## INTERVIEW

With Laurie Oakes, Melbourne Sun News-Pictorial, Canberra.

## 9 March 1972

Q The first thing I would like to ask is how do you sum up your first year as Prime Minister?

PM I've found it a very difficult year, mainly because so many events have occurred beyond the control of myself and the Government, and they've been of such an unpredictable kind that we have found great difficulty in achieving the objectives we've wanted to achieve. As an example, I felt in December that we had the problem of wage increases just about under control. And then, to my horror there was an increase in the State Electricity Commission wages in Victoria, followed by other changes which could very easily spread to other parts of Victoria and the rest of Australia. If this happened, and we were unable to isolate the increases, it could be of great damage to the community. This is but one example. I could give you many others. Now we are taking strong action to ensure that the flow-on is reduced to a minimum, and we ask all sections of the community to exercise moderation. In this we're giving the leadership.

Nonetheless, I feel that this is a strong economy, soundly based, and providing only we can reduce increases in wages and industrial lawlessness to manageable proportions, I think we can look forward to the future with a great deal of satisfaction.

As to the way it's affected me personally, of course I worry about what is happening, and I happen to be in very good physical condition and I can take the knocks pretty well, absorb them easily, and get on with the job as best I can.

Q Sir, You've always had a reputation for hard work; What sort of hours do you find you've had to work over the years ?

I've always been a hard worker, that's true; never as hard as I work now because I have very little time either for myself or for that matter for my family. And all too frequently I have to get in touch with my wife when she's in Sydney with the kids, and ask her to come up as I'd rather she was with me than at home. I work even in the car when I'm going back to The Lodge or I'm going home in Sydney, and I get along with probably four and a half to five hours sleep a night.

Q You've been the centre of controversy since you took over the job. Does that affect your family life or you personally?

PM It affects my family life to this extent that I don't see a great deal of my children other than at weekends. As I've said, unless I persuade my wife to come to Canberra,

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I don't see her anywhere as much as I should. She thinks it's a big responsibility to be with the kids, particularly as they're now going to school.

Q Does criticism worry you or Mrs McMahon ?

PM I doesn't worry her so much - she's the philosophical person, and she usually tries to calm me down by saying 'Look, you know you've had a lot of experience, and you're doing your best. Keep going because, in time, the Australian people will recognise the honesty of purpose, and the effectiveness with which you are carrying out your policies.' I think too, that I'm able to take the knocks much better now than I was able to take them three or five years ago.

Q Do you worry about personal popularity? Is that important? Has it become so in the years?

When I first read the reviews, it does worry me, but I recognise that if I continue to worry about them, it will prevent me working in a most effective way. So I'm able after a night's sleep to forget them, and then ask what can I do, or what is the proper course to follow in order to get the economy going again properly, particularly to reduce unemployment, and to handle the problems of industrial lawlessness.

Q What do you regard as your <u>mistakes</u>. Is there anything you'd do differently if you had the year over again?

If I had the year over again, on the economic front, I would have taken action somewhat more quickly to increase the prospects of the growth of demand. Too, I would like the Parliamentary Council to have been able to give us legislation relating to conciliation and arbitration and arbitration in the Public Service field. We've been working on the changes for a long time, but regrettably, we are not able to get the legislation as quickly as we want it. The next most important point is, of course, that we want growth to go on because through growth we reduce unemployment, and I'm sure we'll see in the February figures to be reduced soon that there has been a quite substantial drop in registran's for employment, but above all, I want to be put in a position where so many of our social policies can be carried into effect. UNTIL we get growth, and we get control of inflation, it's difficult to do all we want to do. Whether it happens to be in education, medical health and hospitals, better life, better quality of living, and the assistance we'd want to give the States so that they can improve the life of the urban dweller - all these things we believe in and we live for, but regrettably we have to consider them against the background that unless we bring inflation and industrial lawlessness under control, then we can create greater difficulties in the future, and off-set many of the things we've already done.

But I think if you look at our record of performance, and one day I'd like to see this published in the media,

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I think you just admit that the record has been unbelievably good, against the background of the difficulties we've faced.

Q What would you regard as the major <u>achievement</u>, on that subject? Which one is most important to you?

PMI think the first major achievement was that we have created a better feeling between the Commonwealth and the States, and the best example I can give is at the last Premiers' Conference , when they went home satisfied, and I believe it was a personal attribute to the Government. But secondly, you should look at a large range of policy issues that we have introduced, as for example, the the changes we've made on education, capital assistance to the State schools, per capita assistance to the independent schools. THe assistance we've given in order to assist nursing home accommodation, and the aboroigines - all of these matters, and I've said I've documented them, and I'll give you a copy of the document that we've got where you can isolate these issues. What we've tried to do is get a realisation that we're one people, one group of Australians, all trying to pull together, in the interests of each and every one of us, rather than think that we have conflicting groups who are fighting one another, each one trying to get an advantage for itself, rather than to act in common interest. This is the sort of ideal I've set myself and I only hope that we'll be able to do more to restore confidence, and if we can restore confidence and reduce the rate of wage increases, I KNOW that first we'll get a healthy economy, and based on a economy, we'll do so many of the things that the public want us to do, and which will then be easy to do.

Q Overall then, was the year frustrating or satisfying Obviously, there's a bit ofboth?

PM In many ways it's been satisfying, but in far too many ways it's been frustrating for the reasons I gave you when I answered the first question.

May I again, if I may, emphasise the point, it might have been made sufficiently already, that we have an economy that is basically sound. If there was some increase in consumption expenditure, we would really be running along at a pace that I can regard as satisfactory, and we wouldn't have to worry about unemployment, and we'd be able to do much more in order to meet the needs of the people and the true aspirations of Australians.

