



PRIME MINISTER

PARTIAL TRANSCRIPT OF SPEECH TO WILLS FEA LUNCHEON CELEBRATING 10TH ANNIVERSARY AS FEDERAL MEMBER FOR WILLS, ST FIDELIS HALL, COBURG, 14 OCTOBER 1990

E & OE - PROOF ONLY

PM: Now I don't resile from the fact, my friends, that at this moment things are tougher than they've been for some time.

This Labor Government and this Labor Prime Minister would not be slowing things up, tightening things up, if it were not absolutely necessary. We have paid to some extent the price of our previous success. Because of the enormous growth that we generated, a rate of economic growth which was about twice what was being experienced by many other countries with which we'd normally compare ourselves, because of our enormous employment growth, we were bringing in a level of imports that unfortunately we were not able to pay for. We had to slow things down. We have witnessed in these last 12 months a situation where because of tighter monetary policy businesses have been suffering and people have been suffering. We've had to do that, we've had to slow the economy down.

But I'm here today to say to you that we've virtually reached the end of that point. That we've now reached the stage where we believe that enough has been done and that the time is coming in the very near future when that restraint which has been necessary is going to be able to be eased.

That doesn't mean, because it would be silly, it would be against all our own best interests and against the interests of our children in particular, if we just took the brakes off too much, because until we are in a position where we are going to be able more to meet demand within our own country rather than relying upon imports, until we are more in that position we would just be creating the circumstances for a much worse recession.

But I think the signs are there that we've now gone far enough. I am totally confident that as we go into 1991 and through 92 we will see significant economic recovery. We will see Australians understanding that this temporary restraint has been necessary. We'll see that steady resumption of significant employment growth, of economic growth which is going to restore the sense of security that we have built up over this period of time.

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