



PRIME MINISTER

TRANSCRIPT OF DOORSTOP, ST THOMAS THE APOSTLE SCHOOL, KAMBAH
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E & OE - PROOF ONLY

JOURNALIST: If the trend continues on the balance of payments do you don't think there'll be pressure on the currency today?

PM: We'll leave that to the markets.

JOURNALIST: You don't think that you'll stop interest rates rising ... in the dollar?

PM: I don't want to talk about that. The very subject you're talking about, what we'd do would of itself have an effect. I'm not into that business.

JOURNALIST: The Opposition has said that you're trying to doctor the CPI figures.

PM: Which Opposition is that?

JOURNALIST: That's the Federal Opposition.

PM: But which part of it?

JOURNALIST: In this case, Mr Peacock, if I can be specific.

PM: I see. What's he said? All I've seen in the paper today is he's been telling Mr Howard how he should run the Party.

JOURNALIST: He has said the Government is trying to doctor the CPI figures. Is that right?

PM: No of course it's not right. It's not right at all. We wouldn't be doing that. The Statistician is independent. A number of people have pointed out to the Statistician the impact, the unusual impact of the movement in the housing prices and it did involve the assumption that every Australian family was buying a new house every quarter. I think that's not the case. I don't buy a new house every quarter, I don't think you do, I don't think everyone else does. So it has been pointed out that that had some sort of impact. He may be taking that into account, if he is, that's sensible.

JOURNALIST: If Mr McPhee runs as an independent, would you offer him Labor preferences?

PM: If Mr McPhee - now that sounds dangerously like a hypothetical question. I usually don't answer them.

JOURNALIST: The numbers indicate he's going to lose his preselection. That's the reality and he said that.

PM: Yes, he said, I noticed, that there is a vicious campaign against him within the Liberal Party in Victoria, that they are a pack of losers. One thing that Mr Kroger and Mr McPheee agree on is that the Liberal Party are losers. They'll just have to go on with their blood letting and their fighting and their viciousness in their own ranks, we'll just go on with running the country.

JOURNALIST: Roger Shipton has complained about a lack of loyalty Mr Hawke. Does that surprise you?

PM: No it doesn't surprise me. Mr Howard does seem to have sort of flexible standards about intervention in his Party. He intervenes when his own, or what he regards as his own may be at risk, but where others like Mr McPhee or Mr Shipton are at risk he stands aloof. So there's not much loyalty there, but as I repeat, the very simple point is that the conservatives are deeply and bitterly divided, they don't like each other, they can't govern themselves. While they're like that they'll never be given the opportunity, nor should they, of governing this country.

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