

PRIME MINISTER INTERVIEWED BY NEIL ADCOCK, 6PR, PERTH
TALK-BACK

Adcock

Now, it is my very great pleasure to have in the studio the Prime Minister of Australia, Mr. Malcolm Fraser. Welcome Mr. Fraser.

Prime Minister

Thank you very much.

Adcock

We talk to you about once a month and we are very glad to do so, and it is nice to have you in the studio in person.

Prime Minister

Well, I welcome the opportunity of speaking with you and through the station to your listeners.

Adcock

And of course we are on line to the goldfields tonight, so you will have a lot of Kalgoorlie listeners. And we will reverse charges if they would like to phone in. I suppose we get so much discussion about the individual issues, that I thought I would like to get you to talk for a little while at the beginning of our time tonight about the basic different philosophy between say, your Government and the Liberal Party in particular, and say the Labor Party: you know, behind the sort of package deal that you are offering as incentives for people to vote and the Labor Party doing the same. Obviously there is a philosophy behind the two. Your philosophy would be different from that of Mr. Bill Hayden, for example. Could you perhaps just briefly outline what you see as the basic difference between those two philosophies?

Prime Minister

In domestic policy, a very essential part of the difference is that we believe that what Governments can sensibly do is limited; that we have got to try and keep taxes as low as possible so that individuals will have as much to pursue their own lives their own way, and as much to look after their families as possible. When Governments need to act, we should direct our resources to areas of specific need. But we should not try and do those things that either individuals or corporations can do very much better than Government. Government should not get in the business of competing with private enterprise. It should not get in the business of interfering unnecessarily with what individuals and companies might want to do right around Australia. We also believe in leaving things to the States much more than the Labor Party does. So, identifying the things that Governments should do, and

Prime Minister(continued)

being quite critical about that, if the Labor Party sees a problem, I think they just say "well, let the Government solve it", throw some money at the problem, and then hope it will disappear. But often in throwing the money at the problem, you can make it worse.

Adcock

At the same time, there have been quite a number of times during the course of your Government when you have had to step in and say place controls on governments, or you have been interested of course in consumer affairs because you believe that free enterprise perhaps let go can have some problems.

Prime Minister

Well, we recognise there is a role for Government in many, many areas, but we do not believe in Government intrusion just for the sake of increasing the power of Government; just for the sake of increasing the influence of people in Canberra or the influence of politicians in Canberra. Yes, we support restrictive trade practice legislation. We support consumer legislation. Obviously, sensible companies legislation. But, let me give you a clear example. In all the arguments that went on for years about the powers offshore, and the High Court gave control of jurisdiction offshore to the Commonwealth, well the Labor Party have said that they would move in and exert total Commonwealth control - put their own departments out into the States to do all the things that the States have done by and large quite well for a very long period. Well, we took quite a different view. Even though we had the power, we have negotiated and now legislated for a range of agreements with the States in which we voluntarily shared the power that the High Court had given to us. We did this because we recognise that there are State administrations that have done these things for many years, and that that kind of extension of Canberra-based power is just plain unnecessary. You could give another example of it: I was speaking with Sir Charles Court tonight and he was making the point that if it had not been for the Whitlam years the North West Shelf project would have been quite a distance along the way. As everyone in Western Australia I am sure knows, everything was signed up just a day or two ago. Under the approach that the Labor Party would want to adopt, they would be wanting to make all the decisions which Sir Charles and his Government have made, as I would believe, to the advantage of this State. I do not believe Canberra has got any business interfering in that sort of business.

Adcock

Every now and again you get into a bit of trouble where there is say a policy as far as the Federal Government is concerned which seems to conflict with what is happening in the States: you know, the case in point was the Noonkanbah situation, and you have had a bit problems with Mr. Bjelke Petersen in Queensland over policies regarding Aborigines. Now, I guess what you try to do is to negotiate with the State over that, but if the State sort of digs its heels in, you are reluctant to use Commonwealth powers to over-ride them.

Prime Minister

Well, there is one thing I think that is sometimes overlooked. If the cause of Aborigines is going to be advanced - and I think it has been enormously in recent years - the Commonwealth and State Governments do need to act in co-operation, in harmony. If you are going to have the State administration and the Federal administration having differing views and a differing approach, then that is going to frustrate and hinder the development of the normal services which flow out to the Aboriginal people, quite apart from hindering all the special programmes which are very specifically directed to Aboriginal people. The Commonwealth does believe - and this was the case with Aurukun - that we ought to get to a negotiated position with Queensland, which we did. I do not want to add to anything that has been said in relation to Noonkanbah. But I am quite sure that everyone hopes that these matters can be properly solved by negotiation on future occasions.

Adcock

Thank you very much. We would like to invite listeners to phone in. The lines are now wide open, if you would like to put a question to the Prime Minister, or make a point.

Annette is the first. Hello Annette.

Caller

Hello. Good evening Neil and Mr. Fraser. I would just like to say that I'm a parent and I think it is disgusting what your Government has done to the teenagers of this country. You've made them really ... for a pittance. You've done nothing, you've done nothing to help them and encourage them, even though they had good educations, some of them. And I think that unless you change your policy, you are going to be the loser, and well as the children of this country. Australia's a lucky country, but for all the youngsters looking for work, it's very unlucky.

