

PRIME MINISTER INTERVIEWED ON ABC RADIO (720), HOBART  
TALK-BACK (SUE BECKER)

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Compere

Welcome now to our 'phone-in programme, and we have in the studio the Prime Minister, Mr. Fraser. Good morning Mr. Fraser.

Prime Minister

Good morning. Thank you very much.

Compere

And in Sydney, Sue Becker. Good morning Sue.

Hecker

Hello John. And hello listeners. And good morning Mr. Fraser.

Prime Minister

Good morning to you.

Hecker

And thank you very much for coming on our show. I'm sorry I can't be with you, but honestly I can't keep pace with your jetsetting tours.

Prime Minister

Well, it is good to be on the show again with you.

Hecker

Right. Now, Mr. Fraser, before the listeners ring in, may I ask you one question that I think really concerns me - and I am not knocking you, I think I am really appealing to you, is that all right?

Prime Minister

Yes, that's fine. I do not know what is coming though.

Hecker

Well, it's a question I think that concerns a lot of what I call very ordinary Australians like myself. Don't you think that some of your financial policies are in danger of destroying the very structure of our nature; the family unit. A young man say, with two children earning the average wage of approximately \$200, with the meager family allowance and the rising costs in all aspects

.../?

Hecker (continued)

of everyday living, not to mention the interest rates if he's trying to buy a home, honestly make it impossible for him to make ends meet. And with the result that the mother is forced to go out and work at the expense of the family, and school leavers and uni students have found their jobs taken. This really concerns me Mr. Fraser. It is the structure of the family unit that worries me.

Prime Minister

Well, I think that concerns a lot of people. That is why family allowances were introduced in the first place. You call it a meager amount, but it does happen to be \$1,000 million a year. Also, because we were concerned for the position of single income families, we doubled the spouse rebate on the first of July - or it has been doubled now over the time we have been in office - and that made a substantial difference to all single income earners.

Becker

But income tax has gone up so much in that time.

Prime Minister

No, you are quite wrong. It has not. It has not gone up in that time, and this is something that Mr. Hayden has been saying.

Becker

No, I wasn't thinking of Mr. Hayden, Mr. Fraser.

Prime Minister

Let me just give you the facts on income tax. In Mr. Hayden's scales, when you were earning \$7,000 you paid 35 cents in the dollar. At \$10,000 you were paying 45 cents in the dollar. At \$15,000 you were paying 55 cents in the dollar. On our scales, that we introduced, you are paying 32 cents in the dollar up to a little over \$17,000. And at that level with Mr. Hayden you were paying 55 cents in the dollar.

Becker

Mr. Fraser, what about the cost of living. I mean, it has just gone up and up and up, so ...

Prime Minister

But wages have gone up by about the same amount as the cost of living, and in addition to that if you look at total disposable family income per capita, or if you look at household consumption expenditure per capita, both of these have gone up over the last five years.

Becker

But what about interest rates?

Prime Minister

It takes all these things into account.

Becker

Well, I'd just like to quote you ...

Prime Minister

Let me look at something else. If you think interest rates are high now, because we have managed the economy better than many other countries, over this last year they went to 20 per cent in the United States. They are far higher in the United Kingdom. There have been difficult world economic circumstances.

Becker

I do understand that.

Prime Minister

But I do not try to suggest that it is all easy, because I know it is not. But if you are criticising our policies as severely as you have, you have got to look at what other policies would do to Australia.

Becker

I am querying, Mr. Fraser, the single income family earner, because for instance, if he earning this \$200 a week and he borrows \$25,000 to try and get a home - and it is fair enough for a young couple to want a home - it is going to take him over a period of 25 years to pay that interest back. He is going to pay \$75,000, at current interest rates.

Prime Minister

I do not know how you worked that out. Let's assume that you have worked that out ...

Becker

I am correct on that.

Prime Minister

Well, you might be. Because if you are talking about home ownership for families with children, we have increased the home savings grant...

Becker

500.

