



OFFICE OF THE PRIME MINISTER

CANBERRA

13 June, 1979

WILLESEE INTERVIEW

Because of extensive editing, the text of the interview which the Prime Minister gave to Mr. Michael Willesee is being issued in full.

Mr. Willesee indicated when he sought the interview on the Government's recent economic statement that it was for a special programme which was to last the full half hour of his scheduled broadcast time.

When the interview was put to air on Monday evening, 11 June, it was heavily edited. The responses to eight questions were broadcast in part only. In one of these instances, the Prime Minister's reply was cut in the middle of the broadcast portion, with a further cut at the end. In another instance, the answer to one question was cut and joined to the answer to a different question later in the interview.

Points made by the Prime Minister in edited-out portions of the part answers broadcast included the following:

- . Despite the high unemployment, there has been a steady rise in private civilian employment for some 8 or 9 months.
- . There are optimistic signs in the economy in that Australian industry is getting a better share of the domestic market.
- . The basic employment potential in Australia is growing for the first time for many years.
- . Having to renew the tax surcharge was a disappointment, but the Government's main commitment was to responsible economic management.
- . Changes in the economic situation after the August Budget included substantial increases in interest rates in Britain and the U.S., the growth in the size of the wheat crop over estimates, the unexpected extent of the rise in beef prices, and the events in Iran with their impact on oil prices, all of which had an effect on the money supply and there was a need to respond to these changes.

(David Barnett)  
Press Secretary.

PRIME MINISTER INTERVIEWED BY MIKE WILLESEE

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Willesee

I might as well get all the unpopular stuff over with first. Broken promises. You've answered a lot of questions about these in recent times and I know you've said they were all made in good faith and I think most people would accept that. I'd like to go through them anyway. Unemployment: You were very wide of the mark with unemployment. Why?

Prime Minister

Unemployment did fall through 1978. It didn't fall enough to start to reduce the number unemployed. (Deletion: WHAT WE HAVE HAD HOWEVER, IN THE LAST 8 OR 9 MONTHS, IS A STEADY RISE IN PRIVATE CIVILIAN EMPLOYMENT, AND THAT'S THE FIRST TIME THAT'S HAPPENED FOR 7 OR 8 YEARS). I think we earlier underestimated the difficulty in getting manufacturing industry moving, getting the employment base, therefore rising. We obviously hoped we would have more success on the wages front but I don't state that as an excuse, I just state it as a fact of life. (Deletion: THE IMBALANCES THAT HAVE COME INTO THE ECONOMY ARE CLEARLY TAKING MUCH LONGER THAN ANYONE HOPED IN WORKING THEMSELVES OUT .

BUT THERE ARE SOME OPTIMISTIC SIGNS AT THE MOMENT BECAUSE AUSTRALIAN INDUSTRY IS GETTING A BETTER SHARE OF THE DOMESTIC MARKET AND IT'S ALSO, IN AN EXCITING WAY, GETTING OUT INTO MANY EXPORT MARKETS IN A FASHION THAT'S JUST NOT BEEN POSSIBLE OVER THE LAST 5 OR 6 YEARS. THIS OF COURSE IS THE BASIS ON WHICH AUSTRALIAN EMPLOYMENT HAS TO BE BUILT).

Willesee

You couldn't have been more definite about your statements of unemployment falling - you've specifically said that it will start to fall from February and it will keep falling. Then you went on to your taxation promises, also you were pretty definite about them...

Prime Minister

Unemployment did go on falling throughout that year - 1978 - so let's not forget that.

Willesee

But you wouldn't say now that you were promising that fall only for the year. It was an on-going thing under your government - that was your promise.

