EMBARGO: 7.15 p.m.

Monday 3rd December 73

INTERVIEW BY MIKE WILLESEE ON "CURRENT AFFAIR" WITH THE PRIME MINISTER, MR E.G. WHITLAM, Q.C., M.P., CANBERRA, MONDAY, 3RD DECEMBER, 1973

WILLESEE: Welcome to "Current Affair" and on the occasion of the first birthday of the first Labor Government in 23 years we are privileged to welcome to a "Current Affair" the Prime Minister, Mr Whitlam. Mr Whitlam, it's not unusual on these occasions to talk about the worst mistake that you may have made or the Government may have made....

PRIME MINISTER: I think that was your punchline last time I was with you six months ago.

WILLESEE: Not unkindly I hope but I wonder whether on this occasion you may not be now in the middle of your biggest mistake - the referendum?

PRIME MINISTER: No.

WILLESEE: Are you serious about the incomes?

PRIME MINISTER: Yes.

WILLESEE: It wasn't forced upon you?

PRIME MINISTER: No.

WILLESEE: Do you wholeheartedly support it?

PRIME MINISTER: Yes.

WILLESEE: Would you like to give the Liberal/Country Party Government the power to control or even freeze incomes?

PRIME MINISTER: I believe, that whoever the people elect as a Government should be able to pass laws about incomes. I don't believe a Liberal Government would venture to freeze them.

WILLESEE: Are you happy to give a Liberal/Country Party Government that chance?

PRIME MINISTER: Yes.

WILLESEE: And that is precisely what you are doing?

PRIME MINISTER: Yes, of course, it is. When you alter the constitution at a referendum, you are giving the authority to whoever is elected as a Government in the future. My party, in the past, has sometimes opposed referendums; it has been wrong.

WILLESEE: Are you putting yourself wholeheartedly behind a measure which the Labor Party is only half-hearted about and the trade union movement doesn't want? Does that disturb you?

PRIME MINISTER: The trade union movement is half-hearted about it, they're divided about, the Labor Party supports it.

WILLESEE: Wholeheartedly?

PRIME MINISTER: Yes.

WILLESEE: But you know that there are many Labor men, members of your own Caucus, who don't like it?

PRIME MINISTER: No.

WILLESEE: You don't accept that?

PRIME MINISTER: No. There are some who wouldn't be as enthusiastic as others, but the Labor Party is supporting it.

WILLESEE: Do you agree that a victory in the incomes proposal is very unlikely?

PRIME MINISTER: It will be much more difficult than on prices.

WILLESEE: In fact, unlikely?

PRIME MINISTER: May be. May be.

WILLESEE: Would you also agree that it would suit your purposes to win on prices and lose on incomes?

PRIME MINISTER: No, I would prefer to win both. I have always followed the line that whoever constituted the Australian Government ought to be able to pass laws on such subjects - always.

WILLESEE: And you are still convinced that you need this power - that you could not have done it with the co-operation of the States?

PRIME MINISTER: Of course you couldn't. There are no matters of national economic management that you can do with the States. Look at all the matters - taxation, value of the currency, credit, tariffs, - all those things have to be done on a national basis - and everybody accepts that. It just happens, that in Australia, the national Government can't pass laws on prices or incomes - the only country in the world where that's the case.

WILLESEE: So this referendum is not in any way a mistake?

PRIME MINISTER: No.

WILLESEE: Do you concede there have been mistakes made in economic management over the past twelve months?

PRIME MINISTER: I suppose there have been some, but there have been some very great successes in economic management too.

WILLESEE: What about economic promises that you have failed to keep. Particularly with the Budget?

PRIME MINISTER: What are you thinking of?

WILLESEE: Of indirect taxes. You said that you wouldn't increase indirect taxes.

PRIME MINISTER: I said direct taxes.

WILLESEE: You also said indirect?

PRIME MINISTER: I don't think so.

WILLESEE: On September 18 on a "Current Affair" you said, no you wouldn't. You also said you wouldn't increase company taxes because they were high enough.

PRIME MINISTER: Yes, I did that - well they are income taxes. Income taxes on individuals and on companies. I did say, in my policy speech, that they didn't need to go up.

WILLESEE: On indirect taxes, your party even went so far in the It's Time brochures to talk about the evils and unfairness of indirect taxes such as taxes on cigarettes?

PRIME MINISTER: I don't remember ever saying it myself.

