



PRIME MINISTER

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JOURNALIST: How long do you think it will be before the uncertainty is cleared up, or is there no uncertainty?

PM: Mr Dowding is not claiming victory tonight although he is optimistic that the Government has been returned. He thinks it could be a day or so before all the details are finalised as to what the order of the outcome would be but he, as I say, is not claiming victory but thinks the Government has been returned.

JOURNALIST: What do you draw from a cliff-hanger?

PM: Satisfaction, if that is the outcome, because you have a situation where you've had such a tremendous concentrated bitter campaign against the Labor Party in Western Australia. It was said that WA Inc was going to wipe them out, there was all the story about interest rates and mortgages, home costs. I think you have a situation where, as I said when I was in the campaign over there, that I believe that in the end politicians and commentators tend to underestimate the intelligence of the electorate. In the end the majority of Australians are concerned, as between two parties, on the record, which one is most likely to address the issues which in a day to day sense affect their well-being. That seems to be the outcome in West Australia. I might say too that from what I'm told at least one seat, perhaps more, has been lost to Labor because of the change in the voting system. They brought in the method whereby for the Upper House a tick against the Labor Party box would ensure that your vote was valid, and apparently thousands have thought that you could do the same thing for the Lower House. So it looks as though Barry Hodge for instance in Melville lost his seat there by it's thought perhaps 11 votes or something like that. A couple of thousand votes have been clearly indicated as being intended for him. So when you take that into account too it seems to me to be a pretty good outcome. Let me say this, I'm glad to have been there in the campaign associated with Labor. We were wanted as distinct from the ban that was put upon my federal colleagues.

JOURNALIST: There've been big swings against Labor in the mortgage belt areas, there've been two seats lost. Are you concerned about that and do you think that there could be a need to reconsider the economic settings?

PM: No, we're not going to change economic settings because we look as though we've won an election in Western Australia - it wouldn't be very good economic management. No, we'll go about the process of controlling the economy as we think it's necessary. Yes, it looks as though there's been some loss of support in some of those mortgage belt areas but it's not entirely surprising.

JOURNALIST: What do you believe are the federal implications?

PM: I think for Labor we're entitled to be satisfied but not complacent. I'm certainly never complacent in politics. But I think a lot of people were expecting that this was going to be the one where another Labor government fell. Certainly my opponent Mr Howard was saying without any doubt that's what was going to happen, although they certainly didn't want him over there as being any part of the process. But he was trumpeting another victory for the anti-Labor forces - well, he's wrong again. What his own people think about that in the federal sphere is a matter of interest I guess.

JOURNALIST: How important is this outcome in terms of Labor Party morale generally?

PM: It always is better to have a win than a loss. As I've said before, winning beats the hell out of losing. We've got a situation now where quite clearly, if you go round Australia, just quickly, let me give you a run down. Queensland - Labor looking better than it ever has. NSW - the government of Greiner already in decay and Labor's morale up a great deal. We've won in Victoria, Bannon will win in South Australia, an election coming up in Tasmania - we have a great deal of confidence there - we've now won in West Australia. So, as I say, it would be silly to be complacent but given all the gloom and doom that was around last year, I think we're in good shape.

JOURNALIST: You do sound like you're claiming victory for the Labor Party.

PM: I'm doing no more than what Mr Dowding has done. I'm repeating him, I'm not claiming victory, but he is saying he has optimism, on what's in now, that the Government has been returned. My comments therefore are based upon that premise of Mr Dowding.

JOURNALIST: Given those swings in the mortgage belt areas, are you concerned about implications of that for Labor's federal seats?

PM: If you were going to an election now there's no doubt that the tight monetary policy which produced these sorts of results would be uncomfortable electorally. But we're not going to an election now, we are conducting economic policy in a way that's necessary in the light of the present circumstances. The simple fact of life, which again I think the electors of Western Australia seem to have understood, is that the level of economic activity has been somewhat too high. We've got to not sit back a little bit because we can't sustain this level of imports associated with that high level of activity. We believe that the policy that we've got in place will start to have the sort of outcome that we want and by the time that we go to the next election I don't think we'll have exactly the same circumstances that we've got now.

JOURNALIST: When will that be, in the light of this result?

PM: This result doesn't change the window that I've talked about. It's the latter part of this year to May of next year. I've been consistent about that - no change.

JOURNALIST: We've seen two very tight elections in the last six months, Victoria and Western Australia. Do you think that's the way it's going to be up to and including the next federal election?

PM: I think Labor will continue to win. We'll win the next federal election. I hope to retain the sort of majority we've got now, perhaps increase it.

JOURNALIST: What part did leadership play, do you think, in the WA poll?

PM: A great deal. Peter Dowding was clearly intrinsically a better leader and was perceived to be a better leader. I'm not here to knock Mr McKinnon, the Liberals will do that themselves, but he was clearly a much better leader and much more acceptable. So leadership was pretty important.

JOURNALIST: WA Inc clearly played a role in the election. Do you think it's an issue which was confined to WA or are you concerned that it could spill over into the federal arena?

PM: If it spills over to the federal arena I tell you who'll be worried, and it won't be us. If you want to look at where there is corruption between parties and business, it's not with Labor. You look at Queensland and NSW, it's the conservative forces that need to be worried about that issue, not us.

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