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**AUSTRALIAN LABOR PARTY POLICY SPEECH
1993 FEDERAL ELECTION**

presented by

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PRIME MINISTER OF AUSTRALIA

At

Bankstown

On

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ADVANCING AUSTRALIA

Building On Strength

Let there be no mistake. This *IS* the most important election in memory.

Today we stand against radical right-wing proposals which are hostile to fundamental Australian beliefs and Australian institutions and all that we have achieved in recent years.

Not new proposals, but old ones.

Proposals which have been tried in other countries and which in every case have failed – at great social and economic cost.

Dr Hewson says these other countries did not try hard enough. He is nothing if not zealous.

In this election there is Dr Hewson – Dr Hewson and Tim Fischer – or there is Labor.

I ask every Australian to think about this:

When you wake up on March 14, whoever has won the election, there will still be unemployment. There will still be problems to solve.

If Labor is re-elected there will also be an Accord between the unions and the Government, guaranteeing industrial peace, low inflation, and a continuation of that spirit of cooperation.

There will still be Medicare, guaranteeing quality health care to all Australians regardless of age or circumstance.

There will still be equity and access in education.

There will still be a social safety net providing care for the aged, the sick, the less well-off and the unemployed.

There will still be social policies expressly designed to manage the change we are going through, to alleviate the hardship and minimise the social damage.

And there will be every reason to believe that we will continue to succeed in our ambition to become a great trading nation, a great Australian social democracy, a proud and independent country, united and cohesive – and able to deliver to all our people living standards and a way of life unequalled in the world.

And there will be NO GST. No miserable 15 per cent tax on virtually everything you buy.

But if the Coalition is elected, within six months there will be no Accord – instead discord – no universal health system, no safety net.

And there **WILL BE** a GST.

There will be much less equity and access in education.

Workers will lose the protection of awards and be forced to negotiate individual contracts with their employers or take the sack.

Everyone will be paying A 15 PER CENT TAX on virtually everything they buy.

And you can be absolutely sure, NOT ONE NEW JOB will have been created by these measures.

That is why this is the most important election in memory.

There really never has been a clearer choice: between the Australian traditions of fairness and equity, and the economic and social jungle of Reaganism and Thatcherism which other countries have just abandoned.

Fairness and equity have served Australia well, and never better than in this difficult period of change.

We believe in change. To meet the national necessity we instigated it. But we believe it should be managed: we believe it should be moderated by supportive social policies. We think it should be calm.

Recognising that all change should have a social purpose, we take account of the social consequences.

I lived here in Bankstown for forty years.

This suburb of Sydney had all the best qualities of an Australian community. It still has.

It is a microcosm of modern urban, multicultural Australia.

Now, as then, it draws its strength from the people, and the people draw their strength from Bankstown.

Perhaps because Bankstown was such a strong community, there was a certain fearlessness about it, a great sense of security, a sense of self-sufficiency. One of the home-truths I picked up was that *the world owes no one a living*.

Today a whole generation of Australians know that the world does not owe us a living. We are the first generation of Australians to really understand what it means.

I think I began to understand towards the end of the 70s – it was then I began to form what was for me at least a new idea about Australia.

The thought took hold of me that we could be a creative country, as well as a so-called lucky country.

I thought that we could become a great manufacturing country, a country which made things for the world to buy. Things which bore the stamp of Australian work and genius.

I became convinced that Australia could be more than a quarry and a farm; that we could find a place in the front rank of trading nations.

This of course was contrary to the prevailing wisdom.

Yet in the early 1980s it very rapidly became apparent that the idea was not an option, but an absolute necessity. We no longer had any choice.

The story since then has been a remarkable one. The Australian people are bringing into being a new Australia.

An Australia which has more than doubled exports in nine years. An Australia which has tripled exports of manufactures and services.

We still export the raw materials – and much more effectively than before. But we also export high technology medical equipment and high-speed ferries, processed food, cars, computers, electronic and chemical products – information, education, television programs, tourism.

And increasingly those exports go to the fastest growing economies of the world – those in our own region, Asia.

These things have happened with remarkable speed.

And so have these things: we have the lowest inflation in thirty years. The highest productivity in thirty years. The lowest number of industrial disputes in thirty years.

We are far more competitive than we have ever been.

What is more, we have a population with a proven capacity for change, and a proven willingness to meet the challenges Australia faces.

But in the face of this success, our opponents talk incessantly of failure. Where there is hope they counsel despair. To sell their plan, they think it is necessary to talk Australia down – to extinguish people's faith.

My counsel is hope. These days it is more than hope – it is belief.

Belief in what the 90s hold for us all.

I've always said that I wanted to be around for the 90s – to see it all come true, to be part of the transformation.