WILLESEE: You don't feel that you....

PRIME MINISTER: No, I don't. This has never been raised in the Parliament. I don't think we were breaking any promise not to raise taxes on cigarettes.

WILLESEE: It doesn't make it wrong or right though?

PRIME MINISTER: No, quite, but you are putting something to me and you discovered it or revivied it. This is not an issue.

WILLESEE: On perhaps a more substantive matter, didn't you promise that defence spending would be 5 per cent of your gross Budget?

PRIME MINISTER: There was discussion along these lines back in 1971,

WILLESEE: And it's about 2.9 per cent, I think.

PRIME MINISTER: I forget the precise percentages. But, after all, the military situation in our area has completely changed in the last two years. Does that mean that we have been wedded to the degree of expenditure which was considered appropriate then? No, well let's be realistic about these matters. After all, since those things were discussed, over two years ago, there has been detente between America and China and America has gotout of Indo-China. This is rather a different situation.

WILLESEE: Does this mean that all promises are subjected to instances that may occur later?

PRIME MINISTER: Where there have been such great changes in the situation you shouldn't rigidly adhere to something which is no longer relevant. It would be quite wasteful to continue the percentage of military expenditure this year which might have been considered appropriate over two years ago.

WILLESEE: On personal income tax, you certainly did keep your promise not to raise it?

PRIME MINISTER: Of course I did.

WILLESEE: But people like Dr Coombs and Mr Hawke say that it was a mistake?

PRIME MINISTER: Yes.

WILLESEE: Who is right?

PRIME MINISTER: I am. The Cabinet is.

WILLESEE: Is it because it was a Cabinet decision, you're right or are you sure that in economic terms....?

PRIME MINISTER: They happen to be the same. The revenue from income tax this year has gone up about 26 per cent.

WILLESEE: That's largely due to inflation, isn't it?

PRIME MINISTER: Yes, and national growth.

WILLESEE: Don't you think it is unfair to lower income groups to not increase or restructure the income tax?

PRIME MINISTER: It is unfair not to restructure income tax schedules. We are in the process of doing it.

WILLESEE: How do you feel about Mr Hawke disagreeing with you on a point like that?

PRIME MINISTER: He is entitled to express his view, but my colleagues and I were not persuaded.

WILLESEE: As far as you are concerned, he seems to be doing it more and more?

PRIME MINISTER: There is one other issue.

WILLESEE: Do you think he doesn't like you much?

PRIME MINISTER: I have no reason to think that. We get on very well together when we are together.

WILLESEE: How long since you have been together?

PRIME MINISTER: About a month. He has been overseas in the meantime and so have I.

WILLESEE: And he has been back for a couple of days talking about a very important issue. He hasn't tried to contact you?

PRIME MINISTER: No.

WILLESEE: The words which have been exchanged between you - not directly - haven't been very flattering.

PRIME MINISTER: What do you mean the words.

WILLESEE: For example, after you talked about him not representing the Labor Party or the trade union movement on the question of taxes, he replied by calling you petulant and gratuitous.

PRIME MINISTER: Yes.

WILLESEE: How do you react to that?

PRIME MINISTER: I keep my cool. I don't reply in kind.

WILLESEE: I think he thought he was replying in king?

PRIME MINISTER: I didn't use those words, or anything like them.

WILLESEE: On our program the other night he said that he couldn't repeat the words on television that you had used.

PRIME MINISTER: I didn't use any words on television.

WILLESEE: No, he said that you talked to some pressmen and he couldn't repeat the words on television.

PRIME MINISTER: This is gossip.

WILLESEE: How concerned are you about these apparent personal attacks - both ways in fact?

PRIME MINISTER: I don't accept from what you said then that there would be a personal attack.

WILLESEE: When he talks about your Middle East policy.

PRIME MINISTER: The party's Middle East policy.

WILLESEE: Yes, you spearhead that policy?

PRIME MINISTER: Of course I moved the resolution and it was overwhelmingly carried. I don't think anyone opposed it.

WILLESEE: Mr Hawke says it is an unintelligent policy. Do you suggest that the Government might be....

PRIME MINISTER: Now on this, Mr Hawke is at pains to emphasise that he speaks purely in a personal sense.

WILLESEE: How can he do this as President of the Party?

