



PRIME MINISTER

E & O E - PROOF ONLY

TRANSCRIPT OF INTERVIEW WITH LAURIE OAKES - 11 OCTOBER 1985

OAKES: Prime Minister, how badly do you believe you have been damaged by the Bicentennial row?

PM: Not at all. I believe the explanations I have given in the Parliament show that I have acted honourably and appropriately. And I always make the judgement about politics, Laurie, that the Australian people have a much greater capacity to get their priorities and their perspectives in order than does a bedraggled and increasingly incompetent opposition.

OAKES: But don't you think some people might have had their illusions about you shattered a bit. I mean you haven't come out of this as the world's greatest administrator.

PM: I conceded openly when I first spoke to the Parliament that it may have been wiser if I had looked at the composition of the settlement earlier than the 10th of September. But I have said that if I made a mistake there it was a mistake of trusting what I had been told by the Chairman of the Authority.

OAKES: Do you concede that you should have made more checks and sought more advice?

PM: With the benefit of hindsight, which unfortunately none of us have by definition at the time, then we may be able to have done something. But, of course, what you have got to remember is that by the time I received the letter on the 28th of August seeking approval, which under law I couldn't give, the deed of settlement had already been signed five days earlier. A remarkable situation.

OAKES: But the truth is that if you had acted earlier you could have stopped this payment and the subsequent row wouldn't have occurred, there wouldn't ... recover the money.

PM: You say if, if, if. I would have had to have adopted a different judgement about the previous Chairman than the one I did. The judgement I adopted was that what I was being told represented the position as it was. That there was essentially a contract to be bought out which would involve an amount of the order that emerged. It turns out that that wasn't the case. Now, of course, if one had known the position as it was put to me was not accurate one would have done different things.

OAKES: But it is not just the Chairman. It is also your own Department that you say misled you?

PM: Well what has emerged in regard to the Department ^{was} is that they became aware, I think they are now saying, on the first of October, the file on which this existed, not the file by the way, which said in Senate Committee report that had been attached, said was attached to the minutes of the first Board. They are saying it wasn't. They found it subsequently in another file. But they found it on the first of October apparently.

OAKES: And what do you think of your Department after that?

PM: It is not a question of what I think. I think I have conveyed to them that I agree with their assessment that they were considerably less than ept.

OAKES: Whether it is the fault of the former Chairman or the Department, you are the responsible Minister and you have got to carry the can. Has your image suffered?

PM: I don't think so. You have got the position where when you are told that a contract is not available, and it is not available because they have been given the impression from the Authority that it is not available on the grounds that this is a personal document between the Authority and the person. And that is what they tell you. I don't suppose it would be regarded as a sensible use of Prime Ministerial time to go over and try and comb through 800 files.

OAKES: No, I concede that. But are you aware of the criticism around the corridors, including among Caucus members, that this has shown up a flaw in your make-up as Prime Minister, if you like, that you are not an administrator.

PM: No, I am not aware of that. And very importantly, I have been going around this country as you know quite extensively in the last few weeks. And I have not had one question about it.

OAKES: It has been said to me and perhaps you haven't heard that Bob Hawke has always been a front man, good at shaking hands, kissing babies, appearing on television. But has never come out tops in administration? There is talk about ACTU Solo and ACTU Bourkes

PM: Well, let's talk about ACTU Solo and ACTU Bourkes. It is this Bob Hawke who asked the previous government to abolish resale price maintenance which was costing the citizens of this country millions of dollars a year. The government of my predecessors wouldn't do that. So this Bob Hawke set up ACTU Bourkes and we smashed resale price maintenance. And we saved the citizens of this country hundreds of millions of dollars, now much more than that. The same fellow who set up ACTU Solo, which brought in very considerable savings to the people of this country. So, not only do I repudiate the proposition of not being effective in terms of making decisions and carrying them through. The opposite is true.

OAKES: Bob Hawke is a good administrator in your view?

PM: Yes. I am not saying that I am the most brilliant administrator in the world. I am an effective administrator. And most importantly I produce the results in the area of conception and ideas and then the carrying through of that in the policy which has turned this economy around from its worst recession in 50 years to the point, where, as you know, on the most recent statistics we are well ahead of my promise I made to the Australian people of giving them 500,000 new jobs in 3 years. We are well ahead of that target. Now, that didn't happen by accident. It happened because I had a view about how this economy should be run. I not only had the view, the conception, I worked it out. And then with my Ministers I applied that. So, I won't cop this nonsense about not being able to conceive the right policies nor being able to apply them.