Prime Minister

Everyone knows there is a seasonal increase in unemployment as school leavers leave and as they register in November or December. Nobody could take what was said as indicating that that would not occur. There was a fall in employment throughout the year, but I've said the fall was not great enough to start to reduce the basic number unemployed. (Deletion: NOW, WE HAVE SEEN FOR 7 OR 8 MONTHS, A RISE IN PRIVATE CIVILIAN EMPLOYMENT AND THAT MEANS THAT THE BASIC EMPLOYMENT POTENTIAL IN AUSTRALIA IS GROWING. AND THIS IS FOR THE FIRST TIME IN MANY YEARS. SO, YOU KNOW, MAYBE A LITTLE LATER, CERTAINLY NOT AS MUCH AS WE'D HOPED, BUT POLICIES ARE WORKING IN ESTABLISHING MORE JOBS).

(Deletion: WILLESEE

WHAT ABOUT TAX? YOU SAID THEY WOULDN'T RISE. YOU WERE QUITE SPECIFIC ABOUT IT.)

(Deletion: PRIME MINISTER

WE SAID THAT TAXES WOULD FALL AND WE SAID WE'D INTRODUCE NEW TAX SCALES, AND SO WE HAVE. WE ALSO SAID WE'D INTRODUCE TAX INDEXATION WHICH MEANT THAT GOVERNMENT NEEDED MORE REVENUE THEY WOULD HAVE TO LEGISLATE FOR IT AND SO WE HAVE, IN THAT. BUT I THINK YOU ARE PROBABLY ASKING ABOUT THE SURCHARGE.)

(Deletion: WILLESEE

NO, NO, FIRSTLY YOU SAID TAX WILL NOT RISE - JUST AS A SIMPLE STATEMENT, PROMISE.)

(Deletion: PRIME MINISTER

WE NEVER SAID THAT TAXES WOULDN'T GO UP BUT WE DID SAY THAT IF GOVERNMENTS WANTED MORE MONEY, THEY'LL HAVE TO LEGISLATE FOR IT AND THAT IS THE WHOLE DEBATE ABOUT TAX INDEXATION. BEFORE THE LAST ELECTION WE'D INTRODUCED NEW TAX SCALES AND TAX REFORMS. EARLIER, BEFORE THOSE REFORMS, ON THE HAYDEN SCALES, PEOPLE WERE ENTERING THE 45¢ IN THE DOLLAR RATE AT \$10,000 AND THE 55¢ IN THE DOLLAR RATE AT \$16,000. UNDER OUR REFORMS WE REDUCED THAT TO 32¢ IN THE DOLLAR AT \$10,000. THAT RATE CONTINUED RIGHT THROUGH, AND EVEN WITH THE SURCHARGE, PEOPLE AT \$10,000 ARE PAYING 10¢ IN THE DOLLAR LESS THAN WITH MR. HAYDEN, AND AT \$16,000 ARE PAYING MORE THAN 20¢ IN THE DOLLAR LESS. THE SURCHARGE WAS THERE, AND IT REMAINS FOR THE REASONS THAT JOHN HOWARD AND MYSELF HAVE EXPLAINED, BUT LET NOBODY MISS THE POINT - TAXES ARE VERY MUCH LOWER - INCOME TAXES - THAN THEY WERE, AND IT'S OUR AIM TO KEEP IT THAT WAY.)

WILLESEE

Equally, they can't miss the point that you said that taxes will not go up, and they did go up.

Prime Minister

You're getting again back to the tax indexation side of the argument. We said that tax indexation will be introduced so that we don't

Prime Minister

get a continual rip-off in taxation through the process of inflation. If governments want more money, they'll have to legislate for it. And we never said at some stage that we might not have to collect more tax to meet the government's bills. We've kept a very tight rein on expenditure, as I think everyone knows, but at the same time, if we've wanted more revenue, we've had to legislate for it openly and plainly, but none of that can detract from the fact that income taxes are much, much lower than they were under the Hayden scales. That was the main commitment, and that commitment has been fulfilled.

(Deletion : NOW, THE SURCHARGE WAS A DISAPPOINTMENT - WE ALSO SAID THAT WHEN IT WAS INTRODUCED THAT IT WOULD BE TEMPORARY AND FOR REASONS THAT HAVE OCCURRED SINCE THE BUDGET IT WASN'T POSSIBLE TO TAKE THAT OFF ON JULY 1 .

