



PRIME MINISTER

TRANSCRIPT OF GEORGE NEGUS SPEAKING TO MR HAWKE 2UE - 2 JUNE 1986

E O - PROOF ONLY

NEGUS: Are you there Mr. Hawke?

MR. HAWKE: Good day George, how are you?

NEGUS: I'm well thank you. We dragged you kicking and screaming out of an important meeting I gather.

MR. HAWKE: I beg your pardon?

NEGUS: We dragged you kicking and screaming from an important meeting I gather?

MR. HAWKE: Oh Never kicking, never screaming, but always willing to have a yarn with you George.

NEGUS: A few things on your mind at the moment I'd say.

MR. HAWKE: Oh yes but I'm not unrelaxed George, just working away steadily at them and we will get the right policy to deal with this situation that has been imposed upon us by this drastic decline in permanent trade.

NEGUS: Let's talk about that in a moment but before we do I was talking earlier to another old mate of yours Jim McClelland about this whole question of minders which has become very much a public issue for the first time that I can recall in politics. How in heavens name do people like yourself and Paul Keating allow the minders to become a public issue?

MR. HAWKE: Well I have'nt made them a public issue is the only comment I can make about that.

NEGUS: Well Paul did.

MR. HAWKE: Well he did and eh that's an end to it now and I'm not going to say anything that's going to fuel it. I simply would make the point that I did only reiterate the only public comment I made. This is as you know, you've been around the place, it's a hothouse atmosphere of politics in Canberra, and you've got to recognise that in that some tensions arise. But as far as I'm concerned my staff, as Paul's staff, and staff of other Ministers' are loyal to their Ministers, loyal to their Government, and they are doing a fine job and as far as I'm concerned they're doing a fine job, and as far as I'm concerned that's the end of the matter.

NEGUS: Could I put it to you this way? One person said to me over the weekend "Paul Keating, picking on, if you like, Bob Hawke's minders is a way of telling him that he's not getting good advice, which is another way of telling him that he's not doing the right thing.

MR. HAWKE: Oh well, I say you can do your speculation. As far as I'm concerned the matter is ended, and I'm not going to engage in any, in any, sort of public discussion about it which would keep going something which is miniscule, in it's significance.

NEGUS: Can I ask you this and then we'll get off the minders. because there are more important things, I agree. How do you feel then, how would you make people feel better about the fact that there would appear to be in Canberra, a group of blokes, working for you and for other ministers, who appear to have incredible power, incredible influence over elected politicians, and people as important in the hierarchy as yourself. How can you make in a democratic society as we like to think we are, how can you make people feel better about those kind of, unelected people swinging their weight around behind the scenes?

MR. HAWKE: This is something which goes on in all democracies and has gone in on this country since we've been a parliamentary democracy. Elective figures always have people on their staff and in this day and age I think there's more of it on both sides of politics and it's a good thing.

NEGUS: Do you think it's possible they overstep the mark occasionally?

MR. HAWKE: Let me finish. I think that in an increasingly complex world any elected figures that have got responsibility are foolish if they don't try and get as much good, professional advice, as they can and then be in a position of having heard what people have to say, then you make up your own mind. And that's the way I operate and I know it's the way my Ministers operate. They try and get as much as advice as they can, then having got the advice they make the decisions, and that's the way in a sensible democracy it ought to happen.

NEGUS: How often would you say that you have ^{had} your mind changed by your minders?

MR. HAWKE: I reject the word minders and I'm not going to accept the word minders.

NEGUS: How shall we describe them then do you reckon? How should we describe them?

MR. HAWKE: Staff, I mean it's a pretty simple well known and accurate expression. So I suggest that it be used.

NEGUS: So from now on the word minders, we're going to strike it from the old political dictionary.

MR. HAWKE: I don't mind it being used, it's inaccurate and if people want to be inaccurate in their language then that's alright, but I'm accurate in my use of language.

NEGUS: I guess, one of the reasons why people are concerned by the use of that word, and this is what you would probably like to try and stop, is that from that television series the 'Minder' is a bloke who goes round thumping people on behalf of someone else, and maybe that's what people thought your minders have been doing, or Paul Keating has been suggesting that they are leaning on people.

