

Policy Launch Speech – Malcolm Fraser, Interim Prime Minister (LP)

27 November, 1975

“The Australian people face a historic decision on December 13. On that day, we will be deciding the future of our country.

Let us all as Australians determine to restore prosperity, defeat inflation and provide jobs for all. Let us all as Australians decide to reward initiative and encourage achievement. Let us decide to realise at last the aspirations of all Australians for security, self-respect and for freedom to control our own lives.

This election results from the dishonesty and incompetence of the Whitlam Labor Government. This election has been caused by the dismissal of two acting Prime Ministers for deceiving the Parliament. This election has been caused by a Prime Minister who refused to face the people, who tried to rule without Parliament, who defied a fundamental principle of our Constitution, and who finally forced the Governor General to dismiss him; the man who took Australia the first significant step on the road to dictatorship. This election is about the way Labor has been destroying our way of life.

We sought the election so you could choose the way of life you want. The Liberal and National Country Parties have prepared a far-reaching programme to restore prosperity and to give effect to our philosophy of freedom, opportunity and concern for the individual.

Australia needs change. Australia needs reform. Australia needs idealism. Australia does not need socialism. Together in freedom, we can build an Australia of which we can be proud — an Australia for our children and our grandchildren. We can have idealism, we can have reform, without handing control over our lives to politicians and civil servants.

For three dark years, our freedom, our prosperity, the self-respect of many Australians have been eroded — eroded by the highest taxes in our history, more and more inflation, more and more unemployment, more and more power to Canberra, more and more dependence on Government, more and more regulations, more forms, more controls, more bureaucracy.

In the last two years, Labor spent \$6500 million more than it raised. They put us all into the red. Australia needs an immediate change of direction. What can be done immediately, and must be done, is to establish — for the first time in three years — sound and honest management of Australia's affairs.

We have a comprehensive strategy to restore prosperity. The major element in this strategy is to bring about growth in production in the private sector. Last year, we actually produced less than in the year before. Australia's growth under Labor has been half the rate of the previous ten years. As a nation we are operating well below capacity.

We can attack the deficit by getting our economy working up to capacity. Because of the slack caused by Labor, there are great opportunities for growth above the long-term average growth — if

the right policies are adopted. More investment will lead to jobs, both will lead to more revenue. That will be a significant fact in reducing the deficit,

To enable economic growth in the private sector we will take a number of steps. There will be an end to Government extravagances and excesses. There will be no international safaris by members of Parliament. The purpose and nature of overseas trips will be subject to clear guidelines. Australia does not need a tourist as Prime Minister. There will be no more jobs for the boys.

Economies can and will be made in Government spending without disrupting essential programs, or programs for which contracts have already been let. On 14 December, we will start the most rigorous planning for the 1976 Budget. We as a Government will be concerned that you get value for the dollars we spend on your behalf.

Spending on essential education, health and welfare programs will be protected against inflation. At the same time, a great many improvements in administrative efficiency can and will be made. These actions will give the private sector room to start expanding production and providing jobs. Over the next three years, we will introduce a number of major reforms to direct resources away from Government and back into the hands of individuals and business. We can then work our way out of Labor's deficit. Getting rid of extravagance will make its own contribution to reducing the deficit. In addition a growth rate of 6-7% quite feasible in recovering from the slack under Labor would enable us to halve the deficit. It won't happen unless policies for growth are adopted immediately.

Our strategy to promote growth is clear. We will reward personal initiative, we will encourage achievement, we will mobilise the imagination and the resources of the Australian people. The great strength — the real wealth — of Australia is the creative energies of its people. We will encourage people's initiative and enterprise, not batter them into the ground with punishing taxes. We have got to give a high priority to encouraging private enterprise to start building factories, buying machines, providing jobs. Unless we do that we will never work our way out of inflation and create opportunities and jobs. We will work positively in cooperation with trade unionists.

An increase in Australia's wealth is the only way Australia can do more for the disadvantaged. It is time to give Australia freedom and prosperity. It is time to get rid of Labor's socialism. It is time to get Australia moving again.

There are many reforms we want to introduce. Some can, and must, be introduced immediately. These reforms will not be a charge on the revenue this year. Other essential reforms will be introduced as soon as possible — as and when the money is available. The speed with which we can introduce these reforms depends largely on the success of our efforts to rein in Labor's mad extravagances.

One of the most significant contributions to prosperity will be our personal income tax reforms. We will reduce the tax burden. We will put an end to Labor's tax rip off. We will make a start towards this in next year's Budget. We will fully index personal income tax for inflation over three years. This reform will reduce the pressures for excessive wage demands. It will support wage indexation. It will make government more honest with your money. They will no longer be able to rely on the secret tax increase of inflation. This tax reform has been recommended by expert committee and fully supported by the A.C.T.U.

