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PRIME MINISTER

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JOURNALIST: Mr Hawke what would happen in the event that the Legislative Council of Western Australia rejected the Burke Government's aboriginal land rights legislation. What steps would your Government take?

P.M.: Well it's quite clear from the statement that Premier Burke and I have agreed upon that we have basically common positions and I think that the people of Western Australia can see now that the fear campaign that has been engendered by our Liberal opponents that, alright Mr Burke has worked something out, he would do that and we'd come in over the top of him, is baseless as are most of those campaigns that they have been adopting on any issue that you like to talk about. Now I am not intimately acquainted with the pressures that have been put upon Mr Hassell. Let's just look at those. Does the Federal Opposition embrace completely Mr Hassell's position of opposition to any legislation. Or does the Federal Opposition agree with the position of the miners that this is a reasonable approach. So it's completely hypothetical as to what the Legislative Council will do and what part the Federal Opposition will play in it. Have they completely repudiated the position of Mr Fraser, the principal position of the Liberal Party, in favour of some form of legislation. Now if you do get the position where at some stage the influences are such that any legislation is rejected I would imagine that what the Government of Western Australia would want to happen would be that they would say well, look, in your consultative processes that you are going to undertake in the period after the election we would like to be part of those, as we have been to this point, so that what you may do would reflect what we would have done if we'd been allowed to implement the legislation which reflected the wishes of the State Government of Western Australia and the interests which we, the State Government of Western Australia have consulted.

JOURNALIST: Why shouldn't Aborigines regard this as a sell-out?

P.M.: Well they shouldn't regard it as a sell-out for the obvious reason that what Mr Burke is proposing is something infinitely better for them than anything they've experienced in the past. And I think it's critical that we get to this point. I have never taken the view, nor I doubt have many people, that you equate land rights with the question of an absolute right of veto. Now Mr Burke has made quite clear that there's not going to be that right of veto in regard to exploration or mining, but that there will be an apparatus created whereby the Aboriginal community would

P.M. cont...: have the right to put to positions, to argue their case. Now the second point that needs to be understood is this - and people who've been discussing this issue without a great deal of knowledge seem not to understand the point - and that is that the overwhelming majority of Aborigines in regard to the overwhelming majority of claims for exploration and mining, favour them. The Aborigines are not against mining. And the evidence shows that. They see that there can be, if properly controlled, there can be significant benefits for the community as a whole including themselves. So it's no point in approaching this issue of land rights from the standpoint of assuming that the aboriginal people are against mining. They are not.

JOURNALIST: Mr Hawke are you going to remove, in view of what you've said, the veto from the Northern Territory land rights legislation?

P.M.: What we have said that in respect of the Northern Territory and the other States, we will continue to have consultations with them. But I've made it quite clear in the discussions I had with the Aboriginal Steering Committee in Canberra and in the discussions I had with the Northern Land Council in Darwin earlier this week what the general position of the Government is. And that is that we don't believe that the right of veto is an integral part of having effective, fair and efficient land rights legislation. Now in respect of the Northern Territory they know that broad position and we'll have consultations with all parties including the aboriginal people there in the light of the position in the Territory, how it's worked there. Where they have said to us themselves that they recognise that in a sense there is a limitation on the right of veto because the national interest provision applies. So there is no absolute right of veto in the Northern Territory.

JOURNALIST: Mr Hawke is the Government still committed to national land rights legislation on uniform principles and the principles laid down by Mr Holding last year and do you think you can still meet the timetable of legislation in the first quarter of 1985?

P.M.: Well, we've never said the first quarter of 1985. The Parliament will resume perhaps for a brief meeting after the middle of February of 1985. So no-one's suggesting that you're going to have legislation in the first quarter of 1985. But going to the substance of your question. I think what is quite clear from the joint statement of Premier Burke and myself is that the Federal Government on behalf of the people of Australia is accepting the obligation imposed upon us by the people so overwhelmingly in 1967 when they changed the Constitution. So that we will accept the responsibility of seeing that there does come into existence in Australia legislative provisions which reflect common principles. Now, of course, what Government's have done in the past in other areas is - that's Federal Governments - have said well we'll look at what exists in States and if what exists in States meets those principles then your legislation, your Federal legislation will acknowledge that. It will not seek to go over the top of it if that legislation in its form has met those principles. So you can get a commonality of principles in Australia without having Federal legislation going over the top of State legislation which meets those principles.