MR. HAWKE: None of them are built in that proportion George.

NEGUS: One of them at least is a fairly sturdy bloke as I recall.

MR. HAWKE: Plumpish.

NEGUS: Plumpish, not to put too finer point on it. I thank you for saying that because I realise that the minders thing is something that is not often talked about in Australian politics.

MR. HAWKE: As I have moved around Australia in the last few days no one, but no one has raised it with me.

NEGUS: Really? Well the newspapers have written about it at least maybe, we've all got a little too close to it do you think?

MR. HAWKE: Yes, this is often the case, I mean I'm constantly amused, literally amused, by the fact the old scribes write away, and I move around the country and see thousands of people and never get the issue raised with me.

NEGUS: Well, anyway, give, give

MR. HAWKE: The ordinary Australian people, your listeners and the ordinary newspaper reader is a little more astute often than the people that do the writing.

NEGUS: Er, anyway, give Peter and Geoff and Bob my regards.

MR. HAWKE: Yes, I'll pass it on to my staff.

NEGUS: Um, Mr. Hawke, You've said that you've drawn stumps on this whole issue. But are the obvious differences between you and Mr. Keating likely to resolve themselves in the near future, because that seems to be almost the political issue in the country today, Can Bob Hawke and Paul Keating get their economic act together?

MR. HAWKE: I wasn't aware of them, so, perhaps again this is a case where those who are removed from the scene know what those at the scene don't know. Would you tell me what the obvious differences are please George.

NEGUS: Well, I'll tell you the differences that people have perceived I mean...

MR. HAWKE:

NEGUS: Pardon?

MR. HAWKE: What are they in your opinion?

NEGUS: It would seem that nobody is certain at the moment who is in fact calling the economic shots?

MR. HAWKE: What, how does that make a difference? What, the difference is there between Mr. Keating and myself.

NEGUS: Well if you agree,

MR. HAWKE: Sure, about who's calling the shots, let me clear that up for them. I'm in charge of this Government and I'm in charge of it's directions, and very specifically at this moment I'm chairing the meeting of Ministers' which is dealing with the reconsideration of any policy decisions which we think are necessary to deal with this current difficult, external, economic, situation, now those are the facts. Now where are the differences?

NEGUS: Did it come as a great surprise to you? I was out of the country myself, so I'm asking you a genuine question. Were you shocked and indeed angry as it has been suggested, when Paul Keating announced to the world that we should probably have what's being called a mini economic summit?

MR. HAWKE: To be fair to Paul he didn't announce that we should have a mini economic summit. What happen was that there was a meeting of the back had to advise the committee on prices and incomes, and that it emerged that perhaps some people thought it might be an idea to have an extended meeting. Now both Paul and Ralph, said well, if you want to extend the meeting that's not a bad idea, we'll agree to that. And then out of that, and I've seen the transcripts, the media built up some of the concepts and they're quite inaccurate. It couldn't have had anything

NEGUS: So you don't think that your friend Paul would try to get the jump on you?

MR. HAWKE: No.

NEGUS: You definitely don't.

MR. HAWKE:

NEGUS: That's fair enough.

MR. HAWKE: Listen the differences between Mr. Keating and myself, before this programme is over, if you don't mind, I would like you to tell me what the differences are.

NEGUS: Well, what about this then, you've announced now that you're going to make a statement, a statement to the nation if you like on economic matters. Had you planned, had you...

MR. HAWKE: George, that's right.

NEGUS: Sorry, that will be next week?

MR. HAWKE: That will be next week. That's what I said and that's what I've said at each point. I'm not telling you something that I have't said now about six times.

NEGUS: Right. Well let me ask you this then?

MR. HAWKE: Yep.

NEGUS: Had you planned to make that economic statement to the nation before Paul Keating suggested that he wanted an economic summit? Or after?