Looking to the future we shall introduce a new and improved home savings grant to assist first home-buyers bridge the deposit gap. The new scheme will be available to people of any age, single persons, rural home-buyers, and new settlers. Savings from 1 January 1976 will be eligible. The grant will be \$1 for \$3 savings with the grant being a maximum of \$2,000 for savings made over three years.

As economic circumstances allow, there are a number of other reforms we will introduce. They are all important, they are all urgent but the problems of overcoming inflation and unemployment are pre-eminent. The single income family has special problems which will be taken into account in our tax reforms. For single parent families, or families where one parent is an invalid, we will introduce a special child-care rebate.

Where an estate or part of it passes between a husband or wife, estate duty will also be changed to give an increased tax exemption. We will remove the injustices from Labor's tax scales. They promised it was a great reform but they are still taking \$2,600 million more from you than they did last year. What kind of reform is that? We will not penalise people who want to do things for themselves.

The real value of pensions will be preserved. We will be generous to those who can't get a job and want to work. We will not use the earnings of Australia's families to finance Gold Coast holidays for those who don't want to work. Our reforms will give back to people, money they earn by their own hard work and which Labor has taken away from them.

We will also introduce a number of new measures to expand investment, create jobs and increase revenue — measures which are essential if we are to act rid of the deficit. We will introduce a forty percent investment allowance as well as accelerated depreciation allowances from 1 January 1976.

The investment allowance will be available for leased as well as purchased equipment. Conditions attached to convertible secured debentures will be relaxed from January 1 1976 to encourage business expansion. Quarterly tax collections of company tax will be suspended for the period of the present crisis.

We will give Australian industry the protection it needs. We would sooner have jobs than dogma. We will instruct the Industries Assistance Commission to take note of the Government's policy. We will make Australian industry competitive again. We will examine the mass of Labor imposed rules and regulations and abandon those which damage prosperity. Management ought to be used for forward planning, not filling in forms for the Government. We will abolish the Prices Justification Tribunal.

It has presided over the worst inflation in our history. It has damaged jobs. We will use the restrictive practices machinery to see that we have fair prices by competition not bureaucracy. There are many ways of achieving fair prices other than by Government direction. We need to understand that profits are necessary for investment, and investment is necessary for jobs. Profits will no longer be a dirty word.

In the next Budget, we will make the first major move towards adoption of the stock valuation provisions of the Mathews Report. We will introduce the report in full over three years.

Small businesses and private companies in particular are in desperate straits. In our first Budget, we will change the tax rules which operate unfairly against small business and private companies. Those measures will provide the basis for the 1976 Budget. Unless these reforms are made private enterprises will not survive.

A Government which understands and can manage the Australian economy is essential to Australian prosperity and to the revival of business confidence. Unless confidence in private enterprise revives, Australia quite literally faces economic disaster — inflation will never be overcome — there will never be enough jobs. The A.L.P. has lost the confidence of private enterprise. It will never recover that confidence.

Only under a Liberal National Country Party Government will there be a return to business confidence. Only under a Liberal National Country Party Government will there be jobs for all who want to work.

Price and wage restraint is an essential element in our strategy for prosperity and employment. Because of our acceptance of the Matthews Report on individual and company taxation — a report endorsed by the trade union movement — we have an opportunity to achieve wage restraint not open to our opponents. This will give the Arbitration Commission much greater opportunity to maintain its guidelines for wage indexation. Our reforms will maintain the purchasing power of wages and ease the pressure for excessive wage demands.

An improvement in industrial relations is fundamental to prosperity. Labor's policies have produced the worst industrial strife in our history. Under Labor workers have lost \$256 million in unpaid wages, an all time record for Australia. Labor's claim to a special relationship with the trade union movement is a myth. We have had three years of record industrial conflict. We must start working together as a people.

Our policy is directed towards preventing industrial disputes but inevitably some will occur. We will establish fair and just machinery to deal with them — machinery which will protect the long, suffering public. We will take action to prevent militant union leaders dictating to their rank and file members. We will stop dictation to the Australian Government by these same few leaders. We are going to give the Australian worker the opportunity to control his own union. Office bearers of all trade unions and of all employer organisations registered under the conciliation and arbitration act will be elected under Electoral Office supervision by secret ballot.

Australia's prosperity was dealt a devastating blow by Labor's obstruction of new minerals and energy developments. Under Labor, no new development has been started. Overseas investment will be welcomed by us — but on terms that serve Australia's needs and interests, and preserve Australian identity and Australian control. Our guidelines have been published. This will provide more wealth, more revenue, more opportunities and more jobs for Australians. It will be a significant factor in working our way out of the deficit.

The prosperity of all Australians has been damaged by Labor's attack on the rural community. Labor has created the worst rural crisis in our history. We will redress this situation. We will give the rural community the confidence and certainty it so desperately needs.

