



PRIME MINISTER

TRANSCRIPT OF AN INTERVIEW/TALKBACK WITH BOB MAUMILL, RADIO 2UE.
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E & O E - PROOF ONLY.

MAUMILL: We'll get straight into this. Will I get a couple of the questions over that, sort of, they don't let you become a member of the AJA, unless you ask?

PM: OK.

MAUMILL: OK. Are you taller than John Howard, and is there going to be an early election?

PM: Scintillating.

MAUMILL: Everyone seems to ask that. I want my eight cents a day back because Andrew Olle's one of my idols and I saw you with him on the ABC the other night on Four Corners and you buried him in statistics, and the only time he looked comfortable was when he said, 'Are you taller than John Howard?'.

PM: Penetrating stuff, wasn't it?

MAUMILL: Yes. Surely, the national debate on ABC TV should go beyond that. Anyway, let's go to the phones and see what the people of New South Wales have got to ask you, because I'm not going to try and be clever like my colleagues. I'll let the people do it for me. Good day, Roley. How are you this morning? How are you going, Roley?

CALLER: Well thanks, Bob.

MAUMILL: Where are you calling from, Role?

CALLER: Newcastle.

MAUMILL: Yes. We go loud and clear to Newcastle. What's up, mate?

CALLER: I'd like to talk to the Prime Minister, if I may, over a few problems on the water -

MAUMILL: Hello.

PM: He's got problems all right.

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MAUMILL: Yes. Problems from Newcastle. Try and get him back if we kept his number. We'll go to the next call. Arthur's on line. Morning, Arthur. You there, Art?

CALLER: Mr Hawke, I've got a congratulation and a question for you.

PM: Thanks, Arthur.

CALLER: Well, the congratulation is congratulations on Senator Richardson and your stand on the Greens and holding up the forests against predators. Is there anything in the way of enterprise and land that you wouldn't allow to be sold to predatory Japan, and will you list all the stuff that's already been sold?

MAUMILL: Hang up, Arthur, and listen to the answer.

PM: Well, down to what's sold. Basically, this comes into the area of State regulation and some States keep lists; others refuse to. So, it's not within our jurisdiction to keep a list, Arthur, of acquisitions that are made in various States, but on this question of investment by other countries, not just Japan, and certainly won't discriminate against any particular country, we need investment here. We can't simply put a wall around Australia and say, 'We're not going to trade with or have mutual investments with other countries'. The distinction between my Party, my Government, and the other side is that we at least, keep some oversight on it. We have the Foreign Investment Review Board and we won't let investment take place in this country unless it's consistent with the national interest. The Libs have in their policy the decision to abolish the Foreign Investment Review Board and just have open slather. That's the difference.

MAUMILL: Let's go back to the phones. Good day, Zara. How are you doing? Young caller, Prime Minister, to talk to you this morning. Morning, Zara.

CALLER: Yes?

MAUMILL: Go ahead.

PM: Good day, Zara.

CALLER: Hello. Good morning, mister.

PM: How are you?

CALLER: I'm good, thank you.

PM: Good.

CALLER: Just answer a question I want to ask you all the time.

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CALLER (cont): When you had in Australia, the amnesty for the overs visitors I call them, but some people call them illegal migrants, and the last one we had Mr Fraser, he gave the last one, and he say we didn't have another one, and just, you know, been wondering why, and if we^{are} going to have another one soon?

MAUMILL: Hang up, Zara. We'll give you the answer. Zara wants an amnesty for all her relations who are here illegally.

PM: Well, we're not promising another one, Zara. For the very simple reason that we have about a million people each year around the world who go through the normal processes, seek and make application to become immigrants to Australia, and as you know, we can only have about a hundred and forty thousand a year. Now, it would be totally unfair to those who go through the proper legal processes of seeking to come here according to the laws of this country, to say, 'Well, bad luck you. We'll take away half the available spaces by allowing to stay here, people who haven't abided by the law'. That sort of thing is not on.

MAUMILL: Nor it should be.

PM: Thank you, Robert.

MAUMILL: Let us talk to, Roley. Morning, Roley.

CALLER: Hello, Bob.

PM: Good day, Roley. How are you?

MAUMILL: Roley, we lost you from Newcastle before. Say good morning to the Prime Minister again.

CALLER: Prime Minister, how are you, well?

PM: Good, mate.

CALLER: I've got several queries. I'm an ordinary working chap. I work on the wharves.

PM: Good on you.

CALLER: And there's a few queries I'd like to get cleared up, if I may.

PM: Sure.

CALLER: On the thirty-first of January a ship arrived from Brazil and brought in three and a half thousand tons of concentrated orange juice. Now, that was consigned to Mildura. Is that necessary, do you think, Bob?

