



PRIME MINISTER

**SPEECH BY THE PRIME MINISTER, THE HON P.J. KEATING MP,
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Ladies and gentlemen

In this next year, if we are bold, if we are astute, and if we are united, we can retain government.

If we retain government, we can do many of the things which, in the last one hundred years, the men and women of Labor have dreamed of doing.

Which Australians have dreamed of doing.

We can come out of the recession stronger and more independent - more truly one nation.

We can make the Australian community strong and cohesive.

We can inspire a sense of common national purpose.

We can ingrain more deeply in our society that characteristic of all good societies - the degree to which we care - for our fellow Australians.

We can make it the model of individual opportunity and social security which it should be - and which in the eyes of the world it was, in the first decade of this century.

We can re-kindle an Australian democratic spirit.

We can set those goals.

And so long as I am Prime Minister they will be pursued.

We will go for them.

And we will achieve them.

We'll do it by building on our strengths, and I mean much more than our economic strengths.

I mean our care for this place and our fellow Australians.

I mean our traditions, our strong social fabric, our democratic spirit.

I mean our willingness to embrace change.

I mean harnessing the energy and aspirations of all Australians by extending opportunity and encouraging in all Australians an intelligent belief in the nation and its national values.

We will do best if we do all these things.

Our economic strengths, of course, will continue to be crucial.

And we can say that, for all the problems along the way, and even despite the recession, we have laid the basis of a stronger economy.

A manifestly more competitive and robust economy and a much more internationally integrated economy.

That is one reason we can do it - economically speaking, we have given ourselves a chance in the world, and thus given the next generation of Australians a chance.

We have great strengths and should not forget them: we are rich in resources, we have things the world wants to buy, in our unequalled natural environment we have things which they want to see; we are making great strides in manufacturing and services.

We shouldn't forget how dramatic the changes have been - manufacturing and services now earn more export revenue than raw materials and agriculture. It was unthinkable ten years ago.

We have more than doubled our secondary school retention rates. We have created the equivalent of twelve universities.

We have quadrupled our child care.

We have developed levels of social security with few parallels in the world.

Under Labor we won't lose them - we will build on them.

We have learnt things we had never heard of in the 1970s.

Like how to run a tourist industry - from the ground up.

Like how to work to a cooperative ethic rather than an adversarial one.

We are a nation capable of change.

Remember we have gone in the space of a generation from being a country notorious for insularity and xenophobia - to a country which earns the admiration of the region and the world for the tolerance and openness manifest in multiculturalism.

Similarly we have learned some economic truths:

- we've learned that we must be less dependent on commodities.
- we've learned about the historic opportunity that exists for us, the historic necessity of our economic integration with Asia and the Pacific.
- we've learned terms we had never heard of in the 1970s: like value-adding and downstream processing - terms which describe economic imperatives. Things we must do.

We are in 1992 what we most certainly were not in 1982 - one of the more economically literate countries of the world.

These things - our economic and social base, our capacity for change, or willingness to change - give me great confidence in our future.

Our opponents are weak.

The Coalition is a coalition in name only. It papers over large cracks in some very old and mouldy plaster. Admittedly there's some new plaster there these days but most of it's as flaky as the old stuff.

Fightback is a sterile document - informed by a reactionary ideology whose principle characteristic is a loathing of ordinary people.

It was built on the discredited and generally repugnant philosophy of the New Right.

Fightback is a throwback - to the late seventies. It's an anachronism in the nineties. Like the dodo or the Hindenburg. It won't survive.

They stuck an exclamation mark on the end of it in an attempt to give it life - but if you take it away it turns up its toes.

Our opponents have no heart. Their Australia would have no soul.

These days in Parliament they sit in their desks, like schoolchildren, with bunting beside them to prove that they are Australian.

Because they think that you can win in politics by resisting history rather than making it, because they think that the people of Australia have no more spirit or faith than they have, they send me letters saying what an abomination I am because I think we should not have the flag of another country on ours.

They gather in Town Halls to sing God Save the Queen, and tell each other that Australia must not change, must not grow towards its separate destiny.

They spin tales about the idle pleasures of the past - the Menzoid Golden Age, when the country dozed, and the best minds left along with the minerals and wool, and the world largely passed us by.

