

INTERVIEW WITH REV. NEIL ADCOCK, 6PR, PERTH
(TELEPHONE INTERVIEW)

QUESTIONS NOT AUDIBLE - ANSWERS ONLY

Question

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Prime Minister

No I haven't seen that, but there are going to be some very great changes and we are going to have to learn to tackle them.

Question

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Prime Minister

I think we are as well equipped to handle these changes as any other country, and maybe a lot better than most. Some time ago we established a very high-level committee looking at the problems of technology and technology change. That will be reporting, and hopefully give us some pointers to future government policy. But, in so many areas, Australia is now becoming more competitive. There will be more things that Australians can do and that all provides jobs and opportunities for Australians. It is in that area where the great challenge really does lie.

Question

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Prime Minister

I think we've got to tap the advice and expertise that is available from different sections of the community, and certainly the trade union movement and consultation with the trade union movement has obviously got a very real role to play. There is an obvious area. If a firm is introducing new technology, it's of greatest importance that a firm consult with its own employees, with the unions representing those employees, so that what is happening will be understood. Also, if there is disruption of past practices and employment patterns, arrangements, a firm with a concern for industrial relations, will try and make sure that any necessary technical changes are undertaken in a way that minimises disruption to its own people. I think a great deal of this is already happening.

Question

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Prime Minister

People say that. I've got some doubts. The modern technological revolution is different but it will not, in my view, change society as substantially as the Industrial Revolution changed society. It is easy to recall that people who were concerned with village industries, who were believing that the factories were going to put them all out of work, the Industrial Revolution provided greater opportunities and greater continuity of employment and ultimately much greater living standards for people than could ever have occurred through the continuation of the village-based industries, the cottage industries. But at the beginning of that process there was concern, there was fear, fear of the unknown. Now I think we are much, much better equipped to handle changes in technology than --

Question

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Prime Minister

In certain areas it certainly can. There are two aspects of this. Modern technology, new practices, that can open up new markets, it can produce new products that people want. Things that were undreamt of. A lot of that has already happened. You go back 30 years, 40 years, and people didn't have refrigerators, they didn't have deep freezers, well it was new technology, new industrial processes, that brought these sorts of household goods within the reach of virtually every household in Australia. The jobs, the opportunities provided as houses equip themselves, are obviously very great.

I believe new technology is going to continue to throw new products onto the market. That is one way in which greater opportunities will be created. Going beyond that, if we don't use new technology, our industries will become outdated, their costs will rise, and they won't be able to compete whether it is in the Australia market or whether it is in export markets. So, part of this is a necessary drive to make Australian industries as modern and as competitive as possible, and that means that they can get out and sell more in Australia, get out and capture export markets. That all provides more opportunities for Australians. So, whatever the concerns, whatever the fears, one might have for technology and its introduction, I am quite certain that there is no alternative; that we need to embrace new technology and use it to the advantage of Australian industry. Certainly there will be problems. We need to pay greater attention to those and to minimise the social impact, the economic impact, in certain areas. We need to pay very close attention to that. But, we want to try and put fear out of our minds and hearts if we can, because I think there is no alternative.

Question

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Prime Minister

I think we are making progress. When you get imbalances in an economy that are very great and very serious, it takes a long while to work out, especially in a democratic kind of society like Australia -- you are right. If somebody was able to say wages are going to remain static or even be reduced and have that apply without enormous industrial disruption and if you were able to arbitrarily cut expenditure programs without any concern for the social or economic consequences, then quite plainly it can be easier to control inflation than it is in our kind of society. But the disruption, the harm could be very great indeed. We have to work within the institutions that we've got. In the wages area you've got State Tribunals, you've got the Arbitration Commission. We have to work within that institution. There are some obligations for Government expenditure which go on regardless. Nobody has suggested that welfare payments or payments to repatriation people should be reduced. They would regard it as a denial of a fundamental obligation if a Government did do that. So therefore, it takes a while to get inflation out of an economy. It is not only what you can do within Australia, it is not only what a Government can do or a Government and people acting together can do, even a totalitarian dictatorship will still be subject very often to increases in oil prices or increases in commodity prices. Those things can create inflationary pressures which a Government needs to respond to. So, even a totalitarian regime, if you could use those kinds of powers, which I would very much doubt, even in a dictatorship, would have problems. I think when we look at what has happened in Australia and compare Australia's position with most country's in the advanced western world - Europe, North America - we are improving out position steadily because even though there are some renewed inflationary pressures in Australia at the moment, there are greater inflationary pressures in North America and in much of Europe, and the margin in favour of Australia is growing all the time. While we can keep it that way, again, it points to a better future for Australian industry because they will be becoming more competitive.

You asked me a hypothetical question. The thought of totalitarian powers is so repugnant to most Australians that I find it, in a sense, even to reach out and think what a totalitarian government might be able to do.