AGAIN, THE REASONS FOR THAT HAVE BEEN EXPLAINED AND OUR MAIN COMMITMENT HAS TO BE TOWARDS THE RESPONSIBLE ECONOMIC MANAGEMENT, PROPER BUDGETARY MANAGEMENT, BECAUSE IF THE GOVERNMENT FAILS ON THAT, YOU THEN DISSIPATE THE GAINS THAT HAVE BEEN MADE IN GETTING INFLATION DOWN AND IN MAKING AUSTRALIAN INDUSTRY COMPETITIVE).

(Deletion: WILLESEE

PEOPLE WANT WHAT IS RIGHT FOR THE GOVERNMENT. I'M JUST TRYING TO...

(Deletion: PRIME MINISTER

I'M GLAD YOU RECOGNISE THAT.)

(Deletion: WILLESEE

I HOPE EVERYONE RECOGNISES THAT. THE RIGHT THING MUST BE DONE. BUT YOU SEE YOU DID SAY VERY SIMPLY AND BALDLY IN THE '77 POLICY SPEECH, THE GOVERNMENT WILL BRING TAXES DOWN FURTHER AND NOT INCREASE THEM.)

(Deletion: PRIME MINISTER

WE DID BRING THEM DOWN. IN FEBRUARY WE INTRODUCED THOSE NEW TAX SCALES - THEY APPLIED FROM FEBRUARY 1978 AND I'VE INDICATED THAT THE REDUCTIONS IN TAXATION AT THE \$10,000 LEVEL ARE MORE THAN 10¢ IN THE DOLLAR COMPARED WITH THE HAYDEN SCALES - AT THE \$16,000 LEVEL, MORE THAN 20¢ IN THE DOLLAR LESS THAN UNDER THE HAYDEN SCALES. BY ANY STANDARDS, THAT'S A VERY SUBSTANTIAL REDUCTION INDEED.)

Willesee

It's just such a simple thing. You said you will not increase them and you did. People get very confused about the economy, It's very hard for them to follow and they see very simple and bald statements and they want them to be true and they are not true.

Prime Minister

We said we'd introduce new tax scales, we said we'd introduce lower tax scales and reduce taxes, and we have.

Willesee

You said you wouldn't increase taxes but you did.

Prime Minister

We made it perfectly plain with the introduction of tax indexation. We said that if governments want more money they'll have to legislate for it. And so we did.

Willesee

Don't you think that people might look at you now and think, "Look, he's behaving like a politician. He wants to get the best out of each answer, which is his right, but he's not facing up to those basic..."

Prime Minister

I think you want to get the best out of each question, and not recognising the fact that taxes are very much lower than they have been. You're running the risk of doing what so often seems to happen when you and I get on an interview - you want me to say something, and you stick on that point, or try to, and you generally fail to get me to say what you want me to say. Why should I?

Willesee

Yes, I do generally fail, but I just feel, in the public interest, if I put a question that is important, I should get the answer. Now, I've put to you several times that you said you would not increase taxes...

Prime Minister

You're totally missing what we said about tax indexation. Now I know tax indexation is not well understood, but it stops governments getting the rip-off from continual increases in taxation as a result of inflation, which means that governments need more money to meet their bills, they've got to tax for it and do it plainly, openly and honestly, and that's precisely what we did.

Willesee

Was it a fair and honest promise when you said, "I will not increase taxes" ?

Prime Minister

We never gave a blanket commitment not to increase any taxes, and it would be totally wrong to suggest that we did...

Willesee

But that's what you said in your policy speech.

Prime Minister

...we'd introduce company taxes and we'd increase company taxes and we have adjusted other elements of taxation because we'd have to make sure that revenue adequately matches expenditure. And any government that didn't do that, would be totally irresponsible.

Willesee

All right, I give up on that one. At the time of the mini-budget you said you had to go back on promises, not exactly your words but that's what you meant, because a lot of things had changed. At what time did you know things had changed sufficiently, that you couldn't keep all your promises?