OAKES: Are you too busy?

PM: Well, I think any Prime Minister is always too busy. I work, as you know, extraordinarily long hours. And I guess, if you could reach into the impossible you would like to be able to put out more hours in the day. And if you had more hours you could do more things, or some of the things that you do you might be able to give even more attention to. But, I am not only stand them, I feel extraordinarily proud of my record as Prime Minister which has produced an economy in this country which is recognised as the best performing economy in the world, which is producing the highest rate of employment growth in the world, the highest rate of employment growth that this country has ever witnessed. And I have been directly and intimately associated not only with the conceptions that led to that result but the application of the policies that have produced those results.

OAKES: Can we turn from your performance to that of your opponent? Before John Howard was Opposition Leader you publicly and privately expressed some admiration for him. What is your view now that you have been up against him for a month?

PM: I haven't been given the benefit of having put in front of me the markings of his performance by his friend and colleague, Michael Hodgman. He is the ^{one} who has actually been day by day marking the performance.

OAKES: How would you mark it?

PM: Well, from what I hear I would agree with Michael Hodgman's marking. I think John Howard's performance on a daily basis hasn't got over 4 out of 10. I think that is a fairly generous assessment by his own colleague.

OAKES: What do you base that on, or what does Michael Hodgman base that on?

PM: You would have to ask Michael. But he obviously, in the first instance, his argument against Andrew Peacock was that Peacock didn't have policies. That Peacock just stood back and waited for things to happen and thought perhaps some day when we got up towards an election, produce a policy. But of course, we have seen more backing and shovelling and sideways stepping by Mr Howard in every area of policy than ever occurred under Mr Peacock. I mean you look at the areas. Privatisation. At the first stage he was going to privatise the

lot. Now perhaps this one, no not that, or a bit of that one, a bit of this one. In the area^x wages and industrial relations policy. Now how many have we had there. He makes the Kharma Sutra look positively meagre. I mean, he has got that many positions you can't keep up with him. We don't know what they are going to be tomorrow.

It doesn't matter what area. Tax, let us look at tax. He was the man of principle on tax and the assets test. The man of principle.

He has just jumped away from every position of principle and is becoming the supreme opportunist.

OAKES: But isn't he tougher in the House than Mr Peacock was?

PM: Well he has, and this is the judgment of others, ^{he} has not performed well as leader. He has caused no problem to the Government whatsoever. It is very interesting sitting there as Prime Minister. You watch the Leader of the Opposition and you watch those behind him. And they are singularly unimpressed. I mean the rumblings are already starting. I mean there is ^{no} guarantee that I will be having John Howard as the Leader of the Opposition when we come to the next election.

OAKES: Who is the alternative? Michael Hodgman?

PM: Well he has declared himself publicly as coveting the position and going for it if Mr Howard doesn't perform. And according to Michael Hodgman's own calculations, Mr Howard hasn't performed.

OAKES: But seriously?

PM: I am not going to be party to some defamatory comment. I mean if you are saying that Mr Hodgman is not worthy of being Leader of the Opposition. I mean I think the way the Opposition is going, he is a worthy Leader of that Opposition.

OAKES: As Prime Minister, you have to worry about your Party, the Labor Party, nationally. The Party seems to be in trouble in Victoria? Is that your perception?

PM: No, I don't think it is in trouble. It looks as though something quite unwise has been done by some people in the Party.

OAKES: It is the Nunawading dirty trick?

PM: Well, on what has been said, it is my judgment that something unwise seems to have been done. As it has been said by Mr Batchelor, nothing illegal. And indeed, in the past the conservative parties have played their dirty tricks, if you want to call it that way, complaints have been made to the Electoral Office about both the DLP and the Liberal Party. The fact that they have played those sort of tricks I don't think justifies this one.

OAKES: But should Mr Batchelor get the chop as State Secretary?

PM: I don't believe so. But I am not going to intrude into their internal affairs in that way. They will sort that one out.

OAKES: But don't you think you could make a judgement, for example, the Victorian Governor was effectively sacked because he did something unwise. Don't you think the same rule should apply to the Party Secretary?

PM: I don't think there is an analogy there. And I am not going into the question of the Victorian Governorship and what happened there. And so I look at this other issue by itself. I don't think you can expect me to say more than I have and that is that I think something unwise occurred. And in politics people do unwise things at times. But I, on what I know of it, I don't think that the lack of wisdom that was displayed warrants the resignation of the Secretary

PM: Do you think that Mr Cain is in trouble, the Victorian Premier. The reason I ask that is that an interview that Mr Bill Hartley gave on Monday, I have got a transcript here, radio interview, Mr Bill Hartley is ..

PM: If he is criticising Mr Cain that is prima facie evidence that Mr Cain is going well.

OAKES: Well Mr Hartley refers to two significant job vacancies in Victoria at the moment, one for Premier and one for State Governor. What is your reaction to that?

PM: I would think that Mr Hartley ought to look at his position within the Labor Party. But that is something not new for me to say. I have been saying that for a long time.

OAKES: So you are backing Mr Cain?

PM: Of course, I back Mr Cain. And if you are putting it in terms of a choice between Mr Cain and Mr Hartley it is no race is it.

OAKES: Is it just Mr Hartley?

PM: Well I have only heard of Mr Hartley declaring a vacancy.

OAKES: Mr Hawke, you are heading off on Sunday for the Commonwealth Heads of Government meeting, CHOGM.

PM: I believe you are coming with me, Laurie?

OAKES: Yes, I am.

PM: I am looking forward to you coming.

OAKES: It seems that CHOGM stands for chaps holidaying on government money. Do you think anything ...

PM: What about journalists who go with them?

OAKES: That is an unfair question?

PM: Yes.

OAKES: Do you think these meetings achieve anything?

PM: Yes I think they do. I think for instance if you look back to the time of my predecessor I think the Commonwealth there was able to play a very significant role in the emergence of an independent Zimbabwe in circumstances less bloody and less difficult than would have been the case without the existence of the Commonwealth. And I pay tribute to the role that was played by Mr Fraser, my predecessor in that exercise. The last CHOGM was my first CHOGM, in '83 as you will recall. And there again I think that the

Commonwealth was able to play a very useful role in regard to Grenada.

So I always operate on the basis of not trying to overstate the significance of the institution or of ^{the} country with which you are associated. I mean, as far as Australia is concerned, no-one has got greater pride in this country than I. But where we take our place in international events, I try to have a perspective that with a country of 16 million people, I don't try to overstate who we are or what we can do. And again with the Commonwealth. A big institution within the world, community of nations. We can't determine what the rest of the world is going to do. And I believe that because of the affinities that we have with one another, because of the fact that we represent black and white and other colours, because of the fact that we represent so many different races, because we represent the most developed countries and the least developed countries. Because we represent very large, physically large countries, down to the smallest island states, that gives us a capacity, a knowledge and an experience to bring to bear upon international issues a perspective, an understanding which is unique.

OAKES: At the meeting next week, you will be putting forward an initiative for an international group of respected personalities to investigate the South African situation. And I think ... a plan to achieve majority rule? How do you think that committee would operate. What can it achieve?

PM: Well, I of course, want to finalise our thinking about this before we get there and I am in the process of doing that, ⁱⁿ consultation with my people. And so I don't now definitively put the details of what we will be doing. But you are right in saying that I intend that Australia shall take a leading role in addressing itself to the abhorrence of apartheid. And really there are a number of elements of that. You mention one, as to whether it is possible to get a group of people who would be able to bring prestige and a capacity to bear upon this situation. That is one element of what we will be talking about.

oakes; And I gather our diplomats who are already lobbying for this, are suggesting Julius Nyere from Tanzania as the possible chairman of that committee. Is that your suggestion?

PM: Well, I don't want at this stage to go into that detail Laurie. But let me say this. Julius Nyere has a standing not only in Africa through his long tenure of leadership, but also I believe a respect outside of Africa which would make Julius an appropriate person to be involved in this concept.

OAKES: I am also told we are also floating as possible Australian members of the Committee, Malcolm Fraser and Gough Whitlam?

PM: Well, let me say their names have been mentioned. And they are two citizens of the world, if may say that in this sense, who would be appropriate to be considered. As you know I have consistently both publicly and privately acknowledged the consistent integrity and commitment of Malcolm Fraser in this area. And of course it goes with Gough without saying. It is more appropriate that I should mention Malcolm Fraser.

OAKES: It would be unusual for a Labor Government to appoint a former Liberal Prime Minister to that kind of job.

PM: Well, it wouldn't be our function to appoint anyone. I mean Australia won't be making appointments to bodies embraced by the Commonwealth.

OAKES: But you will be recommending ...?