Question

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Prime Minister

That partly depends upon the faith and confidence you have in your own people. We've stuck with a difficult course because we believe it is right, not because we like doing nasty or unpleasant things. We are starting to get, I think, into a better overall balance, as the last Budget showed, and we were able to make some useful advances in the welfare field and areas of social concern. Because we have the resources at long last to be able to make those changes. I think if a Government is prepared to take people into its confidence, they will accept what they regard as responsible government. I don't believe that the modern Australian voter, elector, is really bemused by promises that a Government can cure all ills, or bemused by the thought of Government spending more money on a great variety of programs, because they know that that is just not a responsible course.

It is very like managing a family - family finances. If the housekeeper is going on spending too much money week after week on the grocery bill, and the breadwinner doesn't do anything about it and says you are running us into bankruptcy, they will end up along the track with some kind of disaster, with the family hopelessly over-committed and the breadwinner has just got to say, look, I am sorry we are spending too much week by week. We've got to spend a little less. Management of a nation's finances is not all that different from the management of a family's own finances. In that environment, in the family environment, everyone knows that there is a limit to what the family can spend. They also know that it is sometimes difficult, that it is sometimes a struggle. It is the same thing with a nation.

Question

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Prime Minister

California started that process with a Budget surplus. They did not have a Budget deficit. You've really got to take a great many other things into account. In California, the economy has been growing very very rapidly over the last several years. I think it has been one of the greatest growth areas of the United States. Since they had a surplus in their Budget, and could therefore reduce taxes without adding to inflation, I've got no doubt that the tax cuts would have helped. But at the same time, there has been a natural growth process going on in California compared to other parts of the United States.

Question

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Prime Minister

It couldn't stand the kind of tax reduction that happened in California because it would make a deficit that is still significant, even larger. That would lead to problems in how you finance it. You've got three ways of financing a deficit -- either you can tax people, you can borrow it on the open market, or you can go to a printing press and print it. If you go to the printing press it is straight-out inflationary. If you borrow it on the market, well all right, that is a responsible way of financing it, but if you make the borrowing requirement too large, you obviously have great pressure on interest rates and then that starts to affect home builders and a whole variety of other activities that affect people.

Question

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Prime Minister

It's so much giving more teeth to ASIO. It is putting ASIO within a proper statutory legal framework, because ASIO has been operating under successive governments of both Liberal/National Party Coalition Governments and earlier under Labor Governments, but without the necessary statutory charter which will set the limits of what ASIO can do and at the same time provide adequate protection to individuals. We will be establishing an appropriate appeals arrangement for people who are subject to an adverse security report. That is a very substantial protection for individual rights. In the past people would be subject to an adverse security report and they mightn't even know about it and they certainly had not appeal. So, the legislation shouldn't just be looked at from the point of view of giving ASIO more teeth. It should be looked at from the point of view of providing an appropriate legal framework for a security organisation to operate in.

Why do we need ASIO or why do we need a security service? I think every government, and especially a democracy such as Australia, needs to know of the open threats to the integrity of the country, to the fabric of your society. They need to know of certain events occurring which might need to be countered in some way. You need to know what foreign agents are doing within your own country and in some embassies, for example, a significant number of the normal accredited people we know have security intelligence, espionage, functions. Some countries that send trade missions to this country - we would know that anything up to 30% or 40% of the members of that trade mission would have some intelligence or espionage function in addition to their normal commercial trade functions. If this is happening, if that is the kind of world we live in, we have had embassies overseas that are bugged and that was exposed some time ago in relation to the Moscow embassy - well, we need to know about it, we need to be able to combat it in the protection of Australia's own national interests.

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Prime Minister (continued)

This is something -- it would be a much better world if nations didn't indulge in these kind of practices and you didn't therefore need the sort of defensive mechanism that ASIO provides us. I think one of the good things about the present time is that the whole, or anyway so far as the Federal Parliament is concerned, the whole political spectrum believes that the ASIO organisation is necessary.

Question

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Prime Minister

All the parties have accepted to go to the Constitutional Conference that Prime Minister Thatcher has called for the 10th of September. So she has moved very quickly. I think it could be a long and difficult road in getting those parties to ultimate agreement. But the Lusaka Conference did point the road to peace. It has opened up an opportunity for a settlement. I know that the United Kingdom authorities, and Margaret Thatcher in particular, as with the other countries - Zambia, Tanzania, the front line states, they are committed to making that agreement work. There will be many pitfalls, many problems, and there can't be any guarantees. But we do see now the possibility of ultimate peace. That is the only thing that will give security to white and black alike in Southern Africa. The first step has been overcome. They have been saying unpleasant things about each other, but the parties have all accepted to go to the Constitutional Conference.

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