

(21)



PRIME MINISTER

**TRANSCRIPT OF THE PRIME MINISTER, THE HON P J KEATING MP
ADDRESS TO THE NSW ALP CONFERENCE, SYDNEY TOWN HALL
30 SEPTEMBER 1995**

E&OE PROOF COPY

Well, thanks very much for a very enthusiastic welcome - I appreciate it. I think it's our about 106th Conference, and we do keep keeping on here - we do keep keeping on. But Terry, Chris, Della, Anthony, my Parliamentary colleagues and friends one and all. I am very pleased to be back here - I started my political life here all those years ago at a Conference in the early 1960s. And 30 years later we are still running Australia - we have a national Government, and a Labor Government in NSW. And this Parliament, these 3 years, arguably, have been our most valuable. When we won in 1993, and we stuck it to the Tories in the sweetest victory of all, we opened up an opportunity for ourselves and for Australia that consolidated the work and the gains and the imagination of the 1980s. We have consolidated the recovery to now the longest growth phase in Australia's post-War history. The next national accounts will be the 17th consecutive quarter of growth - a national record. We have returned the economy to strong job growth - we have had, since the election, 680,000 jobs. And I said recently it took us from 1788 to 1983 to get to 6 million, and we have added 10% to that in 2 1/2 years. It's way beyond our commitment of half a million - we reached that, in fact, after 2 1/4 years. And in this process of consolidated growth, and strong job growth, we have consolidated low inflation - we have an inflation rate around 2 - 3%, after the Tories, of course, couldn't get it under double digits. So we have fulfilled, I think, the most solemn pledge we made at that election, which was all about growth and employment. And that pledge was to get the economy back to growth, to pull down unemployment - to not leave the unemployed behind. They were the solemn commitments - the hardest to meet, and they are the ones we have met the most. As I say, we have done it all by breaking the back of that pernicious disease - Australian inflation - and done it in a way, also, which now has the current account deficit trending down.

Three months ago, of course, it was turning at \$3 billion, and we had all the hand-wringing, and the Liberals with their debt truck and the rest - yesterday it came in at \$1.5 billion, half of what it was 2 months ago, and below the

figure of just over \$2 billion the previous month. So, we have got it trending down. Not in 12 years have we faced a better scenario - 4% GDP growth, 4% employment growth, 2-3% inflation, the Current Account trending down, and exports booming. And we have been given the time for the transition to a new labour market. In these 3 years, Laurie Brereton introduced the new IR legislation, and we have made that change from the most centralised of wage fixing systems, to, now, an organic one where the only place - out there in the market place - the only place where our unions will survive, the only place where they will have the opportunity to go and do the things they need to do to represent their members, and not be held hostage to some Conservative Government of the future at whatever time it wants to put a knife through the heart of the centralised wage fixing system. We have built a labour market that keeps our competitiveness, keeps the jobs coming, keeps inflation low. And while we have been doing all of that, we have moved the Budget back to surplus, we dramatically expanded superannuation so that all of us will have a better standard of living in retirement. By the year 2002 - which is just 7 years away - every Australian person will have 15% minimum savings in superannuation, which will dramatically increase their benefits in retirement, and while doing it, produce a huge pool of national savings which will underpin a much higher level of investment in Australia, and lower our reliance upon overseas savings and overseas debt.

And to underline these achievements - to cap them off, to finish them off, to polish them off - we have strengthened our identity in our culture. We have righted the wrong of *terra nullius* with our indigenes, we have given them back that part of the remaining land that was always theirs, we built a relationship of quality and trust with the countries of the region, and a relationship which is without precedent in Australia, between Australia and these places. We have threaded together the most ambitious free-trade undertaking in the world, which is APEC, and we have laid down the blueprint for an Australian republic. And we have done all of these things in 3 years - in less than 3 years. We have made Australia a country we can be proud of - we have made Australia the fairest Anglo-Saxon country in the world. And this is what Labor Governments are all about: fairness, equity, imagination, belief, faith. Faith in our fellow Australians, compassion for their lot in life, belief in Australia. But now, at the brink of the century, there is one message to come from that great achievement, and it is this: we can't go back.

