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## PRIME MINISTER

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SPEECH BY THE PRIME MINISTER  
38TH BIENNIAL AUSTRALIAN LABOR PARTY FEDERAL CONFERENCE  
HOBART - 8 JUNE 1988

Australia today is a stronger country, a fairer country, a country far better equipped to face the future than it was in March 1983.

And these things are true because the Australian Labor movement has fulfilled, better than ever before, its fundamental and historic role.

We have proved ourselves, as never before, the Party of progress and reform.

And we have been able to do that because, together - as a Party, a movement and a government - we have understood the true meaning of reform, in our time.

It is not about soft options.

It is not a matter of invoking some dogmatic formula.

And, however much we value our great Labor traditions - and we are right to be proud of our past - Labor reform is about the future.

The real importance of Labor traditions is their contemporary relevance to Labor's enduring goals.

We have accepted that the Labor tradition of reform means creating the conditions for real and sustainable improvements in the living standards of all Australians.

We have embarked upon the massive task of sweeping away all the causes of inefficiency and confrontation, the inheritance of three decades of conservative rule, the legacy of intolerance and injustice, all those things which have held our nation back.

The task that lies ahead is the task of articulating and pursuing our vision of what we want Australia to be in the 1990s, the Australia we lead into the twenty first century.

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It is that task I address today.

Our vision for Australia is an Australia which is fair, prosperous, competitive and independent.

It is

- an Australia in which all our children will have a full and equal opportunity for the total development of their talents within an education and training system which is both adequate and relevant
- an Australia where those who are actively engaged in the productive processes will be equitably rewarded
- and where those not so engaged - the young, the elderly, the disabled - will be decently sustained by the community,
- an Australia whose economy will be able to cope with the challenges of a rapidly changing world, enmeshed in our dynamic region and able to contribute to a better and more peaceful world.

And it is an Australia in which our national goals of justice and fairness are achieved, not by the savage conflict of competing interests and groups, but through national co-operation.

The power of that vision for the future; the strength of our record since 1983 in pursuing that vision; the unity of the Labor movement and its commitment to attain that vision; the vigour, competence and dedication of our team of Ministers in pursuit of the vision; the absolute incapacity of our opponents ever to match or even grasp that vision - all these give me complete confidence that when I lead this Party to the next election we will win again, and win convincingly.

We will make the 1990s Labor's decade just as the 1980s have been substantially ours, because Labor alone can take Australia to a society based on justice and fairness, an Australia with a sense of national purpose.

Our opponents had three decades. In their last, worst period they governed by inciting conflict, by setting Australian against Australian. They ignored the urgent need to adapt to our changing environment. They eroded any sense of Australian national purpose.

Our five years in Government have been guided by a different philosophy - a determination that Australians as a community develop the right and the durable responses to the economic and social imperatives of the crises we faced. We wanted, with steadiness and consistency, to assemble in an integrated way all the necessary building blocks across the whole range of policy in order to transform our vision into reality.

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And let it be quite clear what has been the foundation upon which we have assembled and erected these building blocks - a foundation which I enunciated even before I became leader in 1983.

It has been the creation of the atmosphere, attitude, processes and machinery of constructive co-operation in our society.

We Australians are now achieving our legitimate objectives by co-operation, rather than dissipating our resources in unnecessary confrontation.

That has been the foundation of all that we have achieved in Government.

That, I believe, will be the enduring hallmark of our vision for Australia.

And it remains as relevant to our task today as it was in 1983.

The impetus of the April 1983 Summit has been transmitted into the area of general economic policy consideration and into the decision making process of every Ministerial portfolio.

We have developed processes of consultation across a vast range of organisations and groups, who take part with us in the work of building a better Australia.

But of course central to our strategy, a key to the resolution of Australia's economic problems, the embodiment of our vision of a co-operative rather than a confrontationist Australia has been the great partnership, the historic Accord between the industrial and political wings of the Labor movement.

And although we will no doubt have our differences from time to time, that partnership will remain, as it has been, fundamental to our economic achievements, our social programs and our political success.

And, delegates, here I answer any assertion that this Labor Government has deserted its traditional base.

As a matter of history and philosophy, there are many strands to the Labor tradition.

That is precisely why it has survived, now for nearly a century, as Australia's greatest and strongest party, as a rich and diverse movement.