Prime Minister

I think there was a continual change probably from about November onwards.

(Deletion: THE RATES WERE SET FOR A NOVEMBER LOAN, AND AT THE VERY SAME TIME, THERE WERE VERY SUBSTANTIAL INCREASES IN INTEREST RATES IN THE UNITED STATES AND ALSO IN THE UNITED KINGDOM. THEN, RIGHT THROUGH TILL FEBRUARY OR MARCH WE WERE GETTING REVISED ESTIMATES OF THE WHEAT CROP. IT ENDED UP BY BEING DOUBLE THE YEAR BEFORE AND VERY, VERY MUCH LARGER THAN ANYONE HAD EARLIER ANTICIPATED. BEEF PRICES ROSE MUCH MORE THAN ANYONE HAD EXPECTED AND THEN THE EVENTS IN IRAN WHICH LED TO A SHORTAGE OF OIL AND A MUCH GREATER INCREASE IN OIL. MORE RECENTLY THERE HAVE BEEN INCREASES AND IMPROVEMENTS IN METAL PRICES.)

NOW, MUCH OF THIS IS GOOD NEWS FOR FARMERS OR FOR THE BALANCE OF PAYMENTS, FOR THE MINING INDUSTRY WITH METAL PRICES, BUT ITS BAD NEWS FOR THE MONEY SUPPLY.)

Willesee

Prime Minister, if you noticed these changes from about November as you say, why then at the end of February this year did you say in a major speech to Parliament "I believe that '79 is the year in which the fruits of our economic policy will become clearly apparent"?

Prime Minister

The fruits of our economic policies are becoming apparent. In many industries, they're doing very much better than they have been for many years. The rural industries are clearly doing better and there wouldn't have been of course if inflation had still been running rampant. Their costs increased 30% in 1974 - in one year alone. The trade offensive around the world has secured much better markets for many of our products. Without markets they wouldn't be doing well. (Deletion: MANUFACTURING INDUSTRY IS MORE COMPETITIVE THAN ANY TIME SINCE THE VERY EARLY '70s. THEY'RE GETTING INTO EXPORT MARKETS, THEIR PROFITS ARE UP AND THEY'RE LOOKING TO THE FUTURE. INVESTMENT IS UP VERY GREATLY.)

NOW, NONE OF THIS COULD HAVE OCCURRED, NONE OF THIS WOULD HAVE OCCURRED, IF IT HADN'T BEEN FOR THE RIGOUR OF OUR ECONOMIC POLICIES OVER THE LAST THREE YEARS.)

Willesee

Can you understand people being confused when you were so bouyant about the economy at the end of February, and a couple of months later you bring in a horror mini-budget, and warn of a tougher August budget?

Prime Minister

A horror mini-budget - I think out in the community there is a very broad acceptance that what was done was necessary because any government, whether an economy is running well or whether an economy is running badly, ought to respond to changed circumstances so that matters keep on a proper path. (Deletion: I DON'T LIKE BEING TECHNICAL, BUT IF MATTERS OCCUR WHICH ARE GOING TO AFFECT MONEY SUPPLY SIGNIFICANTLY, IF FACTORS OCCUR WHICH ARE GOING TO AFFECT INFLATIONARY PRESSURES DURING THE COURSE OF THE YEAR, THEN QUITE PLAINLY A GOVERNMENT OUGHT TO RESPOND TO THAT. BUT RESPONDING TO THAT DOESN'T MEAN THAT THE ECONOMY IS NOT DOING WELL, DOESN'T MEAN THAT INDUSTRIES AREN'T DOING MUCH BETTER, DOESN'T MEAN THAT THE BALANCE OF PAYMENTS ISN'T STRONGER THAN IT'S BEEN FOR YEARS).

Willesee

When the Whitlam Government had the economic reins and made a mess, you held them responsible, didn't you?

Prime Minister

Yes, of course.

Willesee Do you think people should hold you responsible for what's gone wrong now?

