



PRIME MINISTER

CHECK AGAINST DELIVERY

EMBARGOED UNTIL DELIVERY

**SPEECH BY THE PRIME MINISTER
EVATT FOUNDATION - 10TH ANNIVERSARY
SYDNEY - 17 NOVEMBER 1989**

In celebrating the tenth birthday of the Evatt Foundation we are celebrating a decade of achievement by an organisation that, with broad community support, has expanded our understanding of public policy and has made a very valuable contribution, in particular, to the training and education of young Australians.

I congratulate all those involved in the Foundation and I wish you well for another decade of good work.

On this occasion we also honour a man who, whatever some may perceive as shortcomings, was a great Australian who made an enduring contribution to the Labor movement and to his country: Dr Herbert Vere Evatt.

Dr Evatt was a leading figure in that magnificent era of Labor in Government in the 1940s - our 'light on the hill' era, when under the leadership of Labor Prime Ministers John Curtin and Ben Chifley Australia successfully navigated the hardships of war and met the great challenges of post-war reconstruction.

Evatt's contribution to those Governments as External Affairs Minister and Attorney-General - as well as his period of service as a Judge of the High Court, and his body of legal and historical writings - by themselves stamp him as a significant figure in the history of our movement.

Later, as Leader of the Opposition, he campaigned successfully against Menzies' referendum to dissolve the Communist Party - Australia's ugly flirtation with McCarthyism - and in doing so made a landmark contribution to the defence of civil liberties and political freedoms in this country.

In the international sphere, culminating in his Presidency of the Third Session of the United Nations General Assembly in 1948, H.V. Evatt became not only one of Australia's most influential international statesmen but truly, one of the architects of the emerging post-war global order.

In the very month when the Berlin Wall is being torn down - symbolic of all the breathtaking changes in Eastern Europe and the Soviet Union - it might seem that a figure from the earliest days of the Cold War would have little relevance to us now.

Certainly, there is much that would surprise Evatt in world affairs today.

The superpower dialogue at Yalta was very different from the dialogue about to take place at Malta.

In a different sphere, the emphasis placed in contemporary diplomacy on issues of economic cooperation and environmental protection would no doubt surprise him.

And he would hardly recognise the dramatic changes that have made our own region the most economically dynamic part of the globe, posing challenges and opportunities that could not have been clearly foreseen at the end of the Second World War.

But in one area Dr Evatt would be entirely at home. In one respect, the global changes that we are witnessing in the late 1980s are fulfilling the dreams that inspired men such as Evatt in the late 1940s.

I refer of course to the resurgence in multilateralism and, not least, to the positive role that Evatt's beloved United Nations Organisation has started to play once more in the resolution of global and regional conflict.

In Namibia, in the Gulf, in Afghanistan, the United Nations has begun again to live up to the high hopes with which it was invested by its creators more than 40 years ago.

Evatt in foreign policy sowed the seeds for a modern Australia - one that was vigorously outgoing and positively engaged in an interdependent world.

Unfortunately, Chifley's defeat in 1949 ushered in an era of insularity and introspection in Australia.

The Liberals presided over the decades when we were seen as the lucky country - years when the world paid us a good living for shearing sheep, cutting wheat and mining iron ore while we sheltered behind the walls of protectionism.

But the world was not prepared to pay us a living forever.

So the post-49 conservative Coalition years were years of tragically wasted opportunities - years in which were entrenched the bad habits of protectionism, the attitudes of insularity, the deliberate neglect of competitiveness and the erosion of national self-confidence about our place in the world.

Those years set in train the very problems that Australians today have to correct and to pay for.

And it is ironic that the conservatives' long years in Government left them with a crippling historic legacy.

Labor learned its lessons about Opposition, hard but well. The Liberals never learned their lessons about government - they still bear the scars of their failures in office from the 1950s through to the 80s.

Because they governed then in easy economic times, they have never acquired, since, the policy skills and disciplines to manage more difficult economic challenges.