PRIME MINISTER: I don't know. I don't know, but I merely repeat that I am expressing the party's policy in this matter. The party's policy enuciated as recently as last July. There are no political differences in the national Parliament on the Middle East, there hasn't been for the last quarter of a century.

WILLESEE: If you are standing by party policy and your Federal President is not, what are you going to do about it?

PRIME MINISTER: He says that he is speaking as an individual.

WILLESEE: Well how can he, he really can't can he?

PRIME MINISTER: I have answered that before haven't I.

WILLESEE: Well, what would you like to do about it?

PRIME MINISTER: I adhere to party policy.

WILLESEE: He is being devisive isn't he?

PRIME MINISTER: He is speaking as an individual.

WILLESEE: But he's still President of the A.L.P. and talking on

a most important matter of policy?

PRIME MINISTER: This is going back a fair bit, isn't it?

WILLESEE: Yes, but you would remember it.

PRIME MINISTER: I am following party policy, and I support it too.

WILLESEE: Would you like to see Mr Hawke in Parliament?

PRIME MINISTER: Yes.

WILLESEE: Would you support his entry into Parliament?

PRIME MINISTER: Yes.

WILLESEE: Would you see an early rise....

PRIME MINISTER: I have tried to get him into Parliament since 1963.

WILLESEE: Are you trying as hard now as you tried before?

PRIME MINISTER: I will help him whenever he wants to get in.

WILLESEE: Do you think he would go straight into the ministry?

PRIME MINISTER: I think it's likely.

WILLESEE: As likely as Mr Young?

PRIME MINISTER: Perhaps more likely. Are you trying to help Mr Hawke get into a ministry or Mr Young, you know that questions like this don't help either.

WILLESEE: They've got to get into Parliament first though haven't they? Just a last point on Mr Hawke. I suppose his language was strongest out of all his attacks on your Cabinet decision on the new Sydney airport at Galston - an act of political imbecility I think he said. Was it?

PRIME MINISTER: No.

WILLESEE: Was it irresponsible to decide on Galston the way you did?

PRIME MINISTER: No.

WILLESEE: Is it true that you just dat around and picked one out of political expediency?

PRIME MINISTER: No.

WILLESEE: But you didn't have a proper inquiry into the site before you made a decision did you?

PRIME MINISTER: Yes we did.

WILLESEE: Is that available?

PRIME MINISTER: Yes.

WILLESEE: Has it been made public?

PRIME MINISTER: It will be.

WILLESEE: When?

PRIME MINISTER: There are further ones which have been sought and will be made public. Now let's get some practicality on this. The cheapest and quickest way to get adequate airport facilities in Sydney is to extend the Mascot runway into Botany Bay. This would be a very difficult political thing to do. The Liberals realise that because they won't endorse a proposal either, either the State Liberals or the federal Liberals, so whatever site is suggested will immediately be attacked. But nobody is prepared, at this stage, to endorse the quickest and cheapest proposal.

WILLESEE: In other words, do you agree that it was political expediency at least in as much as you....

PRIME MINISTER: Not to have Mascot may be said to have been political expediency but it is also political expediency to which everybody in the federal Parliament falls prey, because nobody is prepared at this stage to urge the doubling of the runways into Potany Bay at Mascot. Let's be practical about it; don't criticise the Labor Government for refusing to do something that the Liberal Government refused to do and that the Liberal Opposition refuses to advocate, and that the State Liberal Government refuses to advocate.

WILLESEE: You hardly sound convincing about Galston not being a mistake. It was a mistake wasn't it?

PRIME MINISTER: No.

WILLESEE: It was a political mistake?

PRIME MINISTER: Was it?

WILLESEE: It would seem so from the Paramatta by-election?

PRIME MINISTER: Why do you think we lost only on that? It didn't help in Paramatta, that's true.

WILLESEE: And you are not prepared to concede that it might have been a mistake....

PRIME MINISTER: I don't believe that if we had postponed the decision, I doubt very much whether we would have won Paramatta.

WILLESEE: Why not?

PRIME MINISTER: Why should we, we never have.

WILLESEE: Twelve months ago now you went within a few votes of getting that seat?

PRIME MINISTER: Yes.

WILLESEE: And you are satisfied with your performances as a Government since?

PRIME MINISTER: Yes.

WILLESEE: Do you believe..... (unclear) a change in Government?

PRIME MINISTER: Of course it is.

WILLESEE: Well why would you expect then that you would lose such a close seat?