PM: Well, let me put it to you this way, Roley. As you're a

PM (cont): wharfie you live on the basis on trade, and if you didn't have trade both into and out of the country, you'd be out of a job. So, you've got a vested interest in trade both ways. Now, the second thing to say is this. I've been spending years since I've been Prime Minister personally, and having my Ministers going around the world, arguing the case for Australian farmers, producers; that they get a fair deal on world markets. They don't have barriers put up against them in the United States, Japan and Europe to stop our products getting in there, and gradually we're winning that and the more I win that argument on behalf of Australian producers, the better off we're going to be. Now, you can't have a double standard. You can't say, 'Well, we're going to go round and tell the rest of the world that they can't have barriers against our products', but say, 'Hey, presto! We'll do the same thing ourselves'. We can't live by double standards, Roley.

MAUMILL: No. With an agricultural hinterland like us, it just seems to me to be ludicrous that we import something as basic to the Australian average household, as orange juice.

PM: That's a different point as to whether, in fact, our people here don't organise themselves better because they've got a natural advantage. Here they haven't got any ^{freight costs}. That's a different proposition, whether they can't organise themselves better to make ours so much more financially attractive that there's no case for bringing in the other.

MAUMILL: Yes, because I draw your attention to the fact that Roley didn't say, 'Don't bring it in', he just said, 'Why should we?'.

PM: Yes. Well, that's right, but what I'm saying is there's two ways in which you can stop it. Either by artificial, you know, tariffs and so on; that's what I'm directing myself to. We're not going to be a party to that. We want to gradually reduce protection, but I take Roley's point that if he's talking about the inadequacy of our own producers here in seeing that they market theirs at a competitive price, that's another proposition and there may be something wrong with the way they go about their business.

MAUMILL: Roley, I had a call on talkback radio yesterday from a couple of wharfies at Newcastle. You seem to be organising yourself to talk to the media up there. It cropped up in conversation on my programme yesterday from one of your mates, about steel from Spain that was coming in too. You're unloading three and a half thousand tones of steel rods. Are you working on that boat?

CALLER: We do, Bob. There's an article in the Telegraph of Tuesday April 18, and it cited BHP as a model to industry. Now, there's a ship coming in the twenty-eighth with seven thousand ton of steel from Spain and over the last eighteen months that I

CALLER (cont): can recall, I can recall six ships that come from Spain and Brazil. Now, there again, Bob, is that necessary?

PM: Well, again I go partly back to the answer I gave before, but there's more to it than that. Firstly, I repeat the point, we're not going to have a situation in this country where we're having double standards, that we're going around the world and arguing for free access for our products to the rest of the world, and putting up barriers against stuff coming into Australia. That's point one, but the second point is, I'd just remind you, Roley, that you'd certainly remember because you follow these things obviously, that in 1983, when we came to office, the steel industry was on the verge of extinction. They were seriously thinking about closing down the steel industry and we said, 'Bull to that. That is not on'. We said, 'We're going to save the steel industry', and we did. We had a steel industry plan. Established a Steel Industry Authority and we saved the steel industry. It's now very, very much more efficient. so, one other side of the coin in regard to what you see coming in here is also, that our steel industry is exporting. We've increased our exports because we've become more efficient. Now, under the Steel Industry Authority that we set up, Roley, we monitored the level of imports so that our industry was basically able to be operating in a way which had the great majority of the Australian market, and I think, it would be the consensus view of the industry, that is both the unions working in the industry and BHP itself, that we've struck a pretty fair balance. In other words, we are providing the overwhelming proportion of Australian steel requirements out of our own industry. We're also exporting some of our product and we've got a relatively small level of imports. It's not a bad mix and it's certainly infinitely better to the situation that I inherited in 1983 where the industry was on the way out.

MAUMILL: Many of us applauded the move that John Button made in revitalising the steel industry, but surely here, when you look at it, it's difficult for a bloke like Roley, and certainly someone like myself, to accept that we need to employ steel -

PM: Import. Import steel.

MAUMILL: Import steel, when we've got the technological knowhow. We've got the raw materials, and there's no question that we've got the people and the facilities. Yet, the big Australian's bringing steel in from Spain and Brazil; thousands of tonnes of it, processed. Now, I've heard you and Paul Keating both say that we've got to get involved in the manufacturing chain. It's just not good enough for us to supply the raw materials to the world. We should be processing the products as well. Well, here it is, we're importing it from Spain. What's going wrong?

PM: No. No. Get both sides of the story. We are, in fact, exporting steel products as well, and I think it's arguable, I don't set myself it's arguable that BHP could have made some

PM (cont): its investment decisions earlier, so that it would increase its capacity, but they are doing that now. I was up there the other day and was involved with commissioning of a new part of their plant. I think it's arguable that they could have moved earlier. If they had, then we would be supplying more of our own, and be able to export more, but I think, that you've got to take the view, looking at it overall, that we've improved our position enormously. I mean, they were seriously, in 1982-3, thinking of shutting down the Australian steel industry altogether. Now, we've converted that. We've now made the industry much more competitive and as a result of the decisions they are making now to create more capacity, we'll be able to supply more of our ^{own} product ourselves, and export more, but I concede that in the meantime, while there's some being imported that must be a bit frustrating.