And because they enjoyed political success then while fudging or ignoring fundamental economic realities, they have never acquired since the political skills - the guts or the wisdom - to put the national well-being ahead of their own, short-term, short-sighted electoral interests.

That's what we saw when they were last in Government, between 1975 and 1983: the conservatives still governing for the easy times; still ignoring and indeed inflaming the real and urgent problems in the Australian economy and the Australian community.

And that's what we have seen more recently with the Liberals in Opposition. Andrew Peacock's so-called Economic Action Plan confirms it starkly: they are still incapable of governing for all Australians; still unwilling to put the Australian people ahead of their own attempts to get back into power.

That is why I reject as nonsense the suggestion that has gained currency of late to the effect that there is no great difference between Labor and Liberal in this country - that two parties occupying the centre are arguing over peripheral matters.

Let me tell you that the ideological gulf between Labor and Liberal, always a wide one, has never been wider than it is today.

That is not some assertion I make lightly or without evidence.

It is rather a statement that can be proven and tested by a rigorous analysis of the ideology and policies of Labor and the conservatives in every key aspect of modern government.

In every area where the Australian people properly look to government for leadership and constructive involvement, Labor and the conservatives stand on opposite sides of a vast chasm.

- . We are fundamentally at odds on the basic and critical question of how employers and employees should relate to one another in the workplace - on how those in the community who are engaged in the process of creating economic prosperity deal with each other.
- . We are fundamentally at odds on the equally basic question of how economic prosperity is to be distributed within the community.
- . We are fundamentally at odds on how we make decisions not only for the voting community of today, but also for those who have no vote - the very young and the unborn generations of the future.
- . And we are fundamentally at odds on how we view Australia's role in the international community.

I would resist the temptation to remind you of the ideology and performance of the conservative parties on these scores when they were last in government if their ideology and policies now were different. But they aren't.

So, for instance, in looking at the area of workplace relationships, the confrontationalism that so damagingly characterised the Fraser years has not only survived - it has been strengthened by the ideologues of the New Right who now set the pace for industrial relations in the conservative ranks.

By setting Australian against Australian, by allowing the strong to exercise their industrial muscle while the weak fell victim to the consequent wages explosion, the Coalition in the early 1980s wreaked upon this country the historically unique achievement of simultaneous double digit unemployment and double digit inflation. In an economy which they reduced to negative economic growth they threw an additional quarter of a million Australian workers onto the unemployment scrapheap. They destroyed Australians in jobs and devastated the legitimate aspirations of the youth of Australia.

Nothing has changed in their attitudes or approach.

The Liberals abhor the centralised wage fixing system and the role of the trade union movement under Labor.

They give aid and comfort to the Pilots' Federation in pursuit of a 30 per cent pay rise.

Their ideological obsession about deregulating the labour market would destroy an industrial relations system that under Labor has created jobs in Australia nearly five times faster than the Liberals did, and twice as fast as the rest of the Western world.

They promise a return to industrial warfare where the weak are crushed and the strong get the spoils. Theirs is a prescription for another wages explosion, a plunge in the dollar, double digit inflation again, spiralling interest rates and the consignment once more of hundreds of thousands of Australians to the unemployment scrapheap.

But Labor offers continued productivity improvements through award restructuring, and sensible wage outcomes secured by improvements in the social wage.

I can find no common ground between Labor and the conservatives on industrial relations - there is only a policy chasm.

And just as the conservatives would produce massive social inequities on this issue of creating prosperity, so that outcome, and those inequities, would be reinforced by their philosophy on the distribution of prosperity throughout the community.

Redistribution has two elements - the raising of revenue through taxation and its disbursement through measures of social assistance.

The conservatives in government increased the tax burden on PAYE earners, and allowed the well off to exploit the absence of capital gains and fringe benefit taxes.

As Professor Russell Mathews indicated, income tax ceased to be a matter of obligation for the well-off and became a matter of choice.

