



## PRIME MINISTER

CHECK AGAINST DELIVERY

EMBARGOED UNTIL DELIVERY

**SPEECH BY THE PRIME MINISTER  
CAMPAIGN LAUNCH FOR SIMON CREAN  
MELBOURNE - 4 FEBRUARY 1990**

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I am going to leave you in doubt as to when the election is to be held.

But I will leave you in no doubt at all that whenever it is held, it will see Simon Crean elected to Federal Parliament as an important addition to the ranks of the Labor Government.

I have said in the past that there is a deep and unbridgeable policy chasm dividing this Labor Government from the collection of New Right ideologues who run the conservative Coalition.

One critical aspect of this chasm has been the differences between us about how Australians as a community create and earn our national prosperity.

As Simon has just described, the two parties have for more than a decade been consistently and sharply and profoundly divided on this great question of industrial relations.

An equally important aspect of this chasm between the Government and the Opposition concerns the way in which Australians as a community distribute the proceeds of national prosperity.

What the Opposition's health fiasco tells us so clearly is that on this critical policy, Labor and conservatives stand for diametrically opposite values.

Under this Government, we've created a system of health insurance that provides security to the sick and the elderly, and to Australian families who would otherwise have to fend for themselves.

Medicare is quite simply the most successful health insurance policy Australia has ever known.

It is universal and it is fair.

It has brought two million Australian who were previously unprotected in under the umbrella of health insurance. Now all Australians are covered for essential medical and hospital treatment.

More people than ever before are receiving treatment in our hospital systems. Compared to the last year before Medicare was introduced, this year some 600,000 more people will get hospital treatment.

And it is financed responsibly and fairly, through the health insurance levy. People on higher incomes pay more; people on lower incomes pay less.

Let us be very clear at the outset what it is that the Opposition is proposing to do.

When you scrape away the dissembling and the code words, what you find is the conservatives' plain and simple determination to smash Medicare.

They would throw millions of Australians out in the cold: forcing families to run the risk of major medical or hospital costs without the safe, simple, efficient and fair protection offered by Medicare.

Let's look at the facts.

In place of this fair and universal system, what the Opposition wants to do is, in Mr Shack's words, "quite simply to get back to a ... better mix between the public and private funding of the health care system".

Translate the code words, and you have an Opposition policy that would destroy Medicare by driving as many people as possible back into the arms of the private health insurance funds.

Those who can't afford private health insurance would be left out in the cold.

Those people whom Mr Peacock described last November as "silly enough" to do without private health insurance "for whatever reason" - that is, if they can't afford it - would have no protection against the sudden trauma of massive doctors' bills or hospital bills.

This is not theory; it is fact.

The only choice people would have is either to take out private health insurance, or to run the risk of huge medical and hospital bills.

Inevitably, some of those who are forced to choose the latter will incur bills they cannot pay.

What happens then? In the past, some have gone to jail as debtors. In South Australia, in the years before Medibank, more people were jailed for failing to pay hospital and doctors' bills than for any other single debt related offence.

Do Australians really want to turn the clock back to that Dickensian society?

Do Australians want families to be destroyed because they run the risk of unaffordable health bills?

Yet this would be the real effect of the Peacock/Shack health fiasco - not the hypocritical humbug they spout about protecting families in a fairer, more compassionate Australia.

It was that famous press conference held by the Opposition's health spokesman, the hapless Mr Shack, that brought all this into clear focus.

But the conservatives' real priorities have been clear for many years.

The Fraser Government dismantled Medibank, despite Mr Fraser's personal and explicit promise to protect it.

Now a Peacock Opposition wants to dismantle Medicare.

What a disaster of an alternative Government!

They've been in Opposition for seven years, and they have to call a press conference on the eve of a long weekend, to announce that they don't have a costed policy.

But at least Mr Shack got something right.

Mr Shack said: "The Liberal and National Parties do not have a particularly good track record in health, and you don't need me to remind you of our last period in government."

I couldn't have put it better myself.

And then there was this Freudian slip: "You might accuse us of a lot of things, but one of the things that I don't think we're guilty of is learning from our past mistakes."

But the sole stated initiative after seven years of Opposition - as opposed to the hidden agenda to do away with Medicare - was to set up a committee in Government to try and find the answers that have eluded the conservatives in Opposition.

This non-policy came only after months in which Mr Peacock and Mr Shack repeatedly promised they were about to produce a fully costed, detailed health policy.

It was just around the corner, they said. It was on the way.

Last November, for example, Mr Peacock assured Australians that his health policy would be "the most successful and supported health policy, and I'm very confident of that."

"It's not for me to release," he said, "but for Mr Shack, because it's such a very good health policy."

This was at a time when there was basically no health policy at all!

There was no health policy because there was no way of meeting the Opposition's twin goals that no-one would be worse off and that the Government would be required to spend no extra money.

Those twin goals always sounded like pie in the sky to anyone who understood anything about health funding.

Now, at last, even the Opposition has accepted that they were pie in the sky.

It seems more likely that, if ever the conservative health policy was implemented, it would fail both tests.

Smashing Medicare would certainly leave many people worse off.

And funding a replacement for Medicare would certainly involve a large - but unspecified - Government expenditure.

Mr Shack would only estimate the cost to be "somewhere between zero and \$2.6 billion, depending on how many people opt out of the system".

But don't be fooled into thinking that any extra Opposition spending on health would end up in the pockets of ordinary Australians.

It would represent instead a direct subsidy, by the taxpayers, of private health insurance companies, private hospitals, and private doctors.

That's where the money would be going to.

~~When he was asked where's the money coming from,~~ Mr Shack refused to say. Or more precisely, he had no answer. It had to wait for what he called "Budget Cabinet" sometime in the first year of a Peacock Government.

Of course, the implications of those words go far beyond the limits of a health policy.

They go to the heart of the Opposition's entire Economic Action Plan.

Mr Shack was asked how he would fund the extra costs - would there be higher taxes or greater spending cuts. His answer: this is a decision for Budget Cabinet.

If you can't answer the fundamental questions about taxation levels and spending cuts, you don't have an economic action plan.

If you can't answer those fundamental questions, your entire budgetary strategy is in tatters.

Mr Peacock cannot assure people that what he promises to give with one hand - such as child care rebates - won't be taken away with the other - in the form of a new health tax or even deeper cuts in some critical area of Government spending.

The conservatives have a simple motive for wanting to destroy Medicare.

They want to satisfy at last the vested interests who have opposed Medicare ever since it was first introduced as Medibank by Gough Whitlam.

You can hardly ask for a more clear-cut case of the distorted priorities of the Opposition.

They put self-interest and vested interest ahead of national interest and the interests of Australian families.

They put ideology ahead of rational, common sense public policy.

And they put the chaos of unplanned change ahead of the stability and fairness of Medicare.

Andrew Peacock may think that he has taken health off the election agenda by making Peter Shack run the gauntlet of the Press Gallery on the eve of a long weekend.

But I can assure you that I and my Ministers will be making sure, every day, health stays on the election agenda.

Because if you want a single policy that is a crucial test of both responsible economic management and effective social justice, then health policy is it.

~~And the conservatives couldn't deliver on their health promises. They couldn't get the figures to add up; they couldn't meet the expectations they had raised.~~

So every day, my Ministers and I will be reminding the Australian people of the conservatives' real agenda: to smash Medicare.

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