Prime Minister

No. From \$2,000 to \$3,000. But in addition to that, record sums have been lent for home ownership over the last two or three years. It is very plain that a lot of people are building or buying their own homes. A country can only, or a Government, can only do what it is prepared to tax the people for. Now, it is very easy to offer additional concessions, but if you are going to do that and if you are not going to tax people for paying for them, then you are just going to add quite directly to inflation. But, I wanted to get back to the original point. Wages have gone up by about the same as the Consumer Price Index. Disposable family income has risen over the last five years. Consumption expenditure has risen over the last five years. And, for the single income family, which you mentioned, the spouse rebate has been very substantially increased; in fact, it has been doubled. That was done quite specifically to assist the single income family. That was done on the first of July this year.

Comper

Sue, we have a full board, I think we might put some of our listeners through to ask their questions of Mr. Fraser. The first one is Iris.

Caller

Good morning Mr. Fraser, welcome to Tasmania and good luck in the elections.

Prime Minister

Thank you very much.

Caller

As a lone parent pensioner I am grateful for my social service payments, and that I am not really up against it as are some people in other countries of the world. Could you tell me please if the six-monthly adjustment would be continued if the Liberal Party is re-elected.

Prime Minister

Yes. The six monthly adjustment will be continued. It is law. We introduced it as law, and the next adjustment of course comes on the first of November; both for the pension and there is also an increase in the allowance for children.

Caller (Dorothy)

Why hasn't the Government been more concerned about blasphemy and four letter words, violence and crude sexual exploitation on television in what is the main family entertainment. I know these matters have been raised in the Senate by Tasmanian Senators Brian Harradine, Shirley Walters, Senator Tate, and I think Senator Archer.

Prime Minister

I am concerned about some of these things, but at the same time there is a wide view in the Australian community that there should be a minimum of censorship. There have been a lot of discussions in the television area about self-regulation, about maintaining community standards. I think sometimes, the points you make are very real ones and I have a sympathy for them.

Caller

Mr. Fraser, there is nothing being done. I don't really believe that you understand the depth of feeling in the community and this is what concerns me.

Prime Minister

Well, I think I do.

Caller

Well then I think you'd be doing something more about it.

Prime Minister

Well, it is a question as to how far a Government should go in censoring what does appear on the television screens or on the film screens for that matter.

Caller

Well, for the protection of a younger generation, I feel sure that most people think that up to a certain time - 10:00 pm summer time - that it is required in family viewing time.

Prime Minister

Well again, there are many discussions in the Broadcasting Tribunal about these matters and about the programmes that are appropriate. Can I just say that I take the points that you have made to me. I will take them to heart and make sure that they are brought to the attention of the people who are involved.

Caller

I am sending you a submission Mr. Fraser, and I would be very grateful if you would.

Prime Minister

What was your name, so that I will know when I get it.

Caller

Dorothy Hawkes, Media Ethics Action Group.

Caller

Good morning Mr. Prime Minister, All the very best for the elections. Sir, I am concerned about the health services in this country; health insurance, etc. Now, I have a chronic disease. I also have an income of superannuation which is just slightly over what is permissible to enable me to have passed the invalid pension and the benefits of those things. I pay the top highest private health insurance that I can possibly get. I find myself almost on poverty line. Now, I have not heard any of the policy speeches mention any schemes to try and settle the chaos in our health services throughout this country. Have you any plans once you are re-elected?

Prime Minister

About 70% or 80% of the total costs of health go in the running of hospitals. Hospitals are under the control of the States but we pay for half the cost. Now, we have with the States established an inquiry called the hospital costs inquiry and what we are hoping is that will give us an insight how to maintain the very high quality health services that are needed for Australians, but at the same time perhaps to contain expenditure a little bit. We have of course - well, for people who are pensioners, there is full coverage for those who are eligible.

Caller

But I'm not.

Prime Minister

Others for disadvantaged people which doctors are able to count as disadvantaged, and then the bulk billing applies and the Commonwealth meets the bill on their account. I do not know if you would be covered under that sort of arrangement, but I could better judge that if ...

Caller

I'm under a private health insurance.

Prime Minister

Under a private health insurance?

Caller

Yes, yes, and they have treated me wonderfully.

Prime Minister

Well, it has been expensive, and it has been expensive largely because of the very high cost of hospital care, quite apart from medical care. This is where we are hoping that the inquiry, the Jamison Inquiry it is called, will be able to give us some help in the directions to take.