Prime Minister:

Well, what's gone wrong? The fact that we had to introduce some measures in May? That's not a sign of something going wrong. It was a sign - as we said on many occasions, we put this cross on our own backs. (Deletion: IT WAS A SIGN THAT WE SHOULDN'T HAVE SAID THAT THAT COMMITMENT IN RELATION TO THE SURCHARGE WOULD BE TEMPORARY. NOW, THAT'S CERTAIN. BUT THE FACT THAT THE WHEAT HARVEST WAS DOUBLED, MEAT PRICES HAVE GONE UP A GREAT DEAL, THAT METAL PRICES ARE MUCH MORE BOUYANT - NOW THESE ARE THINGS THAT MANY PEOPLE WOULD BELIEVE TO BE GOOD AND DESIRABLE. BUT THEY ALSO IN THE MOVEMENTS, EXCEEDED WHAT HAD EARLIER BEEN EXPECTED AND WITH THE WAGE INCREASES, OIL INCREASES, AND BOUYANCY IN A NUMBER OF OTHER AREAS, THERE WERE SIGNS OF RENEWED INFLATIONARY EXPECTATIONS, AND CLEARLY WE HAD TO DO SOMETHING ABOUT.

ALWAYS IN AN ECONOMY, THERE'LL BE CHANGES THROUGHOUT THE YEAR, AND SOMETIMES A GOVERNMENT MIGHT NEED TO RESPOND TO THAT BETWEEN AUGUSTS, NOT JUST LEAVE IT TILL THE AUGUST BUDGET. THAT DOESN'T MEAN THAT THINGS HAVE GONE WRONG. THAT MEANS THAT YOU'RE TRIMMING YOUR SAILS TO KEEP ON A STEADY COURSE, AND THAT'S WHAT WE DID.)

Willesee

But there are things wrong - you've got an enormous deficit, enormous unemployment. You told us these things wouldn't happen. If you go back to 1975, you said, "I'll need three years to right

Willosee

the economy, after the mess the Labor Party has left it in."

Prime Minister

By the end of the third year, on all the surveys that came out of industry over the last summer months, and into this year, for the first time they are looking to the future with confidence. And they still are.

(Deletion: WILLESEE

BUT THIS IS THE FIFTH YEAR. YOU'VE HAD TO BREAK PROMISES, YOU'VE GOT A MASSIVE DEFICIT...

(Deletion: PRIME MINISTER

IS THIS THE FIFTH YEAR?

(Deletion: WILLESEE

'76, '77, '78, '79 - FOURTH YEAR.

(Deletion: PRIME MINISTER

YES. THREE AND A HALF YEARS, AND AS WE GO INTO THE BEGINNING OF THE FOURTH YEAR, AT THE END OF THE THIRD YEAR, PEOPLE WERE ABLE TO SEE THAT THERE WAS MUCH GREATER VIGOUR AND LIFE IN THE AUSTRALIAN ECONOMY FOR A VARIETY OF REASONS, BECAUSE WE HAVE ESTABLISHED THE CIRCUMSTANCES IN WHICH THE RURAL INDUSTRIES CAN BE PROFITABLE AGAIN, BECAUSE WE HAVE ESTABLISHED THE CIRCUMSTANCES IN WHICH MANUFACTURING INDUSTRY CAN ONCE AGAIN COMPETE IN AUSTRALIA OR AROUND THE WORLD.

NOW NONE OF THAT MEANS THAT THERE ARE NO PROBLEMS. NONE OF THAT MEANS THAT THERE AREN'T STILL THINGS THAT, AS A GOVERNMENT AND AS A NATION, WE HAVE TO WORK AT. IF YOU THINK YOU CAN LOOK TO A CIRCUMSTANCE AND SUDDENLY SAY, "WE'LL GO THROUGH THIS DOOR AND THERE'LL BE NO MORE PROBLEMS, NO MORE DIFFICULTIES", WELL, LIFE IS NOT LIKE THAT, AND GOVERNMENT IS NOT LIKE THAT AND I DOUBT IF PRODUCING YOUR SHOW IS LIKE THAT.)