We will initiate the farm income reserve fund. We will establish a rural bank for long-term finance. As recommended by the I.A.C. the super-phosphate bounty will be re-established and assistance will be provided to the depressed beef industry. We will continue the reserve price scheme for wool at not less than 250 cents kilo through the 1976-77 season. This will give long-term confidence to the industry. We will ease eligibility provisions for unemployment assistance to farmers. These policies have been amplified by the Deputy Prime Minister Mr. Anthony in his policy speech.

Australia's prosperity has been further damaged by Labor's attempts to destroy the States and centralise total political power in the House of Parliament. We will provide a sound basis of financial independence and responsibility for the States and Local Governments with the most significant reform of the federal system since Federation. Our policy has been hailed around Australia by State and Local Governments.

It will give power and responsibility to State and Local Governments. It will make them answerable to their own people. It will also ensure equality between richer and poorer States and areas. These will establish an independent council for Inter-governmental Relations, designed to resolve

problems between the levels of Government. It is the greatest advance in Federal-State relations since Federation.

The policy disasters of the last three years have damaged hundreds of thousands of Australians. The weak, the poor, the unorganized, the people wanting, to buy homes, the under-privileged and the disadvantaged — Labor has fobbed them off with words instead of real assistance. Education planning, scientific and medical research have all been thrown into chaos by Labor's incompetence and false priorities.

Because of the damage done to the economy, long-term planning has been destroyed. Labor's inflation has harmed the poor most of all. Its emphasis on huge bureaucratic welfare schemes failed to provide help for those most in need. The total expenditure on welfare last year was \$5,700 million. \$8,000 for every person below the poverty line. We will have a rigorous examination of social welfare machinery to ensure that those in need actually get the money. We will ensure that there is a basic level of security below which no one can involuntarily fall. We will help the disadvantaged in ways leaving them the greatest scope for independence.

We will move towards replacing means tests with an income test with a view to not penalising those who have saved. This reform will not diminish the benefit any person now gets. This will enable us to eliminate much red tape, and to greatly simplify the number and types of application forms which now cause confusion and hardship, and add greatly to administrative costs. These benefits will be protected against inflation. We stand by our commitment to abolish the means test on pensions.

We will maintain Medibank, and ensure that the standard of health care does not decline. In education we will ensure that all Australians have access at Primary and Secondary levels to schooling which provides equal opportunity for personal achievement. Particular stress will be placed on meeting the needs of the disadvantaged including handicapped, isolated, migrant and Aboriginal children. As the economy comes under control we will restore triennial funding on the recommendations of the Education Commissions and maintain free tertiary education. We will retain the tertiary education assistance scheme which we introduced. We will provide a basic grant for children at all schools including, non-government schools, and ensure where children are in greater need because of educational disadvantage, they receive extra financial support.

A Liberal-National Country Party Government will initial a new deal for migrants. A Department of Immigration and Ethnic Affairs will be established. Adequate bi-lingual staff will be made available at Government Departments and public hospitals. The transmissions and perpetuation of ethnic languages and culture in Australian and in ethnic schools will be encouraged and supported. Measures will be taken to assist migrants to overcome the language barrier.

Aboriginal affairs under Labor has been a disaster which even they admit. We will maintain present levels of assistance to Aborigines, enable Aborigines to be self-reliant, introduce land rights legislation for the Northern Territory based on justice for all.

There are many areas which need our attention — we have already published over the past few months a comprehensive range of policies that time does not permit me to outline tonight.

We shall ensure that no person is denied legal aid because of lack of means. We will continue urban programs. We are the people who can work with State and local government to overcome the problems caused by rapid growth in the cities and in new expanding suburbs. We will maintain an active interest in and support for the creative and performing arts. We will encourage young artists.

We will work to achieve a responsible balance between conservation of the environment and economic growth. We shall immediately ask the Law Reform Commission to recommend appropriate laws to protect individual privacy. We will use example encouragement administration and where necessary specific legislation to rid Australia of discrimination based on sex, race, colour, ethnic or social origin.

Our general attitude on defence is well known – we will not, like Labor antagonize our allies, we will not like Labor run down our defence. We will not give your money to African terrorists. We will reverse the recognition of the Soviet occupation of the Baltic States. We will maintain close ties with countries in our region and countries with which we have clear philosophical commitments in common.

Australia has been sliding downhill for three dark years. On December 13 we can turn on the lights.

We must change direction. On December 13 we can start helping all those people who have been harmed by Labor. We have heard about a fair go for Labor. A fair go for the most hopeless Government in our history? A fair go for the party that created the first depression for forty years? A fair go for the party whose leaders — one after the other — deceived the Parliament? A fair go for a man who had to be sacked because he was prepared to damage the nation rather than face the people? They've had a fair go. What about a fair go for Australia?

The hour is on us when we must act to save our freedom, our prosperity, our self-respect. The hour is on us when we must act to save Australia and our way of life. On December 13, vote for honesty. Vote for prosperity. Vote for the Liberal and National Country Parties. Vote for Australia.”

Source: Compiled from original records at the National Archives of Australia (Series M1277 Item 59) and The Age and Canberra Times.