Our opponents say they have a plan. The word plan is forever on their lips. Their pollsters demand it. But they have the wrong plan.

Labor has more than a plan – we have a whole national change – a sea-change, born of national necessity, happening now. A change sustained by faith in Australians.

A change not shaped by a computer model or a textbook, but bedded in reality and commonsense.

A change that does not break the mould of Australian society, but reshapes it by drawing on its strengths.

One that does not look back to the values of Thatcher's Britain or Reagan's America, but forward to the next century.

I see Australia growing on the dual foundations of energy and care.

Our energy flows from the genius and ambition of our people which the combination of liberal democracy and free markets alone can deliver.

Our care flows from a spirit we have in common as Australians.

You can see the energy emerging now in those remarkable figures I have quoted.

You can see it in 700 dynamic small to medium sized Australian businesses, born of this era, dedicated to innovation, earning last year \$8.6 billion in export revenue, and expected to double in five years.

The same energy is apparent in the \$130 billion worth of applications received by the Government for project development.

It exists in the new, much more clever business culture in Australia – a culture we ourselves have developed.

The "Australian company" is today a much more innovative, dynamic, export-oriented entity than it has ever been.

It will be the engine of growth and the pacemaker of employment.

That is why two weeks ago we gave a further break to capital and innovation. We lowered the company tax rate from 39 per cent to 33, providing Australian industry with a business tax system competitive with any in the world.

This is where the energy will come from. And we will do everything we can to stimulate it and, where necessary, provide strategic support.

We will make sure that Australia keeps its car industry.

Toyota has already committed itself to a new state-of-the-art plant at Altona in Melbourne.

Mitsubishi is poised to make major investments at its plant in Adelaide. The Government I lead will work closely with Mitsubishi to bring this about.

But no government incentive can match the opportunity offered to Australian companies by the emerging markets of Asia and the Pacific.

Never in our history have we had such an opportunity.

I have no doubt that if we are wise – I mean governments, business and the people of Australia – we will see in the nineties manufacturing and trade on a scale unprecedented in our history.

But it will not happen of its own accord.

As much as it will need leadership, it will need nurturing and encouragement.

We will need to grow companies committed to Australia, with workers committed to Australia.

Our success as a nation will depend upon our companies, but equally it depends upon the degree to which we care about Australia and Australians.

In an era of change the watchwords of good government should be care, support, cooperation.

We must take the people with us. That is a Labor article of faith.

We also recognise that on the way to our great social goals there have been problems as well as successes, and we recognise our responsibility for them. As Prime Minister, I recognise my responsibility for them.

Governments in Australia in the eighties were not always as prudent or wise as they should have been.

Nor were all companies: in the newly deregulated economy, a lot of their behaviour was not in the best interests of Australia.

The excesses of the 80s must not reappear in the 90s. The last thing we need now is a return to the 80s philosophy of "greed is good" and that the only useful interest is self-interest.

As in other countries, in Australia a lot was wasted in the boom. And as in other countries, the recession nearly stopped us in our tracks.

It is also true to say that even some of the gains we made had their social cost – those productivity gains of the last few years are now adding to the level of unemployment. Industry is getting more product from fewer people.

Unemployment is the greatest problem we face. It is the problem of the era. It is, overwhelmingly, the principal concern of the Government.

We have managed to achieve more economic growth than most other comparable countries. We have had four consecutive quarters of growth. But it has not yet begun to create enough jobs.

And we're not helped by a sluggish international economy.

What then is the answer? What is Labor's jobs strategy for the 1990s?

Over the next three years Labor will place the emphasis where it has to be.

On business and on incentives to invest.

Labor's jobs strategy is designed to assist recovery in business. Under Labor, business will pay a tax of 33 per cent on profits compared with 42 per cent promised by the Opposition.

Under Labor, business will be able to obtain an investment allowance of up to 20 per cent on all investment in the next two years.

An incentive the Opposition will not be providing.

And with Labor there will be no GST to weigh down business and depress spending. No big new taxes, no industrial conflict – just sensible practical things to help business investment.

But there is no doubting the magnitude of the unemployment problem.

It will not be easy to reduce and no one should expect speedy results.

But in the search for solutions, there could be no greater folly than to proclaim the task an easy one, as Dr Hewson did last week when he promised getting "jobs rolling from day one".

And no greater shame than to throw away the progress we have already made.

It would be a tragedy if we let the recession crush our faith or ruin our work to date.

There is the other lesson I learned growing up in Bankstown. In hard times you stick together.

When you're confronted with a challenge, *unity is strength*.

Every time Australians cooperate, every time they form a partnership, every time they agree on a common goal, every time they combine their ideas and their energy, they make Australia stronger.

If one word describes Labor's policy for Australia, it is "cooperation".

Our policy must never be to undo the ties that bind us but rather to strengthen them as we did with the Accord between Government and the unions last week.

