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**PRIME MINISTER**

12 September 1997

**TRANSCRIPT OF THE PRIME MINISTER  
THE HON JOHN HOWARD MP  
ADDRESS TO THE LOWE FEDERAL ELECTORATE CONFERENCE  
BURWOOD, NEW SOUTH WALES**

**E&OE**.....

Paul Zammit, your wife Rita, that most famous of all Italian exports to Australia, to Michael Osborne, the President of the NSW Division of the Liberal Party, Bruce McCarthy, the State Member for Strathfield, many other very distinguished guests, ladies and gentlemen.

Could I start by saying that I have been to many Liberal Party fundraisers and gatherings over the years and I dare say I've got quite a few in front of me, but I've got to say, this is one of the best organised, most diverse and most expressive of the grass roots and the cross section of the community of the Lowe electorate. I think it is one of the greatest of these sorts of gatherings that I've been to.

And it's a tremendous tribute to Paul and Rita that they have been able to get this gathering together in such a spontaneous and enthusiastic way and how delighted I am that amongst the guests tonight are the young men and women from the local schools who will shortly be sitting for their Higher School Certificate. And, of course, I am immensely proud that the Captain and Vice Captain of my own school, Canterbury Boys' High School, are amongst those present.

Canterbury has always been a remarkable school, of course. But what is particularly interesting about it, I understand from Paul that it's students number, 93% of their number, are of a non-English speaking background. And it is a remarkable demonstration of the diversity of that community. And when I mention that, can I say that tonight's gathering, as well as being a tremendous cross-section of the Lowe electorate, it is a very emphatic and a very heartening, and a very enthusiastic reminder to me and to all of us here tonight of the great and successful diversity which is post-World War Two Australia.

So many different ethnic groups, so many different nations, so many different cultures, different religions are all represented here in a united and harmonious fashion. And it

sends a very strong signal, a very strong signal indeed to Australia and to the friends of Australia, that almost unique amongst the nations of the world, we have been able to bring together men and women of goodwill from all around the world and to build a very united, cohesive and tolerant nation.

And I know that I speak for all Australians when I, irrespective of their background, when I say that all of us are absolutely determined to preserve the cohesion, the unity, the tolerance, the openness and the willingness to accept people of different backgrounds. We regard it as a cornerstone of what we see as being the essence of the modern Australia.

Ladies and gentlemen, it is now just on 18 months since that wonderful night on the 2nd March 1996 when so many of you in this room saw the fruits of the hard work of many months, you saw that marvellous swing against the former Labor Member for Lowe, and you saw Paul Zammit installed as the Federal Liberal Member for Lowe. And it was a very exhilarating experience. It was really marvellous after 13 years in the wilderness for the Liberal Party once again to have the reins of national government in Australia.

We had waited a very long time. I can tell you as somebody who waited through all of those 13 years in Opposition that it's a very, very dispiriting experience. And I have absolutely no intention of ever revisiting the experience.

And I know that in saying that I speak for all of my colleagues, that we were given that mandate in March of last year to do things and over the last 18 months we have completed the first stage of implementing the mandate and the authority that we were given in March of last year. The first 18 months has been about repairing the damage. It's been about turning around a Budget deficit of \$10.5 billion into a surplus of \$1.6 billion at the end of our first term in office.

It's been about reducing interest rates, not only for home borrowers but also for small business. It's been about implementing our family tax initiative in full on time, without deduction.

It has been about reforming Australia's industrial relations system. It's been about pushing through the privatisation of one third of Telstra and the establishment of a \$1 billion Natural Heritage Trust which will lead to the biggest-ever capital investment in Australia's environmental regeneration this century.

It has been about giving people long sought after incentives to take out private health insurance. It has been about restoring the authority of the Government to govern in the interests of all Australians and not to govern in the interests of those who pursue only narrow sectional interests.

So, it's been a very exciting 18 months. But the next phase of our term in Government lies in front of us and that phase is about realising the potential of this great nation of ours as we move into the 21st Century.