MAUMILL: Yes, because I mean, you are exhorting us to buy Australian products.

PM: Too right.

MAUMILL: And people should be.

PM: Yes.

MAUMILL: But orange juice comes from Brazil. I presume it gets packaged in Australia and then sold as Australian orange juice. Steel comes from Spain and Brazil. I would presume that it would be used in Australian manufacturing; probably Australian tins, too, and would be the most expensive part of an Australian product. Yet, so we may buy it with an Australian label on it but the ingredients, and indeed much of the packaging in steel cans and things, could come from outside Australia?

PM: No. The overwhelming proportion of the packaging for Australian products is made in Australia and in that area, I simply say in regard to orange juice, I think there is something ^{wrong} with the industry if they can't overcome the additional transport costs that there are, that they don't, But I do in the end, come back to the point which you have got to grasp, my dear friend, in this. We can't put a bloody great fence around Australia and say, 'We don't trade with the rest of the world'.

MAUMILL: No. We don't.

PM: No, but wait a minute, but you don't want us to import any orange juice. You don't want us to import any steel. What do you want us to import?

MAUMILL: I didn't say, 'I don't want you to'. I'm saying, 'Why should we?'.

PM: Well, I'm saying that as far as possible -

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MAUMILL: It's your job to fix it up.

PM: Yes, and I've saved the steel industry. It was on the way out when I came in. That's what the Libs had done after seven years; destroyed the steel industry. We saved it. Now, I also am wanting to make sure we get the best possible deals for our farmers who are getting a rough deal. They are the most efficient producers in the world and they've been shut out of Europe. They've been shut of Japan. They've been shut^o of the United States. Now, I can't have my blokes going around the world and having myself going around the world arguing to all these countries saying, 'Cut down your tariff walls. Cut down your artificial barriers to entries to the products from my country', and say, 'But we don't want any of yours'.

MAUMILL: Yes. That's presuming that you're right.

PM: Well, I am on this.

MAUMILL: Are you?

PM: Well, do want our farmers to have free access to these countries?

MAUMILL: Yes.

PM: Good. OK. Well, then I can't go and preach to them; no tariff barriers, no artificial barriers to the products from Australia, and at the same time say, 'But I'm sorry, boys. You shut your eyes while I put^u barrier to yours'.

MAUMILL: Yes.

PM: You wouldn't conduct -

MAUMILL: No, but I would think there should be some horse trading.

PM: Well, there is some horse trading. (Inaudible).

MAUMILL: (Inaudible) That's another question. Poverty stricken talkback radio commentator -

PM: (Inaudible) You're in a good paddock.

MAUMILL: You're good. You are. We'll take a couple of commercial breaks. I'll read one. You sip your coffee. We'll come back in a minute. Have a look at them.

PM: I could read it better than you.

MAUMILL: Yes. Go. I mucked it up last time.

PM: Yes. OK. Top class fashion from the top class shopping

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PM (cont): centre. It's the Top Ryde Shopping Square fashion parade. Now, I better not read anymore. You take it over from there.

MAUMILL: Why? Do you think you'll be asked to read all of them?

PM: Well, I might be asked to read all of them then.

MAUMILL: But as my girlfriend says, you still talk through your nose. Listen from this, from down in here. I've been to the John Laws school of elocution.

PM: Yes. You've got plenty to come from there. Plenty to come from down there, mate. Very resonant.

Commercial break.

MAUMILL: Back to the phones we go. Bill's on line four. That's it. Good day, Bill.

CALLER: Good morning, Mr Prime Minister.

PM: Good day, Bill.

CALLER: Bob's putting you in a bad mood?

PM: No. Having a great time.

MAUMILL: No. I didn't. I can handle him. I always look at this way, Bill. If I say, 'That's enough Prime Minister. Get out of my studio'. I make the front pages tomorrow and I stay there for a week. So, he needs me, and blokes like me.

PM: Bill, I'm in a great mood. He's a great mate of mine.

CALLER: Prime Minister, I'm a supporter of the Labor Party. Nevertheless, I take issue with the Federal Government's decision to construct a third runway into Botany Bay.

PM: Where do you live, Bill.

CALLER: I live at Kurnell, on the peninsula.

PM: Yes.

CALLER: You know, for years the Labor Party, both Federal and State, were opposed to that third runway and that decision's been changed now. I certainly hope that the decision will be reversed when the EIS is put forward.