PM: Well, I don't develop that point now. But I simply want to make this point and it gives me pleasure to make it. I have nothing but admiration for Malcolm Fraser on the issue of colour and race. He has throughout his public career been impeccable on this issue. And now at a time where his own party in this country has been, if I can put it as gently as possible, has been ambivalent on this question, he has been even fiercer if you like in his determination and commitment to see that he could do whatever he can to focus the world's attention upon the abhorrence of apartheid.

OAKES: Would you see the committee that you have got in mind visiting South Africa?

PM: I have said before I don't want to develop more details than this. I don't think it is fair that I should do that at this stage. I will be more than happy to talk to you about it later on.

OAKES: Alright. On a more general subject, what do you see CHOGM doing about sanctions against South Africa?

PM: Well, again I want to hear what my colleagues there have to say. I think we will all be concerned to see if some concept of effective sanctions can be applied. But I want to make the point to your viewers that I would infinitely prefer a situation in which sanctions were not necessary. And at the same time if one in maybe talking about seeing what you can do about effective sanctions. Contemporaneously with that we should be addressing our minds to how we can persuade the South African regime itself to understand that the world can no longer tolerate the abhorrence of apartheid. And to get the South African regime to understand that in its own interests as well as the interest of the 18 million black South Africans that there should be moves initiated by the South African Government to move towards a situation where there is a universal suffrage and we do have a free living society within that currently tragic State. And a State which is facing the prospect of appalling bloodshed good sense does not prevail.

OAKES: Nevertheless you will be discussing sanctions?

PM: I will be discussing them obviously.

OAKES: Do you expect a clash with Britain's Prime Minister Margaret Thatcher on that?

PM: Well I am not looking for one.

OAKES: But you got on quite well at the last CHOGM?

PM: At New Delhi we got on very well and I have no desire to clash with Margaret Thatcher. No desire at all.

OAKES: (inaudible)

PM: Well I don't know. I don't know what position she will have there. I mean I must say that I agree with you that one would think on the basis of what the British Government has said to this point, there will be a clear difference of opinion. If they adhere to their position there would be a clear difference of opinion not just between myself and Margaret Thatcher but I would think between Margaret Thatcher and about virtually every other representative there. But I don't go there looking for a clash.

OAKES: Does it matter if she refuses to go along with your ideas on sanctions or with the Commonwealth's ideas on sanctions?

PM: Well obviously a less than desirable situation. If what emerges is the position of ^{us} rest on one side and Britain on the other and that is not a position that I would be seeking to create, I would hope that the British Government would recognise the strength of feeling within the Commonwealth.

OAKES: Mr Hawke, is it true that you have got in mind a training plan for young black South Africans that you will be presenting to CHOGM?

PM: We have already, in Government, made contributions to the training of young blacks and we will be talking about things we have done. We may be able to think of measures that will take it even further.

OAKES: Similar to the scholarship program that used to exist for young black Rhodesians before independence?

PM: Similar sort of concept but it goes from the point that if there is going to be a move towards universal suffrage in which the blacks are going to have the opportunity of majority say in the running of their own country then it is very important that there be as many trained blacks as there can be. Not merely in the area of government and administration but also in economic management. Let me say in going to that point that I think as essentially important an issue in talking constructively about the future of South Africa is that we address ourselves to the way in which the capital, the experience and the expertise of white South Africans should not be dissipated. I mean the great tragedy would be if ^{we} got political suffrage, universal suffrage, independence in that sense and the country were to fall back into economic stagnation and recession because of the withdrawal or the driving away of all the accumulated experience and capital of white South Africa. So I think what men and women of goodwill should be trying to address themselves to is to give some sort of assurance to white South Africans that in a new free and liberal society, in political terms, that there should be an understanding of the legitimate place there for them.

OAKES: I am wondering if you see a risk that on this issue you win the Commonwealth but not win the Australian electorate. There seems to have been a backlash against the Government's decision, for example, to keep out the Rotary golfers?

PM: Well I don't know about a backlash. I haven't had any such backlash brought to my attention. But there ^{are} certain issues of principle, I believe, that are non-negotiable and I have said before earlier in this program that that's the position I would share with Malcolm Fraser.

OAKES: But how is it though that these three Rotarians were able to play in gold in Scotland last year? One has actually played at Gleneagles. Why were they allowed to play there but not in Australia?

PM: Well we believe that their presence here would not be consistent with the Gleneagles Agreement. But let me say this further, that I believe that the attitude of the world today is different to what it was twelve months ago. You only have to look at the hardening of the attitudes, for instance, in the United States. If I had said to you twelve months ago the United States would be talking economic action against South Africa you probably would have been sceptical. But they have.