They always want to go back. While the people of Australia, with hope in their hearts, march bravely towards the future, John Howard gallops about urging them to retreat to the rear.

Back to the fifties, he shouts. Back to the dead end jobs. Back to the massive inefficiencies. Back to the quarries. Back to the sheep's back. Back to Britain.

John Howard leads the national reverse thrust.

But the rest, including his Leader, have engaged the same gear.

Back they go.

They are regressive by nature.

And nothing is so regressive as Fightback.

Fightback, as Ralph Willis put it, is socially regressive and economically perverse.

Fightback is not a policy. It is an excuse for a tax.

A tax that we will re-ignite Australian inflation.

Just as we get inflation out of the system the Tories want to put something in the region of 6 percentage points back into it.

But the vandalism doesn't stop there.

After a decade of unprecedented peace and cooperation in industrial relations they want to back to the jungle.

And in a society with one of the most sophisticated and effective social security systems in the world, the

Tories want to introduce measures characteristic of societies in decay.

- they will push Medicare towards the American system which offers care to only 80 per cent of the population and at 50 per cent greater cost. They'll cut the rebate from 85% - 75% and they'll abolish bulk billing except for those on benefits.
- the unemployed are to be knocked off benefits after nine months.
- the waiting for sickness and unemployment benefits will be increased from one week to three.
- the job placement services of the CES will be contracted out. Effectively CES will be abolished.
- they'll throw 40,000 people off supporting parents' benefit by cutting off the pension when the youngest child reaches 12, not sixteen.
- they'll make migrants wait two years before they can claim benefits of any kind.

Everyone will be a winner under Fightback, the propaganda says.

- if you want to send your kids, or yourself, to university it will cost you an estimated \$24,000 for an arts degree - up to \$150,000 for medicine.
- families with income levels about \$7000 under the present limits will lose the Family Allowance. That's 100,000 families.
- they'll cut \$10 million from legal aid. The cumulative effect of funding cuts and the GST will mean more than fourteen thousand cases will not be funded by legal aid. Those cases of course will involve the most vulnerable in the community. Fightback compounds injustice.
- they'll cut overseas aid by nearly 16 per cent in real terms, making Australia number 14 of the OECD's 18 donor countries. Emergency refugee programs will be slashed by more than half.
- they will abolish the Youth Bureau and the Youth Access Centres which provide information and advice to more than 200,000 young people each year, and which a recent evaluation shows are successful in delivering employment, education and training.
- despite the findings of the Royal Commission on Black Deaths in Custody that a substantial increase in funding was necessary, and despite the feelings of all decent Australians that this must be the

decade when we end the national disgrace, the Tories will cut \$90 million from outlays on Aboriginal programs.

Yet they say, everyone's a winner under Fightback.

Under Labor, working women have made significant steps towards achieving parity with men. We have legislated to protect women against discrimination in the workplace, and our affirmative action policies are encouraging employers to promote women to a wider range of jobs.

Under our equal pay strategy the gap between men's and women's earnings has narrowed to from 33 per cent to 17 per cent.

Our National Agenda for Women reaches out to women of all ages and vocations, including women in the home.

We are committed to constantly evaluating our overall policies to ensure fair and equitable treatment of women.

There is still a lot to do, but we are proud of our record and you will see us build upon it.

But the struggle to improve the status of women in Australia would end with Fightback.

- the Affirmative Action Agency, the Equal Pay Unit and the Work and Family Unit will be abolished.
- the Human Rights and Equal Opportunity Commission which includes the Sex Discrimination Commissioner will have its expenditure cut by an unspecified amount.
- the public sector will be cut back, privatised, abolished, contracted out or "rationalised" in the areas where women work - in service delivery areas like nursing and caring. And in clerical, cleaning and catering services.

But everyone, they insist, is a winner under Fightback.

Fightback will unpick the social fabric. It expresses that sentiment of selfishness - that loathing of the unfortunate and vulnerable - which characterised the regimes of Reagan and Thatcher.

In Australia it was resisted in the market-driven years of the eighties. We held it off.

It would be tragic if now it were to take hold in the form of a Hewson government.

It is repugnant to Labor. And we will fight it to extinction.

The Treasury analysis of Fightback - under which everyone is supposedly a winner - shows that 70 per cent of wage and salary earning households will be worse off under a Hewson government.

It shows that 60 per cent of farm and self-employed person households will be worse off.

I haven't yet mentioned the Consumption Tax. The jewel in the crown of Fightback.

Treasury estimates that food would rise by 8.9 per cent.

Clothing by 11.2 per cent.

Electricity by 10.7 per cent

Health services by 22.6 per cent

Newspapers and magazines 10.5 per cent.

Urban public transport 6.6 per cent

Post and telephone 8.1 per cent.

A Ferrari will cost \$15,000 less.

Everyone's a winner, Dr Hewson reckons, under Fightback.

- Like small business. Consider the remarks from Mr Cedric Stanford, a leading British authority on value added taxes. He did a detailed study of the costs to business and found -
- "The compliance costs of the small firm were 260 times those of the largest firms. Where small firms are competing in the same market with large firms", he found, "they are being put under a state-created disadvantage."

Indeed, he found that "compliance costs..became a factor in helping to push small firms out of particular markets".

Or take the comments of a New Zealander, Mr John Morine, in the January issue of Australian Small Business and Investing. He gave Australian small business people an explicit warning - based on experience - about the GST.

- "your personal stress level will rise sharply. Sunday at the beach will be a thing of the past. You should consider how you will cope when you lose one day a week to GST, whether your business will survive and what you are going to do about it."

To small business GST stands for a Great Shrinking of Time - but what is time to a man in a Ferrari?

Everyone, Dr Hewson says, is a winner with Fightback.

But not if you happen to be at the vulnerable end of the labour market.

Perhaps the most insidious and potentially the most devastating aspect of Dr Hewson's program is his Industrial Relations policy.

Nothing reflects so well the right wing ideology at the core of Fightback. Nothing is so perfect an expression of their contempt for the weak.

Industrial relations policy is the policy which most generally defines the relationships between one Australian and another.

We have seen in the last ten years that relationship reach a new level of intelligent cooperation.

In Burnie we are seeing the Tories' idea of how Australians should relate to each other.

Their industrial relations policy is a policy of social intimidation.

There is only one thing to be gained from the dispute in Burnie - it has exposed the philosophy of John Hewson and John Howard, and it has given Australians a glimpse of what life would be like under a conservative government.

The gains which flowed from the development of an ethos of cooperative workplace reform, the spirit which has seen disputation fall by 60 per cent in a decade, the increase in productivity experienced by companies where agreements have been negotiated with unions and management, the inflation gains brought about by the Accor - all these gains will be killed stone dead.

The Opposition plans an assault not just on the unions and the principles of unionism - they plan an assault on the principle of the Umpire, of social and industrial justice.

They want to drive Australian workers on to contracts where they will then be exposed to what John Howard is calling a "floor wage".

The "floor wage", John Howard says will be somewhere between the dole and the existing minimum award.

Now they introduced an Employment Contracts Act in New Zealand last year - it is the same idea.

It's Hewson and Howard's safety net. Australian workers - especially the most vulnerable, including women, migrants, the unskilled - these workers should know that

the "floor wage" in New Zealand has been set at A\$175.00 a week, or A\$9153.00 per annum.

For employees under 20 years of age there is no minimum.

There are many questions which should be put to Mr Howard and Dr Hewson about their industrial relations policy and over the next six months we will be putting them.

For instance:

- How will you prevent workers being forced out of the protection of the award stream by an employer who wants to put the employee on a contract?
- How will scrupulous employers compete with the unfair advantage that is offered by Dr Hewson to unscrupulous employers?
- With no more National Wage Cases, how will workers in weak bargaining positions ever get a wage rise?
- If industrial disputes are to be dealt with under common law instead of the Industrial Relations Commission, how will ordinary workers have the time and the resources to take their employers to court? How long will it take the courts to hear the cases?
- How will the Hewson and Howard model of industrial relations protect living standards?
- How will it make everyone a winner?

We should ask these questions. All Australians should ask them - and I believe they should ask themselves if this policy is the hallmark of a civilised society?

Does it express our values and goals? Is it a social advance to drive the weak down?

Is Burnie our industrial and social model for Australia?

For John Hewson and John Howard it is.

As John Howard said himself, on 23 May, the right being exercised by APPM "is basic to the new industrial relations system the Liberal and National Parties will bring to Australia after the next election".

I say, like hell they will.

I said Fightback will unpick the social fabric. It will.

The Tories you know are very big on values and traditions - they're big on holding on to what is there. Like the Union Jack and their interpretation of our history.

They get very cranky if we say they don't have a mortgage on our history any more than they have a mortgage on our future.

The truth is that their blueprint for the future constitutes the most savage attack on our traditions we have ever seen.

It attacks the tradition of fairness and equity.

It attacks the tradition of progress towards civilised social goals.

It attacks the tradition of care for the underprivileged and vulnerable - for protecting the weak against the strong.

These traditions are built in to our society - they shape the way we think, the way we go about our lives.

In large part they derive from the last decade of the last century - from the rise of the Labor movement and the emergence of a new national spirit.

But they were values shared by liberals - by non Labor Australians. They were widely shared.

They are not shared by today's anti-Labor forces.

Don't let them tell you that this government is hostile to tradition, or that it's re-writing the past.

It's the future we're concerned with and we're building it on the best of Australian traditions.

We are determined to equip Australia for the next century.

To do that we have to make bold policy decisions. We have to be willing to meet the challenges head on.

As I said at the beginning, we are building on solid foundations laid down in the last decade of Labor government.

And as I said, we are also building on the foundations of our best traditions - our best sympathies.

Our social goals are equitable ones. Our aim is fairness as well as strength.

The strength will not only come from economic policy, it will not only be measured by economic success.

Our national spirit, the degree to which we identify as Australians and declare our first loyalty to Australia wherever in the world we have come from; the degree of care for each other as Australians; the degree to which

we are prepared to take a national view and pursue national goals - all these will give us strength.

And in the coming years we will measure our success by how truly we can say that we are One Nation.

The Tories don't understand this. We will have to teach them.

We'll teach them by the sorts of bold initiatives we took this week - by our example.

Revolutionising the airline industry is a major Labor breakthrough - it has profound implications for the tourist industry, and therefore profound long term implications for our economy and employment.

Introducing Pay-TV on the basis that we have, getting optimal outcomes from the new and available technologies, was a milestone in the transfer of information technology to Australians.

The decision we made this week will be the key to what Australians will be viewing in their homes, businesses and schools, and how they will be communicating with each other over the next quarter century.

We also gave the ABC an historic opportunity to break from its national free-to-air charter into the almost limitless realm of sophisticated information transfer.

Getting TAFE into the high quality, high status shape that it should be will be a profound reform, with profound benefits to our economy and society for generations to come.

Extending occupational superannuation to all is a fundamental reform, an imperative if we are to achieve our goals of better incomes for the retired aged and greater national savings.

Infrastructure spending - on rail, road, airports, ports, electricity is essential, not only to recovery and to employment in the short term, but to the long term health of the economy. It's essential to our keeping up with the world.

Moving, as we have this week, to develop strategies for youth training and employment in conjunction with our TAFE reforms and our existing labour market programs, is essential if our young people are to have the opportunities they deserve.

Our goal is to involve business, unions and the wider community in creating a national response - a national effort.

These initiatives must be taken if we want young Australians to believe in this country - and it is no exaggeration to say that, without that belief, we will never be the nation that we can and should be.

We are doing the things Labor governments must do.

The Tories never do them. They'll never understand.

What you will hear from them are the sounds of scare campaigns. And smear campaigns.

They will call us traitors for wanting unequivocal symbols of our nationhood - just as they so often called us traitors during the Cold War.

They'll grub around looking for dirt like they have been doing for the past few weeks - just as they have so often done in the past.

They'll rush outside and shout "anarchy" and "mayhem" and accuse us of not having respect - and they will go around the homes of elderly Australians with bizarre, vicious and entirely inappropriate propaganda they knocked off from the Republican Party of the United States.

Propaganda which was fomented in the prejudice sheeted homes to black America and in the gun culture of that country.

Propaganda whose use here constitutes a dramatic lapse in standards of political behaviour, and, I believe, a serious misjudgement of Australian values.

Yet this is just a variation on the things that they have always done.

But they will fail.

They will go on being what they are - spoilers.

And we will go on being what we are - builders.

And we will win.