A new Accord committed to jobs, but built on the same fundamental principle of cooperation.

Under the new Accord, wage increases will depend on progress towards creating jobs and reducing unemployment.

This is what the Accord has given us. Our opponents in their anger will strike it down.

And as it goes, the century long protection of awards will go with it.

It is incomprehensible to me why anyone should wish to destroy it.

But ladies and gentlemen

Labor's quest for social equity goes on.

Our recently announced child care policy recognises that the future growth of the Australian economy and the living standards of Australians need women's participation in the workforce.

We recognise that child care is essential if women are to take a job, undertake training or study or look for work.

Our commitment to meet total demand for work-related child care by 2001 will aid women's participation in the economy, as our 30 per cent cash rebate on fees will make child care more affordable - especially for middle income earners.

It is not good enough to say that a woman is either in the paid workforce or in the home. Chances are these days, in the course of their lifetimes, most women will spend periods of time doing both.

The needs of mothers caring for children at home are often overlooked in the child care debate.

But we have not forgotten them.

I recognise and appreciate the important role played by women who choose to stay at home while their children are growing up.

We propose to introduce a new cash payment of \$60 each fortnight to be called the Home Child Care Allowance.

This allowance is more generous than the Dependent Spouse Rebate it will replace, and has the added advantage of being paid directly to the mother at home. This will provide a source of independent income for women while they are out of the paid workforce caring for children.

In a further measure to meet the needs of women at home caring for children, we will extend fee relief to occasional care. This is in addition to my earlier announcement that we will double the funding for playgroups.

Labor's child care policies recognise the reality that different families choose to deal with the responsibilities of work and family in different ways.

Medicare is another concrete expression of the quality of our society and of Labor's commitment to it. Medicare is a statement as much as it is a system. It's a measure of our social progress. A measure of our care for one another.

It is not yet the perfect health system, but it is without doubt among the very best in the world.

The Coalition will pull it down. They say they won't. But, as everyone here knows, they will.

They will abolish the foundation upon which Medicare rests. They will abolish bulk-billing for everyone but pensioners. 13 million Australians will have to pay their bills up-front. \$32 a visit.

The Coalition is determined to take our health system towards the American model – the model that costs far more than ours, delivers infinitely less, and which the Americans are determined to replace.

The Coalition would cut \$1.3 billion a year from public hospitals while they cry crocodile tears over waiting lists. And they want to give \$1 billion to the AMA specialists. Three dollars an hour for Australia's youth, three dollars a minute for doctors – that is their policy.

We will never abandon Medicare – we will go on improving it.

Today I announce an important improvement for Medicare. We will open Medicare up to the private hospital system, so that it can purchase an estimated 10,000 private hospital beds per year for people on waiting lists.

We will also fund post-acute and palliative care patients in private hospitals – a step which will at once increase options for palliative care and free up public beds.

In addition, a new Commonwealth dental health program will be established for emergency and basic dental care for health card holders.

In education, we will continue to pursue the goals of access and equity which in the last decade saw the number of young Australians completing secondary school rise from three in ten to nearly eight in ten; the creation of an additional 120,000 university places; and, last year the establishment of an Australian National Training Authority to provide vocational training of the highest standard for all Australians.

In doing this we met the challenge of the new economic order. Education is our great comparative advantage. We must keep it and build on it.

These broad egalitarian goals create not only opportunities for all, they also create the lift that Australia must have.

Not only are we raising standards, but the guarantee of fair access to education is a principle from which we will never resile.

Under Labor, wealth will never determine one's chance to get a decent education.

We want our universities and TAFE to remain educational institutions – not private business organisations.

We will not introduce a voucher system for our universities. We will not put a tax on books. We will not put a tax on knowledge.

We will not cheapen the values of education, or enlightened social democracy, by making it subject to the principles of the market place.

In Australia we have built one of the best and fairest social welfare systems in the world.

In the next term, we will introduce new measures for unemployed people, including older men, and today I can announce further initiatives to assist other older Australians, including a more generous pensions assets test and a new seniors health card.

Looking after people in need has always been Labor's strength, and it is a proud record.

But we should never forget the people in the middle. Those Australians on average incomes struggling to bring up their families, pay their bills and keep their heads above water.

I am referring to families whose total income is between \$30,000 and \$60,000 who will miss out under Dr Hewson.

Who will miss out on the health care rebate, who will lose their Family Allowance, who will have their Dependent Spouse Rebate income-tested, who won't get the Coalition's child care rebate.

I fail to understand why the Coalition is so down on these Australians. Dr Hewson cuts them out of his compensation package, yet they are the ones who will be most affected.

