



PRIME MINISTER

E. & O.E. - PROOF ONLY

TRANSCRIPT OF NEWS CONFERENCE - LAUNCESTON
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JOURNALIST: How do you react to claims by the Deputy Premier of Tasmania that you and Mr Wriedt have been involved in a plan to buy votes from Tasmanians without putting any thought into it by going through local government?

PM: Who is the Deputy Premier - what's his name?

JOURNALIST: Geoff Pearsall

PM: No, I haven't had brought to my attention the comments of Mr Pearsall and all I can say is that like so many of the desperate statements that are made by Liberal Party politicians around Australia today, there's 100 per cent false.

JOURNALIST: What do you think the issues will be in Tasmania?

PM: Well, that is a question that obviously can be answered more competently by Mr Wriedt and my colleagues here because they are in a day-to-day sense involved. But I would think that one of the issues would be, I think it certainly ought to be, to work in cooperation with the Federal Government. Now, I haven't come down here to attack Mr Gray in personal terms - I don't intend to do that - but it is a matter of record that I have been having discussions with Mr Gray, to have other people there so that there can be a clear understanding of what in fact has been said. And that sort of confrontationalism which is characterised in Gray's approach would certainly be absent in a government led by Ken Wriedt. And there would be an intention of putting a case for Tasmanians forcefully and toughly but with the great advantage of Ken Wriedt and his Ministers knowing intimately the workings of the Members of the Federal Government and I think in that way there is no question that the interest of Tasmania would be advanced. I think that should be and I guess will be one of the issues.

JOURNALIST: When you say that you can work well with Mr Wriedt, is that to say that you can't work well with Mr Gray.

PM: Well, I have made the comment in answering the question that in the '83/'84 period and into '85 there were occasions, it is a matter of public record, when what had actually transpired in discussions was misrepresented by Mr Gray. And it has been subsequently revealed to have been misrepresented. I don't think those sorts of things make for the most constructive sort of relationship between governments. As I say, I don't want to get into a detailed personal analysis of Mr Gray. I don't do that when I go into states. But that is a matter of record and I think it is clear that that sort of approach would be absent in a government led by Mr Wriedt. Let me make it clear that because we have governments, at a state level, of the same political persuasion as ourselves, which is the case in the mainland states other than Queensland, it doesn't mean a cosy relationship in which the State Premiers simply because we are of the same political persuasion, don't put their case forcefully. I can assure you that in the case of Neville Wran and John Bannon, John Cain and Brian Burke, it is a very, very forceful presentation of the cases of the states. But the very fact that we have a knowledge of one another and not merely at the Premier to the Prime Minister level, but at the various Ministers levels, is, by definition, helpful in the capacity to have cases heard and put.

JOURNALIST: Mr Gray says that you have worked against *Tasmania* in several areas and is running a large part of his election campaign on that basis.

PM: Mr Gray again does not tell the truth on this issue. I had brought to my attention something he said in the Parliament where he said that on the night that I was elected Prime Minister I had virtually declared war on Tasmania. You only have to see the transcripts of what I said on that night that the opposite was the case. I said "Tasmanians have not voted for us" - we didn't get a House of Representatives seat, but I said on the very night of being elected Prime Minister, I said "I will be governing for Tasmanians just as much as I will be for the rest of Australia". And the record is that in the agreement signed in June of 1984 which finalised the arrangements about the Gordon below Franklin, in that document the Premier has signed to the effect that Mr Hawke has fully honoured all his commitments in regard to the question of the dam. But having signed that document and said so, he then seeks to put another point of view. Now, ultimately that can only mean that his signature is not worth the paper on which it is written.

JOURNALIST: Is there anything concrete in which Tasmania would be better off under a Labor Government dealing with Canberra?

PM: I go back to the point I made that you obviously have a position more beneficial to a state where not only the Premier but all the Ministers, simply because they know their counterparts, they have worked with them over many years, they have a better capacity to develop relations, to put cases, in that sort of environment, than in one where at the head of the state government you have the personification of confrontation and of misrepresentation. Now, it is just human nature that in that sort of circumstance, the former is going to get better results.

