

Policy Launch Speech: Bob Hawke, Prime Minister (ALP)

Sydney Opera House, June 23 1987

“Fellow Australians, never in peace time has Australia’s future depended so much on a single decision — your decision on the 11th of July. Never have you, the Australian people, been called upon to make a more fundamental decision for yourselves, your families, your children about the way you want your country to go — about what kind of a country you want Australia to be. It is a decision about what kind of a people we are. It is a decision about what kind of a nation we are going to be.

Are we to continue to unite together in the great task of national renewal, reconstruction and revitalisation, for which we have been working so hard together, and on which the success of our country depends? Are we to go forward with strength and stability — stability in government, stability in our society? Or are we to take the other course, the path of our opponents — inflicting upon the nation itself all their own divisions, all their own disunity, all their own instability?

On behalf of the Australian Labor Party I ask for a resounding decision, a decision that will show the world just what kind of a people we are — a strong, united, stable, confident, forward looking people, responding to the leadership of a strong, united, stable, confident, forward-looking government. We come before you as one, united team. We come before you with one pledge — that as one, united team, we will continue and intensify our undivided efforts in the task of national renewal and revitalisation of our economy, our industry, our society.

Fellow Australians, this election is about our faith in Australia's future. It is about our faith in ourselves. And it is about our belief and faith — my faith, our government's faith in the character and calibre of the Australian people. And it is a belief and faith based firmly upon experience. Four and a half years ago I pledged a Labor government to seek national reconciliation instead of confrontation and division — to create 500,000 new jobs in three years. Our opponents said it couldn't be done. That was their judgement about the Australian people. But together we did much better. We easily exceeded our target. In four years, we have created 800,000 new jobs — and in the past six months alone — 100,000 new jobs.

Two and a half years ago we called for a continuation of the economic restraint so necessary for the reconstruction of our economy and industry, which is the key to our future. Our opponents mocked the concept of co-operation and restraint. They wanted — as they still want — a return to confrontation in industry. That was their judgement on the working men and women of Australia and the business community of Australia. But, building on the basis of restraint and responsibility, we have saved the steel industry, transformed the motor vehicle industry, set about the reconstruction of Australia’s entire manufacturing and services base.

Exactly one year ago I put to the people of Australia the greatest challenge of all. I told you of the disastrous drop in the prices of our exports — a collapse in world trade that has now cost every Australian family \$2,000. I said then that this meant a year of the toughest decisions imposed in peace time. Our opponents said that the Australian people would never cop it. They said the Australian people would never understand why the loss of \$9 billion in our national

income meant that we all had to adjust — that it was not just for the farmers and the other exporters to carry the loss — we all had to shoulder the burden. We said we would not shirk the hard decisions needed to ensure a bright future for us in this generation and for our children in theirs. I told you I would rather risk electoral defeat than take the soft options that would mean we mortgage our great future.

And it is because we backed our judgement of the Australian people — took the tough decisions, made the hard choices that we can now stand before you, confident and proud of what we have achieved together, but more important, confident and proud of the great things we can achieve together, for our families, our children, for our country, in the years ahead. Yet our opponents, who are incapable of governing themselves, now seek to govern Australia on a grab bag of contradictory proposals drummed up on the run — proposals which could only have one result: They would wreck utterly the efforts we, the Australian people, have made together over the last four years and in particular over the past year. They have not only got their sums wrong. They have got Australians wrong.

Friends, the real danger from our political opponents is this: all that has been achieved by your restraint and responsibility would be wasted. The benefits you have foregone and the sacrifices you have been called upon to make would have been in vain. It is only because we have made the tough decisions, and put them in place in the last Budget, the May Statement, and two successive Premiers' Conferences, that we can now give these undertakings: interest rates are again falling and under Labor will continue to fall. Inflation is again falling and under Labor will continue to fall. Employment is growing — at twice the rate of the rest of the Western world — under a government which has created 800,000 new jobs in four years; and under Labor, employment will continue to grow.

In the completed Budget in September there will be no new taxes and no tax increases. But we shall never jeopardise Australia's future by irresponsible promises. We make our future undertakings on the firm basis of the achievable, the credible, the responsible. And let me emphasise: everything in our program is affordable, achievable and economically responsible.

This Labor Government has achieved the most significant reform of the taxation system since Federation. And the fundamental reason why our our opponents could never achieve any tax reform in all their years in office is that they never had the courage to act against tax avoidance. And they let it become Australia's biggest growth industry — and that's the description given by their own Royal Commissioner. We have smashed the tax avoidance industry. We have cut out wasteful privileges and windfalls for the few. That is why we are able further to reduce income tax. Following the first round of tax cuts in December, new tax scales will operate from 1 July, 1987. They will bring the top marginal rate down from the Liberal legacy of 60 per cent to 49 per cent. And the rate for taxpayers on average earnings will have been brought down from 46 per cent to 40 per cent. And it is because of our tax reforms that we are able to undertake that the September Budget will continue the full indexation of pensions.

This is what a Labor Government means for the next three years: genuine reductions in taxation, lower inflation, lower interest rates, higher pensions, more jobs. Yet our opponents invite you to throw all this away, for a tax bribe nobody believes in — least of all, its discredited authors — and something which, if ever seriously attempted, would destroy the economy and rip apart the social fabric — the basis of the Australian ideal of a fair go for all. They invite you to turn your backs on the meaning of everything we have been able to achieve together over the past four

years. They invite you to turn your backs on the real meaning of Australia's future — a future founded on the great ideals of fairness and justice in our society — a fair go for all.

Indeed, my friends, it is almost impossible to judge which is the more dangerous — their economic vandalism, or the wholesale vandalism they propose against the social framework of this nation. They have long been the parties of social division. Now they stand as the parties of social devastation.

The whole basis of our call to the Australian people at the election in 1983 and again in 1984 was an appeal to this great truth about the Australian community — the truth that the legitimate aspirations of the diverse groups and interests which go to make up the nation can best be achieved, not by fighting each other, not by setting group against group, Australians against Australians, but by working together, recognising and respecting each other's rights, fair expectations and fair hopes and aspirations. That was the basis on which we sought a mandate and that was the basis on which the mandate has been twice given.

And it is on that basis — the people's response — the recognition of this great truth about Australia — that we have been able to fight back together against the huge difficulties imposed upon us by events abroad. The toughness with fairness we have applied to the affairs of this nation and the response of the Australian people now enable us to set new goals — realistic, responsible achievable goals for Australia's future. We seek to create an Australia where there are no second class citizens. And we will achieve that only by refusing to accept — as a Government, as a society, as a people — second rate policies. In this highly competitive world we cannot settle for the second rate in industry, in technology, in education. We must continue — now as a matter of urgency — the work of modernising and revitalising our economy and industry, so that we can compete with the world — on the world's terms. That is the only way we can restore and improve living standards for all.

The greatest resource in Australia is not something that we can grow or dig up from the soil. It is the capacity of its people, our great human resource. And above all — the resource of the future — the children of Australia. For our next term, we are setting achievable new, goals for Australia's future in the world. And at the head of those goals is the future of all our children. So we set ourselves this first goal: by 1990 no Australian child will be living in poverty.

And to this end, my Government will establish a new program of family help — a program designed to lift more than 1 million Australian children into security and to help the more than half a million Australian families in greatest need, the hardest pushed, the most disadvantaged. Labor's new Family Allowance Supplement will be paid, to mothers, on the basis of family income and family size. The Family Allowance Supplement will total \$22 per child per week — with an extra \$6 a week for children aged between 13 and 15. Where those families are in privately rented accommodation, they will also be eligible for rent assistance of \$15 a week.

The Government will further recognise the special costs faced by families with children who are disabled. They will receive a Child Disability Allowance of \$112 a month, free of means testing. This government sets the welfare of the Australian family as its top priority. But for us, the family is not about statistics and abstract averages. It is about real people and real needs.

Friends, it is just impossible, with any credibility, to proclaim concern for families and then proceed to smash every part of the social infrastructure that determines the welfare of Australian families. Yet that is the measure of our opponents' hypocrisy. For us, the family means jobs. It means bringing inflation down. It means housing. It means bringing interest rates down. It means child care. It means education. It means health care that every Australian family can afford. We will continue to put the health of Australian families first. With the introduction of the Medicare program, Australia now has, for the first time, a fair, affordable and stable health insurance system covering all Australians. We will continue the work of improving Medicare, as a system of universal health insurance, and even more important, the fairest means of delivering the best achievable health care to all Australians.