But, throughout that century, throughout all that grand history, there has been one constant - the strength brought to the Party by its association with the trade union movement.

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This Party sprang from the trade union movement.

And now, at a time when a Labor Government has given a new meaning to that association, a meaning of immense significance for Australia's future, are we to be told that we have lost touch with our traditional base?

I reject that utterly.

The truth is that we have forged a new partnership on the basis of our oldest, strongest tradition - our broad association with the great trade union movement of Australia.

Here is the measure of the strength of the partnership. We first lifted Australia out of the inherited recession, the worst in fifty years. We then weathered the massive collapse in our terms of trade that wiped \$11 billion from our national income. And through all that we have been and are, putting Australia firmly on a reconstructed road to sustainable prosperity.

We have seen the central objective as getting the economy right and, in that process, creating secure jobs. Indeed this is the very condition of effectively meeting the social obligations of Government. No social security payment is an adequate substitute for the benefit and dignity of employment.

That is why all of us in the Labor movement are entitled to take enormous pride in the fact that we have created over one million new jobs since we have been in office - more than four times the rate of job creation under the Fraser-Howard Government.

We have only been able to achieve this result because the trade union movement, through the Accord, has exchanged restraint in real wages for significant improvements in the social wage.

Further real wage cuts will not be necessary in 1988-89. We are committed to, and will support wage rises as large and as prompt as the country can afford.

Wage rises in line with an expected falling inflation rate will enable us to bring in substantial cuts in personal tax rates in the following financial year 1989-90.

By this combination of wage increases and tax cuts, this Government will deliver over the remainder of this Parliament what Australian workers need and deserve - the maintenance and gradual improvement of their living standards.

Just as the Accord underpins the strategy for economic growth, it fosters Labor's social strategy for a fairer society. The detailed description of our massive and widespread achievements in the area of social justice is in the report I recently launched "Towards a Fairer Australia."

It is the proud record of a Government, proud in the Labor tradition and unmatched in achievement by any Government in the history of the country.

And we must remember that the objectives of social justice are not pursued through the avenue of Government outlays alone. These are important, of course, as evidenced for instance by our substantial increases in the real value of pensions and targetted assistance for the most needy groups in the community.

But social justice is also affected by the way in which Government raises its revenue.

And your Labor Government, in undertaking this country's most extensive tax reform, has been guided by the twin imperatives of economic efficiency and equity.

We have systematically cut out the tax rorts for the privileged. Capital gains and fringe benefits no longer go untaxed. We are cracking down on companies that avoid their fair share of the tax burden, including through the use of international tax havens.

We are building an Australia which is fairer both in the gathering of tax revenue and in the redistribution of it to those who are most in need.

Just as we have received the support of the trade union movement in addressing these macro-economic and social issues, so also has there been constructive co-operation in the approach to industry reconstruction.

The simple truth is that Australia can no longer afford to be so exposed to dramatic commodity price fluctuations. Our manufacturing and service sectors have to become more efficient and competitive both against imports and in markets abroad. Increasingly the markets of Australian industry must be not simply the 16 million people of this country but the 5 billion people of the world.

In consultation with the trade unions and industry we have already made significant progress through specific industry sectoral plans and more general measures.

In 1987, for example, exports of manufactured goods increased by 30 per cent. Over the last five years the share of manufactured goods in our merchandise exports has risen from 21 per cent to 26 per cent. And, of course, tourism is rapidly growing as a major export earner - in fact at twice the rate of merchandise exports.

The May Economic Statement represents a further significant commitment to this process of restructuring the economy. The superannuation changes will provide a strong incentive for funds to direct investment from abroad and from debt into profitable, competitive Australian companies.

The tax and tariff changes mean that investment decisions in future will generate real economic returns, rather than simply take advantage of a subsidy.

I repeat here the undertaking I have given to the trade union movement: together with the unions, we will closely monitor the impact of tariff changes and if, against our expectations, more needs to be done to assist those who may be adversely affected, then this will be done.

Delegates, our achievement and commitment and vision in this area is clear - a more dynamic, competitive economy, providing more secure and satisfying employment for our young people into the future.

And, of course, this emphasises the centrality of education and training to our vision for the future.

We are not leaving the future of our children to chance.