PM: Well, the Environmental Impact Study will be undertaken and it'll be a serious one, but Bill, let me say this. When I started to look at this closely when one had to come up before Cabinet, I and those around me actually, advising me, we all

PM (cont): thought that on economic grounds, it was going to be the sensible decision to go straight out to the Badgery Creek site, but the more I looked at it the more questions I asked. The more I had the statistics and all the assumptions put up to me, it was quite clear that the sensible economic decision was to build the third runway and go out to Badgery's Creek at a slower rate. Now, it would have been against the economic interests of the country as a whole if we hadn't made that decision. So, I was persuaded on the economics of it. I know that on the politics of it I take a risk, but some of the people like yourself, Bill, are going to say, 'Well, the Labor Party had a different position on this and we in the area think we're going to be worse off', and that you won't like it. Now, I understand that there was a political risk in taking that decision, but the fact is, Bill, that it was the right economic decision, and I'm not going to make decisions against the economic interests of this country. If I get the facts and the statistics before me that show that I need to change a position that I've had before, then I'll change it, because I'm not going to court, you know, political applause in some areas on the basis of going against the economic interests of the country as a whole. I'm sorry. You know, I'd like to be able to give you another answer. I won't.

MAUMILL: Is Gary Punch finished politically for bluing with you over this?

PM: No. I wouldn't think so, and in fact, he's got a great story to tell to his electorate. The statistics are very simple; that when the third runway comes in the number of annual movements over his electorate will decline from seventy-two thousand to two thousand. Not a bad story.

MAUMILL: Yes. A cynic could say, of course, that Gary resigned to get an election over with and then you'll reinstate him once he wins, but he's got to be seen to be opposing you on it. Any deal been done?

PM: No deal.

MAUMILL: No deal. Righto. Just thought I'd ask. Good day, Peter.

CALLER: Hello.

MAUMILL: How you doing, Pete?

CALLER: How are you? Bob, please.

PM: Yes, Peter.

CALLER: Good day. How are you, mate?

PM: Good, mate.

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CALLER: I'm a Labor man. I've voted all my life, mate.

PM: Good on you.

CALLER: I think you're doing a great job.

PM: Thanks.

MAUMILL: Well, we don't need to talk to you anymore. Go away. We want to get someone who will put him on the spot. Go away, Peter. Call in again later. Let's try Pat. Hello, Pat, how are you doing?

CALLER: Good thanks.

MAUMILL: None of this backslapping stuff. Let's get heavy. Will someone ring and get stuck into him? You know, the charisma can't work on radio as well, surely. Yes. You there, Pat?

CALLER: Yes.

PM: Good day, Pat.

CALLER: Bob Hawke?

PM: Yes, mate.

CALLER: Now, I'm a member of the Five Dock Labor Party and we passed a resolution at our last meeting asking you to refuse to sign the Antarctic Agreement. It's got to be signed in the next couple of months. Now, I heard Senator Richardson on one of the TV shows one Sunday morning saying that we should sign. It's the best thing we could do.

PM: Yes.

CALLER: Totally disagree with him, and I hope that the Government will have the sense and the intelligence not to sign it because we don't another King William Sound business where the oil spillage up there....

PM: Sure.

CALLER: What that's done, we don't want that in the Antarctic.

PM: Yes. Pat, this issue's got to come up before the Cabinet. The argument that -

CALLER: Give it serious consideration that it will not be signed. I think it's better if we don't.

PM: Well, Pat, we'll certainly be giving serious consideration to the issue, but let me make this point in defence of

PM (cont): Richardson. I don't think there's anyone in Australia really, who's more committed to environmental issues in a constructive way than Graham Richardson. His argument is, and we've got to, you know, consider this in Cabinet, but I understand his argument to be that unless there is an actual regime signed, then the capacity to have any control at all over activity of this type is nonexistent. In other words, without some sort of regime, which the various nations of the world have signed, it's open slather, and anyone can go in and do what they will. So, his argument is, it's best to have a regime and try and get as tight and most effective regime as possible under an agreement, because if you don't do that, then it is open slather. Now, that's the essence of his argument, but these things will be considered by Cabinet and the sort of considerations you have in mind will be very much before us.

MAUMILL: Let's go to the top of the board. Morning, Margaret.

CALLER: Good morning, Bob.

PM: Good day, Margaret.

CALLER: The Prime Minister?

PM: Good day.

CALLER: Good morning, Prime Minister.

PM: Good morning.

CALLER: Prime Minister, I've got a problem that I think many listeners will be very interested in and that is if you could explain to me in layman's language why it is possible for big business to borrow money, millions overseas, at a very low rate, and then claim tax deductions in Australia, at Australia's rate, when young couples who have to borrow money to buy a home at high Australian rates, they're not getting any tax deductions? I know that you're going to say to me, inflation and all this.

PM: No. I'm not going to say that. I'm going to give you the answer which is this, Margaret, and that answer is that you see these stories that are written about. You see a company, one of the companies in a group that's paid little or no taxation; they say, 'Isn't that terrible? They've paid no tax'. What is not understood and its been put out time after time after time, and people either don't want to see it or don't want to understand it. Companies can be in a situation where it's a member of a group and they will have paid tax in another company and what happens in the company that you're looking at, has paid no tax, it is not the operating company. Tax has already been paid on what's passed into it but the other companies in the group have paid the tax. Now, if you look at just the one company and say, 'That one's paid no tax', you ignore the fact that where the

PM (cont): other company that the ^{dividends had} come from into that company has paid it. You can't pay it twice, and if you look at the group as a whole, they are paying a tax. For a simple fact, Margaret, is that it's under this Government that for the first time, all the tax evasions and rorts that were characterised under the previous regime have been stopped. I mean, let me put it to you this way. The previous Government set up a Royal Commission; it was a Costigan Royal Commission, and our own Royal Commission said in 1981 that the fastest growing industry in this country was the tax avoidance industry. That was the outcome of the previous mob who simply wouldn't make people and companies pay who should pay. Now we've, by broadening a tax base, tightening up laws, giving the Tax Commissioner, Mr Boucher, more and more resources, actually putting auditors in the companies. They go and sit in the major companies now and so from the inside they see what's happening and they're getting hundreds of millions of dollars out of companies in tax which was never obtained before. You ask the business community of this country which is the Government which has made them pay tax and they'll tell you, it's the Hawke Government.

MAUMILL: You're making us pay tax. He's heavy as lead that Boucher. He's got his team going through all the radio stations at the moment.

PM: But you don't mind that, do you?

MAUMILL: No. I don't mind. No. I don't mind.

PM: Good on you.

MAUMILL: But he's very heavy. Do you think he's too high profile? Boucher? Do you think he's sort of playing the role -

PM: Not on your life.

MAUMILL: Paul Keating's storm troopers?

PM: No. Every Australian taxpayer, every one of your listeners should have a picture up of him and praise him because it's because -

MAUMILL: (Inaudible).

PM: Well, but you're a decent bloke. You'll do it. It's because Boucher's going in and making those who've got the capacity and the obligation to pay, because they are paying now. That's enabled us to bring the rates down. When we came to office, what was the top rate? It was sixty cents.

MAUMILL: Sixty. Yes.

PM: Sixty cents. It's now down to forty-nine and forty-seven in January and the lowest rate was thirty and that's come down now.

PM (cont): We've reduced that by a third. Now, the only way we've been able to bring tax rates down is because we're making those blighters pay who didn't pay before.

MAUMILL: The Secretary of the Federal Treasury, Bernie Fraser, has admitted that Mr Keating's inflation forecast is off beam, and he predicts 7.3% which is well above Mr Keating's inflation figure of 5.5%.

PM: Look, there's one problem in what you're saying there. It's not Mr Fraser saying -

MAUMILL: Does this mean you got it wrong?

PM: It's not Mr Fraser saying that Mr Keating's figure is wrong. It's the Treasury, headed by Mr Fraser, who provide the basic information upon which the Budget's drawn up and Mr Fraser is saying of himself. I mean, I'm not having a shot at Bernie. Bernie's saying, 'We got it wrong'. Most economists had a belief that you were going to have lower levels of activity after the October '87 crash; the level was going to fall down. In fact, here and around the rest of the world activity boomed, and so it is right, the estimates that we made then were out. Now we've got to make the decisions, Bob, to deal with that, and we have.

MAUMILL: Yes, but fifteen billion trade deficit he's talking about.

PM: Yes, and that's right.

MAUMILL: Can we afford that?

PM: Can't go on affording it, that's why we've got high interest rates. That's why we're bringing down the level of activity. You can't have it both ways. You can't complain about the high level of interest rates and the high level of imports and the current account deficit. The reason why we've got high interest rates is to bring the level of activity down so as there won't be so many imports sucked in.

MAUMILL: Yes, but Paul Keating's saying steady as she goes. We've got to keep the hand on the tiller and remain resolute, but it hasn't worked so far, has it?

PM: On the contrary. It has worked.

MAUMILL: But he's got it wrong. He's got the figures wrong. That's all we can use to go on, Prime Minister.

PM: But Treasury and the Government acting on those advice, like Treasuries all around the world, got it wrong because every economist around the world, every Treasury, every Government, assumed after the October '87 crash that the, you know, the

PM (cont): economy was going to fall flat right around the world. Now in fact, the level of activity stayed up very much higher. We've got boom conditions around the world. So, we all got it wrong in that sense. Now the thing is, the secret of economic management has been to adjust to those changed circumstances. That's what we're doing. Now, traditionally what would have happened in Australia in those circumstances, that the screws would have been turned on that tight that you would have sent the economy into recession. That was a traditional conservative way. We haven't done that. We've still got high employment growth and what we're going to do it bring the level of activity back, Bob, but not that far that we put it into recession.

MAUMILL: You told my Mum during the West Australian election when you were over there, that interest rates would be down by Christmas. Is that still going to happen?

PM: Yes. I was asked in January, Bob, did I think that -

MAUMILL: It was Mum that yelled the question.

PM: Thanks, Mum. Thanks Mrs Maumill. You've got a lot to answer for; the son and the question.

MAUMILL: Will they come down?

PM: I've got no reason to change the answer I gave. I didn't raise it myself. Your mother, I didn't know, raised it. She said, 'Will they be down before the end of the year?' The answer is 'Yes', and it's still yes.

MAUMILL: Yes? They'll come down?

PM: They'll be down before the end of the year.

MAUMILL: All right. OK. Well, there you go. There's the headline, boys. Make sure it's well reported. Let's go back to the phones. Let's get some sensible questions from our listeners. Why don't we go to line five, Paul; single Mum? Good day, Robyn. How are you doing?

CALLER: Hi. I've got two questions actually. The first is, how a single Mum can go on a pension, live in de facto relationship and have one, two, even three children after she's been on the pension from the beginning?

PM: Well, when you say, 'They're living in a de facto relationship', we further tightened up the rules in this last Statement we brought down to avoid a situation where people who are supposed to be getting the benefit from an actual single parent relationship are not, in fact, living in that situation. So, my intention on the part of the Government to allow that sort

PM (cont): of scene. A single parent's benefit is for a single parent not living in a de facto relationship and the practice of the procedures in the Department will be tightened up even further to ensure that that doesn't happen.

MAUMILL: Let's go to the top of the board. Good day, Bob. How are you doing?

CALLER: Not too bad at all. Thanks, Bob.

MAUMILL: Go ahead. Ask your question. Let's get on with it.

CALLER: OK. We've got Bob, Bob and Bob.

PM: Three Bobs.

MAUMILL: Yes. Three Bobs.

CALLER: Look, Bob, I'm an ex-RAN Vietnam veteran and for some time we weren't recognised for our logistical support of the Vietnam War. Now your Government recognised four of the claims which was basically that it was Now, I thank Senator Arthur Geitzel and Kim Beazley for that, and yourself, of course. Now, on the Welcome Home March you may not have noticed when you were standing on the Sydney Town Hall steps, but we led the navy contingent of the Welcome Home March and we had a really great day, but none of us wore any recognition from Australia; that's in the form of the Australian Vietnam Medal. Now unfortunately, it would seem that Mr Beazley, and I'm only reading between the lines here, seems to have come to a blank wall with the Defence Service Chiefs, and on that basis, I've tried very hard to talk to the Defence Service Chief involved but they seem to turn a blind eye to me. I don't exist. Now, what I'd like to ask you is, could you grant this last request, particularly with ANZAC Day coming up. It means a hell of a lot to four thousand servicemen. It's an Australian recognition. We've got a Return From Active Service Badge, but where did we return from?

PM: Yes. You're referring to the service, like the merchant marine, and so on?

CALLER: No. This was the HMAS Sydney.

PM: It was the actual naval -

CALLER: Yes.

PM: The naval people who provided the services going up there but who weren't in action there?

CALLER: That's right.

PM: Yes. Yes. I understand what you're talking about. Well look, Bob, I would want to talk to Kim Beazley about the details of this and I give you an undertaking that when I next see him I will. I mean, I can't say that you'll get the answer you want but the undertaking I do give you is that I'll talk to Beazley about it.

MAUMILL: You'll raise the matter?

PM: Yes.

MAUMILL: Let's go down the board. Talk to Ann. Line fourteen. Morning, Ann.

CALLER: Good morning.

PM: Good morning, Ann.

CALLER: Look, what I want to mostly bring up is that my husband does wages. Like, he does it each week for employees and a couple of weeks ago we were out shopping and I was a bit amazed, as I get all the time, how the cost of living keeps going up and I was wondering that perhaps when he told me what the actual basic wage was, he said, 'About three fifteen', and I said, 'Goodness me. How do people live on that?', and he didn't answer. He said, 'I don't know', but what I was wondering, do you think it's possible for you to put the wage rise up before July because I feel that people really, in some cases, not myself, I'm not ringing for, and what about freezing prices because it doesn't matter. Can that ever be done again? I know it was tried to be brought in once because, Mr Hawke, the prices go up whether the wages go up or not and they keep going up.

PM: Well, let me go to the two parts of your question, Ann. In regard to the people on the lowest level of wages, part of the arrangement that we've made in the negotiations with the ACTU; those people at the lowest level are going to benefit in these ways. Firstly, they are going to get an increase in what's called their supplementary payments and that will give a substantial increase at the wages level. The second way in which they'll be assisted is that where they have kids there are going to be substantial increases in the Family Allowances and the Family Allowance Supplement which, if you take the case of a bloke with a wife and three kids at that low level of income, it will be equivalent to a wage increase of over a hundred dollars a week; what we've done in terms of providing them with Family Allowance Supplements for their children, and thirdly, of course, at the low level of income they pay no tax. A bloke on twenty thousand dollars a year with wife and three kids will in effect pay no net tax because what he paid in tax is more than offset by the allowances they get that I've mentioned. So, in these ways we're conscience, and so is the trade union movement, of the need of those lower income people and they'll be helped in those particular ways. Now, to the other part of your question, Anne,

PM (cont): about price control. You can't have price control in peace time. We haven't got the constitutional power under the Commonwealth to do it. None of the States want to exercise it. What we've really got is the next best thing with the Prices Surveillance Authority which watches particular areas where there is an opportunity for business to take advantage of semi-monopolistic positions. We watch that and report on it and try by the pressure of public opinion in that way to stop unnecessary increases, but we haven't got under the Constitution, Ann, the power to impose price control.

MAUMILL: Big story in New South Wales this morning is three cents a litre on petrol. You take about \$1.5b in petrol taxes out of New South Wales and give about three hundred and fifty-four^{milk} back a year. There seems to be a disproportionate amount of money channelled by Treasury into other areas, and roads in New South Wales, as everyone knows, are really crook and neglected. The State Government blames you and says you don't give us enough money back. They've now bunged on the three cent impost. Who's fault is it and will you give them a belt around the ears at the Premier's Conference?

PM: There'll be a few words about this at the Premier's Conference, I can assure you. Now, on the question of roads, there has been a significant real increase in expenditure on roads under this Government. We've completed the Around Australia National Highway and there's been a very, very significant increase in expenditure in real terms and under the arrangements we've got you'll see that there'll be a further real increase in funding for roads in the next financial year. So, that's, you know, the reality. Now, as far as Mr Greiner's concerned, he refuses to accept the need for a level of restraint in activity. The whole point of the exercise that we're about, Bob, in running the economy is that we've got to bring the level of activity back somewhat. We were talking about it before. Otherwise, you're just going to have, as I say, a significant increase in imports, but Mr Greiner seems intent on not exercising the sort of discipline here that we in the Commonwealth and other States are going to do, and this slug on motorists here....three cent slug on motorists isn't justified, and it is a matter that will be taken into account in our discussions at the Premier's Conference.

MAUMILL: But he's saying it's the only way we'll get better roads. You won't give us enough money.

PM: But we have given a significant real increase in funding. There'll be a further real increase in funding in the year ahead. So, it's not as though we're not increasing the outlay on roads. If you want to, you could go on building more and more and more and more roads; more and more bridges. You could build more and more schools. You could do more of everything, but in the process, of course, you'd ruin the country. You just can't keep

PM (cont): on spending. If you do keep on spending that way, you're talking about the current accounts, imports will just go through the roof, the economy comes to a, and I think you're sensible enough to know you just can't keep on spending on everything you want to.

MAUMILL: Yes, but try telling that to people who are jammed in pot holes on Windsor Road trying to get work and they know that they are getting back only a very, very small proportion of what they're handing over to the Commonwealth.

PM: It's not handing over to the Commonwealth. It's not going into my pocket, or Keating's pocket. It's being used to do a whole range of things. They want schools as well. They want social welfare. They want pensions. Historically, motor fuel has been one of the areas which has provided income to successive governments, not just for roads. It's not just with what you raise by way of coming off fuel is just going to roads. It's one of the sources of revenue which governments use to build schools, bridges, roads.

MAUMILL: Yes. It seems to me though, like an extra taxation.

PM: Mr Greiner's?

MAUMILL: No, because you're a motorist, we get into your pay packet and we'll get you through the petrol bowser as well. You're saying that consolidated revenue gains from the petrol pump and doesn't necessarily give all of that, doesn't give all of that money -

PM: I'm saying the motorist is not just a motorist. You don't live your life sitting in your motor car. You get out of your motor car. You have kids. You send them to school. You want defence. You want pensions for your mothers and fathers who are out of the work force.

MAUMILL: Yes, but non-motorists don't pay it.

PM: OK. Well, then to the extent that non-motorists don't pay it, so what? I mean, non-motorists are taxed as well, but traditionally excise on motor fuel is a source of revenue for governments for matters not only to do with roads. I mean, does it follow from that, that when you go and have a drink and you pay your tax on it, I mean, you still do have the occasional one, do you?

MAUMILL: A sip of very good red West Australian wine.

PM: Good on you.

MAUMILL: Keep away from the other stuff.

PM: Yes. I see. Well, does it follow that we governments get revenue from you as a drinker that we should only spend the revenue we get from that, what on the hospitals where we're treating cirrhosis of the liver? You say that that's true?

MAUMILL: No.

PM: Well then, what's the argument that says that in respect to....what you pay as a motorist should only go on roads?

MAUMILL: Yes, but I can make a decision about whether or not I drink or not, but I can't make a decision whether or not I should come to work. I've got to get in my car to come to work. There's no public transport. I've got to get in the car to drive to work.