PRIME MINISTER: I don't believe that the circumstances at the time made it easy to win it. Why do you think that Mr Bowen chose that stage to retire?

WILLESEE: I don't know why he chose to retire. Are you reflecting on your own personal popularity at that stage?

PRIME MINISTER: No.

WILLESEE Looking at the Labor performance generally, Open Government

PRIME MINISTER: Yes.

WTLLESEE: There has been a lot of criticism that you have failed to supply one of the things you talked about most - open government. How do you react to that criticism?

PRIME MINISTER: Well it would be a completely wrong assertion. There has never been a Government which has allowed the public to participate in decision and which has informed the public of decisons to such a great degree.

WILLESEE: Is that sufficient?

PRIME MINISTER: Certainly. I mean we are infinitely better because they would just not do these things - we've done them, we've started them.

WILLESEE: But at your weekly press conference which does indicate open government, you so often decline to answer questions or cut interviewers off?

PRIME MINISTER: No, that's not true. Everybody gets one question, and that takes about half an hour and that's fair enough.

WILLESEE: But you indicate, no more on that, or I don't want to answer something on that.

PRIME MINISTER: Obviously I will not discuss possible changes in say the value of the currency or an imposition to taxation, i.e. anyone who askes a question on those subjects knows quite well he won't get an answer. He may think it's smart to ask me because then some people might think superficially that I'm not being forthcoming, that I am being cagey. But, in fact, no Prime Minister, no minister, would answer a question on things like that and they know it. And there is another matter where, of course, I will not answer questions and that is on installations which other countries have in this country and which they want to keep secret because it is not our secret alone.

WILLESEE: But you weren't saying that last year, nor was Mr Barnard.

PRIME MINISTER: We were, we were.

WILLESEE: I thought Mr Barnard, in particular, was saying that these questions should be answered?

PRIME MINISTER: He has. On the very first day that the new Parliament sat he told the Australian people through the Parliament all that it was open for Australia to say and also a great deal in which we persuaded the Americans to agree to our saying. Now this was the very first day we sat. The things which it was quite absurd to supress we have released or we are authorised by our allies to release. But the things which we are not authorised to release, of course, we won't, and we never said we would.

WILLESEE: In general terms, not just defence matters, would you be prepared to say....

PRIME MINISTER: In defence and fiscal matters. Obviously one doesn't comment because it can produce speculation.

WILLESEE: Looking at the whole spectrum of government, would you be prepared to say that you are satisfied with the level of open government?

PRIME MINISTER: With the progress which has been made, yes. But there is a limit to what you can get through. For instance, we haven't yet been able to pass the ombudsman legislation or to pass the freedom of information legislation. The sheer weight of the legislation program has prevented us doing it this year. But we are preparing it.

WILLESEE: Looking at the hindrances and other obstacles that you have had to overcome during the year, is Caucus the biggest?

PRIME MINISTER: No.

WILLESEE: Caucus is a hindrance to you....

PRIME MINISTER: No, not at all, of course it's not. The weekly or more frequent meeting of all Labor members of the Parliament is one of the great sources of the Labor Party's strength. Because if people know that if they elect a Labor member to represent them in the federal Parliament he will have a full regular opportunity to participate in the decisions of the Government, if it is a Labor Government, or the decisions that an Opposition takes if it is a Labor Opposition. That is, if the people elect a member of Parliament who will be sharing the responsibility, he just won't be on the outside - not even looking in, as happens with any Liberal backbencher or Country Party backbencher.

WILLESEE: Well haven't you often been embarrassed by Caucus when it reverses Cabinet decisions?

PRIME MINISTER: No.

WILLESEE: Are you happy about that?

PRIME MINISTER: They are entitled to do it.

WILLESEE: Are you happy about it?

PRIME MINISTER: Sometimes I have been, sometimes I am not.

WILLESEE: Do you support the principle of Caucus being able to review a Cabinet decision and change it?

PRIME MINISTER: Of course. I not only support it, I advocate it. I believe that a Labor Government is a much better government than a Liberal Government because you get more people involved in the decisions. But let's put this in perspective: I suppose there might be half a dozen - certainly no more - decisions which the Caucus has over-ruled a decision by the Cabinet. Cabinet decisions this year are well over a thousand in number, so it is a mighty small percentage.