(Deletion: WILLESEE

BUT IF YOU MAKE A PROMISE IN YOUR SITUATION, PARTICULARLY AS PRIME MINISTER - YOU SAY UNEMPLOYMENT WILL GO DOWN AND IT GOES UP - YOU DON'T SAY THAT...

(Deletion: PRIME MINISTER

WE DISCUSSED THAT EARLIER, AND THROUGH 1978 UNEMPLOYMENT WENT DOWN MONTH AFTER MONTH AFTER MONTH. I'VE INDICATED TO YOU THAT IT DIDN'T GO DOWN ENOUGH ONCE THE NEXT BATCH OF SCHOOL LEAVERS CAME ONTO THE LABOUR MARKET TO REDUCE THE TOTAL NUMBER UNEMPLOYED. I'VE ALSO POINTED OUT THAT FOR THE FIRST TIME IN MANY, MANY YEARS, PRIVATE CIVILIAN EMPLOYMENT HAS BEEN INCREASING, MONTH BY MONTH, FOR SEVEN OR EIGHT MONTHS. THAT AGAIN IS AN INDICATION OF A MORE BOUYANT SITUATION IN MANUFACTURING INDUSTRY, IN THE PRIVATE SECTOR OF THE AUSTRALIAN ECONOMY.)

Look, its fair enough for you to want to say that things are all lousy...



Willesee

No, not all lousy, but some things are...

Prime Minister

But that's the implication from your question...

Willesee

I'm being quite specific - unemployment and tax are two very specific things...

Prime Minister

I made the point that taxes are much lower than they were, and our general thrust is to try and get taxes lower if we can, as you know.

We've spoken about the unemployment question. In addition to that, on the wages front, the increases have been much greater than we would have expected and greater I believe than many people in the outside world would have expected, or wanted. (Deletion: AND THAT PLAINLY HAS BEEN ONE OF THE FACTORS WHICH IS HOLDING BACK THE RATE OF RECOVERY WITHIN THE AUSTRALIAN ECONOMY. ALRIGHT, THAT'S NOT TO SAY WE DON'T HAVE OUR RESPONSIBILITIES, BUT IT DOES POINT TO THE FACT THAT THERE ARE OTHER CIRCUMSTANCES WITHIN AUSTRALIA, OTHER GROUPS THAT HAVE GOT THEIR OWN INDEPENDENT POWER BASE AS THE ARBITRATION COMMISSION HAS, WHICH CAN EITHER ASSIST THE PROCESS OF RECOVERY OR INHIBIT IT.)

Willesee

Do you think people regard you as a credible Prime Minister, particularly in view of the mini-budget?

Prime Minister

I would think so, yes, because as a result of the mini-budget we've made it perfectly plain that we'll stay on course in relation to the broad economic policy, that we're going to continue to bear down on inflation and establish the circumstances in which Australians can work for the future with a great deal of confidence. If we hadn't had that mini-budget, people would have been saying and the economic commentators would have been saying that the August Budget is going to be an impossible one because the deficit will be too large. There'll be no doubts about that now.

Willesee

There aren't too many people saying that you did the mini-budget for the wrong reasons - they believe you did it for the right reasons.

Prime Minister

That's a pretty fair concession on your part.

Willesee

I think it's a simple fact. No one thinks you did it deliberately to become unpopular, or to deliberately break promises.

Prime Minister

They know that it was unpopular but they also know it was the right thing for the Australian economy.

Willesee

But, to do that, you had to swallow this rather bitter pill of breaking promises, and be seen to break promises.

Prime Minister

We had to swallow the rather bitter pill in relation to the surcharge.

Willesee

Did you stop and think about that in a personal sense?

Prime Minister

Of course I did. One thing you think about it, "why did we do that in the first place?" Quite clearly we weren't doing it to box ourselves in a corner in May and establish a commitment that we wouldn't be able to meet. So, we thought we were making that commitment, we were making it, in good faith. We weren't able to meet it and I have said before that was a cross that we have to bear, or that I have to bear.

(Deletion: WILLESEE)

HOW DO YOU BEAR THAT CROSS? DOES IT WORRY YOU, FOR EXAMPLE?)

(Deletion: PRIME MINISTER)

IT DOESN'T HELP IF YOU ALLOW THINGS TO WORRY YOU. YOU'VE GOT TO BE ABLE TO ASSESS WHAT HAPPENS, WHAT YOU DO, THE IMPLICATIONS OF IT...)

(Deletion: WILLESEE)

DID YOU DISCUSS IT WITH SOMEBODY, PRIVATELY?)

(Deletion: PRIME MINISTER)

THESE THINGS ARE DISCUSSED IN CABINET WITH YOUR COLLEAGUES, OBVIOUSLY. WHEN YOU'RE MAKING A DECISION, THEY'RE CABINET DECISIONS, GOVERNMENT DECISIONS, NOT FRASER'S DECISIONS - HOWEVER MUCH PEOPLE SOMETIMES MIGHT WANT TO SUGGEST THEY ARE.)

(Deletion: WILLESEE

BUT DON'T YOU THINK, "ARE PEOPLE GOING TO BELIEVE ME ANY MORE?")

(Deletion: PRIME MINISTER

I BELIEVE THAT PEOPLE ARE GOING TO BELIEVE A GOVERNMENT THAT QUITE PATENTLY, IS TAKING THE RIGHT COURSE FOR THE AUSTRALIAN ECONOMY.)

(Deletion: WILLESEE

YOU SEEM TO - AND I CAN UNDERSTAND WHY - COME BACK TO GOVERNMENT AND CABINET, BUT THAT WAS A VERY PERSONAL THING, TO BREAK A PROMISE, WASN'T IT?)

(Deletion: PRIME MINISTER

LOOK, IT WAS A GOVERNMENT DECISION, INCORPORATED IN THE TREASURER'S SPEECH, AND CERTAINLY, I'M HEAD OF THE GOVERNMENT, IF THERE'S A COMMITMENT OF THAT KIND THAT'S NOT MET, IT GETS TIED ROUND MY NECK AND PEOPLE TRY TO SAY THAT IT WAS A PERSONAL DECISION OF FRASER'S. BUT IN THE SENSE, THAT IN FACT IT WAS A GOVERNMENT DECISION, IT MAKES IT A GOVERNMENT MATTER. NOW, IT'S ONLY A PERSONAL MATTER IN THE SENSE THAT PEOPLE TRY TO HANG FRASER WITH IT.)

(Deletion: WILLESEE

DO YOU TAKE MANY THINGS HOME AT NIGHT, IN A PERSONAL SENSE?

(Deletion: PRIME MINISTER

NO, I THINK WHEN I LEAVE THIS BUILDING YOU PUT IT BESIDE YOU BECAUSE THE DAY IS BUSY ENOUGH - THERE'S ONE QUESTION, THEN ANOTHER...)

(Deletion: WILLESEE

THERE MUST BE SOME THINGS THAT GET UNDER YOUR SKIN?)

(Deletion: PRIME MINISTER

THINGS CAN GET UNDER THE SKIN, YES, BUT THAT DOESN'T MEAN TO SAY THAT I HAVE TO CARRY THEM AROUND WITH ME. I THINK IT'S VERY IMPORTANT TO BE ABLE TO SHUT DOORS, TO BE ABLE TO, IN THE SENSE OF "THIS WEEKEND IS GOING TO BE SPENT WITH MY FAMILY, I'M GOING TO GET DOWN ON THE FARM, OR GO FISHING OR WHATEVER". I THINK IF YOU ARE GOING TO ALLOW A JOB OR A CIRCUMSTANCE TO WORRY YOU, CONCERN YOU, GET UNDER YOUR SKIN, MAKE YOU FRET ALL THE TIME, THEN IT MAKES A JOB JUST THAT MUCH HARDER, AND THERE'S NO POINT AT IT BECAUSE YOU WON'T BE DOING THE JOB ANY BETTER).