JOURNALIST: So Federal legislation might not be necessary, you could have a series of State Acts?

P.M.: You could have that but you would have legislation which would contain the principles and say within in - now it recognises that those principles are met by such and such piece of legislation. And that's happened in other areas. And I think the fact that Western Australia has gone so far down the path of considering this issue and addressing particular problem points, if you like, and that we've been able to say with Premier Burke that his principles are compatible with our approach, indicates the way in which this can be done. If I may make this general point because it is fundamental to all the questions that you've asked. And I just ask your leave to make this point because I think it's relevant. What I have been saying for some time and I repeat here at this Conference, that if we are as Australians going to have the people of Australia reflecting now some 20 years later the desire they expressed overwhelmingly in 1967, if we're going to have that working effectively we've got to have an acceptance by the majority of the Australian people that what is being done reflects their wishes and desires. That is, that there be a federal responsibility and obligation in this area. But it be done and accepted in a way which is going to last and be durable. The worst thing that could happen for the Aboriginal people of Australia and for the Australian community is that there should be imposed unilaterally from Canberra some position which is not accepted by the majority of Australian people in giving effect to the wish they expressed in 1967 for a national position. Now I have said with confidence consistently that I believe we can get that position. And the events of recent times here in Western Australia, now culminating in the joint statement of Premier Burke and myself, give justification for that confidence that I've expressed.

JOURNALIST: Mr Hawke in taking this decision have you adhered to the letter of the resolution on land rights adopted at the Party's Federal Conference?

P.M.: I believe that what we have done here is consistent with the Federal Party position.

JOURNALIST: Mr Hawke do you think this position meets the aspirations of most aboriginal people?

P.M.: I think it meets the aspirations of most aboriginal people. Quite clearly there would be some spokespersons who may have preferred something different. I have no doubt that there are some spokespersons who would say an absolute right of veto is desirable or necessary. Well I have fronted up the Aboriginal steering committee quite directly and honestly and said I do not see that as an integrally important part. What is important is that we never again in Australia have a position where there is not an opportunity for the aboriginal people to express a view about exploration or mining or not, where they can just simply without some apparatus have a position imposed upon them. The

P.M. cont...: other point, of course, which Mr Burke and I recognised, that in respect of legitimate sacred sites that in that area - and the mining companies themselves accept this - that there is no question in respect of sacred sites, legitimate sacred sites, of going into that area. The mining companies accept that that is a separate and, if you like, sacrosanct area. There is no dispute between the mining companies and the Government on that point.

JOURNALIST: Prime Minister to what extent do you think the Federal Government should accept responsibility for educating Australians on land rights. And why is it that most of the \$600,000 set aside for the public awareness program remains unspent?

P.M.: Well let me go to the first part. Yes, I do believe that the Government has a responsibility on this. And in our way we have been doing that. The Minister and I have been engaged in discussions and consultations with interest groups and I think that is the first area. The mining companies and the farmers - they have had concerns and so we've been talking with them, as has Premier Burke. And out of that consultation process I believe that there has been a considerable degree of education in the areas where it matters. Now as to the program and process of the expenditure of the amount of money to which you refer, that is a matter for decision by the Minister and I have no reason at this stage to feel that the appropriate processes have not been followed.

JOURNALIST: Mr Hawke, Mr Burke himself believes that up to five Federal seats could be at risk on the land rights issues on December 1. Do you think the agreement between the State and Federal Governments on this issue may alleviate that situation?

P.M.: I don't think he believes that now. I think that in that period when, if you like, the fear campaign was running at full tilt that there may have been some basis for the fear expressed by Premier Burke. But what he has done, and with my assistance, is to talk with the groups concerned. Those campaigns have been taken off because there is a recognition that there is a capacity to reconcile the legitimate rights of the aboriginal people with the legitimate concerns of miners and farmers that the economic development of Australia should not be improperly impaired. Now we have been able to reach an honourable and constructive resolution of these various concerns. And that should be, and is I believe, a matter of great comfort to the people of this country. They have had enough of unnecessary confrontation. It was unnecessary confrontation engendered by the conservative parties in this country which brought Australia to its economic and social knees by the beginning of 1983. We have brought an end to confrontation by sitting down and talking with groups, trying to reach consensus. And that's what the Australian people want, that's why they have confidence in this Government and why they will renew with an increased mandate the confidence in my Government on 1 December.