WILLESEE: You are minimising the obstacle the Caucus could be, but recently you threatened to resign if Caucus insisted on having a say on the tariff matter.

PRIME MINISTER: If they insisted on seeing a Tariff Board Report before the decision was made and announced on the report. Yes, I did, it's the same as if Caucus were to say we want the Budget, we want to know what's in the Budget before it is published.

WILLESEE: So you don't support all the power that Caucus would like to take to itself?

PRIME MINISTER: Caucus doesn't want to take that power to itself. Your saying that there was a great deal of lobbying and, naturally, therefore, public reaction to the Tariff Board inquiry into colour television. Caucus, last Wednesday, approved of that decision - no news, I don't think there was a thing in the paper about it. They approved it, there was no longer any drama about it.

WILLESEE: Yes, but hadn't you taken the sting out of the drama by your previous action? You virtually resolved the conflict with a successful threat?

PRIME MINISTER: No, I didn't. It only had to be stated for people, and there were very few who ever contemplated that Caucus should see Tariff Board reports which might have financial advantages or disadvantages to people in the community before the reports were considered by Cabinet and Cabinet had made and announced the decision. There would be very grave mischief, as everybody sees, if people who are not sworn to secrecy - ministers and public service advisers are sworn to secrecy - but if people who were not sworn to secrecy were consulted when there was likely to be a change in the interest rate or a change in the value of the currency, or changes in taxes or changes in tariffs. In cases like that, obviously, the decisions must be made by people who are sworn to secrecy. Now, Caucus accepts that. What you are referring to is a Caucus impediment in some way is a notice of motion that was moved. hadn't been considered by Caucus. I was asked a question in Parliament by a Liberal and I gave the only answer that any minister could give.

WILLESEE: Caucus is certainly the impediment to your ability to speak with absolute confidence because you can be overruled and so is the Federal Conference of the Labor Party. Do you ever get sick of the aparatus of the Labor Party to be able to second-guess you?

PRIME MINISTER: No. I've sponsored; I've also secured a very great number of changes in the procedures of the Federal Conference and the Caucus, and I'm very happy the way they work. I usen't to be, but after all there have been changes since those days.

WILLESEE: Do you think there is any national difference between your style of Prime Ministership which some see as a Presidential style and the inherent democracy of the Labor Party?

PRIME MINISTER: No.

WILLESEE: None at all?

PRIME MINISTER: The Labor Party believes in representative government and there have to be some people or groups of people that are chosen to carry out some jobs. You can't have a public meeting deciding everything. You can't have all the members of the Labor Party in Australia deciding everything. The whole system of representative government depends on people being able to chose their representatives for certain jobs. And in some cases, the Prime Minister would be the representative. To give you an instance: if you are going to suggest somebody as Governor-General, the Prime Minister presumably has the principal and even the sole job on that. There are others where a ministry does it; there are others where the Caucus does it.

WILLESEE: The Labor Party has a lot of natural characteristics understood particularly by Labor men. Do you think one of them could be a dislike of leaders who threaten to resign?

PRIME MINISTER: No.

WILLESEE: You have done it three times now, I think.

PRIME MINISTER: When was the last time? Years ago, and the system has changed since then hasn't it.

WILLESEE: No, the last time was on the tariffs?

PRIME MINISTER: Well this is entirely hypothetical, as I was asked what would happen - on the basis of newspaper reports - of this notice of motion which had been given.

WILLESEE: Was this really hypothetical, I thought it was a real threat?

PRIME MINISTER: No, it was a notice of motion.

WILLESEE: Well, there have been two other occasions a few years ago and more recently on the U.S. Bases. That was within the last twelve months, was it not?

PRIME MINISTER: Where was there a threat to resign, to use your own words there?

WILLESEE: I am not aware that it was a public threat but do you deny that....

PRIME MINISTER: I am not sure of any such threat - I am using your terms. This is all very dramatic but I don't think you remember....

WILLESEE: But you were pushed to reveal certain details about, I forget the exact installations, Omega may have been included, U.S. installations.

PRIME MINISTER: Omega is not here.

WILLESEE: Any U.S. installations? Do you deny that there was ever conflict between you and the party over that?

PRIME MINISTER: There was never a proposal. You are assuming what my reaction would be if some proposal were carried. I don't even remember a proposal being made.

WILLESEE: How much of a handicap has it been to have inexperienced ministers who haven't been accustomed to a hard and long workload. How difficult has that been?