We have increased access, retention, resources and relevance. We have done this right across the board, from schools through to TAFE colleges and universities.

Let me give these examples:

- We have increased retention rates of secondary students from 36 per cent in 1982 to 53 per cent in 1987 and will achieve 65 per cent early in the next decade.
- We have more than doubled the secondary allowance to assist children from low income families, and removed disincentives to continue with education and training.
- We have created 46,400 extra higher education places - compared with only 14,900 in the same period under our predecessors.
- By next year, we will have doubled, in real terms, funding for training and begun to re-vamp the apprenticeship system.

Delegates, we can take pride in these achievements. Together we will continue reform to that point where all our young people will have access to a system which will fully develop their talents and will ensure for Australia a well trained, flexible and relevant work force.

And in this respect we will encourage an extension of the historic process now developing between workers and their employers in the metal trades industry.

This involves a deliberate attempt to improve job satisfaction and productivity by restructuring and simplifying the mass of award classifications accumulated over half a century. This is the kind of process fundamental to securing the long term prosperity of this country.

Delegates, in so many of the policy areas to which I have referred the achievements themselves point the way to our future vision. But I want to be quite specific about how your Labor Government will face the demanding task of further fulfilling our social justice aspirations.

We have already introduced the historic reforms of the Family Allowance Supplement and the Child Support Scheme - Bill Kelty has said of the former they are of such a magnitude they would have taken fifty years to achieve through industrial negotiations. But to achieve our pledge - that by 1990 no Australian child need live in poverty - your Government has set targets for further increases in family payments which, once achieved, will be maintained in real terms.

We will further improve care for the aged.

We will continue to work on the National Agenda for Women, the most detailed, practical and comprehensive strategy ever produced by an Australian Government to achieve equality of opportunity for Australian women.

We will continue to provide more child care places.

We will work to break down the barriers which prevent the long-term unemployed, sole parents and other disadvantaged groups from obtaining rewarding jobs.

We will continue to defend Medicare ensuring that the millions of Australians who live in security under its umbrella are not left out in the cold by those who want to dismantle - dismantle again - that great Labor achievement.

By 1990 we will have extended access to occupational superannuation to cover the great majority of Australian workers - a reform which will provide them with security in their retirement years.

We will continue to fight for the rights of consumers - through monitoring prices and, more directly, by ensuring they get the maximum benefit in lower prices and better services through tariff cuts and through our steady improvement in the management of Government business enterprises.

We will remain dedicated to an immigration process thoroughly free of discrimination, and the creation of a society diverse in its skills and cultures and faiths, and committed as one to building the future of our great Australian nation.

We will seek to effect a reconciliation between Aboriginal and all other Australians which recognises the obligations of this nation to its most disadvantaged group.

Delegates,

I have to this point spoken exclusively of domestic matters. But Labor's achievements and Labor's vision encompass Australia's place in the region and the wider world.

We have not been prepared to ignore the challenges of a changing world economy, nor stand aside and allow others to determine, alone, the issues of international relations which are critical to our future.

Australia under Labor is at last preparing to meet those challenges and is exercising a constructive and creative role in the great issues of our time.

With our initiative in establishing the Cairns Group and in its continuing leadership, we are taking a leading role in the urgent struggle being waged to establish a fair system of international trade.

More than any Australian Government we have worked with diligence and determination in all relevant international forums to press for reduction of nuclear arsenals and their ultimate elimination from the face of the earth.

For this reason Australia particularly welcomes the outcome of the fourth Reagan/Gorbachev Summit and the signing of the INF Treaty. The world is entitled to feel we may be witnessing a real turning point in the hitherto negative and potentially disastrous relationship between the two superpowers.

We have maintained close and continuous dialogue with our American friends and allies on these and other issues - a dialogue I look forward to continuing with President Reagan, George Shultz and other members of the Administration later this month.

And we have also been able to develop an open-minded communication with the Soviet Union most particularly on the occasion of my visit there with Bill Hayden last December. In three and a half hours discussion with General-Secretary Gorbachev I was able to establish a basis for future relations which should be of mutual benefit to our two countries. We will continue a cautious but constructive dialogue in the face of opponents who are incapable of rising above the slogans and reflexes of the 1950s.