The absence of a capital gains tax meant the well off could hire smart accountants and lawyers to convert their income into non-taxable capital gains. They could avoid tax on a scale so massive that the conservative Government's own Royal Commissioner described the tax avoidance industry as the fastest growing industry in Australia in their period of office.

The Labor Government introduced a capital gains tax, and we closed down the other tax shelters and the rorts. And now those with the greatest capacity to pay are paying their fair share of tax. There is now economic efficiency, fairness and decency in the tax system.

At the same time - on the other element of redistribution, the provision of help to the needy - the conservatives freely allocated the nation's resources to those who had no justifiable call on them.

They paid the pension and family assistance to millionaires - no questions asked.

Labor stopped all that - and as a result we have concentrated more resources on low and middle income Australian families.

By reforming the tax system, better targeting welfare assistance, cracking down on welfare abuse and reducing unemployment, we have given ourselves the capacity to boost expenditure on social justice programs by a massive \$9 billion per annum.

Nothing is more fundamental to the creation of social justice - of real equality of opportunity - than education.

Under the conservatives, obtaining a good education was mainly the prerogative of the wealthy. The conservatives did not require a fair contribution to the public revenue from the wealthy, so they did not have the budgetary capacity to provide access to education for the less privileged.

In the year before my Government to office, only 36 per cent of our children stayed on through high school. That was one of the lowest retention rates in the Western world; it was a blight on Australian society. Today, under the Labor Government, 60 per cent of children are getting a high school education - and we will have that up to 65 per cent by the early 1990s

- and in their seven years, they only increased that rate by a miserable two per cent
- I repeat: 36 per cent under them, with an increase of two per cent; 60 per cent under us, with an increase of 24 per cent.

The Labor Government has doubled high school education allowances for children from low and low-to-middle income families.

And by the end of the current three-year education funding period, my Government will have created 150,000 new higher education places, compared with just 26,000 new places under the conservatives.

Again, I'm not making this point as a history lesson. Rather it is a portent of things to come if the conservatives were to gain office again.

Peacock's promise after he resumed the leadership of his party - to make "a fairer, a more compassionate Australia" - was exposed as a fraud by John Elliott's candid statement that the Liberals would take from the "bludgers" and give to the "workers".

In their minds, as revealed in the Economic Action Plan, Aborigines, the long-term unemployed, newly arrived migrants and those who benefit from Australia's overseas aid are "bludgers". And those who pay Labor's capital gains tax are "workers".

By the abolition of the capital gains tax the conservatives intend to hand to their supporters - to their President, this same John Elliott - to the one per cent of the taxpaying public paying any capital gains tax - literally billions of dollars in revenue.

By the revenue we have derived for the people from the reform of the tax system we have kept our kids in the education system. We put the kids of Australia before John Elliott and his ilk.

Under Labor, with a capital gains tax, business investment has reached the highest proportion of GDP since records have been kept. In economic terms, abolishing the capital gains tax would pervert the rational allocation of resources by diverting investment out of productive, job creating areas into the maximisation of non-taxable capital gains.

Let there be no misunderstanding: the conservatives, in one fell swoop, would bring about the most massive redistribution of income from the poor to the rich in this nation's history.

This is grand larceny being paraded as responsible public policy.

The redistribution equation is clear:

- . Labor: fair taxation, allowing massive assistance to the needy, new opportunities in education, higher pensions, more help for low income families.
- . Liberals: unfair taxation to benefit the well-off few, paid for by withdrawing the assistance now extended to the less privileged.

I say none of this to suggest Labor can rest on its laurels in the creation of genuine social justice.

There are challenges that still lie ahead and problems that must be confronted and resolved - not just by one level of Government or by one group of people but by us all.

In the 1970s Labor in government was concerned to ensure basic improvements to our overall standard of living, particularly in terms of water and sewerage.

In the 1980s we have been concerned to ensure basic security of income, particularly by building a far stronger and sustainable economic base and removing the scars of long term unemployment.