And I want to share a few thoughts with you tonight about the future. We are very proud of the history of Australia. We are very proud of Australia's past and

particularly gathering in this building, we acknowledge a particular debt to those men and women who in the past have risked their lives and so many of them have lost their lives in the defence of the freedom of this nation.

But in looking to the future it is really unavoidable that one can generate a great sense of excitement and a great sense of enthusiasm about the enormous potential that this nation has.

We are, to use that old cliché, extraordinarily lucky as a nation. We have the rich endowment of being in this part of the world, an inheritor of the traditions of Western civilisation. Our habits of Parliamentary democracy, our respect for the rule of law, our respect for the authority of elected governments, and incorruptible judicial system, a tolerance, a free and open press, it may annoy us on occasions but can I assure you that it is far better to have a free press that annoys you on occasions than not to have a free press at all.

And it is one of the great cornerstones of the liberty of the Australian nation. So we have all of that as a great inheritance, but we're also very fortunate that we've placed by geography, cheek by jowl with the fastest growing part of the world, the Asia Pacific region.

And the opportunities we have as we go into the 21st Century of building even closer and deeper economic, political and cultural links with our region, whilst at the same time, preserving associations with other parts of the world that are so important to many Australians, that presents us with a unique and very favourable opportunity. And I believe that if we can build on those great strengths, if we can tackle those things in our community that need to be changed whilst preserving those things within our society that are worth preserving, then we can build for ourselves a greater future than even the great past that the Australian nation has had.

We are a remarkably adaptive country. Australia, for example, has after the United States, the second largest appetite in the world for the Internet. We have, after the United States and Japan, the third greatest usage of mobile telephones. All of our history we have been great devourers of new technology. We have educational qualities, both at a secondary school level and also at tertiary level that are the envy of people all around the world.

We have a standard of excellence in the medical profession and in areas of medical science which are also the envy of the world. I opened the new Centenary Institute for Cancer Research in Sydney earlier this week and I reminded my audience that although Australia has only 18 million people, it contributes two percent of the world's aggregate in medical research. If you think about it over the last 100 years, given the small size of our population, the Australian nation has contributed enormously and disproportionately in a very positive way to medical science around the world.

We have one other great advantage as we go into the Asia Pacific region. We are seen as bringing to that region the advantages of our association with western civilisation without perhaps some of the disadvantages which are carried by other nations. We are

seen as a new society, we are seen as an open society and we are seen as a tolerant society.

We do have continuing economic problems. No-one denies that. And no-one denies that the challenge of a still unacceptably high level of unemployment is one of the principles of those economic challenges.

But let me say of unemployment, let us not forget that our opponents had 13 years to solve the problem of unemployment. And the average rate of unemployment during that 13 year period was precisely what it is today, and that is 8.7 percent. And that is said to remind the Australian community that those who had 13 years to fix the problem have little credibility in lecturing us after only 18 months. But having said that, my friends, reducing unemployment remains a challenge and it can only over time be reduced in two ways.

We must first of all, generate a much faster rate of economic growth. And we are succeeding in doing that. Only a few weeks ago the Governor of the Reserve Bank in a speech that I've never heard a Reserve Bank Governor make before, said that the time had now been reached in Australia where you could remove the speed limits on economic growth. And he felt that the Australian economy could grow at 4 or 4.5 percent a year or even faster without running into balance of payments or inflationary problems. And it's those amongst you in the audience, particularly the students here tonight who've studied economics closely will know that over the last 20 or 30 years one of the things that has bedevilled the Australian economy is that we have only been able to afford the luxury of strong economic growth for a short period of time before either inflation has taken off or we've had a balance of payments crisis and the Reserve Bank has had to contract the economy, raise interest rates, or a particularly harsh Budget in order to restrain demand has had to be introduced.

Now we have in front of us the opportunity of freeing ourselves from that constraint and we are in the process of freeing ourselves from that constraint. And that is the direct result of what my Government had done over the last 18 months. If we hadn't cut spending in our first two budgets, we wouldn't have had five reductions in interest rates. If we hadn't have cut spending in our first two budgets, we wouldn't have been able to keep inflation down. If we hadn't have cut spending in our first two budgets we wouldn't now have the prospect of much stronger economic growth.