JOURNALIST: Prime Minister, can we go to another issue. If the family home is going to be excluded if a capital gains tax was brought in, why is there a need for a new capital gains tax?

P.M.: Well I'm not saying that there's a need for a new capital gains tax. You see this is what ought to be quite clear. I have not asserted that there is a need for a new capital gains tax and you hit a very relevant point. People seem to operate on the basis that there is not in existence a tax on capital gains. It exists in two respects. In 26(AAA) of the existing legislation there is a position that if there is an acquisition of a capital asset and it's turned over within twelve months, then that attracts tax at the normal marginal income tax rate which some people would say is excessive. And under 25(A) of the legislation there is also a tax on capital gains if the asset in question is deemed to have been acquired deliberately for the purposes of turnover. Now the argument that exists across the political spectrum, not only in the Labor Party, but in the Liberal Party large sections of which say that a capital gains tax is inevitable, is whether there is any need to add to those instruments. And particularly whether there is any need to add those instruments to give Government on behalf of the people of Australia a proper armoury of weapons against the tax avoidance industry. Now it's precisely that sort of discussion which we will have stimulated within the community after the election so that the community can express the view as to whether the existing capital gains tax is efficient, whether it operates at too high a level - because it operates now at the normal marginal tax rate of those involved - whether in fact there may not be an argument for a lower rate of capital gains tax within the existing system, or whether there needs to be some change to make sure that the tax avoidance industry is not allowed to flourish through the absence of some other provision. But in all of the existing tax on capital gains, which has been there for many years, there has never been and will never be as far as the Labor Government is concerned, any tax on the private home. There never would be. We can say that, the Liberals say nothing about what their capital gains tax system would be.

JOURNALIST: But Mr Hawke on that point by stressing the existing capital gains provisions that are there are you (a) trying to shift emphasis and (b) do you believe that this issue is causing you political harm.

P.M.: No it's certainly not causing us political harm because there is a distinct awareness in the Australian people that when it comes to tax you can't trust the Liberals. You can't then for these reasons. You can't trust them because they allowed the tax avoidance industry to flourish which cost the ordinary average Australian taxpayer over the years billions of dollars which imposed more tax upon the ordinary taxpayer. So they don't trust them for that reason. They don't trust them because in an election campaign they make promises about taxes and their tax policies and then change them after the election. And thirdly, they don't trust them because in our history there has been no

P.M. cont...: parties in Government like the Liberals and National Party which have found new taxes to impose upon the people without consultation. So they don't trust them and rightly don't trust them. And I've made it quite clear that I hope that for every day from now until 1 December the question of taxation is up at the forefront of debate. On Monday Mr Peacock and Mr Howard will bring down their tax policy and we will annihilate them on tax including on the question if they want to talk about it, a capital gains tax. I look forward to it being at the forefront of debate from now until 1 December.

JOURNALIST: Prime Minister you've outlined two qualifications to any capital gains tax if one were to be introduced. And this morning on radio you said that consideration had been given to the subject. Can you tell us about the circumstances of that consideration.

P.M.: It's a matter of, and you ought to be aware of it, it's been a matter of debate within all parties. Our debate that's taken place has been open. But what I'm saying is that this Government has got no work underway at all in respect of any new taxes. And most importantly, as distinct from our opponents, I have made the undertaking which I repeat here, that under our taxation review there will be no increase in the general level of taxes. You see the people of Australia are able to look at us now in Government. We've had two Budgets. And we have reduced the Budget deficit by virtually \$3 billion in our two Budgets and we have done that with a tax cut, which will take effect in a few days time, a real tax cut significantly beyond tax indexation. This is the first time, for very very many years, that there has been a real tax cut. Let me give you the figures. If we had merely given a tax cut which reflected indexation, the full year cost of that would have been \$1.3 billion. The full year cost of the tax cuts which the Australian citizens are about to enjoy is \$2.1 billion. In other words a significant real tax cut. And I promised the Australian people that when we go into the next Budget, and in the context of the tax review that we'll be undertaking, there will be no increase in the general level of taxes and we will further reduce the Budget deficit. So those are the facts. Only under Labor are real tax cuts, a promise of no increase in the general level of taxes and a promise to consult with the Australian people as to what sort of tax system they want which will meet what they desire and are entitled to. That is a system which meets the two criteria of fairness and equity and economic efficiency. Our record is clear and clean. It is unprecedented in giving real tax cuts and against that they have the record of fraud and deception of the Liberal National Parties.