Our opponents propose a return to the pattern of their years in Government, with five separate confused and confusing schemes in seven years. They propose to consign more than two million Australians to a life time of insecurity in the face of ill health. They propose to tear Medicare apart. You pay more — you get less. That's what they are about. I ask for your renewed mandate for Medicare. There is no more vital issue for the families of Australia. We have boosted the purchasing power of the pension by eight per cent since coming to office — compared with a two and a half per cent decline during the Fraser/Howard years.

The next Labor government will take two further initiatives which ensure that temporary changes in circumstances will not lead to a loss of entitlement to fringe benefits or the pension. The details of the measures are set out in the comprehensive Policy Statement I have issued today. We have improved greatly the availability and quality of care for the aged and disabled at home. We are shifting the emphasis away from unnecessarily putting the aged in nursing homes and towards home and community care. And that's the preference our senior citizens themselves have expressed.

But I repeat — for us of the Australian Labor Party, our commitment to the families of Australia rests on our concern for their jobs, their housing, and the education of the children of Australia. And we mean education for life. So that no Australian child need go through life frustrated and diminished by not having had a chance to develop his or her full talents. And by making sure that we do that, we will at the same time lay the strongest possible foundations for the challenging task ahead — mobilising all the skills and talents of this nation; harnessing the new technology to lift Australian industry into the 21st century; making Australia more competitive in this tough and competitive world; placing Australia foremost in the ranks of the world community.

Our approach to education and industry policy is designed to build upon our strengths to enable us to capture a larger share of the most dynamic areas of world trade. We are determined to give Australian children their flying start in life. When we came to office, barely a third of our school children stayed on to Year 12. We have boosted that proportion to half. Our goal for 1990 is to have two thirds of our school children staying on to Year 12. We will maintain the 8-year funding scheme for all schools, which has guaranteed unprecedented stability and security in funding and planning for all schools — government and non government. But we are now taking major steps to ensure that training and the development of skills does not stop at the school gate.

And I now announce the initiatives foreshadowed in the May Statement. A new skills training program will be introduced to upgrade the skills of Australia's workforce. Vocational training opportunities for young people will be expanded through continued support for apprenticeships

and the introduction of a new youth training program for 15 20 year olds who have been unemployed for at least six months. The adult training program will be restructured and expanded. Our ability to provide jobs for our people will depend increasingly on the competitiveness of our industry. This is the most urgent challenge we face. The wage restraint exercised by the trade union movement coupled with the depreciation of the Australian dollar, has made Australian industry more competitive than in recent memory.

Under the Labor Government, Australian workers will continue to receive wage increases as large and as prompt as Australia's economic circumstances can afford. The Liberal/National Parties have opposed any wage rise in 18 of the last 20 National Wage Cases stretching over a decade. Their policy now for Australian families is for a wage freeze. There will be no wage freeze under Labor. Wage restraint and price restraint go hand in hand. The continuation of our policies will reduce the inflation rate to seven per cent by Christmas and six per cent by the middle of next year. We will extend the already successful network of Price Watch Committees to every region in Australia.

We will continue to give the highest priority to housing. We will continue our First Home Owners' Scheme which has assisted nearly a quarter of a million young Australians to buy their own homes. One of the few matters on which the warring factions of the opposition agree is the total abandonment of Commonwealth responsibility for public housing. And the only consequence which all their conflicting policies have in common is that interest rates would go through the roof — a fact recognised by independent commentators, here and abroad. And one of the most critical factors in this election is this: the return of our Government and the maintenance of our policies, is essential if interest rates are to continue to fall.

But let's be very clear. We can make all the right decisions about the economy, the right and responsible decisions about taxation, the right decisions about education, the right decisions for the security of the old, the sick, the underprivileged. But in the end all that will be in vain if we don't live in a world at peace. And under my Government, Australia will continue to make the maximum contribution towards ensuring a peaceful world. And we have done that not by shouting, not by waving banners, not by bandying slogans — but by the hard, undramatic, grinding work, addressing ourselves to the real issues. Our alliance relationship with the United States, whose close and constructive nature has been reaffirmed in the past two days, has given us a position of influence from which to work positively for peace. As befits two great democracies, this fundamentally close relationship does not depend on absolute uniformity of views. For example, without calling into question the integrity of the United States in developing its concept of space defence, we have made it quite clear that Australia will not participate in the Strategic Defense Initiative.