Caller

And if you are re-elected, sir, does your Government envisage any likelihood of premiums and over-payments, over and above rebates, being rebatable under taxation. Are we going back to that system or is there no likelihood of that.

Prime Minister

Well, this is one of the things we would like to do and we have looked at it. But to make health insurance rebatable, or tax deductible, would cost something like \$600 million. I know that many people put forward a strong case and argue for it. It would encourage people to take out insurance. It would encourage people to look after themselves. It is one of the matters that have been before the Government. We have not felt up to this point that we have had the resources to enable us to do it.

Caller

Would you like to comment on the reported telephone installations at both the casino and the site of the new bridge for yourself and your staff, at an estimated cost of over \$1,000. Now, in view of the fact that this equipment is to be in operation for one day only, don't you think the costs of this are rather excessive?

Prime Minister

I do not know anything about arrangements for the opening of the bridge. When I am going around I have to have adequate communications for my office. Quite apart from being involved in an election campaign, there is still administrative work to do as Prime Minister of Australia and I do have to have close and continuous contact with Canberra. So I have to carry my Prime Minister's office around with me quite apart from fighting the election campaign. That would be the reason for those telephone connections even if it is for a day. I believe that whoever is Prime Minister should be in contact all the time wherever he or she may one day be, because if an emergency occurs that requires attention, the Prime Minister needs to be on call.

Becker

I must applaud that remark Mr. Fraser.

Caller

Hello Prime Minister. Welcome to Tasmania. Two questions to you Mr. Fraser, on the same subject. For what purpose is the floating dock being built in Hobart, and with the State Government asking us to buy Tasmanian, and use Tasmanian resources, why not utilise the ATC expertise and employ Tasmanians for the job of building the floating dock instead of the Russians.

Prime Minister

Thank you very much for that question. When Mr. Lowe spoke to me about this there were other tenders that were I think just as cheap as the Soviet dock, but I think he wanted or was interested in the Soviet dock more than in the others. In recent times, only in the last few hours, I have been in touch with Mr. Lowe about this, because one or two matters have emerged which I do not think either he or I were aware of at the time. One is that there are some legal impediments. He wanted servicing arrangements so that ships that do not fish in our economic zone could come in and be serviced in the ports. Under the Fisheries Act as it is, there is not really a provision for that. Secondly, I am told now that the Russians are wanting a shore base where they would house crews and where they would change over crews. Now, Mr. Lowe had told me, as I recall, that there would be no requirement for a shore base, and that that just was not part of the deal that he was trying to arrange. I think that many Tasmanians would look with a slightly jaundiced eye at any kind of a Soviet base being established. And I hope that Mr. Lowe would too, because he agreed with me, and with the Commonwealth, that we were right to knock off the joint fisheries venture as part of our protest against the Soviet invasion of Afghanistan. So I have telexed Mr. Lowe saying that there are matters that need to be discussed between the Commonwealth and the State and that I understand that the Soviets are placing additional demands on him which might not be acceptable and which we would need to discuss - and that we need to be in communication before any contracts are signed.

Caller

Good morning Mr. Prime Minister. I would like to ask you a question about unemployment. On Willesee at Seven last Tuesday night there was the Minister for Youth - Employment and Youth Affairs - and Willesee made a statement to the effect that there was something in the region of 34 young people looking for every job in the Sydney metropolitan area. Mr. Viner said "oh well, don't look at it from that point of view, disregard those figures, look at it from the point of view that we've got more people into jobs while we've been in Government than have been for a long time". Now, my two part question is this. Firstly, if you are asking for the other side to be honest, why do your Ministers only present the side of the coin that looks most favourable to your Party, and secondly, if we are to disregard the figures put out by the Bureau of Statistics and the CBS on unemployment, why do we go to the bother and the expense of having them published in the first place if nobody is going to take them into consideration.

