anyway.

But let us not be diverted by their disarray.

This government will not be diverted - nor will we relax in our endeavours to provide the solutions to our nation's problems.

That will be the real basis for our victory at the next elections, whenever they may have to come.

The question before the people of Australia will be clear. It is the essential question of our Australian democracy. It is indeed the essence of our democracy.

It is this: Which side of politics has the proven capacity to make and take the best decisions for our country and our future?

My friends, in this election year can there be any doubt what answer the people of Australia will give?

Fellow members of the Australian Labor Party, colleagues, friends:

Ben Chifley's "light on the hill" still beckons us.

As far as this Labor Government is concerned, that light on the hill is still our goal.

That light is what we march towards today - proud of our record, confident of our future, and determined to write another great chapter in the grand partnership between the Australian Labor Party and the Australian people.