Now we have got such momentum, we can't go back. Now we have made Australia competitive and stronger, we can't go back. Now we have built a social democracy and a social wage with equity, we can't go back. Now we have got a Native Title Act, we can't go back. Now we have built a future in Asia, we can't go back. Now we have mapped the path to the republic, we can't go back. We can't go back to the iniquity, or our past uncompetitiveness, we can't go back the conflict, we can't go back to the continental insularity, to the mono-culture, to the denial of truth about our indigenes, to the monarchy. In short, we can't go back to the old Australia. We can't go back to John Howard's Australia - conservative Australia, the Liberal's Australia.

Now, this week was an interesting week in Australian public life. This week, the real John Howard stood up. He didn't stand up voluntarily, and he didn't stand up very straight. But he stood up just enough for Australians to see him for the first time since he became leader again. And what did they see? They saw the old John Howard - the one we all know. The man who has opposed every wage rise, bar one since 1978. The man who opposes progressive legislation instinctively. Who opposed the Racial Discrimination Act, who opposed sanctions on South Africa, who opposed the South Pacific Nuclear Free Zone, who said in 1987 "Medicare is one of the great disasters of this Government - we will be proposing changes to Medicare that amounts to its de facto dismantling". The man, who in the same year, wanted to re-introduce racial discrimination into Australia's immigration policy. Privately, Honest John says he wants a labour market with downward flexibility. Publicly, Honest John says he just wants a flexible labour market. Yet, at the same time he champions his other article of faith - the family. "I'm pro-family", he says - as if the rest of us, of course, were anti-family. But he's pro-family, and anti-overtime rates. Pro-family, and anti-penalty rates. Pro-family, and anti-award. Pro-family, and anti-breadwinner. Pro-family, and pro-take-the--contract-or-take-the-sack. Pro-family, and pro-knocking tens of billions out of Government programs which go to support Australian families. John Howard is pro-family, and anti-family support. He is pro-family, and anti-fairness.

John Howard has a curious concept of choice - we noticed it this week with industrial relations. The downward flexibility he favours, he wants us to construe as choice. And in fact, the choice he talks about will prove to be a denial of choice, as it is already happening under legislation in Victoria, and in legislation in Western Australia. There was the case this week of a librarian in Melbourne, under the old Victorian state award. After years of commuting, she saw a job advertised closer to home. She phoned the employer, and found that the work is identical to her current position. Then she discovered the difference in the salary - her current salary was \$35,000. The salary for the new position - because the old state award had been abolished by Jeff Kennett - was \$19,000. So, she was forced to stay where she was. That's the choice that John Howard talks about. And in that choice, of course, it makes very clear that person is going to be stuck - there is not going to be mobility or flexibility, but stuck and not able to make the move away.

Now, he has never done the right thing, and he has never done the hard things. In the 80s he let himself be buffered around by the heavies of the New Right. He picked up their rhetoric, after formerly trying to make himself up as some sort of cuddly person in the moderate parts of the Liberal Party. But he ended up with the heavies of the New Right, and trying to buy votes with a discriminatory immigration policy. He has always been weak - he can sound forcible, but he is never strong, and he is never principled. Now, let me just give you a couple of quotes this week about Mascot airport, because it is not so much the issue of the airport - it's what it means in terms of where he would lead Australia. He says all the time the greatest priority that faces the Government at the present time in the national economy - in the national interests - is to "re-ignite the process of micro-economic reform". He says,

"the Coalition Government will revitalise the micro-economic process. It might be boring to many, but any Government interested in this country's economic future and jobs for its people must get on with the task of improving its efficiency. The better we are, the better off we will be", he says. As one of its first tasks, he says he will have a Productivity Commission, which will carry out a stock-take on the progress of micro-economic reform. There will be particular areas of emphasis which will impact on Australia's international competitiveness, as well as a timetable for decision-making and implementation. In other words, he is the one he says will crack all the tough nuts that Labor, he says, won't touch. Such as the waterfront, such as the labour market, such as shipping and transport, such as these things.