Q And so you obviously blame the economy largely for the bad problems or the low patch at the moment?

The low patch at the moment; I believe, it is the lack on consumption demand and the impact it has had on employment which has become an emotional issue. Associated with that we had other troubles such as, for example, rise in prices of BHP which swamped the praise we received for the Premiers' Conference, and, I must emphasise again, that industrial lawlessness does create doubts in the minds of people and indecision. So there is a combination of circumstances and I wouldn't like to just isolate one and say that the difficultifies can be related to that single item.

There are some scritics who say that your personal performance has got something to do with it. Does this worry you - are you tackling that?

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Firstly I don't belive it because whenever a decision PMhas to be made, I think I'll MAKE IT. And I've had a record of decision making and on too many occasions I've been accused not a question of being indecisive, but a question of being too decisive - as for example when I handled the waterside workers as the Minister for Labour - with all -the changes that were made when I was the Treasurer . Somebody's got to tell ME where I'm indecisive. But I've got to make one comment - that I do believe in teamwork, and I do believe in permitting the Ministers to administer effectively their own portfolio. But when the decision has to be made, I can assure you I will make it. To give you a current example, there has been criticism, and I believe understandable criticism about our failure to intervene in the postal workers' I would have taken action, but I was advised by all of the technical advisers I could collect together there was no effective action we could take. So, we are amending, we are putting down a Bill to amend the Act today. This has been our problem. And it's been with us since Federation. But if ever there was a case of decisiveness THIS IS IT. Similarly too, you could take the case if you like, of the amalgamation of the three metal unions. Here again is decisive action by us. People have to tell me in pretty plain terms if they will, where this Government has lacked decisiveness. If I could go on to another one, and I made this clear not so long ago, that on the changes in the exchange rate, it was said that we delayed, and we got unfavourable publicity. We did delay and we did get unfavourable publicity, but I was more concerned in making the right decision and after I had heard the arguments from all members of Cabinet, I came down strongly in favour of appreciating against the US\$ by 6.32%. I stuck to that decision until the end and that decision was accepted by CAbinet. AND it was the right decision . So I'd like people to tell me where I haven't made decisions, then I'd be able to argue with them and naturally enough if they were right, of course I'd accept the fact that they're right, and I think that you can take it from my answers in the House, and my answers on television, that I never hesitate to say what I think is the truth even though I believe frequently it can lead to criticism of myself.

The Gallup Poll shows the Government down to 40% of the vote. How do you plan to reverse this between now and the election?

I believe the truth is of paramount importance.

We started in November to stimulate the economy by easing up on bank control to permit relative freedom on the part of the banks to be able to lend. At the Premiers' Conference we gave a big stimulus to the economy, to try to give confidence to the manufacturers by restoring the investment allowance and then subsequently giving them a renewal of the research and development allowance. In other words, trying to prove to them that they were not forgotten We recognise that manufacturers have to play a very big part not only in increasing opportunities for employment, but I believe, in creating conditions of

confidence as well. We have started, and I make it more than

clear that if we found that more had to be done, we wouldn't hesitate to take further action, and this is the view of the Treasurer and my own view.

Q What about the <u>DLP</u>. They've been making increasingly hostile statements. Are you doing anything to get them back on side?

PM The DLP has view which are largely the same as the Governments on many aspe-cts of policy , particularly defence, Our hostility to communism, the way in which our left-wing unions can create problems for industry and have caused more strikes than is tolerable. And my relationship with them until recently have been particularly good . There was one difference of opinion and that is the amalgamation of the three unions. Mr Lynch has explained the Government position which is shared by the great mass of my own Party, and I hope of course to be able to indicate to them where we stand on this one issue that really divides us because we are just as worried as they are about the power of the left=wing unions and we are considering changes to the Act which will be announced by the Minister for Labour and National Service which should show the DLP that our feelings about the problems are much the same as theirs are . Where we differ is not in objectives, but in means of achieving those objectives.

I notice somewhere this morning that you met Senator Q Gair last night. Was that part of this arrangement?

No, I had to see him over the Bill that is to be introduced PMtoday. And we did discuss, but not in a profound nor in-depth way the difference of opinion between the two of us on the matter of amalgamation, and the way we looked at the future.

If you'd known a year ago what you know now, would you Q still have wanted the job?

PMYes I would. I believe that everyone, particularly a person in a position like my own, should be prepared to dedicate himself to the interests of the nation. I think I've done that, and even though it's difficult, frustrating, and deprives you of the ability to have a proper family life, I still would want to accept the position, and do the best I could.

Prime Minister, what do you predict for the next year ?

PMFor the whole of this year ?

For the next twelve months ?

I think the biggest problem we face is one of communication, PMin trying to show the people what we have done, and to be able \ when we to answer the various kinds of criticism. So I'm looking at ways and means of getting a better communication. I was able to go on television on Sunday night, and I believe that had a good impact over a very wide area. I'm now considering the quesiton of radio interviews once a fortnight or once every

three weeks, I haven't made up my mind yet, so that I can go to the people with sort of armchair talks and to be able to explain in depth policy, and to be able to answer publicly why we've taken certain action and answer any criticism that there might be. I think that if the people know the reasons they would be satisfied, and quickly our popularity will be'

restored. And I want all my colleagues in the Ministry, in the Cabinet and in the Party room to join with me in this massive effort because I'm sure we can provide the right sort of Government. I believe, that the Labor Party, dominated as it is by a Federal Executive and an ALC Conference, will be dangerous for us and deprive the Australian people of the freedoms that they treasure and that we in the Liberal/Country Party treasure too.