

Policy Launch Speech: Malcolm Fraser, Prime Minister (LP)

November 21, 1977.

“Our nation is on the move. We are ready to stride into a new era of prosperity and development. We have broken through in the fight against inflation. Under Labor, inflation reached nineteen percent. We have halved that. Inflation nine percent and falling. We have reduced taxes, revived incentive and restored fair reward for achievement. Under Labor taxes doubled. We have ended the big tax ripoff. Now Mr. Whitlam wants to start it again. Business is being revitalised, profits are up, interest rates have begun to fall and they will keep on falling. We've been doing the job we were elected to do.

We have been able to reduce inflation, reform the tax system, revive business and start interest rates falling because we have brought Government spending under control; because we have halved Labor's four and a half billion dollar deficit. We have given Australia reliable and responsible economic, Government. We have restored integrity in Government — and all praise to Phillip Lynch who has upheld the highest traditions of the Westminster system. Our policies have given people the confidence and incentive to invest in Australia's future. Australia is ready to go with six thousand million dollars of development in coal, iron ore, bauxite, alumina, petroleum and nickel, in manufacturing industry, in construction and retailing.

And in the coming three years we can look to other vast developments: the three billion dollar North West Shelf project, bigger than the Snowy Mountain Scheme; the development of our vital oil and gas reserves; and using our immense uranium deposits for peaceful purposes under the world's strictest safeguards. All these massive projects will create jobs, stimulate growth, employment and prosperity. They will bring wealth and work to our country.

We all know what the real answer to unemployment is: it's generating growth and development; it's industry providing new jobs; it's training people to fill new jobs — and keep them. We have saved tens of thousands of Australian jobs because we gave Australian industry the protection we promised. Unlike Mr. Whitlam we have not exported thousands of jobs through across the board tariff slashing. Because of our policies new jobs are being created. Our training and job assistance schemes are getting the unemployed into real jobs, productive jobs, jobs that they can keep. We are spending more than \$100 million on training and job assistance schemes which especially help young people learn new skills. Already well over 120,000 people have been or are being helped by our schemes — and we are constantly improving them.

We are determined that our children will have job skills — skills that the education system often fails to teach. We will expand the education programme for unemployed youth which gives young people the chance to acquire the basic skills and motivation they need to get a job. We will spend a further \$50 million over and above existing commitments on replacing the outmoded technical schools in our inner city areas and

country towns. In the last two years, the Commonwealth Employment Service has placed 900,000 people in jobs. We are upgrading the effectiveness of the C.E.S. to help more people find more jobs more quickly. Because of our job assistance strategy, because of the growth and development our policies have been made possible unemployment will fall from February and keep falling.

Ladies and Gentlemen, above all else, this election will decide whether we will build on the achievements of the last two years, or whether we will let Labor throw it all away. Labor is committed to reversing the policies that have given Australians confidence, Labor is the Party of extravagance, of inflation, of high taxes, of industrial lawlessness. It is Labor that is the Party of Unemployment. Labor today are still peddling the same policies which in one year increased unemployment by 157%. That's 192,000 more Australians out of work. Why doesn't Mr. Whitlam tell us how many Grand Final crowds that would make. When they were in Government, they stopped growth and development. The only things that went ahead were inflation, and unemployment. Mr. Whitlam now wants to do it all over again.

There has rarely been an election giving the Australian people a clearer choice. The choice is between this Government, which has restored sanity to Government spending, given the Australian people the greatest tax reforms in our history, and the Labor Opposition, which would unleash Government spending and immediately impose higher taxes. Labor has itself admitted that it would increase spending by an extra \$800 million, and this is only a small part of their plans. Just six of their other promises would cost more than \$3,000 million per year. And on top of all this they would spend a further \$1,700 million to abolish payroll tax. To pay for this Labor would pass a law taking six dollars a week out of the average wage earner's pocket. At one blow, Labor would increase Australians' personal tax burden by \$1700 million. Labor would end the reward for initiative and achievement which is the basis for economic recovery; the basis for creating new jobs. I have no doubt at all that the working men and women of Australia will reject this recipe for disaster.

Mr. Wran has said he wanted tax cuts. Mr. Dunstan has said he wanted tax cuts. Mr. Hawke has said he wanted tax cuts. These men must now deplore Mr. Whitlam's policy of taking money away from Australia's workers and putting it in the pockets of large companies. We would all pay higher taxes for Labor's extravagance — and we would pay in higher interest rates, higher inflation, higher unemployment. Labor's policies would stop investment in Australia and stop growth. They would deny Australians the right to work. They would dishonour contracts. In 1975, Mr. Whitlam signed this document — this memorandum of understanding — to develop Australia's uranium. Now he says he never signed anything; now they say uranium should be left in the ground.