But when it comes to the biggest micro-economic change in air transport in Australia - that is the third runway at Mascot airport, he is now slipping back saying he wants to cut its capacity by 35%, and he wants to make it inherently unsafe. But this is after he said these things about it - he said this in a press release, which I have from 1989: "in the interests of safety, airport facilities should be upgraded immediately, including the construction of a third runway. The Government is playing carelessly with a situation that could too easily result in a major tragedy - this risk must be averted." This is on his press release. And it goes on in that vein. He said this in a number of other places - he has made it clear across the way. And when asked on radio in the same year, he said this - talking about noise: "Many people get less because you will have the north-south pattern. I think the case for it, on general interest grounds, is absolutely overwhelming. Our policy is to build it, that's been our policy for the past 6 1/2 years". In other words, he says it will be better, it will be safer for the airport to be configured this way - it will lift its capacity, and it is a major micro-economic change. But now, the same micro-reformer that has urged Labor to do another hard thing - as we have done on the waterfront, in shipping, in telecommunications, in deregulating the airline system, in infrastructure such as the third runway - he now says for a few miserable votes in Bennelong, he will move backwards. He will move backwards. He will move backwards away from the task that he knows has to continue. Whether it's in ports and wharves, or electricity, or gas, or water, or any of the things that will determine our competitiveness, he is moving back. But listen to this for humbug, and he said this in the Parliament in 1981, "what makes what this Government has done so criminally irresponsible", and he is talking here about the runway, about Mascot, "as criminally irresponsible in a political sense, is that all along it has known the right thing to do. It's one thing to be invincibly ignorant about the correct economic prescription, it's an infinitely more culpable thing to know what the right thing is, and to conscientiously pursue that course of action in the name of political expediency and political opportunism". In other words, he is doing the very thing now that he was upbraiding other people - alleging that other people - did then. Yet this is the person who is going to run the new Australian agenda. The person who is going to be the hard man, who breaks the micro-economic log-jam. First bit of pressure, and he goes to water. And where's the pressure? In a seat he has held for 20 years. He has got a margin of 3.5%, he is running for Prime Minister, but he thinks he mightn't hold his seat. Oh; he's got a big ticker - a big ticker. And he said oh no, look, it's all about

Lowe. But, of course, the noise in Lowe comes across the back end of the electorate - he knows it's all about Bennelong. And here he is, he's out there saying I can lead you to a better Australia, I can break the log-jams, I can bring the new age in, but I had better shore up my own seat. I had better get around.

But, of course, the other thing, can I say - he is completely at odds with the interests of the people from rural NSW. And just let me give you a couple of instincts about this. If we force Mascot back by 35%, there's no way all of the commuter aircraft can come to Sydney. They will have to hub somewhere, and then come - they will have to hub into bigger planes. We won't have 8-seaters, and 12-seaters and 20-seaters - they will have to hub into big planes. So, if I give you an example: from Dubbo, it now takes 55 minutes on Hazelton Airlines. If they have to hub through Orange, it will take 1 hour 55 minutes. It costs \$338 now, it will cost \$436. From Parkes, it takes 55 minutes. If they have to hub through Orange, it will take 1 hour and 50 minutes. And let me give the example of Port Macquarie - Port Macquarie direct now is 55 minutes, hubbing through Newcastle on Eastern Airlines, it will take 1 hour and 50 minutes. It now costs \$348, it will cost \$470. Albury on Kendall Airlines takes 1 hour 10 minutes now. Hubbing through Canberra it will take 2 hours and 15 minutes - it's now \$432, it will be \$528. And Narrandera - which comes via Hazelton - is 1 hour 20 minutes. Hubbing through Wagga will take 2 hours and 5 minutes. It's now \$396, it will be \$490. I mean, that's what he is doing to country NSW - he is going to punish it, he is going to remove their access to our capital city, he is going to do it all in the name of a bit of sly politics for a change which he has always himself supported all those years ago, for all those many years.

Now, this is the John Howard who believes that he can dupe the public, that he can explain to people...see, he is from the John Carrick school of politics. That is, say a thing often enough, say it with meaning, look serious, keep repeating the lie, and you have got a good chance of getting away with it.

