



PRIME MINISTER

FOR MEDIA

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NO EARLY ELECTION

I have stated consistently that I prefer the Parliament to run its full term.

The leadership vacuum and chaos within and between the Opposition Parties, together with their imminent rejection of the Australia Card legislation for a second time, have presented the option and may I say frankly, the temptation, of an early election.

I am confident that Labor would win an early election. I have decided, however, that the election will be held towards the end of this year or early next year.

The Australian people want continued strong leadership and a Government that will continue to guide them through difficult economic times into renewed prosperity. To have an early election may have brought into question the Government's resolve to make the tough decisions needed to meet the economic challenge facing this country.

Let me repeat the dimension of this challenge. Through paying drastically lower prices for many of our exports the world has cut more than \$6 billion off the nation's income; that is, we are poorer to the tune of \$1500 per Australian family. As a nation we have no responsible alternative to adjusting to that reality.

I want to tell the Australian people that we will not shirk our responsibilities in making the unpalatable, though necessary economic decisions: the May Statement will be tough but fair.

The Australian people overwhelmingly reject the deceptive voodoo economics being espoused by the Opposition Parties - bigger handouts, bigger deficits; that is, a certain recipe for higher interest rates, higher inflation, massive increases in unemployment - total economic disaster.

When the Opposition Parties reject the Australia Card legislation in the Senate later this week, they will stand condemned by the Australian people for denying to the nation this fundamental instrument for dealing decisively with tax cheats and welfare frauds. This denial of more than \$800m a year to the public purse from those who should be paying is simply a continuation of the traditional Howard/Sinclair/Bjelke Petersen philosophy - protect the privileged and increase the burden on the great honest majority of the Australian people.