JOURNALIST: Mr Gray appears to have shied away from the privatisation issue in this campaign. And unlike his South Australian colleague - what does that indicate to you?

PM: It indicates that Mr Gray like the rest of the Liberals all around Australia are (a) first of all bereft of policies and (b) can't be trusted when they get into the area of policy formulation. Now, let it not be forgotten that in the development of the privatisation ideas, which until very recently Mr Howard and other Liberal leaders have been saying is right at the centre of Liberal thinking for the next election, don't let it be forgotten that one then Senator Rae from Tasmania, was the principal adviser to Mr Carlton on this concept of privatisation. That is Senator Rae from this area of Launceston. Principal adviser on this concept of privatisation. I believe that whatever Mr Gray might be saying now, because he has learnt that the people of Australia have rejected the concept of privatisation - that was made quite clear in Adelaide - he will be making soft noises, soft pedalling, saying no it will be a different story if he were to be re-elected.

JOURNALIST: Mr Hawke, on a national question. You have just left the Federal Executive discussing Mr Hartley.

PM: No. Correction, I have not.

JOURNALIST: Well, it is apparently still proceeding.

PM: Yes. But I haven't been at it. That is all I am saying.

JOURNALIST: Do you believe it has got the potential to turn into a publicly damaging and embarrassing brawl. You have criticised factionalism in the ALP in the past. Isn't this just another example of it.

PM: ON the contrary. Let me make these points firstly. And I am not pre-judging what will happen, that is a matter for the Executive to decide. It is perfectly appropriate that they should consider whether they should continue to have him in the Party after he has made certain statements. Now that is being done. And if they should make that decision my judgement is, not be a negative, but

PM cont: let me make this point about factionalism, I have had to make it recently and it is something that I really started to outline early in 1985. A seminal change has taken place in the Australian political scene. It is quite true that there are still groups, factions if you want to call them that, within the Labor Party. But as I said early in 1985, it has become more obviously true as 1985 has gone on and we have moved into 1986, factionalism has diminished within the Labor Party. There has been very, very strong and positive cooperation on the formulation of policies, and the implementation of them. And the existence of different factional groupings within the Labor Party has not stopped both the formulation and the implementation of policy. I said at the beginning of 1985, and I said this gratuitously if you like to the Canberra Gallery, I said in 1985 if you want to talk about factionalism you look at the Opposition parties - That is where factionalism developed and predominated in 1985. And that is exactly what happened. It is operating now in the Opposition parties in a totally damaging and negative way. They are completely incapable of formulating any policies. Why? It is not because they can't think about policies. I don't think that, they think terribly well. But I am not here to insult them in that sense. The reason why they can't formulate policies on the fundamental issues of taxation, wages, social welfare policy, is because they are ridden with groups who have fundamentally opposing views. You take privatisation. It has been mentioned earlier. Mr Howard and others are totally committed to the concept of selling off the public assets which provide services to the people of Australia. Totally committed. There are others who regard that as completely stupid policy. On the centrally important issue of wages policy. There are some of them who want to abolish the Conciliation and Arbitration Commission. They say they want to get rid of it. Others say no you can't possibly do that. And that is what their factionalism is about. Quite different from the Labor Party. It is operating in a way there to stop the formulation of policy. And the Liberals of Australia are quite incapable of going to the people of Australia and saying this is what we believe in, this is what we would do in government.

JOURNALIST: None of the Liberals are actually being expelled by other Liberals?

PM: Let me say if you are talking about expelling. There are ways and ways of expelling. And Tasmania ought to be very much aware of the way in which Mr Howard has expelled Tasmania. He expelled Tasmania from his front bench. All the Tasmanians were repudiated. So much so that, what is member for Denison's name - Mr Hodgman, said that this is an attack upon Tasmania. That they were all expelled. There are ways and ways of getting rid of influences you don't like. The Federal leadership of the Liberal Party hates Tasmania. And has expelled from the front bench.

JOURNALIST: Mr Hawke, you say that you could probably deal better with Mr Wriedt as a Premier. In your budget last year Mr Keating said that Tasmania would not have the special assistance it got at the last Premier's Conference to form part of the base of negotiations for the coming Premier's Conference, which makes things look bad or grim for Tasmania if you like. I am just asking what the situation would be?