Let me say a few things more about his industrial relations policies. He says that people will be able to stay on their awards. But this belies an understanding about the labour market, that 1.7 million take new jobs or change jobs every year. That in a 3 year life of an Australian Parliament - 3 years - 43% of jobs change. Every time they change, those people lose the award protections. All the young people coming out of universities into the labour market for the first time, lose the award protections. The women joining the workforce won't have the award protection. Migrants joining the workforce won't have the award protections. So much so, all of those things will change. And then he says that he will have some sort of disadvantage test, but not the no-disadvantage test. Not the one that says you can trade in or cash-out overtime, penalty rates or holiday leave loading, but you must get something for it. You can trade them away to make the enterprise more flexible, to make the work hours more flexible, but the total package must not be a disadvantage for the employee, and there is a test which is applied through our federalised institutions. He won't do that. Nor will he say that there is some community standards - like sick leave and maternity leave etc -

which won't be traded away, and shouldn't be traded away. He wants, of course, flexibility downwards, and there will be no disadvantage tests. Now what this means to the people in the workforce - like, for instance nurses who would lose about 22% a year by losing overtime and penalty rates, about \$5000 a year, truck-drivers who would probably lose the better part of about \$6000 a year on the same basis - you can find all categories of people in this labour market of ours who, basically, will be much worse off, without the systems we have in place. And this is the nearest we have ever got to a permanent wages system. And the enterprise bargaining system - where people can go out, with the productivity of the business, split it between profits and wages, and make themselves better off, and make the company stronger, and make the business stronger - and for those who haven't got that strength, or that negotiation power, or that negotiating position, we have got to say to you we have got a safety net, with safety net adjustments which maintain their purchasing power, and give them increases in income. That's the system we have in place - it's the system he wants to junk.

But this is the man who will basically do anything to see this view of his - this religious view he has had - about pushing wages down. The same fellow, of course, who doesn't want an Australian as the Head of State. The same guy - as I said earlier - who is opposed to the Native Title Bill. The same person who, months ago, wouldn't see the political leader of Vietnam. Who hates the Accord, but wants to keep the monarchy. Who wants to strip away those award protections from the lowest paid, and create an army of working poor to give us the American model for Australia. The failed Treasurer, the failed Leader of the Opposition, the Liberal Party's third choice in this parliament. The man who wants to be Prime Minister of Australia. The thing is - we can't go back.

This week, we saw the real John Howard - the vacillator, the opportunist, that man without principles, the man without policies. The man who has Honest John etched on the shingle out the front, and under it, "we trade anything". Anything for a few votes. The national interest on aviation, and micro-economic reform - sold for a few votes in Bennelong. The national interests in a relationship with Vietnam - sold for a few votes in Marrickville. And by the way, this week when he was sustaining his losses on Kingsford-Smith airport, he went up around the press gallery - he is now beavering away in the press gallery - and he told them that his Private Member's Bill on Kingsford-Smith Airport was just a clever stunt - a means of getting industrial relations off the front page. Well, I thought an interesting example of tactics devised after the battle - yes, I have lost a leg, but you know, I meant to. It was part of the strategy. But the more interesting point is - why would he want to move industrial relations off the front page? If he is running around telling journalists that he has moved his stunt Private Members Bill on Kingsford-Smith, why would he want to remove industrial relations off the front page? And the answer is easy - and that is, because everyone knows that on industrial relations, John Howard has never changed - that it will still define him, that he is determined to get his way and to cut wages back.

So, we have seen him trading votes, and trading policies all week. The principle and integrity of the institution of the Royal Commission - which has meant so much to Australia in years past, which we can see working here now with the Police Royal Commission in NSW - was sold for the votes that Carmen Lawrence might win, and the Liberals might lose as they fall apart in Western Australia. All of these things have always been his way. He has never done the hard things, or the good things, he has only done things to buy votes.