And it's stronger economic growth that lays the foundation of higher levels of employment and therefore reduced unemployment in the years ahead. I know it is taking time, I understand that. And I am sensitive to the frustration and concern of those in the community who are trying to find jobs that are being unsuccessful.

But falling unemployment is always the last of the important economic indicators to come right. And I believe and my colleagues believe very strongly that the changes that we have made particularly in the labour market, the fiscal changes we've made, the budget changes, the way in which we have reduced debt in Australia, all of those things will contribute towards higher economic growth in the last half of 1997 and significantly higher economic growth in 1998. And if that occurs as we believe it will, then unemployment will respond in a very positive way and we can look forward to an improved employment outlook into 1998.

Can I also say to you ladies and gentlemen, that as well as dealing in that general economic way with the challenge of unemployment, we're also willing to take specific decisions which are designed to generate a greater sense of job security within the Australian community.

I make no apology at all for the decision that the Government took in relation to the textile, clothing and footwear industry earlier this week. That decision was designed, my friends, to send a signal about job security, not only to the people in that industry, but also to people in other sections of Australian industry. And I want to say to those in the community who may have criticised that decision, that when it comes to international comparisons, Australia is up there or ahead of the best, so far as trade liberalisation around the world is concerned.

We have reduced tariffs, we have opened the Australian economy, we have embraced trade liberalisation in a way that most other countries have not done. There are benefits in trade liberalisation, enormous benefits. But it's also important that the pace of change be such that the Australian community can absorb it and the Australian community can adjust to it.

And when you consider that not terribly long ago, the effective rates of protection in the textile, clothing and footwear industry were around 150-250 percent, that as recently as 1990 the protection for clothing and apparel was 55 percent and will be down to 25 percent by the year 2000 and 17.5 percent by the year 2005, nobody can seriously say that we haven't set a very cracking pace so far as trade liberalisation and reducing protection is concerned.

So friends, as I look back over the last 18 months, I look back with a very great sense of pride. I also look back in a personal sense with a period of time in which I have the great fortune of having the sustained loyalty and support and the enthusiastic commitment not only of my Parliamentary colleagues, but also of literally thousands of supporters and members of the Liberal Party all around Australia.

I've been a member of the Liberal Party now since 1958 which is quite a long time ago. And I have devoted all of my adult life and the latter part of my adolescent years working for the Liberal Party. I think I know the streets and the letterboxes of this part of Sydney about as well as anybody can know the streets and letterboxes. I have pamphleteered from Campsie through to Enfield South to Croydon to Drummoyne to Five Dock to Abbotsford. I've spilled over into Concord and when it got particularly dark and the street lights went out, well I got into Burwood as well.

My experience has been very much the experience of a grassroots campaigner. And I believe in that great injunction of the late Speaker of the American House of Representatives, Tip O'Neil, when he said that all politics was local. And if ever somebody demonstrates that he believes it, it is Paul Zammit.

And keeping in touch with your local community is what makes a highly successful Member of Parliament and a highly successful politician. And can I say to you without any sense of exaggeration or hyperbole that there is no Member of my Federal

Parliamentary Party who is a more persistent, a more effective, a more repetitious advocate of the interests of his electorate than Paul Zammit.

Woebetide the Ministerial colleague of mine who ignores an issue that affects the people of Lowe. And he has been in a short period of time, he has been a tremendous advocate for the interests of the people of Lowe. But he is representative of a new wave of men and women in the Federal Parliamentary Liberal Party. And how proud I am that we have in our Parliamentary ranks in Canberra a record number of women Members of Parliament. And we have done it without quotas. We have done it without saying you've got to have such and such a percentage. We have done it on merit. We've done it on ability, without resorting to the patronising, divisive, imposing quotas.

And can I also say to you my friends, although it has been a good 18 months and we have achieved a great deal, that politics in Australia now is more volatile than it used to be.