PRIME MINISTER: It is true that most of the ministers have had to work in a different way to the way they had worked previously.

WILLESEE: I'm not suggesting a fault?

PRIME MINISTER: No, I know, I know you're not. This is not one of the questions in the mistake syndrome which you said was to be the purpose of the interview.

People have to work differently - obviously as ministers - to the way they worked in many cases for many years in Parliament in Opposition.

WILLESEE: Even physically you have had three ministers collapse.

PRIME MINISTER: Yes, there has been a very heavy workload. This is partly, of course, because we have been a very diligent Parliament this year. There have been more bills passed than in any previous year and of course, there are very very many more bills which have to be introduced or which will still have to be debated this year. It is a record legislative year in the history of this country.

WILLESEE: Are you thinking of a reshuffle in the ministry?

PRIME MINISTER: No.

WILLESEE: You don't have one planned?

PRIME MINISTER: No.

WILLESEE: On the union movement, I suppose the most outstanding difference between this government's last year and the record now is that you siad there would be fewer strikes than in the previous year.

PRIME MINISTER: Yes.

WILLESEE: Now, the only figure I have seen are from January to August and there were more strikes.

PRIME MINISTER: Yes I think that is probably right.

WILLESEE: How did you make such a mistake?

PRIME MIMISTER: Obviously there is more likelihood of strikes when there is full employment and there is full employment now. We have produced it. Last year there... The other thing is....

WILLESEE: And you anticipate....

PRIME MINISTER: Yes, that is right. There is another factor. Most of the strikes in Australia, the ones which have inconvenienced the public, have come through disputes between the State Liberal Government and their employees and I think there can be no doubt that in some of these cases the Liberal Governments have been quite provocative.

WILLESEE: Are you satisfied with the support you have had from the union movement?

PRIME MINISTER: No, not entirely. I think that some of the unions in New South Wales in recent weeks or months were quite unhelpful.

WILLESEE: At one stage when you were taking about inflation you said you had an assurance from Mr Hawke that the unions would show restraint in seeking further wage increases. Mr Hawke has denied that.

PRIME MINISTER: Yes.

WILLESEE: How disappointed did that make you?

PRIME MINISTER: Well, I thought I understood him quite clearly but apparently he changed his mind, or I hadn't understood him.

WILLESEE: Which do you believe?

PRIME MINISTER: The former.

WILLESEE: Have you had enough of Mr Hawke?

PRIME MINISTER: No, no, but I think you have asked enough questions on this subject.

WILLESEE: It is very important though, as well as being the trade union leader he is the party's President and there is an obvious conflict between the two of you.

PRIME MINISTER: On the Middle East.

WILLESEE: On that matter of assurances from a personal conversation?

PRIME MINISTER: The only instances are these referendums - the, one on prices. Now, the union movement had differences of opinion on this.

WILLESEE: Can I ask one last question on Mr Hawke?

PRIME MINISTER: Of course, you are entitled to.

WILLESEE: Is he an impediment to you enjoying better relations with the union movement.

PRIME MINISTER: No.

WILLESEE: Despite conversations like....

PRIME MINISTER: Let's get this straight. Mr Hawke gives interviews in a more frequent and informal manner than I am able to do, but you ask me whether I want him in the Parliament. I said yes. I also ought to take the opportunity to say, in the last elections and in the next elections, whenever they come, he will be a most effective campaigner. Now don't get these things out of proportion. There are two instances where you have quoted a difference of opinion. In one of them he is stressing that he speaks as an individual.

WILLESEE: And you have also said that you don't know how he can do that as President of the Labor Party?

PRIME MINISTER: Well how many times do I have to answer that.

WILLESEE: No, but I thought you were....

PRIME MINISTER: No, I wasn't. The answer is the same no matter how often you ask it.

WILLESEE: Yes, I need reassurance sometimes.

PRIME MINISTER: Yes. You have become very uncertain apparently?

WILLESEE: Yes. Have you become more uncertain after twelve months, Prime Minister?

PRIME MINISTER: Most people would allege the opposite.

WILLESEE: What do you think?

PRIME MINISTER: I wouldn't think I had.

WILLESEE: Looking at your Government's relations with the business community, do you think your report card could be marked "room for improvement"?

PRIME MINISTER: We would never, clearly, get top marks from many people in the business community.