The Labor Party is trying to obstruct Australia's development. They are partners in obstruction with extremist union leaders. The extremist led unions are all affiliated with the Labor Party; they all pay money to the Labor Party; they all help decide official Labor Policy. And this is policy that binds Mr. Whitlam, Mr. Hayden and Mr. Hawke. That's why it is Labor's official policy to put unions above the law. That's why Labor endorsed the Victorian power strike. They endorsed a strike which laid off 450,000 people for weeks. They endorsed a strike which threw 36,000 people completely out of a job. We have shown that the public can be protected; that a fair

and resolute stand can work. It worked in the air-controllers strike, in the postal workers dispute; it worked against the ACTU'S uranium moratorium — they backed down. And in the Victorian power dispute, it was our move to deregister the unions involved that led to the strikers returning to work.

We have been the first government to pass laws protecting individual unionists and give responsible rank and file unionists the chance to make their voices heard. Secret postal ballots for union elections are now compulsory. We have set up the Industrial Relations Bureau to protect the public interest and also to act as an industrial ombudsman. Unions are now required to tell their members how union dues are spent. We are protecting individuals against being forced to join unions against their will. Responsible unionists have welcomed these laws. Only the extremists and the Labor Party have fought against them. These laws will not change things overnight. But overtime they will have a major impact.

At last, responsible unionists have a chance. Labor would take it from them; Labor would back down on all these laws. We won't back down on any of our responsibilities, Let's look at some of the reforms we have brought in since coming to office, and how we will be building on these reforms in the years ahead. We will be further developing our existing programmes which are working well and in some cases initiating new programmes. The total cost of these new programmes is an additional \$20 million this financial year — no more — and \$250 million in 1978/79.

This Government has brought in the largest and fairest reforms ever made to Australia's tax system. Tax indexation saves every Australian taxpayer more money each year. From February 1st, further tax cuts will come in for every Australian wage and salary earner. This year alone, the person on average earnings will be saving \$6 a week from these two reforms. From February 1st, more than 225,000 low income earners will cease to pay any tax at all. And because we have reduced the marginal rate of tax — its now worth working overtime again. We have provided business with essential tax incentives to invest, explore and develop, Quite apart from our tax concessions to business our personal tax reforms have saved taxpayers \$3,300 million. The Australian people will not accept a return to high taxes. The Government will bring taxes down further — not increase them.

Estate duty has caused distress and hardship to thousands of Australian families, to small business, to farmers. Thus, all deceased estates and gifts passing between husband and wife, parent and child, will be exempt from Federal estate and gift duty from this day. Over the life of the next Parliament estate and gift duty will both be entirely abolished. We have cut down increases in your rates by giving local government a fixed share of all personal income tax receipts. This year it was 1.52%. Over the next three years, we will increase that share to 2%.

Private enterprise is the source of most of Australia's jobs. We will take further steps to assist business so that new jobs can be created. Times have been difficult for Australia's thousands of small businessmen. We have helped small business with our tax concessions on trading stock, with the investment allowance and our personal tax Cuts, and we will make more finance available to small business through the Commonwealth Development Bank and the A. I. D.C.

Unlike Labor, this Government has bought Australian wherever possible and we will continue to buy Australian. We will introduce a new scheme of export incentives which will apply to increases in export sales this year and will be paid from July 1, 1978. We will act to increase the processing in Australia of our raw materials. It is of fundamental importance to Australia that our rural community is strong. We have ended Labor's savage bias against the rural community. Our many programmes are helping the rural community through the present difficult period. We will do more.

The Australian Rural Bank will open in 1978. Petrol prices in all country areas will be reduced to within a cent per litre of the normal city retail price — without any increase in city prices as a result. Over the next three years, we will reduce the price margin to less than half a cent per litre. We will, in consultation with the industries concerned, act to improve beef and wool marketing arrangements. There are other measures supporting rural industry set out in the supplementary statements issued tonight and the Deputy Prime Minister will elaborate on these tomorrow evening.

Our social reforms, have helped families and individuals and widened freedom of choice. Our Family Allowance is the most important innovation in welfare for decades. The Medibank reforms give Australians choice in health insurance. The old harsh means test has been replaced by a simple income test. We have taken politics out of pension increases by linking them automatically with the Consumer Price Index. We have brought in a pension for all sole parents — another major reform. Now, so that more homes and centres for the aged and handicapped can be built, we will extend the present three-year funding programme for a further year. We will provide larger grants to homes for the aged in remote areas, and subsidise the added costs people in remote areas must pay to obtain specialist medical treatment. We will encourage families to care for their sick and aged by increasing and expanding the domiciliary nursing care benefit. We have given the handicapped a new deal and we will maintain our expanded child-care programme.