In the 1990s we should be concerned as to how we further improve on those gains by addressing the contemporary needs of Australians living and working in our communities.

Anyone who visits the fringes of our larger cities - such as the outer western suburbs of Sydney where new homes and new suburbs are being built - or the outskirts of our provincial towns - must recognise the special problems caused by social isolation:

- the difficulties of distance to and from work; the need for access to necessary services such as child care; the education needs of our children; and the health risks of drug dependency and alcoholism.

I am not talking about governments providing a program or service to deal with a problem when it reaches crisis conditions.

It is a matter of providing what people need before problems become entrenched and reach unacceptable levels.

Marriage counselling, drug and alcohol rehabilitation, recreational activities after school, family planning, financial advice are just a few examples of what people may require but at a level and location that ensures their accessibility.

In essence, I want to see an approach that recognises the potential vulnerability which people can face throughout the life cycle - birth and family formation; marriage and the potential for separation; work and the possibility of injury; ageing and the threat of redundancy.

We have recognised this explicitly in our policy thrust to date.

It needs to be reinforced and widened as we strive to improve the services that people need and that are made available.

This cannot be done by the Federal Government alone. It can only be done by all three levels of Government working together to meet the needs of what we all require to live and work in better communities.

It is this complex web of problems - the issues of social justice in the 1990s - that I referred to when I addressed the ACOSS Congress in Melbourne a few weeks ago.

I said that I wanted to see what more can be done, including by and with ACOSS, to build further on the gains we have made.

As a result of those comments, ACOSS's new President, Merle Mitchell, has recently written to seek a meeting with me to discuss some of these issues.

My office has today replied to set up a meeting for early December and I look forward to discussing these issues as one of the first steps in the task of setting our social justice priorities for the 1990s.

Ladies and gentlemen,

All these issues are of concern to those who currently make up the population of Australia. But our responsibility also embraces those who will inhabit Australia in generations to come.

The decisions we make today will profoundly affect the life those future Australians lead.

If we open the doors of opportunity now to women, to new migrants, to those who lack the privileges of wealth, we will be helping those immediate beneficiaries but, just as importantly, we will be creating a society that is enduringly fair and open.

If we encourage citizenship, build the institutions and attitudes of multiculturalism, maintain the racially non-discriminatory character of our immigration program, we will be ensuring the Australia of the future is dynamic, free, diverse and yet united in commitment to our nation.

But if we slam shut the door of opportunity, if we aspire to turn the immigration clock back to the attitudes of our unacceptable past, we'll be committing not just a morally repugnant act but an economically insane one.

In the same way, where Labor practises ecologically sustainable development - so as to bequeath to our children a rich natural heritage - the conservatives explicitly pledge economy with virtually no regard for ecology.

We have created jobs at twice the rate of the Western world - but the World Heritage Bureau has also said recently that no country has done more to advance world heritage values than Australia. It's not a matter of economy versus ecology. We can have both. We must have both.

Just look at the short but brutal environmental record of the Government here in New South Wales if you want to get any idea of how a Coalition Government would operate in Canberra - driven by the ideologues of the Right: the Blunts, the Stones, the Morgans.

This is merely a reflection in New South Wales of the Liberals and National Party at the federal level. They have vehemently opposed our significant environmental decisions at every point - the Franklin, Kakadu, Daintree, the forests of Tasmania and Wesley Vale. There is no limit to their capacity for environmental vandalism.

Ladies and gentlemen,

Let me finally return to the international responsibilities of Government to which I referred in my introductory comments about Evatt.

For here again the difference between Labor and the conservatives is stark.

I believe Evatt would be immensely gratified to see the role Australia is playing today in the UN and in other multilateral forums - in leading the Commonwealth's campaign against apartheid; in leading the Cairns Group's efforts to liberalise world trade; in initiating the moves to establish a vehicle for closer Asia Pacific Economic Cooperation; in hosting the recent Government Industry Conference against Chemical Weapons; in seeking to protect the Antarctic from mining and to have that continent recognised as a natural reserve and land of science.