MR. HAWKE: No, it was after, It had no relation to that meeting what it had a relation to was the emergence of not just the balance of payments figure but then the national accounts figure which have put in a very dark form those national account figures came out last week. Put in a very stark form what we were aware was emerging and that is a loss of national income as a result of the drastic fall in export prices compared with import prices. I mean with throwing a whole lot of statistics at you George, a very simple one is this, in the last twelve months up to the end of the March quarter, we've lost the equivalent of three per cent of our Gross Domestic Product as a result of the turn-around in the terms of trade. And no responsible Government confronted with those factual statistics, can say well alright we don't take any account of it. So what I said is right, we're going to have a meeting of the relevant Ministers and try ----- we're going to consider what steps need to be taken to protect the interests of the Australian people in that situation. And in those circumstances as part of those discussions with my Cabinet and my Ministers, I said, well I will be bringing together that statement and making a statement to the people of Australia. Now that, in a quite uncomplicated and totally emerged.

NEGUS: And Paul thinks that is a good idea? We'll go to a break in a moment Mr. Hawke and come back and talk about just how bad you reckon the economic situation is.

MR. HAWKE: After the break, you'll come back and tell me what the differences are right.

NEGUS: I'll try very

MR. HAWKE: Righto.

NEGUS: Back in a moment.

NEGUS: Back Bob Hawke, The Prime Minister, whose asking as many questions as I am at the moment, which is fair enough, under the circumstances. You asked me what I thought the differences were between you and Paul Keating.

MR. HAWKE: Yes.

NEGUS: I think it's probably fair to say that on economic matters you probably have very few differences. You'd, agree with that?

MR. HAWKE: Thankyou.

NEGUS: Only a matter of detail here and there.

MR. HAWKE: Yes, that's right George, I mean if you look back over the three years, I think the formulation of economic policy has been very much a Hawke, Keating action. It's true at a particular point we might have had a slight difference then, but very much a cooperative and, we believe, effective effort.

NEGUS: Still, still mates, is he still a regular visitor at the Lodge?

MR. HAWKE: Of course we're mates. I mean politicians and people, you know, as volatile as both Paul and I, you'll have moments when if you've got a bit of a difference about something you won't express it in actually elegant, Victorian, drawing room language.

NEGUS: I can't imagine you or him doing that.

MR. HAWKE: That's right, but we're mates.

NEGUS: Could I put it to you this way then? I'd agree that you're probably on the same path economically, but politically, maybe things have got a little bit astray?

MR. HAWKE: No I don't think that's right.

NEGUS: What odds would you give Paul Keating as being your successor?

MR. HAWKE: Oh, I'm not going to enter into that. It's neither fair to Paul, nor to any other aspirant. I've said, and I'm more than happy to repeat, Paul is a very obvious candidate to succeed me a very obvious candidate, and as he has said, and I have said when I step down, it will be for the party to make it's choice.

NEGUS: Do you think he would have been all that thrilled by the complimentary noises you were making about Kim Beazley the Defence Minister recently.

MR. HAWKE: Of course he would because Kim and Paul are the closest of mates and friends they spend a lot of time together, they have the utmost respect for one another.

NEGUS: Would you still rate Paul Keating as the finest Finance Minister or Treasurer in the world the way you did some years...

MR. HAWKE: He's the best Treasurer in the world, of course he is.

NEGUS: Do you think it's possible, as somebody looking at Australia at the moment and seeing what's going on with the economy and the problems that you're facing, is it possible that rather than you running the country, or Paul Keating running the country or even your Ministers running the country, that the country is running you?

MR. HAWKE: Well, in a sense it's true for any politician in the western world today that his own, his or her own economy and the world economy runs them. And it's quite incisive question George.

NEGUS: I've got one.

MR. HAWKE: It is economic events that determine to a very large extent in western democracy's political outcome, and that's why from the day I became leader of this party in February, of '83 I made it clear that economic matters that were central to our task of political management and we came to office then with the economy in the worst recession for fifty years, as you know. And my central commitment, Paul's central commitment and the Government's central commitment was to turn that round and we've done that, and had rates of growth the highest in the western world and employment growth's the highest in our history. Now, having done that in cooperation with the Australian public, and I say to your listeners I mean that, we just haven't made the right decisions here, the Australian people, the ordinary Australian people have cooperated and together we have done it. Now.

NEGUS: Did you say that you hadn't made the right decisions? Did I get you right there?

MR. HAWKE: I beg you pardon?