PM: As far as Commonwealth and Tasmania and budgetary matters are concerned, let's just talk about the factual situation.

WE had the recommendation of the Commonwealth Grants Commission before us, as you know, last year. And there was very considerable concern here in Tasmania, understandably. As a result of those recommendations there would be very, very substantial cuts.

Because that is what was recommended. Fortunately for Tasmania, as distinct from all the rhetoric and so on that emanated in the first from the Premier of Tasmania. Ken Wriedt came over to see us. No fanfare, just quietly came and talked with us. And Cabinet having not at that stage considered the issue, we were coming to consider it. Our opportunity to look at the issues in terms of the needs of Tasmania was very much enhanced by the contribution that Ken Wriedt made. And in the event, the decision that we made which I think was very generally welcomed in Tasmania was to a considerable extent to the credit of Ken Wriedt.

That is that has happened up until now and it confirms the same sort of analysis that I put to you before about the way in which that sort of approach, which one identifies with Ken Wriedt, is more likely to work than the alternative

JOURNALIST: Back onto the Hartley issue, Mr Hawke. For the National Executive it is a very important decision.

Shouldn't you be there participating and is all the fuss worthwhile. Mr Hartley seems to be thriving on all the publicity.

PM: You won't regard it as too rude of me, I don't need to be told by you or anyone else what my priorities are.

Let me point out to you that this is the only occasion which, at least at a fair distance before the actual polling date, I can in terms of my other commitments be in Tasmania.

I want to say to the people of Tasmania that I regard it as more important to do something for which I can't delegate anyone else. I can't delegate anyone else to be Prime Minister and come down here into the campaign. I have the capacity under the constitution of the ALP to have a proxy. I can have a proxy in Canberra to deal with that matter with which I have not been unassociated in the past. But I can't have a proxy down here.

JOURNALIST: One question on the rural sector if I can.

The Livestock and Grain Producers Association of NSW has called on the Government to set up an agricultural accord along the lines of an ACTU/Government accord. Now that would involve also I think the problem of compensation claims.

How realistic do you think that is?

PM: I don't know that we should commit ourselves to a view about an accord or a particular term. But let me say this that no-one understands more clearly than I do the very severe crisis in which the rural sector of Australia is now passing. Very basically of course, as they themselves understand, that is because of factors outside the control of anyone in Australia. That is the corruption of the international markets as a result predominantly of the action of the Europeans. And now reaction in response by the United States. Now when I say there is virtually nothing we can do about that, we are nevertheless sending our Minister for Trade, Mr Dawkins, to the United States next to talk to them. I have invited Mr McLachlan of the National Farmers Federation to go with him for those discussions in the United States. Now, as far as the situation within Australia is concerned. We are looking seriously at that. Mr Kerin today has been meeting with the banks and the representatives of the farmers to try and ensure that they will not be ultimately adversely impacted on by the level of interest rates. And we will be receiving in the Cabinet a submission from Mr Kerin in the relatively near future as to the sorts of things that we may be able to look further at to help the farmers.

I have told Mr McLachlan representing the National Farmers Federation that we will have further discussions with them in the light of that Cabinet submission. Out of all that it is possible that some sort of agreement may emerge. It is too early to say what form if any that would take.

So I make the point, I don't say yes or no to the terminology of an accord, but the concept of discussion, consultation and cooperation with the rural community is at the centre of what we are about. And just how that will be reflected will be for the events of the next few weeks to bring out.

JOURNALIST: On ANZUS Prime Minister, did Australia support the expulsion of New Zealand from ANZUS?

PM: No. You will have seen that that has been repudiated by the spokesman for the representatives of the Americans who were here and they have been in touch with us to say that that has been a total misrepresentation of the position. We have not said that at any stage.

JOURNALIST: Is suspension a good idea?

PM: It is not a question of suspension. If you have a position where the United States says it is not going to be operative as far as they are concerned between the United States and New Zealand. What we have simply said is in that situation we will ensure that it remains operative between ourselves and the United States. And it is quite clear that is how it will be.