On the other hand, Labor sees our ...(tape break)...replete with opportunities. We have come a long way in the past decade, and a very long way in 3 years. But none of us believe that we have gone as far as we might, that the job is over, or that the dream is fulfilled, but we are still doing things. And let me just give you a few examples. On the environment - this week on the environment, we have got the largest process we have ever had - under the National Forest Policy Statement, the agreement between the Commonwealth and the States - we are now looking at deferred forest areas which will be put away for 2 - 3 years for development of Regional Forest Agreements. Those Regional Forest Agreements will have representative stands of trees - representative reserve systems, so we won't be arguing coupe by coupe, compartment by compartment, logging company by logging company for each group of trees that are taken from the forests. So, in other words, we will have a mature system. And what is our standard? 15% of the native forests which existed before European settlement - that is about twice as much as any comparable developed country has. Twice as much as the United States, much more than Europe - higher than any comparable country. And we are now getting the cooperation of the State Departments of Forestry - we are bringing the States in partly because we told them last Christmas that if they didn't, we would cut woodchips back by 20% a year to nothing. And so they have come to the party - Tasmania has signed up. You know our Government in NSW didn't need signing up - they are going to put a good policy into place with the Commonwealth. And we are about to now, embark upon a process where for 3 weeks we have left a draft in the market place for the green groups, the environment movement and for the forest and paper industries to look over, and to come back to the Cabinet, and where the Cabinet will then settle on deferred forest areas. We will put them away, and in the next 2 or 3 years we will have Regional Forest Agreements, and then we can go on with a decent plantation and pulpwood industry taking re-growth and some things from the native forests, but knowing that those great forests of Australia will be protected, and the representative stands and species will be there forever. Now, that's what we're doing. No Government has ever attempted it - that's what we are doing now.

But I noticed in today's *Australian*, someone had some wise words to say about this process - I'll just read you a couple of these things. It says in demanding Federal and State Governments protect ever-increasing areas of old-growth forests, the environment movement may sacrifice its credibility, and reinforce the image that it is insatiable. Without even glimpsing at the draft proposals for the deferred forest areas yesterday, the environmental alliance prepared a statement that condemned the outcome as diabolical. It

claimed forests such as East Gippsland in Victoria were going to be destroyed - that the situation in Victoria was catastrophic, only 2 catchment areas would be protected. None of this is true. Years of campaigning has won the movement far more than it is prepared to admit. In Victoria, where some of the most detailed assessments have been carried out, the size of national parks and reserves means additions of protected forests are likely to be small". It goes on to say, "reserves in the Wombat State Forest will be enlarged by 50%. Of box ironbark forests, spread throughout Victoria, an extra 90,000 hectares is required to meet the Federal Government's benchmarks. There will be 150,000 hectares available. In East Gippsland, the State's 3 year plan allows 18,000 hectares to be logged, leaving 640,000 still untouched and available for inclusion in a reserve system that will have been long-finalised by then. Interim protection has also been given to 2 icon areas - the Betka River, and Ellery Creek catchment area. This is not catastrophic, nor the destruction of East Gippsland". And it finished with this punch line - "if the environment movement wants to be taken seriously, it will need to drop the exaggeration, and use the next 3 weeks to make the most of Canberra's offer of genuine consultation of what is still, after all, a draft". Now, let me endorse those comments.

Only Labor has ever protected the environment. We are the only ones who care about it. And if you take the last 15 months, we have put away in Queensland, Shoalwater Bay - that beautiful area that has been within the Defence Department for all these years - we have put it away forever. We have saved Jervis Bay. We have done things in various locations along Eastern Australia particularly. And not only that, we have just reinstated another plan on the Barrier Reef - Laurie Brereton has, again, been protecting the Reef through the carriage of vessels through it, and particularly, de-ballasting. We have done all of these things and, at the same time, we have told the forest industries you are going to be cut by 20% a year to nothing, unless you get into Regional Forest Agreements. You either add value, and get into Regional Forest Agreements, or you're in for the chop. Except the chop is not the tree - the chop is you. In all of this, we have now established a process where - not like last year, where we were arguing about 100 or so coupes - but we are now looking at the forests of the country as I say, for the largest representative system in the developed world, 15% minimum of that which existed before European settlement. And, of course, we are doing more than that. On the land, we have got the Landcare movement working. Only Labor cares about the land, and the way it has been abused and lost. And we have got the Land Management Task Force about to report, and it is going to report about how we have got whole of farm planning - how we rationalise farms in regions. How we give structural assistance to move farms into rational and economic units. How we got off marginal land. How we deal with salinity. How we see water resources brought to the right places, at the right prices, in ways that will not encourage salinity. How we improve our principal river system, the Murray Darling. All of these things are things which are only on the agenda of one political party - the Australian Labor Party.