Prime Minister

I think that people were making the point that you are in fact making; they were making that point. I did not see the interview, but I think it would be fair enough for anyone to argue that both



Prime Minister (continued)

sides of the coin should be examined, and I agree with you that that is what ought to happen. While unemployment remains much higher than anyone in Australia would want, I think it is fair enough to point out that over the last 12 months employment has grown by over 200,000, which is in fact the best growth for ten years; and teenage employment has grown more over the last 12 months than at any time over the last 15 years. Growth in employment is very important. I am sorry to use a technical term but the participation rate - the Statistician's term - is all those people over the age of 15 who want to participate, want to be in the work force who are looking for a job. Now, over the last 12 months the participation rate rose, which meant that the number of people in Australia looking for a job increased. It meant that housewives who might otherwise have just been content to stay at home were wanting to get back into the workforce, or it could be that people who had retired wanted to get back and get another job. The participation rate rose. If it had remained the same as it was 12 months ago, unemployment would in fact have fallen by the best part of 100,000. I think that puts the performance of the last year into perspective. We have to look at the growth in employment because that does point to the underlying strength of Australian industries, their capacity to sell not only in the Australian market but overseas. If we do not have profitable and competitive Australian industries, their capacity to employ just gets ...

Caller

Yes, I realise this, but you carefully avoid admitting in public that there is also that the rate of people who are unable to get jobs is also increasing. I heard figures that just to maintain the status quo with school leavers you'd have to create 2,000 jobs this year before November in Tasmania. Your Minister is saying "oh, disregard that, just look at what we've done".

Prime Minister

Well, it is important to look at what we have done.

Caller

Yes, but not to the exclusion of what can't be done. I'm not necessarily blaming the Liberal Government for what can't be done, but you are just stating half the case that makes your Party look good. You don't admit the other side. You say "oh, disregard the figures that say there are 5.9% unemployed and 30% of that 5.9% are youths under the age of 19. That doesn't seem to come into your consideration, your Party's considerations at all. You're only stating that which makes your Party look good, disregarding the other side of it all together.

Prime Minister

Can I have a go now?

Caller

Yeah, sure.

Prime Minister

Well, I just do not accept that because if we were only wanting to state the side which made our Party look good I suppose we would say we will not publish those unemployment figures, which are in fact published. But it is important to be looking at what does in fact happen in the workforce. It is important to look at the growth in employment. That is a very substantial thing indeed. Let me look at it this way. On some figures I have had taken out, again from the Statistician, in the last year of the Labor Government, there were 150 jobs a day created. But in the last year of this Government, there have been 560 jobs a day created by productive, healthy enterprise. And that shows a very considerable improvement indeed. I do not say there are not still problems. I know quite well there are. That is why we have training programmes which are designed specifically to assist young people to try and provide additional opportunities for teenagers in particular who might be looking for work. That is why, in my policy speech, I announced a new training allowance which is designed to persuade young Australians that if they leave school and have not got a job it is much better to go into some form of training; and it is our job to make the opportunities for training available rather than be getting an unemployment benefit. 230,000 or more young Australians, and many of them young Australians, will be assisted by those programmes during the course of this year. In addition, there are a record number of apprentices in training right at this moment. I hope there will be another record intake of apprentices at the beginning of the 1981 year, because we are offering special incentives to employers again to do just that. So we do recognise the problem and we are acting on the problem. As a result of our policies, 560 jobs a day are being created; over 200,000 through the course of the year and that is the best result for over 10 years. But I do not try and suggest there are not difficulties. I know there are.

Caller

As you may be aware - or as you are aware, since you have signed correspondence on this subject - the last two lighthouses in Southern Tasmania are due for de-manning within 18 months.

Prime Minister

I'm sorry, I missed a little of that.

Caller

The lighthouses - the last two lighthouses in southern Tasmania are due for de-manning within 18 months. As a professional fisherman my particular concern is with MacSiphor(?) Island, the

Caller (continued)

only residence on the whole south coast of Tasmania. I might point out that the area has no roads and no other dwellings and the whole 80kms stretch of Southern Tasmania is only overlooked by the one residence. The point being, that in spite of your speeches on increased need for vigilance on the coast, in spite of everything else, you intend to continue with the policy of de-manning the lights, including this lighthouse as the next lighthouse to be de-manned. I consider that because of its unique situation, because of the fact that it is of extreme value to fishermen in that it provides weather information and possible sighting for distress flares, that it should at least be delayed, if not cancelled.