Prime Minister

Well, I think we have done a very great deal for the young people of this country. We have introduced a number of programmes which are specifically designed to give training opportunities to young people. This year, indeed, 230,000 or more people will be assisted under those training programmes. I sometimes think that a number of them would not really be necessary if schools were doing everything that they ought to do. But, be that as it may, we are establishing with the States additional programmes to help young Australians who leave school with inadequate skills or training to get jobs and we are also going to introduce a new training allowance which will encourage eligible unemployed Australians - young Australians - to go into a training opportunity. We are working with the States to provide much greater funds for technical education, vocational education. I think this is an area which has been very much - well, it has been the poor cousin in education, not I think so much over the last three or four years, but before that I certainly think it was.

Adcock

Greater stress has been placed on academic education rather than technical education.

Prime Minister

I think the secondary schools have placed much too much stress on academic education, and I think they have given many students who just do not cope with academic work - but probably have other skills which should be drawn and encouraged - a sense of frustration, a sense of failure which then, if they do not get a job when they leave school, is just compounded. I really do believe that it is the job of every school to find something that every student can do well. I do believe there are things that every student can do well and to the extent that schools do not achieve that, I regard the school as having failed the student much more than the student as having failed at school. But, over the last year there are a record number of apprentices. I believe again, there will be a very large intake this coming year. I think it is not generally realised that total employment over the last year increased by over 200,000 - and that is the largest increase for ten years. Mr. Hayden is offering to provide only 100,000 jobs at a very considerable cost to taxpayers. Something which in a sense is exciting, teenage employment has grown over the last 12 months more than it has for 15 years. I think that single figure is a real sign that the policies that we have to assist young people are in fact working, and working effectively.

Caller

Good evening to you both. The Liberal Government purchased the VIP aircraft in spite of public controversy over the cost to the taxpayer of \$42 million, plus maintenance, etcetera. Press reports tell us that in five years of Government, the Liberal Party's overseas trips in the VIP aircraft have cost the taxpayer over \$12 million in spite of your pledge not to be a tourist Prime Minister. May I ask Mr. Fraser who sanctioned the use of the VIP aircraft at a cost of \$8,000 to the taxpayer for Mr. Anthony to fly to N.S.W. in order to be a character witness at the trial in court of Mr. Sinclair. Why didn't Mr. Anthony travel on a commercial flight for his own personal business. This phenomenal cost to the poor taxpayer of \$8,000 for just a few minutes in a court of law.

Prime Minister

Mr. Sinclair is a colleague of Mr. Anthony's. Mr. Anthony had been on business that he had to do because he was Deputy Prime Minister and Minister for Trade. When he was asked to be a character witness for Ian Sinclair, he obviously wanted to be, and it had to be fitted with other schedules and other engagements. I regard the use of the aircraft as a completely proper one. I think the way that Ian Sinclair had been pilloried through the Parliament, I think the way that the Australian Labor Party tried to introduce evidence that had come out of that Corporate Affairs Commission into the Parliament to denigrate his name, part-heard, was totally disgraceful and a denial of natural justice in Australia. And every member of the Labor Party from Mr. Hayden down should be totally ashamed of themselves, the way they subverted the course of justice in that particular matter. That would be the general view, I am

Prime Minister(continued)

certain, of the Australian community. Mr. Sinclair was found to be totally innocent of trumped-up and politically based charges laid by the NSW Government, by the NSW Corporate Affairs Commission under the Director of the NSW Attorney-General. I am very glad that Mr. Anthony did go to act as character witness for Mr. Sinclair. But I would like to say something if I could. I was not asked a question, the other things were stated as facts. The cost of those aircraft is only a mere fraction - well, it certainly was not \$42 million - I think it was about \$7 million an aircraft. They do a great deal of work for the defence forces. They are defence aircraft. They are not in the VIP fleet. They have been carrying refugees from Australia to this country. They have been carrying Australian troops to Butterworth on many occasions. They have been carrying Australian military personnel to the United States, who have to go on defence purchase missions. For many of these tasks, if the defence transport 707s were not available, defence would have had to charter aircraft as they used to before they owned them. So far as the Prime Minister is concerned, one of the considerations in purchasing the aircraft was the security advice which I had been given that I do travel internationally on a commercial aircraft, I am putting the 300 or 400 other passengers at an unreasonable level of risk. I cannot emphasise too strongly that point. It would be a little late to apologise to the relatives of those 300 or 400 passengers if an aircraft went down because an Australian Prime Minister happened to be on the aircraft. This is a very material point, and the major point apart from the defence use, in the purchase of the aircraft. The only other thing that I would like to say is that if the Parliamentary record is read out accurately, it will be seen that in current day prices the number of visits on an annual basis by my Ministers has been much less than that under the Labor years, and it will also be seen that the number of visits by Prime Ministers were less on an annual basis and the cost overall was a fraction of the cost in the Labor years. I would also say - I am sorry about this, but the question had a slight political motivation in it, I think I ought to give the answer - I think there is all the difference between looking at Greek ruins and contributing to the Commonwealth resolving the very difficult racial problems in Zimbabwe. I think the recent meeting I was at in New Delhi where 16 members of the Commonwealth - regional countries - all met together to discuss practical problems - I make no apology for this, it is to those sorts of meetings where practical co-operation is advanced, where racial tensions are eased, and the possibility of war in Southern Africa greatly reduced; they are very productive results from Australia's foreign policy in recent years and from my participation in it. Whatever the cost has been, it has been very, very much worthwhile in the interests of Australia and of a wider community.