JOURNALIST: Prime Minister today's Gallup Poll shows Labor 20 percentage points ahead. Do you fear that you have ... too early and are you taking any steps to counteract that danger.

P.M.: Well I think you refer to the fact that we've gone up to 56 and the others are at 36. There's no politician alive that I'm aware of who doesn't like an increase in their rating. I think if you asked Mr Peacock, for instance, whether he'd like to do a swap you know what the answer is. Now I have said, Peter, right from the

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P.M. cont... word go when, as distinct from my conservative predecessors we've come clean with the people and said there's going to be an election, we're not playing around with dates, I've said we are not going to rest on our laurels. We are going to conduct a hard, continuous campaign. We're going to do for the Australian people what they are entitled to. That is we'll go to them on these things. We'll go to them on our record, show what we've done, what we've achieved. And we'll contrast that with the abysmal performance in Government and in Opposition of the Liberal and National Parties. But more than that, and this is where I think the Australian people see merit in the position that I and my Government adopt - we are not merely frittering around with little issues which are concerned with trying to create fear and dissension and take Australia back into that abysmal period of confrontation which brought Australia to its knees. We have been in Government and are now addressing ourselves to the sorts of issues and decisions that need to be taken to capitalise on the turnaround of this economy from stagnation to the fastest growing economy in the world. We're saying, well that's good because we've done that together. But what are the sorts of things that we have to do to build in the medium and longer term upon that success. And it's because the Australian know that we are making decisions in those areas and that we are directing their attention and thinking to those points that I believe we can hold the approval that we've got. We will not be resting on our laurels. But we will not be insulting the intelligence of the Australian electorate by thinking that they have only issues in their minds which go back to the period of confrontation, of setting Australian against Australian. We'll be talking about the real issues which are of concern to them and their children, making a more secure and better Australia into the future.

JOURNALIST: On tax ... as Prime Minister you don't take responsibility for the decisions of the Whitlam Government. Why should Mr Peacock take responsibility for decisions of the Fraser Government.

P.M.: Because he was a Minister ...

JOURNALIST: Mr Keating was a Minister in the Whitlam Government.

P.M.: Mr Keating was a Minister for 6 weeks in the dying days of the Whitlam Government. And even you, Greg, I would think would be able to see the distinction between Mr Keating being a Minister in the dying days of the Whitlam Government and Mr Peacock who was a Minister throughout that period. Now not once did Mr Peacock in Government express any opposition to those policies. But, and I'm very glad you asked the question, there did come a time in the period from '76 to '83 when Mr Peacock did express some opposition. But it was after he ceased to be a Minister. It wasn't in regard to tax policies, he didn't dissociate himself from all those policies and deception and fraud of the Fraser Ministry on the areas of tax.

P.M. cont...: But when he had his fight with Mr Fraser about the leadership and went and sat on the backbench, he did then express a Peacock view about an issue of importance. So we can look at Mr Peacock and say what is it that Mr Peacock really thinks about an issue which is before the Australian electorate now. And that's on the issue of assets tests. Because he then spoke as Mr Peacock saying what he believed. And he said in the Parliament and at the National Press Club that he believed in means testing of social welfare payments. He said a Government must show courage in facing up to this issue. Now that's what Mr Peacock believed. It's presumably what he believes now. But unfortunately the courage has run out.

JOURNALIST: Prime Minister, about an hour ago Mr Peacock said he'd like two debate.

P.M.: Oh, two debates. Does he like two debates. Well he's had more than two debates in the Parliament, he's a tiger for punishment.

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