Our voice on the vital issues of peace is heard and respected in Washington, in Moscow, in Western Europe, in Beijing, in Tokyo and in the great region to which we belong. The prospects for real progress in disarmament between East and West are better now than for years. We can all take great encouragement and some pride from the likelihood of an agreement between East and West on intermediate nuclear arms before the end of this year — encouragement, because this will surely provide a stepping stone towards cuts in strategic nuclear weapons, and pride, because Australia's voice has been at the forefront of those urging the super powers towards meaningful negotiations.

I was gratified when the Secretary General of the United Nations Conference on Disarmament said to me in January this year that Australia now played a leading role for the cause of peace

and disarmament and that those causes would be better served if other countries followed Australia's example of strong political commitment and technical expertise. We have taken the initiative to develop the South Pacific Nuclear Free Zone. It is a testimony to our determination not to leave the great issues of peace and disarmament to the super powers but to do what is within our capacity to shape our destiny and to associate ourselves with the aspirations of our South Pacific neighbours.

Under Labor, Australia has been a leader at the United Nations in seeking to outlaw all nuclear testing by all states in all environments for all time through a Comprehensive Test Ban Treaty. Such a Treaty is the first requisite towards ending the nuclear arms race and ultimately ridding the world of nuclear weapons. Side by side with our unremitting efforts for peace, we have firmly and faithfully discharged the first duty of any Australian Government — the defence of Australia. We have embarked upon the largest defence capital program in Australia's peace time history. We have set the course towards a decade of development, towards self reliance in the defence and security of Australia.

And, for the first time in Australia's history, we are ensuring that the defence of Australia, through our defence related industries, promotes the industrial and technological base of Australia in peace-time. And that is an outstanding example of our Government's fundamental approach — an integrated, comprehensive, coherent and consistent approach — with all sections of industry, all departments and levels of government, making the maximum contribution to our national goals.

My friends, now we are in mid course — and we are on course. Let's make absolutely sure that Australia is not blown off course. Let's see it through. And let me emphasize this: we of the Labor Government have never believed that sound economic management and the economic growth we have been able to achieve as a result, was the supreme end in itself. We have never believed that the only values, in life — in the life of our nation, in the life of our families — are the ones with the dollar tag upon them.

The matchless beauty of our land has a value beyond dollars and cents. That's why we stopped the Franklin Dam. That's why we have made mining illegal in Kakadu. It's why we are protecting the special forests in Tasmania. And that's why we will save the Daintree. The enrichment of the arts and culture and leisure opportunities of our people goes to the very heart of our future together — our national identity — how we see ourselves, how the world sees us.

Above all, we of the great Australian Labor Party are deeply committed to our vision of a generous and open Australia, a fairer, more just Australia — an Australia where true equality of opportunity for all is the reality for all — not just in education, job training and the development of skills, but in all the opportunities life in this abundant country can offer. There are people from something like 130 lands in our country — all capable of making their contribution to the common good — the future we can all share. With this rich diversity, we have at the same time a deep underlying unity and stability. If we make sure that we keep hold of that unity and stability, then that is what is going to make Australia a truly great and unique nation.

Fellow Australians: we stand together on the threshold of the third century of one of the most remarkable experiments in nation building ever attempted in the course of human history. No beginning could have been more unpromising. And sure, we have Australian achievements — splendid achievements — to celebrate. But we Australians have mistakes to rectify, amends to

make and wrongs to put right if Australia is to achieve its full promise of what it can be and should be — simply the best and fairest nation on earth. So let's use this election as a springboard to the future — towards the promise of the future.

It is a promise of what can be achieved in our time, for this generation and for the generations to come — by a free, proud, independent, intensely individualistic, uniquely diverse people, yet a united people — a people who want a fair go for themselves and their families, but just as much, a fair go for all their fellow citizens, for all their fellow Australians. For their own children, their own families — but for all Australian children, all Australian families — for all members of this great Australian family.

This is the promise of Australia. This is the Australian vision. This is the reality of the Australian dream. Together, let us begin a new century of Australian achievement. A new century of opportunity — of even greater equality of opportunity for all, to make the best country in the world an even better, fairer Australia. Australia will win through. Let's see it through, together.”

Source: Bob Hawke Prime Ministerial Library, The Sydney Morning Herald and Canberra Times.