Caller

Congratulations. And very best wishes for your election. Could I ask you though, is the Government going to introduce conscription in peacetime. If not, where are the rumours coming from?

Prime Minister

The rumours are coming from the Australian Labor Party. Let me tell you something that happened in the Parliament in the last week. Mr. Wran said we were going to introduce conscription. I said we were not. Mr. Killen said we were not, that it was not Government policy. Mr. Hayden said we were going to introduce conscription, and he said he had a document to prove it. Mr. Killen, to double check, went to the Chief of the Defence Force staff, to the Secretary of Defence, to the Service Chiefs, to see if any of them had been doing any work which he as Minister had not been informed of but should have been informed on. They all said no, they had been doing no work; there was no Defence Department document on the subject of conscription and the preparation for conscription. The so-called exercise was given a somewhat dramatic and Draconian term, "Operation Manhaul". I think that should have made people cautious to start with, because if you were undertaking that operation, I am sure you would not be calling it "Operation Manhaul". But the Defence people went on looking. They found that some CMF Reserve officers - and these are part-time people who do a wonderful job of service to the country - had set themselves an exercise, in their own way, as to what would happen if there had to be conscription at some time in the future. CMF Reserve officers set themselves exercises all the time all around the country. But that does not make what they do Government policy. It appeared that this particular exercise, and the document that Mr. Hayden claimed he had, or thought he had, came out an exercise of this kind. In other words, it was a classroom operation, a schoolbook operation, which had nothing whatever to do with defence policy. I have not the slightest doubt that Mr. Hayden knew that, and Mr. Wran knew that, when they first raised the question. It was a cruel and base deception.

Adcock

Mr. Fraser, while we're on the subject of defence, it was reported in tonight's news that because some of the polls recently seem to have been going against the Government and favouring the Labor Party, that there was a possible switch in your emphasis from economic management to defence and national security. Now, is that so?

Prime Minister

It is not a switch. I have been speaking about defence matters through the course of the last week. It has not been vastly reported. It is true I am going to speak about defence tomorrow at the public meeting at lunchtime, because it is very much in the minds of people in Western Australia, and we are spending quite a lot of money building facilities at Cockburn Sound, upgrading the Learmonth airbase, establishing a new tactical and strategic airfield at Derby. The discussions about base porting or home porting United States' ships are relevant to Cockburn Sound.

Prime Minister (continued)

There is increased surveillance and patrolling of the Indian Ocean, so this is a logical place - Perth - to talk about defence. I had always intended to do so, but it is not a new tack or a change or whatever.

Adcock

What about the polls that have been coming out. Do they disturb you?

Prime Minister

No. They do not disturb me, because I think they are really going to shake whatever complacency there has been out of the hair of Australian men and women. I think too many women have been assuming that the Government is going to be returned easily and without effort. That part of it is not true. There is going to be a fight. But I am sure at the end of it, we will have an adequate majority, and a majority in the Senate, because I just cannot believe that the Australian people are going to throw away the gains of the last five years and go back to re-cycled Whitlam policies which is what Mr. Hayden is offering.

Caller

I'm a spokesperson for the Social Welfare Action Group in Western Australia, so my questions obviously are going to be relating to social welfare. I would like to put to you, Mr. Fraser, that the non-Government welfare sector is in a situation of slow death; that in the Liberal Party policy platform there has been the promise to give continued support to the non-Government welfare sector. In reality, these groups have not had their grants indexed since 1975, so this means in effect there has been a 50 per cent cut. For instance, ACOSS, which you know Mr. Fraser is the Australian Council of Social Services, they are at present experiencing the effects of this funding cutback to the point of being near bankruptcy. At present they are still awaiting on renewal of their Government grant. One of the results of such cutbacks is that the voluntary welfare agencies are now facing an enormous emergency relief bill. They are picking up the tab for the Government due to the inadequacy in the amounts provided for pensions and benefits. Mr. Fraser, you mentioned the issue of unemployment with one of the previous callers. I would like to draw to your attention that unemployment is now about 180,000 more in number than when your Government came into office. And, I also would like to draw to your attention the latest figures as produced by the Brotherhood of St. Lawrence and confirmed by Professor Henderson, show that there are approximately 2 million Australians living below the poverty line. This figure includes families with young children. Therefore I ask you, Mr. Fraser, whether you will give an unequivocal undertaking firstly to provide adequate funding for the voluntary welfare sector, and by adequate I mean indexed funds; and secondly, whether you will bring the amount for both pensions and benefits to above the poverty line.

