

PRIME MINISTER

PROGRAMME :

The Sattler File, 6KY (Howard Sattler)

SUBJECT

Prime Minister's First Year in Office

DATE

Monday 5 March 1984

SATTLER:

Well today it is appropriately Labour Day in Western Australia, we're on holidays but at least two people aren't - yours truly and Prime Minister Bob Hawke and he certainly wouldn't be because today he is celebrating his first twelve months in office. Good morning Mr Hawke.

PM:

Good morning Howard.

SATTLER:

Congratulations.

PM:

Thank you very much indeed

SATTLER:

Well if you liked your job when I talked to you - and I think it was around the middle of last year - about it, how do you feel about it now?

PM:

Well I like it even more. I've been able to I think settle in well and you've got the satisfaction of seeing it working.

SATTLER:

Well I do detect a few more grey hairs. I wonder if that's a symtom of the worries that go with the job?

PM:

No. I don't think so. It's just the natural ageing process, but the important thing is I've still got them Howard.

SATTLER:

(Laughter) Luckier than most! Your popularity is in no small way due to your association - I would suggest - with major sporting achievements over the year. You were at the America's Cup celebrations in Perth; Davis Cup tennis final which we won; your Australian cricket team's victory was the only one in the one day series over the West Indies; now who deserves the credit for those appearances - you, or your publicity people?

PM:

Oh it's got nothing to do with my publicity people. You know that ever since I've been a small boy I've been a sports fanatic. But not just a watcher—a player. Over there in Perth I played first grade cricket with the University for about six years. So my personal involvement in sport has been a very important part of my life right from my earliest days in Perth, Howard.

SATTLER:

Are you concerned that the polls show that you're much higher than the whole Government, and I'm wondering whether that's a healthy reflection of Australians' penchant for voting for the leader above his party?

PM:

Oh well there are two things to say about it. Remember that the voter support for the Government is higher, I think, than it's been just about for any other government at 57 per cent—a very high and healthy figure. But I suppose it's inevitable the way the media tends to concentrate on the leaders of parties that there be a bit of a difference between the leader and the party. But the

important thing in respect of the Government is it's at a very high figure.

SATTLER:

Have you consciously adopted a high media profile?

PM:

Oh no. I've always regarded it as an obligation since I was President of the ACTU to be available to the media and to put the point of view of those whom you are representing and to be available to their legitimate questioning. I think you know that that was a characteristi of my ACTU presidency and I think it's a responsibility that carries even more say with this position.

SATTLER:

Of course you've got to weigh that up against the commitment to pouring over the reams of paper work in your office, don't you?

PM:

Well they are not alternatives. I get everything read. There is no submission that goes before the Cabinet or the Cabinet Committees that I haven't read. I think if you check with my officials - I'm assiduous in that respect.

SATTLER:

Have you done a speed reading course somewhere along the line?

PM:

No not a speed reading course. I just... I can read fairly quickly. I mean I've taught myself to do that over the years.

SATTLER:

How do you rate yourself as a parliamentary performer, say compared with the people we regard as the best of them - Menzies and Whitlam?

PM:

Oh I don't know. I think it's for others to judge. I think I do

reasonably well there. Although I just...I must say this that I think that the political commentators over the years have tended to get a quite distorted view of the relative importance of what happens in Parliament as far as the political scene is concerned. It's natural enough that parliamentarians and the Press Gallery because they live fairly incestuously there together in a small environment think that that environment in which they live together is where it all happens—what it's all about. It's never a view that I've shared.

SATTLER:

Does it really matter whether you're a better orator than your opponent in the House?

PM:

Oh it is important to be able to get on top of your Opposition and your opposite number. We've been able to do that relatively easy in this year.

SATTLER:

You created some waves that you would be aware of back in Australia with you speech in Osaka about the necessity to restructure Australian industry - most concern, naturally, was for jobs that could be lost in the short term - now could you briefly explain your concept about restructuring?

PM:

Well Howard first of all to talk about causing waves, of course that's not really true. What was caused was a little bit of noise from a couple of quarters. The fact is that the trade union movement, for instance, has endorsed absolutely what I said as has business and all, I think all economic and financial commentators. Now what you ask me - what have we got in mind about economic restructuring - well of course you'd need a couple of hours to explain it in detail. Let me simply make this point. At the end of the 1960s manufacturing industry provided about 28 per cent of all employment in Australia. Now it's more like 18 per cent. In other words that in these last