Labor stands in direct contrast to the Coalition when it comes to meeting the financial needs of these people. Medicare, the award system, our child care rebate, our education system and our 1994 and 1996 tax cuts. Our policies provide for the people in the middle.

A tax rate of 30 per cent, not 38 per cent as now – and all without a GST.

For all pensioners, Labor will also introduce fringe benefits from April, giving 380,000 older Australians valuable discounts on everyday services.

There is one simple fact which all Australians should not forget: Dr Hewson intends to cut \$9.4 billion from government spending.

Almost half of this will come from social security, health, housing and labour market programs.

This was the level of Dr Hewson's cuts before he delivered his revised package in December - the package he funded with a proposed sale of Telecom for \$20 billion.

Yesterday it was revealed that Telecom is worth \$8 billion less than that, which simply means Dr Hewson's plan is unaffordable.

His principal pledge to abolish state payroll tax cannot be achieved.

Business it seems is to get the booby prize. A 15 per cent GST, a 42 per cent company tax and no payroll tax relief. And timed local phone calls into the bargain.

As our success depends on the bonds between us, it depends on the strength of our culture.

Labor guarantees support for those great Australian institutions which preserve the nation's heritage, encourage ideas, disseminate information and strengthen national cohesion.

I mean such organisations as the ABC, the CSIRO, the Australia Council and the Special Broadcasting Service. All on Dr Hewson's hit list. Labor will also extend the services of Radio JJJ to Australian regional areas.

Our cultural life and our quality of life in Australia is uniquely determined by our environment. Whatever separates us, we have this continent in common. We share responsibility for it.

In December, Labor delivered its Environment Statement, the centrepiece of which was a major program to renew and revive our greatest river system, the Murray-Darling Basin.

In Labor's next term, improving the quality of the urban environment will be a major priority of the Government, as will identifying areas of habitat important to the national estate.

Labor will not be joining the Liberals in their rush to uranium enrichment and engaging the nuclear fuel cycle.

This Government has long spoken of the need to address the historic and continuing injustice done to Australia's indigenous people.

Over the years a great deal of money has been spent and a great deal of good will expended, but the Aboriginal and Torres Strait Islander people continue to suffer the consequences of two centuries of injustice, prejudice and neglect.

Any Government that I lead will be determined to complete the process of reconciliation Labor has begun, and at last return to the indigenous people of Australia the dignity, social justice, health, opportunity and living standards to which all Australians are entitled.

To fail in this is to betray not just the Aboriginal people, but ourselves, all that we profess to believe, everything Australia stands for.

We are determined not to fail this time.

It has been Labor's consistent theme that our success as a nation depends on our ability to harness all our resources, human as well material.

It depends on having faith in our institutions and confidence in ourselves and in each other.

As I have said, we need only look to the last few years to find the reasons why we should have faith in ourselves. We need only look to the next few new years and the opportunities ahead to see why we should be confident.

It is perhaps in part because Australians are growing in confidence that more and more of them are questioning whether it is appropriate for Australia to have as its head of state the monarch of another country.

Many Australians - some surveys suggest a majority - believe that we will be better able to succeed in the world with the unique and unambiguous identity which an Australian head of state, chosen by the Australian people, could provide.

While it is far from the most pressing matter facing the nation, it is nevertheless important that we do not let this decade leading to the centenary of the Federation pass without advancing the debate.

To do this we will set up a broadly based committee of eminent Australians, including representatives of the States, to develop a discussion paper which considers the options for a Federal Republic of Australia.

Any options developed by the committee would not seek to change our way of government; only to have an Australian, chosen by Australians, as Australia's head of state.

I would like to extend an invitation to the Opposition to participate in the workings of this committee.

It would be the intention that as a result of this committee's deliberations and the public discussion that would follow, the Australian people would be in a position to

decide by referendum later in the decade whether Australia should become a Republic by the year 2001.

Early in the speech I said that this community was remarkable for being so strong and so cohesive.

It has changed dramatically in recent years, and no change has been more dramatic than the arrival in Bankstown of people whose culture and experience is so very different.

Bankstown has accommodated the change.

And just like every other community in Australia, Bankstown is accommodating the economic change the nation is going through.

Bankstown has drawn on its people, it has drawn on its community spirit, it has drawn on its sense of justice and fairness – on those traditions common to all Australians – to make the transformation from one world to another.

We will only be strong, we will only be able to make the necessary change, and the change will only be *worth making*, if we keep the bonds between us strong.

In the end, this is the only way we will get where we want to go. It is the only way we will solve our problems. It is the only way to avoid creating new ones.

To my mind, it is because Australians know these things and for so long now have practised them that Australia is a great country, and a country with great prospects.

It is because we have the wisdom both to succeed in the world and to live together in Australia. And in the end I think that is at the heart of our pride, and why we love Australia.

And why we must make sure that the ties that bind us are never broken.