Prime Minister

We are giving much greater funds to welfare and to non-government organisations. I would have to ask Senator Guilfoyle about the particular grants to particular organisations, but the funds we are giving, and the co-operation that we are pursuing, with non-government organisations is very very substantial indeed. But there are a number of things that I would like to say. Pensions during the past three years have reached a higher proportion of average weekly earnings because of our policies of indexing pensions twice a year to the Consumer Price Index. They are a higher proportion of average weekly earnings than they have ever been. Now, I know Mr. Hayden in his policy speech said that in the Budget he introduced pensions got to 25.2 per cent of average weekly earnings and that they had fallen since. But the figure that he gave I am afraid was not really an accurate one, because he took the pension level as it was going to be in November of 1975 and put it over the average weekly earning figure as it was in June of 1975, when he should have put the pension figure in November 1975 over the November 1975 average weekly earnings to get an accurate figure. In the years since 1975, pensions have come to a higher proportion of average weekly earnings than it ever did during the Labor years. So that does not seem to indicate increasing difficulty as your question would imply. And also, in the last Budget, we introduced substantially increased benefits to assist I think well over half a million - between half a million and three quarters of a million children - who are the children of welfare beneficiaries. That was a very substantial increase overall costing significantly over \$60 million. There are other areas where we have done a good deal for the handicapped. We know are running programmes which we introduced - by Government - in support of the States and in support of non-government organisations to support family support services, families in difficulty. Here we are going to introduce, as I indicated in the policy speech, an extended programme of family support services. We are going to establish in the States crisis accommodation for families that get evicted or have nowhere to go, and often the State Housing Commissions do not hold accommodation empty and available for such circumstances. We are going to do that - establish that kind of crisis accommodation for families. We have a new homeless persons programme which will concentrate on providing accommodation for homeless youths. We have provided support for handicapped people, for disadvantaged people - physically and mentally handicapped - and over the last three years the resources that we are putting into that area is 80 per cent in real terms over and above the resources that were put into that area in the three Labor years. That is a very substantial increase. We are developing programmes which are designed to enable handicapped people, whatever their handicap is, to live in the community, in dignity and self-esteem, and not to be pushed aside as something separate and different as used to happen, and still does in some cases, with handicapped people. It is taking very large resources. There is a lot still to be done. But a good deal of progress is being made. In just one area we have proved already, and earmarked the funds within the expenditure programmes of the Government, for over 800 programmes over the next 2-2½ years, 3 years, to assist the handicapped - of the kind that I have mentioned - to assist organisations to build more homes for elderly people and to establish more senior citizens centres where they do not now exist. That is a record of concern which is a very substantial one.

Prime Minister (continued)

In a sense, I am sorry that the question is put in the terms that it is, because I do not think it is in accord with the facts and the actual record of the Government. And one other small thing that we are going to do is to establish a small - but I hope large in its impact - a national children's foundation in co-operation with the States and with voluntary organisations to help cope with the problems of child abuse, to have a better education of the whole community that this is a real problem; that there are a lot of cases that do not know get reported, and there is much that the community and more that some voluntary organisations can do to help that. The only other comment that I would like to make is one that Professor Henderson himself made in his report on poverty. That is, that inflation does more harm to poor people and in a sense, more than discounts any benefits that particular programmes might have for people. He said that the control of inflation is terribly important for the poorer people in the community. Our efforts in that regard should not be overlooked. That is not something that just helps business, it helps people.

Adcock

It might be an idea, since Sebina has sort of put her case in writing, because she stated it quite concisely, that perhaps she might like to send that information to Senator Guilfoyle and ask for specific answers.

Prime Minister

Well, if we have it in writing here I would be very happy to get an answer, and I will give you a copy of the answer also, because if you are asking about the - I do not carry in my mind the precise funding arrangements for every individual organisation, and I am sure Margaret Guilfoyle would have a very precise and effective answer to the precise question about ACOSS for example.

Adcock

I'd also just like to know your reaction - I know this is far too involved to go into to - but your general reaction to the Catholic Church's report on peace and justice and its emphasis on poverty in Australia.

Prime Minister

I think it is important to pay proper regard to -- well, it is not the Catholic Church's report. It is the particular Commission...

Adcock

The Catholic Commission.

Prime Minister

...which has a very particular relationship. A report was put out once before and the Bishops issued a statement indicating that the Commission was not representing the view of the Bishops. I am not saying or trying to suggest that that was so in this case, but it

Prime Minister (continued)

was in another case on another subject, which I had become involved in. I think the whole community must be concerned about those who are less well off. It is right and proper that Church organisations and voluntary organisations should show a great concern in these areas. But one of the things that people sometimes forget is that if we are to look after the disadvantaged, if we are to look after the old, if we are to establish the circumstances where all people at all times can live in dignity and self-esteem, we have to build a more prosperous and wealthier country. All of this takes great resources. I think it is about \$10,000 million a year going in welfare payments through the Department of Social Security. It is an enormous sum. It cannot be plucked off a cargo cult tree. If we are going to improve the services to the poor, to the old, to the disadvantaged, to the sick, then we need a country that is growing in wealth and prosperity so that not only families and individuals have the resources for their own needs - Government will also have the resources to enable it to provide the kind of services that people want in a modern society. I think people sometimes forget that we have a particular concern in these welfare areas; that a Government that does not pay attention to the growth in the economy to the expansion of the economy, is not really acting in the best interests of people who need help in the community, because if you do not pay attention to a growing economy ultimately you are not going to have the resources to provide the sorts of services to establish the sorts of programmes that you want.

Caller

What I would like to bring up is a double question. First of all concerning wage and price control, is that the Government has an arbitration system to control the wages - you know, the prices ...to take their own course. When we are trying to balance your income and your income expenditure you would have to take the two sides into account.

Prime Minister

I think that is a fair enough question. There is not really wage control through the Arbitration Commission because the Government certainly cannot control it. What there is - the Arbitration Commission is, in a sense, the third man, or the umpire, that settles arguments between employers and employees. It is not controlled, in the strict sense, that arbitrary limits are placed on wages as a result of the Arbitration Commission. It does, in any determination of the Commission, establish a minimum which employers cannot pay less than that minimum. But trade unions - and I think not always to their own advantage - often negotiate with companies for payments higher than that that the Arbitration Commission establishes. I think that is one of the things that helps sometimes to dissuade companies from employing more people, but nevertheless it happens. And so it is not really wage control, it is a way of settling an argument. There is the Prices Justification Tribunal which does - can and it does - report on price changes in a number of areas, in a number of industries. The petrol industry is one which is subject to continuous reporting, and I think for very obvious reasons. But prices are also restrained by other means. In the motor car industry at the moment, for example,

Prime Minister(continued)

there is very real competition between the different manufacturers. They are doing everything they can I know to keep prices as low as possible because one manufacturer wants to pinch sales off another manufacturer. This sort of competition out in the commercial world again puts a very real ceiling on the kind of price levels that people can effectively ask. So, it is not really accurate to say that there is wage control and nothing that can help to bring down the prices. You have got to look at the sort of circumstances that exist in wages negotiations and the kind of market circumstances which make it very difficult sometimes for companies or businesses to put up prices.

Caller

Mr. Prime Minister, would it be feasible for Government if re-elected, to reduce the taxes payable by employers by a certain amount for every new person they employed. For this to work without the Government having to find extra funds for this scheme the amount reduced per person would be equivalent to that of the unemployment benefits, thus, in effect having two main goals: one, assisting employers in increasing staff as a result of more money from less tax payable; and, two, decreasing the numbers unemployed. Could such a scheme be considered?

Prime Minister

Schemes of that kind have been considered. I think you would find it very hard to make them work effectively, because what would happen is that reducing the payroll tax - which is a State tax anyway it is not a Commonwealth tax - reducing the payroll tax in that way would end up by subsidising a lot of employment which was going to take place anyway. Because even if an employment situation is static within a State - not going to change over the course of the year - when you looked at the position of individual firms, the firms that were doing well you would find would be expanding employment and therefore they would be getting a payroll tax rebate if that is what you called it - and the firms that were doing badly would be reducing employment simply because they are doing badly, because they are not selling their product. So, over a period of time you would end up with a Government subsidy for a lot of increase in employment for all those firms that were doing well and that increase in employment probably would have taken place anyway. I think the only way really to expand employment is to do what we are doing: to get Australian businesses profitable so that we sell more Australian-made goods in Australia and we sell more Australian-made goods overseas. Manufacturing exports increased by 30 per cent last year, and that obviously means those firms are employing more people. Over the whole of last year, we got more than 200,000 more people in employment than 12 months ago. That is the best growth of employment for 10 years. That all comes out of profitable enterprise and profitable industry. There is one other thing that perhaps I should explain, because people would say 'well, if employment grew by 200,000 why did unemployment grow'. Well, there is a measure of people entering the workforce which the Statistician calls the participation rate.

Prime Minister(continued)

It generally fluctuates around 61 per cent. But if you get one per cent more of adults in the country wanting to participate in the workplace, 62 per cent instead of 61 per cent, that means people who were not in the workforce are entering it, then that means a lot of extra people become available for work. This in fact is what happened over the last year: the change in the participation rate brought about another 90,000 or 95,000 people into the workforce. If that had not happened and if the extra employment had still occurred, you would have had unemployment falling by around that figure.

Caller

Mr. Fraser, you might know me, I am one of Mr. Viner's juggled statistics. In 1975 you promised that private enterprise would make hundreds of thousands of jobs for Australians. You have had five years and unemployment is worse. You cannot give us jobs but you can spend millions of taxpayers' money on two VIP planes and what you have to remember Mr. Fraser is that I might be young but I am the young adult voter of tomorrow. I will be the young adult voter of tomorrow.

Prime Minister

Can I ask what you are doing or what you would like to be doing?

Caller

I'd like a job. I've got good qualifications.

Prime Minister

But what are your qualifications?

Caller

Well, I've got the third year certificate - for fourth year, up to fourth year.

Prime Minister

How old are you? 18, 19?

Caller

Seventeen.

Prime Minister

Seventeen.

Caller

Yes.

Prime Minister

Are you still at school?

Caller

No. And I've got a correspondence certificate in Maths. I've got a correspondence nearly in Human Anatomy and Physiology.

Prime Minister

What sort of job would you like?

Caller

Anything to do with hospitals, or any job I can get. At the moment which I'm trying, I go for about three to four jobs a day and everyone turns ...

Prime Minister

Which employment office have you been going to for help?

Caller

Greenwood.

Prime Minister

What is your full name, Gloria what?

Caller

Edmunds.

Prime Minister

Gloria Edmunds. Well, could I make some inquiries just to see how you have been getting on and to see if something can be done to help? Would you like me to do that?

Caller

Yes, if you like, but ...

Prime Minister

And have you thought of going to any of the training programmes. How long have you been out of a job?

Caller

About 8, 9 months.

Prime Minister

When did you leave school?

Caller

When did I leave school? In February of 1978, I think it was.

Caller

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Prime Minister

Why did you leave in February?

Caller

Why did I leave in February?

Prime Minister

Yes, I know. But that is the beginning of the school year, not the end of the school year.

Caller

Because I'd just returned from England.

Prime Minister

What were you doing in England?

Caller

At school.

Prime Minister

Oh, you were at school in England.

Caller

Yes.

Prime Minister

Did you go to school in Australia?

Caller

Yes.

Prime Minister

How long were you at school in England?

Caller

Two years. Yes, about two years.

Prime Minister

And you finished your schooling in England did you?

Caller

Yes.

Prime Minister

What, when you were - if that was in 1978 - I'm sorry to ask these questions, but I am just trying to understand - if that was in 1978 you left school when you were what? Fifteen?

Caller

Sixteen.

Prime Minister

Sixteen. Why didn't you stay on at school then?

Caller

Because we returned to come back to Australia.

Prime Minister

I know, but you could have gone to school here, to get better qualifications. Why didn't you do that?

Caller

After I came back from England, I did not really know anyone and I wanted a job.

Prime Minister

I know, but if you did not have the job ...

Caller

Yeah, but I wanted a job, which I'm entitled to, like every other young Australian is.

Prime Minister

I know. But at the age of sixteen, which you would have been then, a lot of people go on and stay in school to get better qualifications to give them a better chance of getting a job. And I am trying to understand why you left school at the age of sixteen instead of going on and having that extra year or an extra couple of years in school, which probably would have given you a better chance of getting the job you want at a hospital or whatever.

Caller

Well, after I finished school, I mean, I've done a Maths correspondence course, and I'm doing a human anatomy and physiology course to help me get into a hospital, but I'm willing to take anything at the moment which - there's no jobs around to get. You go on about hundreds of thousands of jobs here and there and that, but there's no jobs.

Prime Minister

That is not quite right. There are jobs, because there are 200,000 more people in work now than there were a year ago. Last year, teenage employment grew by more than it had for 15 years. Now, that is signs of things starting to look up a bit. What I would like to do - I will get in touch with that employment service at Greenwood. But also there are a range of training programmes which are available to help people like yourself to get the

Prime Minister(continued)

qualifications necessary for work. Would you be interested in participating in one of those training programmes?

Adcock

I think she's gone. Anyway, thank you. The point is there, and you will check this one out.

Prime Minister

Yes. And I will let you know too, because she would certainly be eligible for training programmes, having been unemployed for that time and of that age.

Caller

Mr. Fraser. Unfortunately Australia is in the same predicament of most countries of the world when elections are going on. It has developed into - I suppose you would call it a personality (inaudible) and the electorate of Australia are now faced really - to put it quite bluntly - is it Mr. Hayden or Mr. Fraser we vote for. Our own members of our own individual electorates no longer seem to matter very much to us, because as you know it is a Party system. But, the thing that is bewildering myself and everyone I have spoken to, and I guess anyone who has been watching TV recently, they are bewildered by your speech followed by Mr. Hayden's speech in which the economy and what the welfare and all the other things that you are both promising revolves around how much it is going to cost. You argue with Mr. Hayden that his is going to cost more than he says, and he on the other hand argues that yours is going to cost more than you say. Now, Mr. Hayden has challenged you - or shall I just put it - asked you, to appear together on TV and discuss the matter in a sensible manner so that the whole of the electorate of Australia can make a complete judgement. You have refused to meet him so far. I ask you why do you refuse to meet him, and will you change your mind and meet him before the election day?

Prime Minister

Mr. Howard is the Treasurer of the Commonwealth. Mr. Howard is the person who is responsible, together with Mr. Robinson, for all the costings and for the financial management. I do operate a team. Mr. Howard is available to debate with Mr. Hayden any day Mr. Hayden wants to. But he has refused to. Mr. Howard is the figures man and he is the person that Mr. Hayden should debate with. But you have raised the question about costings, and I am glad you have, because six of those programmes - of Mr. Hayden's - would cost \$2.5 billion. And they are not my costings. They are not Mr. Howard's as a person. They are the costings that were undertaken by Commonwealth Departments, checked by the Department of Finance, and they are the costings that would have to go into any Budget that the Labor Party introduced, if you were going to do what was said. Let me give you one example of where our costings have been very moderate. Mr. Hayden has promised a job creation programme for 100,000 jobs a year, which is only half the number of jobs that we are in fact providing in the course of a year. But, we put that down at \$1,000 million. Two years ago, or three years ago - with Mr. Whitlam - Mr. Hayden

Prime Minister(continued)

offered a job creation scheme doing the same sorts of things that would have costed \$800 million for 50,000 jobs. \$600 million for 50,000. That was accurately costed on the basis of experience that the previous Labor Government had had. So, if we were taking those figures, we would have said the 100,000 jobs would have cost double that: \$1,600 million. Well, we were very modest in the costing and put it down at \$1,000 million.

Then, to counter-attack, Mr. Hayden published a document that Mr. Wran had prepared which was meant to be our costings. Well, many things were included in it that were not in my policy speech. Many things were included in it which are allowed for in the Budget. They are already included in the Budget: extra money on defence. Mr. Wran, in one comment, even included the cost of the new Parliament House as though it was an annual cost and as though Mr. Hayden was not going to build it, and of course if he had the option of making the decision he would be building it. Mr. Wran also included the cost of half indexation as a tax policy, which is there and standing and allowed for. Now, it is not a cost because it is just part of current policy. If you went through that N.S.W. document, the whole thing was a farce and obviously throws Mr. Wran's credibility into jeopardy. The one thing I think might bring it hope to people a little bit, is that the cost of those six major programmes of Mr. Hayden's will be more than \$8 a week for every taxpayer in the country. That is what it would cost, quite apart from all the other programmes that have not been costed.

There is just one other point that I would like to make, because I think this shows that Mr. Hayden himself has admitted really that the cost of his programmes will be well over \$2 billion; because he said that his programmes would benefit families to the extent of \$20 a week. Now, if you work out for something like 2.3 billion or 4 billion families, at \$20 a week, that comes to well over \$2 billion. So, if your promises are going to benefit families to the extent of \$20 a week, the cost has to be very much over \$2 billion. Now, that is pretty much the costing that we have indicated. I think that is a plain straight-out admission that our costings are moderate, that our costings are accurate.

Caller

I would like to ask you, if we produce 70 per cent of our own oil supplies, why on earth do we have to have world parity prices?

Prime Minister

We have to have world parity prices for three reasons: to conserve Bass Strait to make it last as long as possible, because the supplies are scarce; to encourage greater exploration and development for oil - and Esso/BHP alone have committed themselves to \$1,200 million of extra exploration and development so that we can find more oil; and then also to help draw out alternatives; to get people to develop alternatives, and the best chance there is the development of the Rundle shale oil deposits which, if all goes well will come on stream about the time Bass Strait starts to dry up. That is the only way - a combination of these policies - is the only way we can maintain Australia's self-sufficiency and

Prime Minister(continued)

security in fuel oils. It would be very easy for you, and for me and for this generation to say "well, Bass Strait is there, we will use it up and then in 10, 15 years time when it has gone, other people can make adjustments". But if we did that, it would be a very selfish policy, because it would be saying to our children 'you are going to have to make adjustments much harsher than anything that is in front of us. It would mean they would be beggars for fuel on the international market. The current war between Iran and Iraq has demonstrated how volatile the whole situation is in that oil producing part of the world - in the Middle East. There is no guarantee that supplies will be available. It would be very easy for this war to result in the Straits of Hormuz being blocked. If they were blocked you have something like 30 per cent of the world's oil production going through those Straits. It just would not be able to get to the consuming countries of the world. Then the difficulties for many, many nations would be immense. Now we owe it to our children to pursue policies today to give them the same kind of independence and self-sufficiency in oil as we have ourselves. You have got a local example of what happens with the right policies. The North West Shelf is an energy project: a massive one, the biggest thing ever undertaken in Australia. But it would not go if there were not the right pricing policies, if there were not the right encouragement for investment. But it is going to give Western Australia, because they are the right policies, a great source of energy. It will give Australia exports and it will also mean a very large number of jobs. The great mining and development projects will be one of the things which will provide a very real boost to employment in the years ahead of us. So, there are very solid reasons why we should stay with the policy.

Adcock

If that is the case, then Mr. Hayden, who says that if he gains Government he is going to freeze petrol prices for 12 months, what effect will that have?

Prime Minister

I think the policy, I am afraid, is a bit of a fraud, because he has not really said he would freeze petrol prices. He would freeze the price of petrol out of Bass Strait. But 30 per cent of what we buy still comes from overseas. There is no way he can freeze that price. You would have to go on paying whatever the world price is for that. That is just another way of demonstrating that if we let it go on just using up Bass Strait so that we do not have 70 per cent of our own, you then have 60%, then 40%, then 20% until it runs down until almost nothing, you are forced to pay the world price whatever it is. And the fact that we have got our own oil - or a substantial part of it - enables us to use as a benchmark the lowest world price is the Saudi Arabian light crude price, and that is keeping our petrol at roughly half the price and often less than half the price of many European countries who get forced into the spot markets. Italy is up to about 78 cents a litre. The capital city price of around 30 cents, 32 cents or something, is amongst the cheapest prices in the advanced industrial world. I know it is high by our historical standards. I do not like it when I get

Prime Minister(continued)

the fuel bills for my farm, but ...

Adcock

It won't stay at 32 though, will it - in Australia? It will go up considerably more.

Prime Minister

Well, there has been a bit of scare talk recently about this. Now, if the war between Iran and Iraq had not taken place, we would have been able to say quite categorically that the latest price increase from Saudi Arabia at \$2.00 a barrel would have had an impact - if we had applied that price in the normal course of events from the first of January, we would be making the decision I suppose some time in December - it would have had an impact of significantly less than a cent a litre. And it has that that impact because of our strengthening dollar. It is a technical matter, but that is just adjusting the price as it has been over the last couple of years - less than a cent a litre. Now, that is not a frightening change. That puts into perspective I think the sorts of claims that Mr. Hayden has been making that it is going to go to 45 cents, almost in a matter of weeks he suggests. But the Middle East war has made it unpredictable. If that war is controlled, if it ends, well then that probably will be the position. Saudi Arabia is producing more to make up for the shortfall. But if the war did happen to extend - and I am not predicting that it will, I tend to think that it will not - but if it did, and if there was major disruption instead of just disruption from Iran and Iraq, then the world would get into a serious position. The Labor Party is the only political party that I know of in the world, in the face of what is happening in the Middle East, that is going around trying to suggest to people that they could get cheaper petrol. It is just not on.

Caller

Mr. Fraser, welcome to Perth. I wish you good luck.

Prime Minister

Well, that always helps.

Caller

Australia is a terrific country.

Prime Minister

I think it is the best country in the world, I really do.

Caller

I think so too, and people should stop whingeing. I only wish that people like the first caller would go back to the U.K., and then she would really have something to whinge about.

Caller (continued)

We can do without people like her. I have two sons and they have never been out of work because they are hard workers, not lazy.

Prime Minister

I have been saying in the last day or two that about a year or two ago we introduced cheap air fares to Britain and to Europe and to the United States. We were obviously doing it for tourist reasons, and to help people travel, and to help people go and visit relatives and friends in other countries. But I have been saying in a jocular way that it was really all part of a deep-laid political plot, because I wanted as many people as possible to see what is happening in Britain, to see what is happening in Europe, and the United States, and then they will know very well that Australia is the best country in the world, and we are much, much better off than people in most places.

Caller

I have great difficulty in believing what you are supposed to be trying to do for me. I have worked very hard since I came to Australia. Every time I see the average Australian wage, it makes me laugh. My husband and I, between us, do not earn that wage.

Adcock

What is the average weekly wage as it was last given by the Bureau of Statistics. Can you remember it Sheila?

Caller

Something like about \$200 ...

Adcock

It's \$200 and something isn't it? About \$230 or something.

Caller

No, well we don't earn that - between us. We both work hard. On top of that, I've got a teenage daughter that we have struggled to put through private school, a good education, leaves school, passes entrance exams to go into a bank - no jobs. Why no jobs?

Adcock

Well, there's the two issues there.

Prime Minister

Well, what do your husband and yourself work at then?

Caller

My husband is a school gardener, and I work for a small private firm running a warehouse.

Prime Minister

But for both those jobs there would be award wages, wouldn't there?

Caller

No. The award wage, it still doesn't add up to the average wage that keeps getting published - no way.

Prime Minister

But the minimum wage is what? About \$140, \$150?
What school did your daughter go to?

Caller

She went, eventually, the last school she was at, was Newman College.

Prime Minister

What is she doing?

Caller

Nothing.

Prime Minister

What age is she?

Caller

Seventeen.

Prime Minister

When did she leave school?

Caller

Last year.

Prime Minister

She left at sixteen?

Caller

Yes. Because we were already told that if she stayed until 18, and didn't go through university, she had to leave and apply for a job.

Prime Minister

But who told her that she had to leave?

Caller

Probably that was wrong to say that, but she was told that if she stayed until she was 18 and she wasn't going to go on through university, it was better for her to try and get a job then.

Prime Minister

Well, I would have thought that that was very bad advice.

Caller

Would you.

Prime Minister

Yes I would have. I think it is much better for somebody to be at a school a year longer or to get particular training to help to get a job. That extra bit of education can sometimes make quite a difference. We have introduced a number of special training programmes. We have introduced a number, with the State's co-operation - school-to-work transition programmes - and a very large number of people are being assisted by those programmes. If you would like me to make some inquiries for your own daughter I would be very happy to do so, and to get in touch with you about it within the next day or two to see what possibilities and openings there might be that would help, because I really think pursuing training, pursuing education, is much better, especially if you cannot get a job. But I would be quite happy to try and make some inquiries on behalf of your daughter to see if what is available, but if something is not available, I would really strongly urge that she try and get into some form of training which will give her additional qualifications which would help.

Adcock

Could I suggest perhaps, before Sheila hangs up, she leaves her name and address and perhaps phone number at the board and we will pass this on to you at the end of the programme.

Prime Minister

All right.

Adcock

Mr. Fraser, will ...

Prime Minister

I would be very happy to do that.

Adcock

All right. Sheila, if you will do that, Frank will take details of your name and address and we'll pass that on to Mr. Fraser.

Prime Minister

Could I ask Sheila where she came from?

Adcock

She's talking to Frank now and giving her name and address, so you can follow that one up then. Thank you very much for coming in. It has been a very good opportunity for you to meet the people, and I want to let listeners know that you will be on again in the morning with John Fryer, so if people did try and ring up and couldn't get through tonight, they might like to try John Fryer on 6PR tomorrow morning.

Prime Minister

Thank you very much. I have enjoyed talking - normally I would be just speaking to you from Canberra.

Adcock

That's right.

Prime Minister

I have enjoyed speaking with some of your listeners in addition tonight.