decades more change has been taking place. It's been taking place in a way which hasn't been really for the overall good of Australia it's happened in a pretty traumatic, hurtful sort of way and certainly not in a way which has been planned or intergrated, or most likely to best use our resources. Now what I'm talking ' about is that we've got to have a position where Government in consultation with industry and trade unions plans for change, so that we can create a structure of industry here which is going to be most able to - as I put it - immesh Australia in with the region of Asia, Pacific rim, Western Pacific rim which is the fastest growing economic region in the world today and is going to be - as far ahead as we can see. Now we're part of that region so the sensible thing is to try and make sure that we have a structure of industry here which is going to be best able to be export-oriented in to that region and which enables, also, imports to come into this country from those regions, from the countries of those regions in return for what we'll be selling to them. Now those sort of things are not going to happen by accident. And when you are talking about restructuring you're saying, therefore, that some industries that we've got will have to be strengthened it makes sense to strengthen them - others will gradually have to change and not take so much of our resources and we will have to build other new ones. Now that's going to mean, Howard, that - as I've put it so often - if we say that this sort of a judgement is necessary in the community interest, as it will be, then its the community that has got to help to bear the burden of the cost of change. We can't just say to some men and women, or some capital that's employed in a particular industry, 'well, you've got to run down a bit because that's in the interest of the community'. The community has got to be prepared to have systems in place like retraining schemes for labour, relocation assistance, incentives for capital to go into new industries. The community as a whole, via the Government, has to have thosesort of systems in place to help and assist constructive change. Now in broad terms that's the pattern of what I'm talking about. The thing I'm happiest about is that we've really now jumped the hurdle - that people, I think, now understand that these things have got to happen - the question now

is how we work together to do it.

SATTLER:

What's the alternative if we don't?

PM:

The alternative is disaster. Let me put this to you: as things stand now with the rapid rate of growth in Singapore that's been taking place, by about 1990 - which is not a long time away - that Singapore which Australians have tended to think about as that, oh that little place there, a few people, where you go and they've got all these duty-free shops and you can get cheap goods - have tended to think pretty derogatively of it. By 1990 with the relative rates of growth that are going on their per capita income will be as high as Australia. Now we shouldn't be frightened about their increase in income, but what we should be frightened of is that Australia is relatively - by not taking advantage of its own resources - falling further behind and we will. If we don't make these decisions so that we are going to part of this great growth in this region then it will grow without us. got the great challenge and opportunity of growing with it, of contributing to their growth and ourselves benefitting from it. We can do that.

SATTLER:

The deficit: that was your biggest headache, I'd suggest, last year. Are you satisfied that your plans to reduce that are now in hand?

PM:

Yes I am. We won't get the detailed figures until later this month, Howard, but I am fairly confident that we're going to be able in this next financial year to further reduce the deficit. And I hope to be able to do that also in the context of some reductions in taxation.

SATTLER:

We're all looking forward to that.

I bet we are. (Laughter)

SATTLER:

What hiccups can you see along the way to leading this country out of recession?

PM:

Well obviously we are dependent to some extent upon what happens The United States economy is fundamentally important for the rest of the world - the rest of the democratic world in particular - and the big question mark in a lot of peoples' minds is whether the recovery that is still surging on in the United States is going to have the degree of durability which will mean positive impacts upon us through prices for exports and so on. Now that's, therefore, something that we've got to in our whole calculus say there's therefore a question mark. But as far as our own internal affairs are concerned and as far as the decisions that we can take in regard to our region that I've been talking about - I am confident about all those things. I think the Australian people have responded to this Government and our leadership, that they are co-operating more together - in the industrial disputation area lower level of disputes than in the past 15 years. The economic growth is coming back, jobs are growing. So we can do it out of own resources and our own attitudes; they are right now I think. And our relations with the regions are better than they've ever been. So, no hiccups in regard to the factors over which we can exercise our own control. The only thing that - I repeat - you've got to have some sort of question mark about is the United States. But I have somewhat more confidence about that than perhaps we may have had a few months ago.

SATTLER:

During the past couple of weeks you've stepped into two areas of controversy; medicare and also the pensioner assets test. I'm wondering why you personally became involved?

Well let me say this that I think there is a great exaggeration about the problems coming up at the conference. The facts are that the clear majority of Labor supporters are thoroughly behind the Government and they are not going to want a Labor Conference doing anything which is going to make it unnecessarily difficult for the Labor Government to do its job. In regard to the areas that you talked about; I don't see any great problems. There'll be some there, for instance, on uranium who would not be happy with the Government's decision. But I believe the Government's decision will be endorsed. The fact is of course that this Government in twelve months in office, Howard, has done more to implement basic Labor policy than any government in the history of this country in the same twelve month period — similar in a twelve month period.

SATTLER:

Eventually do you have to endorse Labor policy which is decided at that conference?

PM:

No. The conference said at the last occasion by way of resolution that the primary responsibility of the Labor Government is to restore economic growth. That's its primary responsibility and then it's a matter for the Government to determine priorities in the rate at which effect is given to particular policies. Now that seems to be an imminently sensible thing for the conference to have said and we've acting accordingly.