In the Commonwealth and in the United Nations this Government has taken a leading role in mobilising world opinion against the abhorrent system of apartheid in South Africa. We will continue this fight and recognise our obligation to assist in material terms the peoples of this region.



As I promised early in the life of our Government we are involving ourselves as never before in the dramatic economic and political changes in our region - the fastest growing region in the world. I say with pride that no nation has built a warmer or more constructive relationship with China than Australia has.

Of course we have and will continue to have a particular involvement with the South Pacific region. At a time of lessening stability in the region we have been prepared to condemn and react where that is necessary as in the case of the military overthrow of the Bavadra Government in Fiji.

But we do not see Australia's role being to bully, to patronise or to lecture but to be a friendly and constructive partner, to carry out the responsibilities which flow from our comparative wealth and to use our influence as befits a decent and democratic neighbour.

In this context it was perhaps not surprising that recently it was Australia to whom Vanuatu first turned and we were able to respond positively to a request for assistance from a democratically elected Government and so prevent a recurrence of destructive violence and a possible threat to our citizens.

For all these reasons I am able to say proudly to you that after five years of Labor in office Australia's name has never stood higher in the world than it does today.

And that is simply because in our policies abroad, as at home, we have adhered to and pursued the fundamental principles of this great Party.

Delegates, in the discussions before and during this Conference, there have been many references to the principles and traditions of the Party and the movement.

And that is how it should be - because it is our principles and our traditions that inspire and inform the continuing practical work to which we are committed, as a Party and as a Government.

The real importance of our traditions and principles is precisely the extent that we are capable of using them as the basis for practical action.

And to illustrate my meaning, let me go to the source - the platform itself.

Let me quote the opening words of the platform.

"The Australian Labor Party had its origins in -

The aspirations of the Australian people for a decent, secure, dignified and constructive way of life.

The recognition by the trade union movement of the necessity for a political voice to take forward the struggle of the working class against the excesses, injustices and inequalities of capitalism.

The commitment by the Australian people to the creation of an independent, free and enlightened Australia."

Delegates, I assert that the record of achievement I have outlined today, and the program for the future, expresses and embodies those basic principles and goals, in a practical sustainable way, and to a degree unparalleled in the history of the Party.

Delegates,

The simple fact is that no party in Australian politics today can come close to matching the capacity, commitment and breadth of vision which the Labor Party brings to the task of managing these domestic and external challenges of the future.

Since our historic third successive victory last July our conservative opponents have failed every political hurdle they have faced: the consumption tax issue, media ownership, justice in South Africa, aborigines, the constitutional referendums.

The conservatives stand in mid-1988 just where they stood in mid-1987 - leaderless, directionless, devoid of policy, motivated solely by political opportunism.

They would take us back to an unfair taxation system, to confrontation in the workplace, to environmental vandalism. They would inflict savage cuts in government outlays for those in need in order to restore tax perks for the privileged. They would reimpose the kneejerk foreign policy of the '50s and '60s.

Most of all they would set aside the absolutely vital task of economic reconstruction. They would once again shirk the challenge of reform - they simply do not have the capacity, wit or guts for the task.

That, however, delegates, should make us not the more complacent but the more diligent in ensuring they stay in the wilderness.

That is a task in which all of us share a responsibility - from Cabinet Minister to branch member. I exclude none of us from this task. I pledge myself to it.

We must bear the shared responsibility because the best interests of the Australian people demand it.

In a very real sense, if we fail, all Australians fail.

That commitment to Labor's continued success does indeed involve a commitment to Labor traditions and Labor principles.

But as I said at the beginning - there are many strands to the Labor tradition; and that tradition must be constantly revalued, if it is to retain its real and enduring relevance.

Only if we continue to do that will we continue to be part, not only of the great Labor tradition, but of a living and growing tradition - the tradition and the reality of Labor's service to this nation and to this people.

Only if we continue to do that, will we maintain our capacity to take this country forward and to fulfil, again in the words of our platform, "the aspirations of the Australian people for a decent, secure, dignified and constructive way of life."

I believe this Conference has advanced that cause.

Let us keep working. Let us enter the 1990s strong, united, determined, still pursuing, together, the vision of a better, fairer Australia proud in itself, proud in the world - a vision which flows in a direct line from the inspiration of those pioneers who, now nearly a century ago, founded this great Australian Labor Party.

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