WILLESEE: Well I don't think you have got 50 out of 100 at this stage, let alone top marks.

PRIME MINISTER: I am not very surprised at that the report card that they make. But afterall, the people that have criticised us most in the business community scarcely have very much public support. We have been criticised very much by many of the overseas mining interests. Now, there is no doubt that something had to be done about the growing overseas control of our mineral resources. We've done it; we have therefore offended many people. There is no doubt in my mind that it needed to be done and the public are glad we have done it and the public expects us to go on doing it more.

WILLESEE: But when you go so far as to say that you want 100 per cent ownership by Australian sources of all our fuel sources, that must create uncertainty and even fear in a lot of industries.

PRIME MINISTER: No.

WILLESEE: They don't know when you are going to do it and how you are going to do it?

PRIME MINISTER: There was a lot of surprise, a lot of pressure and so on a few weeks or months ago on this issue but there can be no question now about the public support there is for what we have been trying to do to secure Australia's energy resources. It is quite absurd that companies should be given licences or leases by State Governments to explore resources which we may need very much ourselves, or to explore those resources at prices which are less than our customers would be prepared to pay. Now, these people, they were not pleased with what we did - I can understand they were not pleasedwith what we did - but there can be no doubt that it was necessary in the public interest.

WILLESEE: Yes, but you have still left a lot of uncertainty around?

PRIME MINISTER: No, we haven't. We have been quite clear and quite consistent and we haven't been deflected from our duty, our purpose, by the criticism by overseas companies.

WILLESEE: After your first twelve months, you now face a position where you may have to go to the polls again soon - potentially you face a double dissolution.

PRIME MINISTER: Yes.

WILLESEE: If the Senate knocks back either of those two major proposals, health insurance or schools, will you certainly go to the people or is there room for compromise on either issue?

PRIME MINISTER: Only one of these matters has been debated so far in the Parliament, that's the Commonwealth Assistance to Schools on a Needs Basis. There was a vote in the House of Representatives on it. But the Liberals, the Country Party, the D.L.P., have not yet made up their mind what they will do about it in the Senate. Well let's wait to see what they do about it there.

WILLESEE: Is there room for compromise?

PRIME MINISTER: Well, let's wait and see what they do. Clearly the matter they put to a vote in the House of Representatives we couldn't be expected to accept because we had proved to the people in the 1969 elections and the elections last year too, and there can be no question that we are committed, and the public expects, that Commonwealth assistance to schools should be on a needs basis. And then the other thing you mentioned about universal health insurance - that also has been put to the people in the 1969 and 1972 elections. There can be no doubt that they expect us to do something about it. But this hasn't been debated in the Parliament yet, and the bills only came in last Thursday night.

WILLESEE: And you don't realise the possibility of some room for manouevre?

PRIME MINISTER: I will wait to see what is done in the Senate on these matters.

WILLESEE: Finally, Prime Minister, looking at you personally, I am sure you would be most surprised if I didn't ask a question about - to quote that friend of yours againt. Petulant, arrogrant and as some other critics see it, a quick, cruel tongue.

PRIME MINISTER: I would be very surprised if you didn't ask that.

WILLESEE: Well let me add to the question. It ranges from Paul Hasluck and the glass of water to witless men up to the Dr Forbes incident.

PRIME MINISTER: Now, how many years ago were these, how many years?

WILLESEE: I agree fully that they were few and far between, but they are a most notable characteristic of your career?

PRIME MINISTER: Now, don't you assert, don't you insinuate that there is any stress between the Governor-General and me. There is not. We were both in error then, we both realise it and it would be better if you wouldn't always bring that out of the dossier. It doesn't suit him and it doesn't suit me, and it was years ago.

WILLESEE: I accept that they were generally few and far between.

PRIME MINISTER: About the witless men. The witless men quote was nine years ago.

WILLESEE: It was 1967.

PRIME MINISTER: No, it was 1966, 1966 or 1965. Whatever it was, it was years ago and the structure of the party has altered since then.

WILLESEE: It doesn't matter....it is a long time ago.

PRIME MINISTER: And it might have been a necessary way to get change. There may be suggestions that change could have been achieved without what I said then, but that is conjecture, the fact is that change did come about.

WILLESEE: I don't wish to question you about any one incident, the fact is that in any portrait of the Whitlam career those points will always stand out and people tend to judge you accordingly.

PRIME MINISTER: Yes.