Prime Minister

Well, as a result of what you have said I will examine the matter and see what the position is. Does the station have your name and address.

Caller

Yes.

Prime Minister

I will write to you ...

Caller

I think you can provide an answer through the Professional Fishermen's Association of Tasmania. That would be quite adequate.

Prime Minister

I will do that, but you have raised the matter with me, so I will write to you and I will write to the Professional Fishermen's Association, and you raised it over the air so I will send a copy to the station in case they want to use it also.

Caller

I wish you every success in (inaudible). At least Australia feels safe with you. I mean, that's how I can put it best of all. I would like to ask you some questions on taxation.

Comperre

Keep it to just one.

Caller

Yes, well it's all in the one thing. Is it correct, and if it is correct, could you make it quite clear to the electorate, was it Mr. Hayden when he was Treasurer that abolished the concessional

Caller (continued)

rebate. People no longer receive the rebate for paying for their children's education or their health, or their dental care, and they receive no tax rebates for insurances to cover their children. And also, was he responsible for bringing in the tax to rob the pensioners of some of their income. Could you make it quite clear if that is true, to the electorate.

Prime Minister

He was certainly responsible for bringing in the legislation that destroyed all those rebates for people.

Caller

Well, that's what I wanted to know.

Prime Minister

And one of the things we looked at was the cost of re-establishing those rebates - and it would have been about \$1,800 million. But he had been spending the money in all sorts of other ways, and it had got committed in other programmes. We just have not been able to do so. When we have had resources to spend we thought we ought to do it on reducing the general level of taxation which was too high, and we have reduced that level of taxation.

Caller

People have forgotten those sorts of things and I wondered if I was forgetting or whether I was correct or not.

Prime Minister

You were correct. People forget very quickly I am afraid.

Caller

Mr. Fraser. Look, I'm a farmer in the south east drought area. What I want to know is, is it possible that grants could be made available to those affected by drought for say three years or longer, or failing that, low interest drought relief made available through the Primary Industry Bank, instead of the through the State's Agricultural Bank. The policies of the Agricultural Bank are too restrictive. To quote an example, when a loan is taken out they want mortgage over the property and then won't allow development, or capital expenditure, without their approval. So the net result is that we have to borrow money at normal commercial rates at 10% or 11% instead of 3% to 5% as under the drought relief programme.

Prime Minister

Well, I would be disappointed to find that State is applying measures that are too restrictive. I will certainly look into that. I recently announced some additional drought relief measures in agreement with Western Australia. I have approached all the other Premiers saying that I believe some of the provisions are too restrictive, especially in NSW, and now you are telling me about Tasmania. Because in a number of the States, the carry-on loans, or the re-stocking loans, are very very small indeed. I have recently agreed to extensions with Sir Charles Court for Western Australia. In addition to that, for properties that are in their second or third or fourth year of drought as some of them are in Western Australia, we have provided special extensions, moratorium periods, and really doing what we can to assist. Now, because I was dissatisfied with some of the measures, a week ago I got the Commonwealth and State officials together and some improvements were agreed to. But I still was not happy, and Peter Nixon was not happy with the result, so I approached the Premiers again and especially asked them to look at carry-on loans and re-stocking loans to see whether or not larger sums should not be provided. I will get a special report on the sort of thing that you mentioned and again, if the station has your name and address, if you could leave it, I will write to you about it.

Caller

I wrote to you one time on this, and I thank you for the help you did. But what I want to know is where married people, particularly in the 35-40 age bracket, are re-educated under the NEAT scheme and after qualifying cannot get a job in the area in line with their new qualifications. And because of this re-allocation provision that the local people have first hit at it in the cities, what can the Government do to help them get a job, and move and sell houses and all the rest of it to secure a suitable position.

Prime Minister

We do have re-location assistance, and I would be prepared to look at the assistance that is available to help families move, to see that it is reasonable enough, adequate. The people to go to to speak to about that would be a Commonwealth Employment Service office.

Caller

I've done all that, but the thing is they say that if there is a local applicant say in Melbourne and you were going to Melbourne, who's got the same qualifications, then they have first preference and you can't get the grant.