The Government has given education high priority. We have established the new Tertiary Education Commission and appointed the Williams Committee of Inquiry into Education and Training. Government schools in all States have substantially exceeded School's Commission targets. We are conscious of the disadvantage of many non-government schools and our policies which place due emphasis on needs, are designed to provide equality of opportunity for all Australians. A major initiative will be undertaken to end a long-standing social injustice. For far too long, Governments have accepted the responsibility to provide free education for normal children, but made parents of handicapped children pay hundreds of dollars more for their child's education and sport. This injustice will cease. Under this Government they will no longer have to do so. We are going to give these children an equal chance.

Our home savings grant scheme has helped, and is helping, tens of thousands of people to buy their first homes. We will cooperate with the States and financial institutions to set up an insurance scheme, protecting savings deposited with building societies. In 1978/79 we will expand existing programmes to provide a total of \$60 million annually for the next five years to improve urban public transport. We will also undertake a five-year programme to upgrade critical sections of the national railway network.

We will make a start in giving Brisbane the international airport it deserves. We will improve city and country water supplies with a five year \$200 million national water resources programme. We have maintained and improved post and telephone services without any increase in basic rates for the last two years. Now we will move to cut off peak telephone charges to about 40% of the normal rate. Under our comprehensive national energy policy we will step up research and development of new energy resources, especially coal and solar energy.

We are acting to end the offensive paternalism of past policies towards Aborigines. We will continue to encourage self-management of Aboriginal programmes and make them masters of their own affairs. In addition to the many programmes we now have, we will start new programmes designed to improve facilities and services for young Aborigines; provide training and management and other skills; and let Aborigines participate more fully in preventive health care projects.

Australia is a multi cultural society. The Government is concerned for our Ethnic communities. In the next three years we shall concentrate on overcoming the language barriers in our society. Our measures will include: the teaching of English to migrants in co-operation with the States to expand the teaching of ethnic languages and culture in our schools; the provision of Ethnic liaison officers in Government Departments; more interpreters, translators and migrant welfare officers; more migrant resource centres. For the first time the age service pension will be paid to non-British former members of the allied forces. We have put Ethnic broadcasting on a permanent basis, and we will establish Ethnic television.

We have protected individual rights and reformed outdated laws. The Ombudsman, and Administrative Appeals Tribunal protect basic civil liberties. We will establish a Human Rights Commission to extend that protection further and we will bring in freedom of information laws. We will establish a permanent Women's Body to advise the Government on Women's Affairs.

We have provided increased financial assistance and tax incentives to the arts, reformed the Australia Council, and now we will help our film industry by allowing film production costs to be written off over two years instead of twenty-five. We have vigilantly protected the environment. We are establishing Kakadu, the world's largest national park, and an independent enquiry to examine the most effective ways of conserving and protecting all species of whales. We are helping the World Wildlife Fund to set up a branch in Australia.

Australia's security and foreign policy is always a high priority for a Liberal National Country Party Government. The Royal Commission on Security and Intelligence concluded that we face serious threats of espionage and subversion, and we are implementing the Royal Commission's recommendations. We are strengthening all areas of the defence forces. For example, this programme includes the construction of fourteen fast patrol boats built by a great North Queensland shipbuilder at Cairns, the construction at Newcastle of a cargo ship for the defence forces and the ordering of a third guided missile frigate. We have restored close relations with our friends and allies and extended the vital Pine Gap agreement with the United States, for a further ten years. We have improved our relations with all our nearest neighbours

Ladies and Gentlemen, the new initiatives I have outlined tonight — and further policies which are set out in the supplementary statements — are a creative, responsible and balanced programme. Since coming to office, we have faced the difficult choices. The tough decisions have been made. We've been doing the job we were elected to do. Now the great issue before every one of us is whether we will build on these hard won foundations, whether we will grasp the opportunity to make Australia the great country we all know it can be: an Australia where people have the freedom to achieve to build the kind of life they want— where there are rewards for initiative and incentives for enterprise; an Australia which is strong and secure, which cares for those in need, where all people can live and work together in self respect.

There are still problems to be faced, there is still hard work to be done. But Australia is ready to make the breakthrough into a new period of real prosperity. A vote for the Liberal Party is a vote for an exciting and rewarding future for Australia.

With your support this Government is determined to build on what we have already achieved — to make Australia a society which can set a standard for the world.”

Source: Compiled from original documents at the National Archives of Australia (Series M1263 Item 558) and the Sydney Morning Herald.