And can I say, while I am at that, in these things that we are doing - these ideas we have - we are also underwriting now the future of Australian agriculture. We are trying to drought-proof Australia. We are putting a premium on the family farm. And isn't it a great irony, as always I suppose, that it has got to be a Labor Government that goes out and defends the backbone of rural Australia - the family farm. It's a Labor Government which has now removed, in the drought, of course the asset test for income - social security income. Over 11,000 farm families are now getting income support - we have paid \$88 million in exceptional drought relief in NSW, and we have paid \$600 million overall - \$600 million. And that has kept rural Australia together - given them hope, given them heart - until the rains make clear, or enough rain comes, to see that the drought is broken.

For regional Australia - that the Liberals have never cared about, that the National Party has never cared about - we are saying regions are important to Australia. Regions is where the fastest growth is - it's not in the capital cities any more, it's in some of the regions. We want to make the regions work better. We want to see them become part of the national economy. We want to see them have a role and a future for themselves, and make their contribution. And we are developing Regional Economic Development Organisations, we're funding the capacity of people to think about their regions. We are saying that the regions which are led at a community level by business, by unions, by local government, by community groups - they are the regions that kick along. They are the regions that are part of the Labor view of Australia - the ones that will be part and central to where we go as a future.

They are some of the things that we are thinking about. And I tell you those things to make this point - that the coming election is going to be a referendum of ideas, a referendum on policy. A choice between those with ideas, with imagination and with policy, and those without them. The big ideas - growth, jobs, cooperation, fairness, the environment, the region, APEC, the republic. I mean, these are the big ideas of Australia. The big ideas of Labor. The big things we stand for. And there is going to be no running and hiding in the referendum of ideas. John Howard might run, but he can't hide. And I can assure you I will trace him down every policy black hole, through every shonky press statement, through every glib phrase, through every broken promise, through every paltry manoeuvre - he will be accountable. Because they have no policy ideas - the dogs are barking it in their staff and around Parliament House. There is no inventory of ideas and policies about to come out for the election, for the Liberal Party. They don't have any. They want to make the election campaign about us. I say good - we are the leaders of Australia. We are the enlargers - we are not the punishers and the straiteners. We are the people who dream the big dreams and do the big things.

Imagine if they had our agenda - imagine if now John Hewson had won the election, and he was sitting with our work - 4% growth, 4% employment growth, 2-3% inflation, the Current Account trending down, exports booming, a cooperative labour market, and Accord where the unions endorsed the

Reserve Bank's inflation target, a fair social wage, Medicare, the environment, the forests, the sea, the water, the land, the region, the country, APEC, the Pacific Rim, the republic. Imagine if they had that agenda. But what have they got? Miserable, out-dated rubbish from the 1950s and the 1960s. The politics of envy. The mono-culture. They reject it all. About a year or so ago in Canberra I saw John Olsen getting a prize. He said, "look - there's only 2 sorts of Australians - the lovers and others, and we know what to think of the others, don't we?". Now, we are part of the lovers. We are part of the believers. We are the enlargers. And Australia has always gone for enlargement - it has always gone for the big ideas - for equity, fairness, justice and a future. Now, that's what we have got. We are going to fight this election as hard as we fought any election ever. The thing we have got against us, is that we have been in office for 12 years. But the public knows that against that longevity of office, there is this huge pile of achievements. That we have genuinely given Australia a future, that we have ideas about it. We feel for the place - we know about its role in the region, we have regard for one another - they know these things. In my view, they are not going to turn that out, and take the third choice of the Liberal Party. A person who has never put any of the big policy changes into place, and someone who - just this week - has proven again how hollow he is. It's going to be a great fight.

And you have often heard from this lectern in other circumstances the phrase things worth fighting for. But these things are worth fighting for. We have got a Labor Government in NSW - we have got a great Labor leader in Bob Carr. We have got a Labor Government in Queensland, and we control the great bulk of the resources in Eastern Australia - the landscape, the territory - we can do things together. And I can even drag a few of the recalcitrant Premiers to the party on occasions. So the future is ours. What we have got to do now is go out there and hang on to it - grab it, seize it, and run with it. And when we do, we will have the reward we have had on 5 occasions. What we now want it now is for our 6th, and I am telling you this - we will get it. Thank you.

ends.