Each of these activities stands alone as a significant and creative piece of Australian diplomacy. Together they prove our commitment and capacity to contribute to the resolution of critical global problems.

At the same time we have urged the superpowers to abandon the attitudes of confrontation, and to work together towards a world at peace. In every available forum since 1983 we have been speaking to our allies, the United States, to the Soviet Union, and to China, urging them to work together towards peace.

Nothing has given me greater pride as Prime Minister of this country than being told in Geneva by the Secretary-General of the Committee of Disarmament that if other governments of the world had done as much as my Government for the causes of peace and disarmament then those causes would be further advanced than they are.

Put quite simply I am able to say to you tonight: the voice of Australia is heard in Washington, in Moscow, Europe, Africa, the Middle East, in the Commonwealth and in the United Nations, with a respect unequalled in our history.

Against this proud fact, the conservatives have no vision for dealing with the international challenges and opportunities which face Australia.

Their response to the Asia-Pacific economic challenge is the utterly impractical one of creating a trading bloc, although we have the authority of Mr Peacock's office for the fact that he does not know what a trading bloc is.

Faced by the challenge to international decency posed by the apartheid system, Peacock has turned his back on Malcolm Fraser and on the rest of the Commonwealth. In rejecting "punitive" economic sanctions, he rejects any effective sanctions, notwithstanding the tremendous impact those sanctions are having on South Africa - a fact acknowledged by South Africa's political and financial leaders. It is not hard to imagine the impact on Australia's international standing if a Peacock Government were to seek common cause in isolation with Mrs Thatcher.

The attitude of the conservatives in the face of the astonishing developments in the USSR and Eastern Europe has been paralytic. Whenever this Government has sought dialogue with the USSR, we have been greeted with a chorus of 1950s platitudes from the other side.

As a former Foreign Minister, Andrew Peacock might have been expected to abandon the time warp which his predecessor produced as a so-called Foreign Policy platform in March this year, but it is unfortunately only too clear that he does not have the intellectual energy or the political will or clout to do so.

Just as confrontationism has been, and remains, the characteristic of their domestic policies, so has it been in international affairs. Indeed they always see the international arena as a platform for projecting divisiveness at home. Vietnam was the classic illustration.

So, my friends, the Federal Election to be fought within the next six months will determine whether Australia will revert to conservatism, conflict, injustice, the dog-eat-dog mentality of the early 1980s, where the privileged are rewarded for supporting the Liberals and the underprivileged are trampled under and labelled as bludgers - or whether this country is going to continue its progress towards a prosperous, just and compassionate society, one with a rich environmental and social heritage, a country that plays a constructive and positive role in meeting the challenges of the modern world.

The choice is stark.

The stakes are huge, for our Labor movement and for the people of Australia.

We simply cannot afford to let Australia succumb once more to the distorted priorities, the lost opportunities, the neglected challenges, that inevitably follow whenever the conservatives take over the reins of power.

For the Liberals, fairness and equality of opportunity - stability and productivity in the work place - preservation of the best of the natural environment - enmeshment with the challenges of the modern world - all these are expendable, second-best goals, subsidiary to their main ambition of winning, and retaining power and exercising it for the benefit of their well-off supporters.

For Labor they are goals that define the very purpose of power, values that are vital to our existence as a political force, priorities that must be achieved in the deepest interests of all Australians.

By the time the next election is fought I will have been Prime Minister for some seven years - longer than any Labor Prime Minister.

I had a fulfilling life before Parliament and I will after Parliament.

But let me say this. I will fight the next election harder than any in my political career.

For that election will be the most important since 1949.

It will determine the nature and quality of the Australia we take into the 21st Century.

I want that Australia to be a prosperous, competitive, compassionate and cohesive society, enmeshed in this dynamic region of the world and respected throughout the world.

These things are worth fighting for.

And let me reassure you - when the time comes next year - we will fight for them.

And we will win.