WILLESEE: As if this trait of yours is damaging.

PRIME MINISTER: Yes. Well, every time I go on an interview with you, you'll go through this and a couple of other incidents so I suppose....(unclear)

WILLESEE: But you must realise, with respect, Prime Minister, the last one was the incident with Dr Forbes in the House.

PRIME MINISTER: You were not there on the Wednesday night or on the Thursday morning.

WILLESEE: No, but I have spoken to a lot of people who were.

PRIME MINISTER: And they told you how Dr Forbes behaved on Wednesday night?

WILLESEE: Alright, if I was interviewing Dr Forbes I would ask him about his behaviour.

PRIME MINISTER: But, I mean, were you told how he behaved on Wednesday night?

WILLESEE: I think that is unfair of you because....

PRIME MINISTER: Well isn't it a necessary preliminary?

WILLESEE: Well, aren't you justifying what you did?

PRIME MINISTER: The fact was that Dr Forbes did behave excessively, intemperately on Wednesday night and everybody in the Chamber realises that.

WILLESEE: Are you satisfied that whatever he did justified your reaction and your...?

PRIME MINISTER: What do you mean my reaction?

WILLESEE: Your unparliamentary language?

PRIME MINISTER: What unparliamentary language?

WILLESEE: You said: "It's what he has or had or put in his guts that rooted him".

PRIME MINISTER: Yes, and there was one person who heard that, Mr Snedden. Hansard didn't hear it, the Speaker didn't, the clerks didn't, it wasn't on radio, nobody heard it in the gallery, and Mr Snedden thought that it would be good politics to dob me in.

WILLESEE: Was it wise of you to say it?

PRIME MINISTER: No, of course it wasn't, but I didn't think he would dob me in. It was a quite aside across the table.

WILLESEE: Does that justify it?

PRIME MINISTER: Well he said something before that which when it came to light the Speaker said he would have required him to withdraw if he had heard it. The fact is that he said something which only I heard, I replied in a way that only he heard, then he decided to dob me in. Nobody in the Chamber or outside it heard it.

WILLESEE: You have accused me of raising it, but really I think you must accept that you did with the Dr Forbes incident or certainly....

PRIME MINISTER: Those words you have quoted, of course, shouldn't be used in Parliament and they were not heard in the Parliament, and Billy Snedden mentioned them so that they would be recorded.

WILLESEE: Well let's presume....

PRIME MINISTER: I withdrew them too, as of course I would have had to, once....

WILLESEE: Are you....

PRIME MINISTER: Yes.

WILLESEE: Let's presume we have another interview in twelve months time, and I hope we do....

PRIME MINISTER: On another channel?

WILLESEE: It will be another channel?

PRIME MINISTER: Yes.

WILLESEE: Do you think we would have to talk about this again or do you think....

PRIME MINISTER: I would expect that you would go through the catalogue again.

WILLESEE: I would prefer not to go through it again if there was nothing between now and then. Do you think that's likely?

PRIME MINISTER: I would expect there would be nothing between now and then. I would expect that you would raise it, but I would still enjoy appearing with you.

WILLESEE: Two more questions. Have you suffered any disillusionment in the last twelve months, personally?

PRIME MINISTER: No more than any politican who has been around for a long time suffers.

WILLESEE: But this is different, this is the year you have been Prime Minister?

PRIME MINISTER: On balance, I would say that I have been less disillusioned this year than in any of the previous 20 years I'd had in Parliament. Yes, it has been a very satisfying and fulfilling period in my life.

WILLESEE: But isolating your expectations of the Prime Ministership, has there been disillusionment in that?

PRIME MINISTER: In some areas we have been able to do much more, much quicker than I would have hoped. In others, we haven't been able to go as far.

WILLESEE: Are we going to see a different Gough Whitlam next year?

PRIME MINISTER: I guess he is a developing personality.

WILLESEE: Which way do you think he is developing?

PRIME MINISTER: Improving all the time, going from strength to strength.

WILLESEE. Well he's the best Foreign Minister, is he also the best Prime Minister?

PRIME MINISTER: He was the best Foreign Minister for a generation is what he said.

WILLESEE: And the best Prime Minister?

PRIME MINISTER: For a generation. And you are the best interviewer for a generation.

WILLESEE: That's very kind of you to say that. Thanks for talking with us and I hope to see you again in another twelve months.