SATTLER:

You told me last July that you missed being able to mix with friends - you just didn't have the time - I'm wondering has that changed since you've been Prime Minister?

PM:

No it hasn't. It's still something that you miss. But I knew it was part of the job and, you know that's it. I've never been one to lament about things that you can't change. Though it's

got many other compensations Howard.

SATTER:

What about Mrs Hawke because she - I'm pretty sure I'm right on this - has already had to give up her Melbourne home to move to Canberra with you.

PM:

Oh no. It wasn't a question of having to give up the Melbourne home to move the Canberra. I mean she has been with me all the time of course, but the question of the Melbourne home was simply that we were not getting down there that frequently and it involved a cost of guarding the place. They have to have police guards over the homes of Prime Ministers. It involved the best part of a quarter of a million dollars a year to guard a place that we were there, you know, really only relatively a few days of the year. So, we felt we couldn't justify that so we've leased the place.

SATTLER:

Was that a bit of a wrench?

PM:

Oh yes it is in one way, but look, don't let me sort of overstate it. We are extraordinarily happy. The Lodge is very comfortable. We have a beautiful official residence in Sydney - when we're in Sydney - and when we're in Melbourne, we stay in a hotel and it would be quite stupid of me to suggest that we are suffering. It is not...we are very comfortable in that sense. Obviously when you have to lease your own home, I suppose there's something - a bit of a tug in there - but I don't exaggerate that.

SATTLER:

Has she redecorated the Lodge?

PM:

No. Not redecorated. We've changed some pictures, paintings which we...we simply have got more of what we prefer now. But, no, I don't

think it's a time for, you know, massive expenditures in areas like that.

SATTLER:

In the future has she got a few plans?

PM:

Oh she may have down the track, yes, but we've never been ones for, I think, great ostention in our lifestyle. We've been able gradually as we've got older to live more comfortably. But, you know, the Lodge and Kirribillee here in Sydney, are...if people are not satisfied with the comfort and the context and the atmosphere of these places well I don't know what would satisfy them.

SATTLER:

Let's just end up on political election talk if we could. You, when you were in Opposition and your colleagues, fairly well criticised Prime Minister Fraser for fuelling election speculation. There's been a lot of talk about the next Federal Election. Can you tell me when it's likely to be and what criteria you are adopting to make that decision?

PM:

Yes. Let me be quite clear about that. What has happened...by Mr Fraser's decision to call the double dissolution election last March it threw out of kilter the elections time-table with the House of Representativesand the Senate. Now under the Constitution, Howard, we must have a half-Senate election now by about May of next year because the Senators have to...out of that half-Senate election, have to take their place by July of '85. So there's got to be an election right around Amstralia for half the Senate. Now in the past, on 22 occasions that there's been half-Senate elections, they've had the House of Representatives out as well. Now what I'm saying is that it seems to me to make sense that because we've got to have the half-Senate election we should have the House of Representatives election with it and what I'm thinking

of is that at the same time we would put a referendum proposal which would ensure for the future that elections had to simultaneous, so that there wouldn't be any possibility ever in the future of having this multiplicity of elections. Now that seems to me to make sense and it would be in line with what's happened in the great majority of occasions in the past and we'd be able to guarantee the people of Australia forever into the future no unnecessary election.

SATTLER:

You made the point that Australians don't like going to the polls in winter time, so is it fair for me to speculate that sometime between December and March next year, December 1984 that is, there will be a Federal Election for the House of Representatives?

PM:

Quite openly that if you're going to have the Reps and the half-Senate together and you've got to have the election before May of '85 that that sort of period you're talking about seems to be the appropriate one. Now once we've worked out what we think should happen we'll let the Australian people know. There won't be any uncertainty about it. It seemed to me...I've had the obligation to give this sort of outline that I have and, then that's the first thing, then secondly when we're close to making the decision we'll let people know so that things can go along their normal course.

SATTLER:

You'll give us plenty of notice will you?

PM:

I sure will. None of that sort of business we had to put up with last year.

SATTLER:

Just finally, personally, what's the first year been like for you - Bob Hawke - for you alone?

PM:

Very, very satisfying. And it's given me a sense of identity with

the Australian people - I suppose one that I've always had - but it's a sense of identity even more, if you like, concretely from being able to do things and act I think in a way which I hope meets the aspirations of the Australian people. It's a good feeling.

SATTLER:

What do you want for the next twelve months?

PM:

Continued growth and more opportunities, more employment so that there is more Australians that are going to be able to work and that all Australians are going to have a happier life. Howard I've got to go now. Thank you very, very much.

SATTLER:

Thanks very much Mr Hawke. It's Labour Day over here in Western Australia, so it's a rather appropriate day to be talking to you about your first twelve months.

PERTH

5 MARCH 1984