Prime Minister

What are you qualified in?

Caller

Accounting.

Prime Minister

And it is an accounting job that you want?

Caller

That's right.

Prime Minister

Well again, could I make some inquiries on your behalf? Are you from Hobart?

Caller

No. From the north west.

Prime Minister

From the north west?

Caller

Yes.

Prime Minister

Well again, if the station has got your name and address, could I make some inquiries on your behalf and what employment office have you registered with?

Caller

All the State ones - Melbourne and Adelaide.

Prime Minister

All right. Well I will make some inquiries and I will be in touch with you.

Compere

Thank you, and that was our last call. Sue?

Becker

That's the last question. Mr. Fraser, there's just something I'd like to say because I am a little bit nervous when I am talking to you, especially by telephone - I prefer face to face. I meant to applaud your reply, and not the question, to the lady who asked about communications. I can't imagine anybody quibbling over a Prime Minister setting up communications.

Prime Minister

Oh well, thank you very much.

Becker

And I applauded your reply.

Prime Minister

I'm sorry I make you nervous. I did not think I did.

Becker

Yes, a little bit. Just a little bit, but I am a fan of yours. But I have to be impartial on this programme. I would just like to ask you Mr. Fraser, to keep your attention if you can amongst all your business on the Russian docks, because as that lady said a lot of Tasmanians are very very concerned about this.

Prime Minister

Well, I am concerned now because I think the Soviets are trying to put conditions on Mr. Lowe which I believe most Tasmanians would find quite unacceptable.

Becker

Yes. And there is a great amount of feeling on it.

Prime Minister

The idea of having a Russian enclave on the river, where they would be housing their crews and all the rest ...

Becker

Frightens us.

Prime Minister

I just do not think that people want it.

Becker

No. I always - no, I can't, I'm sorry. Mr. Fraser, when the election is on, are you going to put your feet up and breathe a sigh of relief when your blanket is on the media?

Prime Minister

On the Saturday or on the Sunday?

Becker

No, the two days we have the blanket on the media.

Prime Minister

Oh no. The Friday is one of the busiest days I have, because then I go back down to my own electorate. So I go to Stawell, I go to Ararat, I go to Portland, and then I have a meeting with Henry Bolte in Warrnambool that night. Then on the Saturday I go around the polling booths in my own electorate - which I have in every election, and this is my 12th election; I just go around the polling booths and thank my own helpers, the people who are handing out how to vote cards. I have always voted at Nareen, which is a very small polling booth where 80, 90 or 100 people cast their votes in the course of the day, so there is just a bit of tradition attached to that. But they still are two very busy days.

Becker

You rather thrive on it though, don't you?

Prime Minister

Well, it keeps you going and it is always interesting to know what people are saying and know what people are thinking. You get unexpected results sometimes. Today, most of the phone calls that came in seemed to be very supportive. Other times you get attacks left, right and centre, and then sometimes you get questions (inaudible) to anything at all that might be appearing on radio and television, or in the newspapers. People just have their own concerns. They are not necessarily anything to do with Government. They ring you up about those. I always like to know what people are thinking of, and I like to know what their attitudes are. An election period, I think, crystallises all these things.

Becker

I don't think I am as frightened of now. Would you agree that politics, like showbusiness, is utterly, utterly ruthless.

Prime Minister

I think it is. Is showbusiness as bad as that?

Becker

Yes. Stabs in the back all the time.

Prime Minister

I think it is a pity. Somebody once said that it is not where you end up in life that counts, it is the way you walk through life.



Becker

How true.

Prime Minister

I think if a lot more people could think of it that way because it is the way you go through things, the way you behave in your just normal, daily attitudes to the people you meet.

Becker

And you are such a family man, that is why I was concerned for the lower income family, Mr. Fraser.

Prime Minister

I am too.

Becker

I know you are.

Prime Minister

I cannot fabricate wealth of this country. I cannot pluck it down out of the sky. What I can do is to create the circumstances where Australian industries can do better, can sell more, and can employ more and create greater real prosperity for all Australians, but I cannot say this exists by plucking it out of the clouds, because politicians have done that too often and it just does not work.

Comper

Mr. Fraser, thank you very much for coming in this morning.