

INTERVIEW WITH PETER HARVEY
ON SIDE STEPS OF
PARLIAMENT HOUSE

Peter Harvey: What is your reaction to Mr. Wran's victory in N.S.W. A great deal of play is being made on the fact that this now opens the way to Mr. Wran to come into Canberra; that this is in fact an election that was fought on Federal issues.

Prime Minister: Well, I don't think it was fought on Federal issues. If Mr. Wran was going to try and come to Canberra as a result of this, and I know he has kept his options open, that in itself says something about Mr. Hayden I think no doubt Mr. Hayden wouldn't like all that much. I think that we've got to be plain about it. It's a great personal tribute to Mr. Wran, there is no doubt about that. He did distance himself a bit from traditional Labor policies and attitudes. The advertisements and the publicity during the campaign were saying vote for the Wran Government, they weren't saying vote for the Labor Government and this in the circumstances in N.S.W. was obviously highly successful. I also think its worthwhile looking at the policies that the Wran Government has in fact been following. Over the last two or three budgets there has been reasonable expenditure restraint. In each budget there has been some form of tax concession, tax reductions, and I think its worth noting that the tax reductions would not have been possible if it were not for the pretty generous financial arrangements and tax reimbursement grants that the Commonwealth has made to the states. You can take that beyond N.S.W. It's not just NSW that's brought down budgets that have offered tax cuts. I think every state has, over the last two or three years and you haven't had the position of state governments putting up taxes to a very significant extent. I suppose with a bit of odd irony, one might almost say that we've been too generous with the states and if we hadn't been so generous we wouldn't have to had raise as much revenue as ourselves in this last budget to bring it out as an overall responsible budget.

The other thing that I think is worth saying about NSW is again, that Mr. Wran played an extremely skillful campaign. I can remember seeing one particular telecast which was a prepared one, and he said at one point of course I am at one with the Commonwealth Government in its fight against inflation. Now, that doesn't sound like condemnation of Federal Government policies. So far as Mr. Wran is concerned, he has also of course

been claiming an improvement in NSW industry. He's even been claiming in one of the advertisements an improvement in the employment situation from that which existed two or three years ago. Now if that's so, if Mr. Wran is right in relation to those matters, that again has to come back to the Federal Government's economic policies. So, I think there are many unique factors about the NSW election. It's unfortunate that Peter Coleman wasn't there longer. He took over in very difficult circumstances. There had been divisions and problems and I think he will be a sad loss to the NSW Party. He was a good man.

Peter Harvey: But one aspect of any measure of the election has to be, surely, a vote against Federal Government policies. Do you really believe it didn't play any part?

Prime Minister: I think it was an election, in spite of what I've said, that was significantly on state issues. Mr. Wran won, once before, shortly after we've had a landslide victory and then not so long after that again we had a further landslide victory. People have shown quite plainly that they are capable of voting one way in the State and another way in the Federal elections. That's not new in Australian politics. They've done it since time immemorial. They make their judgements. Again, I think Mr. Wran pointed to that over the last day or two. I've really been making the point there have been a number of unique factors about the NSW election. I say that without in any sense trying to diminish the credit that is clearly due to Neville Wran for a very significant victory.

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