John Howard has used a speech in Perth to deliver another verbal lashing to Kevin Rudd, accusing the Prime Minister of wasting an ideal opportunity to drive through unpopular measures for Australia's greater good.

The former Prime Minister has also admitted things do not look good at present for his federal Liberal colleagues, while his economic outlook is for Australia to have a "shallow" recession but largely escape large-scale job losses and the worst of the global financial crisis.

Mr Howard, speaking yesterday at a fundraiser for Luke Simpkins, the Liberal MP who holds the marginal seat of Cowan, said the global economic meltdown had given Mr Rudd the perfect opportunity to make tough but necessary decisions for the long term.

While the early days of the terms of both he and Labor Prime Minister Bob Hawke were characterised by reforms to everything from the financial sector to industrial relations to gun control, he said Mr Rudd had precious little to show for his efforts.

"It's now 20 months since Mr Rudd became Prime Minister," Mr Howard said. "Where are the long-term decisions that this government has taken that are really going to change the country for the better?
"I compare them with the long-term decisions taken in the first 20 months of my government, even what the Hawke government did. You find in relation to the present government, all you have is a blank piece of paper."

Mr Rudd had wasted a large "credit bank" built up because he was new and helped along by the fact he was not to blame for global economic conditions, Mr Howard said. In the early days of his own reign as prime minister, he pushed through reforms to the waterfront, gun control laws in the wake of the Port Arthur massacre and large cuts to government spending in order to rein in spiralling debt.

"You've got to take advantage of that (honeymoon period) and do a lot of the things that have short-term unpopularity," Mr Howard said.

"The conditions Mr Rudd inherited were vastly different than I inherited, but in the last 18 to 20 months we've had virtually nothing in the way of long-term reform.

"We've had a lot of inquiries, lots of money being spent. All of that's fine, but when you ask yourself what are the things you can see being done that are really of long-term value ...

Mr Rudd could argue that his fiscal stimulus package had kept Australia out of recession, but "I would argue it was the shape we were in (after 12 years of his government)".

"It's really easy to spend money. It's even easier to spend money that the previous government has saved and handed over to you."

Mr Howard predicted a "shallow" recession for Australia.

"I don't think it's going to be severe. I think that unemployment will go a little higher. I don't think it will go anywhere near 10 per cent (as some pundits have predicted).

"The fundamentals (of Australia's economy) will ensure we're not going to get kicked around."

Mr Howard urged his former colleagues to "adjust" from blindly supporting everything they had while in government to having some "different" policies, all the while "defending the great achievements of the previous government".

Among those was the WorkChoices legislation and Australian Workplace Agreements, now being unravelled by Labor in a disaster waiting to happen, he said.

"In a number of very important areas (Mr Rudd) has gone beyond any mandate he had.

"People can debate why we lost the election. Whether (WorkChoices was to blame or not) what I can say is that (when the Liberals lost power) unemployment was only 3.9 per cent."
"That was the cumulative benefits of the industrial relations reforms we introduced over the years. We now have this gathering chaos in the IR system that the awards simplification system is producing."

Mr Howard reiterated his support for embattled federal Liberal leader Malcolm Turnbull, struggling to gain popular support after replacing the equally-unpopular Brendan Nelson.

"It doesn't look good at the moment, I know that. I think Malcolm and (deputy leader Julie Bishop) in a very, very difficult situation are doing a very good job.

"It was difficult for Brendan Nelson. It would have been difficult for anybody who took over after we were in power for such a long time."

He pointed to the against-the-odds election last year of a Liberal-led government in WA.

"A lot of people wouldn't have predicted what happened here a year ago. We can't assume the apparent political strength of the (federal) government at the present time is going to continue indefinitely."

The Liberal Party still had two positive stories to sell, Mr Howard told the party faithful.

"The fundamental narrative we stand for that is the role of the individual and free markets ... and that last time we had our hands on the till we steered it very well.

"Please don't fall for this idea that the Liberal Party is in some unique historical crisis."