NEGUS: Did you say that on occasion you hadn't made the right decisions?

MR. HAWKE: I'm saying that I think we consistently have made the right decision, I'm saying that we couldn't do it ourselves, sitting in Canberra making decisions. We needed the cooperation, of the Australian people, and we've had it. Now three years down the track there's been a massive decline in the prices we get for what we sell overseas. And our import prices are still rising so that means an all in real capacity within Australia to sustain standards, and we've got to deal with that. Now what I'm doing with my Ministers is to fine tune our strategy so that

NEGUS: Can I come in there, Can I come in there just for a moment. People probably accept the fact that you've got problems, we've all got problems, and you are trying to fine tune, and obviously there is no quick fix, no overnight recipe for this sort of thing when your talking about Australia's economy being affected by international economic movements. Do you have any idea how long you reckon it will take before you will be able to say to me and to anybody else, for that matter. Yeah we reckon we've got the economy sorted out.

MR. HAWKE: Well, we've got the Australian economy is not un-sorted out. With what's happening internally is basically correct. What we've got to do is to adjust to the fallen capacity imposed upon us from outside. Now you ask how long, we'll make the decisions and I'll announce them next week, the changes and fine tunings that are necessary. Now, of course George, in part, the answer as to how long the sort of restraints will be necessary, relate to the basic question. How long are the terms of trade going to be moving as adversely as this? I hope, and particularly not just for the sake of Australia as a whole but for the sake of our farmers that we start to get some lift in our price from rural exports because they are terribly low. I hope for our miners that we get an improvement, a further improvement in prices for minerals, products.

I think the only honest thing one can say George is that the, with the lift in international economic activity that's going to be associated with cheaper energy prices I think we can expect the change to come somewhat sooner than perhaps we would have expected earlier.

NEGUS: We're running out of time, you mentioned restraints are you able to put your finger on what kind of restraints people can, look forward to, or not look forward to?

MR. HAWKE: I wish your new programme well, when I announce those decisions they will be not on your programme, I'm sorry about that.

NEGUS: That's alright as long as they're not on someone else's.

MR. HAWKE: I'll give you that undertaking it won't be on someone else's.

NEGUS: We're just about out of time. How's the old soda water drinking going?

MR. HAWKE: Oh, still as exciting as ever.

NEGUS: You'd be just about a connoisseur by now wouldn't you?

MR. HAWKE: Yep, well, authority.

NEGUS: I was surprised to hear a couple of weeks ago you mumbling the word retirement, or people were using it in reference to yourself that came as a bit of a surprise to me.

MR. HAWKE: You know I've always been a bit of a retiring character.

NEGUS: The older the politicals drinking violet.

MR. HAWKE: That's right.

NEGUS: Have you, have you put a limit on it?

MR. HAWKE: No George. Except that I'm quite prepared again to say this that I'm not about staying in politics forever. I love this country I wanted to do a job, I think I've done one, there's more to be done, but I don't see that in terms of many, many, many, years.

NEGUS: Many, many, many years, what a couple of terms?

MR. HAWKE: Let me put it this way, we'll certainly go to the next election and win that one and then I would think that sometime between that next one and, you know before, the one after that maybe appropriate.

NEGUS: We'll all go away with our pens and papers and try and work out exactly what Bob Hawke's saying about his retirement what, that sounds to me like about, between two and five years.

MR. HAWKE: Something of that order, but let me say this; no thought of retirement is not in my mind in these days there's a big, big, job to be done and I'm going to do it.

NEGUS: Good, good. One final question: this really is the last one. One commentator today suggested that because of the economic predicament that we all agree we're in, you should go to the polls and get yourself a mandate for the new economic direction you're going to take us in.

MR. HAWKE: Ah, that's not necessary, I have a mandate, a clear mandate, the people like the sort of way we go about economic policy making and we'll go ahead and do that I've said this parliament will go it's full term, it will go it's complete term George I can assure you.

NEGUS: Thanks very much. Thanks for talking to us and giving us your time and we'll talk to you again for sure.

MR. HAWKE: Thanks George and all the best to you mate.

NEGUS: Thanks Mr. Hawke.

ENDS: