



**PRIME MINISTER**

EMBARGOED: 6pm, 12 September 1992

SPEECH BY THE PRIME MINISTER, THE HON P.J. KEATING, MP  
CHIFLEY MEMORIAL LECTURE, 12 SEPTEMBER 1992

It is a privilege to be asked to speak to you tonight in honour of one of the very great men of Australian Labor - one of the great men of Australian history.

It is a particular privilege to speak here in Bathurst, the town with which the name Ben Chifley will forever be identified.

It is a privilege to come after him, and it is with a sense of some humility that I find myself standing here in the town where an author of our ambitions lived.

Labor's ambitions. Australia's ambitions.

For me this occasion is the more momentous because just now we Australians face a decade in which the fate of our ambitions hangs in the balance.

Ladies and gentlemen

Let me preface this address by saying something very simple.

I believe that Australia is a country of extraordinary achievements and equally extraordinary potential.

I believe Australians are people of rare quality.

And I believe that in the next few years, despite the difficulties and the uncertainties, Australia will triumph.

I feel the need to say this to counter the doomsayers on the other side of politics who seem determined to belittle both our achievements and our prospects.

That's why I feel the need to say it - at a time when we have both a need and a right to feel confident, it is, to say the least strange to hear our alternative leaders call Australians "lazy" and "embarrassing".

That's why I feel the need to say it.

And I know I am right when I say it.

I will tell you why.

I have watched this last decade as Australia grasped the nettle as no other developed country did.

I have watched Australians radically transform their industrial culture, vastly increase their productivity and pull the country up to levels of competitiveness unimaginable a decade ago.

Internationally competitive levels.

I have seen them accept the necessity for structural change.

That is what has convinced me that we will succeed.

Success is what convinces me.

Never have we worked harder and made more progress towards the realisation of our ambitions than we have in the last decade.

Never have we had such an opportunity to reap the rewards and deliver them to future generations than we have in the next decade.

And never has all this work and all this hope been so threatened as it is now.

I am talking about our ambitions for an enlarged and enlightened social democracy.

An Australia in which energy and opportunity flourish, where faith in ourselves and our country abounds, and the nation's capacity to care for all its citizens is paramount.

It seems to me that if the last is not true the first two must also be false.

These, Ben Chifley said, were the things worth fighting for. The primacy of social justice, social cohesion, equal opportunity - the fair go.

They seem to me to be immutable facts of our nature.

Nothing has moved them in 100 years.

War, depression, booms and busts, outbursts of imperial jingoism, cold war, cultural invasions of various kinds, have all at times challenged these beliefs: but they have always re-emerged - often in the shape of men like Ben Chifley.

The longer I stay in public life, the more Australians I meet, the more I am convinced that the values of this country were written by the people, by working people.

And that is their strength.

That is why they won't be sold. Those people who presently want to change them will find implacable resistance.

As a Labor Government, we believe that so long as we honour those principles, and push on towards our social democratic goals, even in the face of this recession and the damage it has caused, Australians will stay with us.

Whenever the duties of his office allowed him, Ben Chifley used to drive up here from Canberra.

Modern Prime Ministers might envy him both the contact with the natural landscape and the chance it gave for reflection.

If a man was ever going to see a Light on the Hill this was the way to do it.

As he drove along and the sun set over the western plains the "vision splendid of Australia Unlimited" must have seemed as good as real.

Many things have changed. The Australia Chifley knew was a vastly different country.

But more than four decades on, Ben Chifley's vision remains, to a remarkable extent, our own.

He was a nation builder.

As we are nation builders.

His great projects in the national interest, like the Snowy Mountains Scheme, are our One Nation: our \$500 million National Standard Gauge Rail Highway linking Brisbane, Sydney, Melbourne, Adelaide and Perth, and linking ports, rail and roads; our \$2 billion dollar development of the nation's roads; our reforms to aviation; our National Electricity Grid.

The immigration policy developed in Chifley's time - the most profound social undertaking in our history - is continued in the multicultural policies developed in ours, the most successful policies of their kind anywhere in the world.

Chifley was a social reformer.

As we are social reformers.

His reforms to the health system and social security, are our Medicare, and our broad network of social programs developed in the past decade which are at least the equal of the most advanced nations on earth.

Ben Chifley believed there was a role for government.

So do we - we assert it.

His car industry is our car industry.

Much more modern, changing - but the same one.

Ben Chifley saw an Australia which was too dependent on its primary products, too dependent on Britain for its trade, too short of capital and skills.

Like us, he believed we had to diversify our industry, look to new markets for our products, raise our capital and skills base.

We have done these things like no government before us.

Were he here now, in 1992, the Superannuation Guarantee, the creation of the Australian National Training Authority, the enormous growth in universities and secondary education retention rates, would all be music to his ears.

So too would be the rapid growth in the last decade of our manufacturing exports which, for the first time in our history, now exceed the volume of our exports of minerals and primary produce.

Ben Chifley would be pleased to see that we are making things for the world to buy, for he knew that this was a great measure of our progress.

Chifley believed in the principle of gathering all our strength and all our resources towards a common national purpose.

He had served in that wartime government which, through cooperation with business and the unions, and through calling on the best feelings of Australians, set and achieved national goals.

One Nation is in that tradition.

The Accord is in that tradition.

The lowest number of strikes in thirty years is in that tradition.

In that tradition we have called on Australians to adopt the principle of partnership - between the various tiers of government, between business and unions and communities - so that all Australians may participate and all their energies go toward the common national cause.

Our guiding philosophy is social democratic, by which I mean democracy of the broadest kind: the maximization of rights and liberties, the extension of both individual opportunity and social justice.

In this we are right. Look at the world. The successful countries are those which have followed this path.

The successful economies have been free market economies: the successful societies have been those which have combined this with democratic freedoms and sophisticated - integrated - social programs.

They have invested in their own cultural development.

They have cushioned the impact of economic change by not losing sight of their responsibility to people.

Communism has failed. Less spectacular but no less emphatic has been the failure of monetarism and laissez faire economics: under all its appellations - Thatcherite, Reagan and Rogernomic.

It's no accident perhaps that they have both gone down the same historical chute.

Both have a strain of fanaticism. Both are regressive - and both regress to nineteenth century pseudo-scientific ideals.

Both have failed - and if the Liberal Party thinks that it will succeed in the 1990s in the hands of a Social Darwinist with new batteries they are wrong.

Desperately wrong. Again.

And we might ask ourselves why it is that the past has such a magnetic attraction for our conservatives.

Why it is in their nature to frequently advance to the rear.

Why Bob Menzies was drawn to the British Empire long after it had turned up its toes, and John Howard in turn is drawn to Menzies - and the torpor, wasted opportunities and withering of our culture in the Menzies era.

Recognising that Menzies was a bit of a socialist by his own radical right standards, John Hewson finds he must go even further back for his ideals - to the economic and social thinking of early industrial capitalism - albeit re-constituted and disgorged in the textbooks of the business schools of the late seventies.

Why is he attracted to these models which caused such damage to the fabric of the societies in which they were applied?

Why, for instance, in a society with one of the most sophisticated social security systems in the world, does he want to introduce measures characteristic of societies in decay?

Why does he say that if we reach back to help the underprivileged they will drag us down?

Why, in the last decade of the twentieth century does he utter the sentiments of the first half of the nineteenth?

Why, if not because he holds ordinary Australians in contempt?

Why does he paint the efforts of Australians as feeble? Why do they embarrass him? Why does he paint our progress as the opposite of progress?

Why does he attack successful Australian businesses as if they were failures?

Why, as Australians march bravely toward the future does Dr Hewson point back toward a wasteland and shout - There. Go there!?

Why, if not because he has no vision, only ideology?

Why, if not because he is fanatical?

I have always believed that the Labor Party and Labor Governments should keep their shoulders against the door.

Reform is what we are here for.

But we are for change and continuity.

We press forward, but we take society with us.

We build, but we don't destroy.

In the last decade we Australians have learned something about the art of gathering our resources, about cooperation, partnership, working together. Principles which have been fundamental to the success of other countries, and fundamental to the successes we have had.

In this decade I think we must - take those principles further.

I think that we owe it to this and succeeding generations of Australians to see that an identity entirely our own has a chance to flourish.

To see that we give these generations the opportunity to choose those institutions and symbols which reflect their sentiments and their reality, and not those of a bygone era.

To see that faith in this Australia - this liberal, democratic, tolerant, diverse, independent Australia - has a chance to grow.

I believe we would be derelict in our duty to the future if we did not give the Australians of this post-imperial, multicultural stage in our history the same opportunity as those of a century ago.

I believe it would energise us, I believe it would give us new faith and inspiration, I believe it would guarantee the life of our best traditions and institutions.

And I think we should have the courage to open the debate on the institutions and symbols of our nationhood.

As I have said, many of the things we have done Ben Chifley would have hoped to do.

But we have done more than that - we've done things in social, industrial and economic policy beyond the compass of his imagination.

We have developed policies to benefit Australian women which have put Australia back in the vanguard of international progress - where we used to be in the days when Australia was regarded as perhaps the most socially advanced nation in the world.

Labor has put increasing opportunity and choice for women back in the centre of social reform.

For example, since 1983, of the 1.5 million new jobs created 64 per cent or about two thirds have been filled by women.

And Labor has supported them.

In the last few years our equal pay strategy has narrowed the gap between men's and women's earnings.

On average women now earn 83 cents for every dollar earned by men - a marked improvement on the 67 cents when we came to power.

Our affirmative action policies are encouraging employers to increase women's job opportunities.

Labor has supported women through a fivefold increase in the number of child care places; through improved access to superannuation; improved access to education; increased income support for families; special programs addressing women's health needs.

Labor has legislated to protect women against discrimination.

In fact, the United Nations Commission on the Status of Women declared this year that Australia leads the world in the implementation of programs to eliminate discrimination against women.

We will build on these achievements - we always build.

Our opponents want to undo them - they always want to undo them.

They will abolish the Affirmative Action Agency and the Equal Pay Unit.

Through their consumption tax they will tax the household budget for which women are generally responsible. It is a tax on food, clothing and pharmaceuticals - just for a start.

They will tax child care, and they make no commitment to maintaining fee relief, nor to expanding the number of places.

And under the Coalition's enterprise bargaining system, women in the workforce can expect their earnings to erode.

Without the protection of the Industrial Relations Commission, which our workplace bargaining system guarantees, women workers will see their pay relative to men reduced to the levels existing when we came to office.

That is what happens in the United States, where a decentralised wages system has kept women's earnings to less than 70 cents for every dollar earned by men.

The Coalition will reduce support for women. They will take away eligibility for their family allowance from 100,000 families. Stop paying wives' pensions where the spouses of disability support pensioners are under 50.

Take away the sole parents' pension when the youngest child turns 12.



I could say a great deal more about the differences between Labor and the Coalition. They are - as the last few weeks have clearly demonstrated - quite profound.

Week by week over the next few months you will see the differences grow clearer - in every field of economic and social policy.

Dr Hewson's Fightback, is, after all, a comprehensive document. The most comprehensive thing ever devised, he says. It is the Bible of his brave new world.

Nothing escapes it - with the possible exception of aged care which doesn't get a mention.

I will refer to only a couple of areas tonight.

They didn't miss health.

Medicare - a quality, affordable, universal system - will be pushed towards the American model which offers care to only 80 per cent of the population at 50 per cent greater cost.

They will cut the rebate from 85% to 75% and they will abolish bulk billing except for those with health cards.

Speaking of benefits, the Coalition promises to cut unemployment benefits after nine months; cut employment programs; privatise the CES; introduce longer waiting periods for assistance; and pay young people \$3 or \$3.50 an hour for work.

Unemployment is the greatest social problems of our time. It haunted Chifley, as it did all those who lived through the Great Depression.

The high levels of unemployment we are now experiencing are anathema to a party whose creed has always been full employment.

The disappointment is all the greater because we had done so phenomenally well to grow 1.5 million new jobs in the 1980s.

It is entirely unacceptable that a tenth of the work force should basically bear all the burden of structural change and the recession.

The principal aim of all our efforts in the past six months has been to reduce unemployment, to get Australians who have fallen out of the system back into it.

That is why this year we will spend \$1.1 billion on labour market programs. Why we've spent one per cent of GDP - or \$4 billion - to stimulate the economy and boost employment.

It's why we held the national summit on youth unemployment, out of which came a universally applauded package of employment and training programs for Young Australians.

It's why we established this year, in an educational revolution, the Australian National Training Authority - to lift the quality and status of technical and further education to the highest level: the level it must be if Australians are to have the skills they will need for the well-paid and interesting jobs, and if modern Australia industry is to have the skilled workforce it will need.

That unemployment is also why we are determined on a path of economic growth.

We must have growth. It's the only way we can sensibly re-structure and create jobs.

To survive today as a well-employed nation we have to trade.

To trade we have to be productive.

To be productive means more product from fewer people.

The remedy to this redundancy can only be more production.

Our aim then is two-fold - greater efficiency and greater production.

Both depend, we say, on mutual understandings - on national agreement about the direction of national income.

Growth of the order we require can only be achieved in a framework in which business, labour and the Government agree on these directions.

To an extent that would astonish Ben Chifley who lived in the long era of habitual conflict, that framework has been established.

It is generally agreed in Australia now that we can't have hard-won growth frittered away in senseless price and wage rounds.

You can't do it without the lower interest rates and low inflation which an incomes policy alone can harmoniously provide.

Equally we can't have efficiency in a culture of conflict.

The speed with which this understanding has come to management and unions alike has surprised even those who promoted the idea.

The speed of the revolution in work practices has surprised everyone.

The speed with which our export of elaborately transformed manufactures has grown, even through the recession, has surprised them too.

It is why I say that I believe in our future. I believe in the capacity of the Australian people. I believe in the path we are taking.

We have done the fundamental things, the brave things, and the Australian people have responded bravely.

We have given Australia a chance to grow.

And Australians have seized it.

A decade ago, as we came out of recession we had double digit inflation. Today we have entrenched our competitive advantage with one of the lowest inflation rates in the industrial world.

A decade ago our work and managerial practice was notoriously bad. Today Best Practice is not just a catchword, but increasingly a reality - and its helping us to export in ways we never thought possible. In 1992 Australia is exporting motor vehicle engines to Japan.

Both our manufactured exports and service exports have tripled over the past decade.

A decade ago we imported more goods and services than we exported. Today we export more than we import.

And increasingly we export goods with high levels of value adding - like motor vehicles and motor vehicle parts, computers, scientific equipment, industrial machinery, telecommunications equipment.

These goods recorded growth of 216 per cent since 1983 - twice the growth of mineral exports, nearly six times the growth of rural exports.

In that period motor vehicle exports have grown from \$20 million to \$414 million.

Office machines and computers from \$19 million to \$415 million.

Industrial machinery from \$235 million to \$799 million.

To name a few. And the greater part of the growth has been in the past two or three years - 57 per cent growth between 1988 and 1991.

Most of the exports been into Asia where so much potential for Australia lies.

We are making progress on all the important fronts - including the wharves where productivity has doubled.

We are developing a food processing industry, estimated to be worth \$7 billion by the end of the decade.

There are opportunities for similarly huge development of our construction industry, our finance and tourism industries.

These are the reasons why I say that even in these tough times there is great reason for hope and confidence.

And why I say it is Australians who give us reason for that confidence - for these achievements are due to their work, their skills, their imagination, their belief in Australia.

In recent days you may have noticed that the Opposition, which for so long has been saying we are the antithesis of everything they stand for, have begun to say that on certain key issues there is very little separating us.

Well, as John Dawkins reminded them the other day, imitation is the sincerest form of flattery.

But it's a very poor imitation.

It shouldn't fool anyone.

They're doing the chameleon on tariffs - but ask the car industry if they're fooled. Ask the sugar industry.

There is a fundamental difference on tariffs.

Our starting point is that there should be a car industry. That there should be a sugar industry.

There's is simply "restructure or perish".

There's is - to quote Mr McLachlan, "if we are wrong that will be a tragedy."

Like I said - tell that to the working people of Adelaide, Geelong and Melbourne.

There's a also fundamental difference on the most basic relationship in the economy - industrial relations.

Already we have 300 registered enterprise agreements.

By early next year we will have half the workforce covered.

But we also have - and this is the great difference - the Industrial Relations Commission setting minimum rates in awards, and so providing a safety net through which employees cannot fall.

There is a basic difference on education. It's expressed most eloquently in these simple figures - under the Coalition, if you want to send your children, or yourself, to university it's going to cost you \$24,000 for an arts degree - up to \$150,000 for medicine.

There are basic differences on health policy, women's policy, environment policy, policy on arts and cultural development.

There is a profound difference about what sort of community and nation Australia can be.

It is a difference in philosophy - we start from different beginnings and seek different ends.

We start with the Australian people and they will get us there.

Really, no one ever put it better than Ben Chifley.

"I try to think of the labour movement, not as putting an extra sixpence in someone's pocket, or making somebody Prime Minister or Premier, but as a movement bringing something better to the people, better standards of living, greater happiness to the mass of the people. We have a great objective - the light on the hill - which we aim to reach by working for the betterment of mankind."

That is the base, the sentiment from which we begin.

But our ambitions are now greater and so are our achievements.

The light on the hill does not symbolise where we are going any more. We are past that stage.

It does not symbolise where we have been. We look forward, not back.

It symbolises why we have these ambitions, these goals - for the people, for the nation.

Thank you.