Australian politics is a lot less tribal than it once was. There are fewer Australians who can be regarded as permanently rusted on to the Liberal side of politics or permanently rusted on to the Labor side of politics. There are more who move around in the middle and that makes the quality of local representation more important. It makes the performance of a Government once it has been elected more important and it makes it even more important that your local representatives have an understanding of the electorates that they represent. And it's very heartening for me to look around this room tonight and know that I am looking at a group of people who are very representative of the Lowe electorate.

There's a great age range, there's a range in ethnic diversity, there's a range of business and personal interests and I think that sends a very positive and a certainly very encouraging message to me.

The final thing that I want to say to you ladies and gentlemen, is that the last 18 months has not only been about economic, industrial relations, foreign policy and other of the issues that you more instinctively associate with things like, with politics and with political endeavour. It has also been a period of time in which we may have made some very significant advances in social policy.

I am particularly proud of the fact that it was a Liberal Government which was able at long last and sadly, of course, in the wake of a great tragedy, to bring about uniform and effective national gun control legislation. And your own local member, Paul Zammit, played a very significant part in terms of the enthusiastic support that he gave to that measure.

It's also been a period of time in which we have kept faith with our commitment to preserve the social security safety net. One of the great promises I made before the last election was that although we were determined to control the size of the budget deficit, although we were determined to pursue disciplined economic policies, we strongly supported the notion of a decent safety net for those in the community who needed reassurance and needed assistance.

I am very proud that we've kept our commitments to the self-funded retirees within the Australian community.

I know that when interest rates come down it's good if you're borrowing money, but it's not so good if you're living on the interest earning. I understand that and I can say to you that that is why it is very important that we keep inflation down. That is why it is very important that we have honoured the commitment we made about the tax threshold for self-funded retirees, the commitment we made about tax incentive for private health insurance. And, of course, there'll be more good news for retired people on the 1st July next year, when the 15 percent taxation rebate for savings which won't be subject to a means test or an income test, comes into operation. And that will be a benefit to all people who save within the Australian community and of particular benefit to those who are retired and living on their earnings.

But ladies and gentlemen, can I simply say to all of you thank you for the tremendous support and understanding and forbearance and enthusiasm that you have given to my Government over the last 18 months.

It is an enormous privilege to be the Leader of the Liberal Party of Australia. It is an even greater privilege to be the Prime Minister of Australia. I could not have achieved that without the understanding and support of the rank and file of the Liberal Party and the understanding and support of so many people represented by people in this room tonight, who've been prepared to give their time and their money and their resources.

Can I thank the sponsors of this great occasion tonight. Can I thank those like Rick Damelian and others who've been so incredibly generous in sponsorship and financial support, not only tonight but on many other occasions in the Lowe electorate.

We've only been in power for 18 months. Remember we were in Opposition for 13 years. And I want to remind our political opponents just how awful it is to be in Opposition for that long period of time. And the only way that that can be done of course, is for us to provide good and stable Government over a long period of time.

I have a very good Cabinet. I have an outstanding Parliamentary Party. I believe there is great goodwill in the Australian community towards what we are endeavouring to achieve. We have achieved much over the last 18 months, but there is a lot that lies ahead of us. And above all, I want to see over the next 18 months and in the years beyond that, I want to see a united, tolerant, cohesive Australian nation fully realising its potential as we move into the 21st Century.

And when you think of the 21st Century, I particularly think of the young people in our midst and I want on behalf of everybody else here tonight to wish those young men and women, who are our guests tonight, every success as they sit for their Higher School Certificate in a few weeks time.

It is one of those incredibly challenging periods in one's life and I wish all of them great success and I hope that each and every one of them not only achieves the Higher School Certificate results that they want, but they also find the careers in the

professions or pursuits or occupations that they really want to experience in the years ahead.

Ladies and gentlemen, thank you. Thank you, Paul and Rita for organising such a wonderful occasion. Thank you Paul and Rita for being such marvellous representatives of the people of Lowe in the national Parliament.

Thank you.

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