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PRIME MINISTER

13 October 1996

**TRANSCRIPT OF THE PRIME MINISTER
THE HON JOHN HOWARD MP
DOORSTOP INTERVIEW - ELECTORATE OF LINDSAY**

E&OE.....

JOURNALIST:

There seems to be a resignation in your Party. Can you tell us what's happened to Jim Short?

PRIME MINISTER:

Jim Short resigned this morning. He went through all of his papers and he discovered that he had made a decision that specifically affected the ANZ bank, although it was a routine decision and he took it on the advice of the Reserve Bank and the Treasury. He felt that as he had not recalled that in our discussion last week, the circumstances had changed and he wanted to resign and he's done so and I with very great regret have accepted that resignation. He hasn't behaved in anyway dishonestly. He's shown very great integrity and he's done the right thing and demonstrated a concern for the Government and a concern for the Party in what he's done. I'm sorry that it's happened and I emphasise again it is no reflection on his integrity. In fact, he is regarded by everybody as a person of very great honesty and integrity.

JOURNALIST:

There's been a lot of pressure on him though....

PRIME MINISTER:

No, no. I knew nothing about this until yesterday afternoon. About five to one he rang me and he said, 'look, I've just been going through everything and I've discovered that there was this explicit approval I gave only to the ANZ banking group for a second banking licence. I hadn't recalled it my discussion with you last week, therefore I feel the circumstances have changed and I must resign'. It certainly wasn't as a result of any pressure. He volunteered the information to me. I was busily thinking about something else when he rang me, I can assure you.

JOURNALIST:

You've expressed a lot of confidence in him over the past few days. How does that make you feel now that he's decided to resign?

PRIME MINISTER:

I'm sorry for him but it is the right thing for him to have done.

JOURNALIST:

Who will replace him?

PRIME MINISTER:

Well, I've announced that Senator Rod Kemp from Victoria will become the new Assistant Treasurer. He is a person of very great ability. He was in the Shadow Ministry before the last election. Because of the large number of people from Victoria before the last election it was necessary to cut the numbers back there to accommodate the natural claims of other states and he will fill the job very capably. Life will resume its normal pattern.

JOURNALIST:

Does this put more pressure on Mr Costello?

PRIME MINISTER:

No. Has Mr Costello breached the guidelines? No he certainly hasn't. I'll be very interested to see whether the Labor Party is going to pursue the notion that women can't have independent interests in their own rights and they have to be dominated by their husbands' political and financial circumstances. Mr Costello has not breached the guidelines in any way. The shares that his wife bought were bought in 1994, they were put on the public register in 1994. Completely in accordance with the guidelines when there was another tranche of Commonwealth Bank shares after the election Peter asked

his wife not to participate in that issue. She has behaved impeccably, so has he, and as I say, given their loud and noisy protestations about equal rights for women, I'll be fascinated to see whether the Labor Party continues as Gareth Evans did rather clumsily yesterday to pursue that aspect of the matter.

JOURNALIST:

Cheryl Kernot said this morning your guidelines might be little bit too tight. Are you considering loosening them?

PRIME MINISTER:

No.

JOURNALIST:

You said Senator Short had gone through his papers. Surely someone who is Assistant Treasurer should be more au fait with his own financial situation?

PRIME MINISTER:

Well, you can make all sorts of gratuitous comments about the man but he has resigned.

JOURNALIST:

Mr Howard, the guidelines do say that the Ministers have to take their immediate families investments into account.

PRIME MINISTER:

Yes well that's exactly what Peter Costello did when he advised his wife not to participate in the second issue.

JOURNALIST:

Does your immediate family have any investments?

PRIME MINISTER:

No. I haven't had any shares for 25 years.

JOURNALIST:

On another matter, this morning Tony Staley was saying that he was glad Pauline Hanson had left the Liberal Party. Would you echo those sentiments?

PRIME MINISTER:

Well, I participated in the decision taken during the election campaign for her to have her endorsement withdrawn. I've got to say this latest comment of hers is really quite silly.

JOURNALIST:

Is that the civil war comment?

PRIME MINISTER:

Yes, it's ridiculous. I mean that is just a silly uninformed comment that nobody is going to take the least bit seriously and if I may say so for what it is worth, I suggest the ladies and gentlemen of the Australian media don't take it seriously either. I certainly don't.

JOURNALIST:

Brendan Nelson has actually called for a bipartisan approach to condemn Pauline Hanson's view. Do you think you'll be speaking out more strongly now?

PRIME MINISTER:

I'll continue to do what I've done and that is assert the policies of the Government. I don't couch our policy position by way of responses to what other people have said.

JOURNALIST:

Mr Howard, the Nobel Prize being awarded to the East Timorese. What's your response to that?

PRIME MINISTER:

Well it is certainly a significant event for those people. I'm not going to get drawn into the politics of the East Timorese dispute. We have a policy position on the legal status of East Timor, it is obvious that the recipients of the Nobel Prize have been strongly committed to their cause. I welcome the fact that President Soeharto will be meeting for the first time the Catholic Archbishop when he visits East Timor. I think that is a very positive move by the Indonesian Government.

JOURNALIST:

One comment on the New Zealand election sir. Will the PPR affect relations with instability in the Government considered in the future in New Zealand?

PRIME MINISTER:

Well, that's matter for the parties to work out. I don't know what the final form of the Government will be. That's a matter for the New Zealand people. It's a very interesting system isn't it?

JOURNALIST:

A week out from the Lindsay by-election how confident are you?

PRIME MINISTER:

Lindsay is going to be a real fight because Lindsay is traditional Labor territory. The people got rid of Free last time. He is now trying to sneak back through the back door with this deal with the AAFI. I mean, you've got Kim Beazley running around the country saying he's in favour of tolerance and isn't it outrageous that people who advocate zero immigration haven't been more strongly attacked, and yet his own party has done a deal with a party that advocates that. Now, they're entitled to advocate it, it is a free country, but don't sort of say one thing on the one hand when you are talking to one audience and then something else when you are talking to another audience. I think it is going to be a very tough fight. Free could sneak back over the line by courtesy of this very sleazy preference deal. I hope every elector of Lindsay understands that. And the only way to stop Free from sneaking back through the back door is to vote for Jackie Kelly directly.

JOURNALIST:

What about Jim Short's resignation? Do you think that's going to hamper your chances?

PRIME MINISTER:

No, no, no.

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