PM: That's right.

MAUMILL: If I don't want to have drink, I don't have a drink, I don't pay the tax if I don't like it. But I have got no option but to travel to get to work to make a living. Now, what you're really saying is that you get me out of my PAYE pay packet, I pay as I earn, and because I'm a motorist, to get more money for consolidated revenue, you get me at the petrol pump as well.

PM: It's not a question of getting you. It's a question of saying that Bob Maumill, you are as well as being a motorist you are many other things. You've got kids, you've got parents, you want us to provide pensions, you want us to provide schools for your kids. Now, how do we get the money in terms of all these things other than by a collection of revenue? The important thing to note that as far as this Government is concerned, what we have been doing is to keep the revenue that we get as a constant portion. It hasn't gone up. With all these increased demands, including increased expenditure on roads which we have undertaken, infinitely more money on education, infinitely more money on pensions and so on, we still, our tax take, the Commonwealth tax take has remained a constant in all the period we have been in Government.

MAUMILL: Robyn's on line six. She wants to talk to you and I promised that she'd get on.

PM: Good on you.

MAUMILL: Let's go down the board. Where is she? Is she still there? No. She has gone, but Margo is there. Morning, Margo.

CALLER: Hello.

MAUMILL: How are you Margo?

CALLER: Good morning, Prime Minister

PM: Good day, Margo. How are you?

CALLER: Good, thank you. I believe that everything in Japan costs much more than here. I'm was told that, for instance, it costs one thousand, five hundred for three people to have dinner in a restaurant. Well, that's a thousand per cent more than here. How high are our interest rates going to go with this highly inflated money coming into the country and if they keep buying up Australian businesses and land and everything, we won't have to worry about trade. They'll own it all. We won't have anything left to trade.

MAUMILL: Well, that's a statement; not a question. Good on you, Margo.

PM: Margo, I'm not quite sure I see the connection between how high costs of living are in Japan and the rest of your question, but I just go back to this point. If you want a Government and a PM that's going to be anti-Japanese, you've got the wrong bloke. I'm not going to be anti-Japanese, and I'll tell you why I'm not, because the future welfare of your kids and their kids depends upon this country having sensible, constructive relationships with this region. The Asian-Pacific rim, of which we are part, is the fastest growing part of the world's economy. By well before the end of this century they'll be producing more than half of everything that is produced in the world. They will be the biggest entity in world trading and if Australia adopts this, and I'll be quite direct with you, this quite stupid and self-defeating attitude of being anti-Japanese, anti-Asian, then what you are doing as sure as I'm sitting here next to this slim fellow Maumill, is that you'll be condemning your kids and their kids to a worse future. The very worst thing that can be done to Australia's future is to have this anti-Japanese, anti-Asian attitude because they are growing at an enormous rate; all this region, the Japanese and the other countries of this region, they are growing faster than anyone else in the world, and the future of this country depends upon having a sensible, constructive trading relationship with them. If we say to them, 'We don't like you. We don't like the look of you. We don't like your money. We don't want your investment.' Then very simply and properly the Japanese and these other countries will say to us, 'All right, get nicked, Australia', and they will nick us, and you'll sit back with your children and you'll say, 'Marvellous. We've been tough and Rambo. We've told the Japanese we don't like them', but what the Japanese and the rest of these countries will do is say, 'Bye bye, Australia'. Now, you might want to do that Margo, but I'm telling you, I'm not going to do it, because I want a country where my kids and my grandchildren and yours and their grandchildren are going to have the opportunity of getting all the economic benefits of trading with the fastest growing part of the world.

MAUMILL: Prime Minister. I'm a Barry Jones fan. I like the way he conducts himself publicly. Whenever I talk to him on air he's

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a very, very easy, forthcoming bloke. Goes on a bit. You know what Barry is like; a bit wordy, but I was -

PM: Like a radio bloke.

MAUMILL: Yes. I was a bit distressed to see that there was some friction in Cabinet and that Barry was going to pull the pin. You had to prevail upon him to stay. What's the basis of it? What was the blue about?

PM: There's no problem. Barry is very, very intent on ensuring that there is a fair go for science in this country. That they get a good amount of funding and new funding. He was a bit worried that they weren't going to get as much as they needed to help develop science in this country but I had a talk to him, a very friendly one and there was no suggestion that he was pulling the plug. He's still there and will be.

MAUMILL: (Inaudible). Was there some blue between him and John Button?

PM: No. No. No. There's different emphasis between them and couple of others as to whether this amount of money should go there and that amount of money should go there but it's good healthy discussion. He's still there and will be.

MAUMILL: Final call. It's on dual nationalities. It's one that comes up on this talkback programme all the time. Kevin's down there on line seventeen. Morning, Kev.

CALLER: Hello, Bob.

PM: How are you, mate?

MAUMILL: How are you down, Kev? Make it quick, Kevin, will you?

CALLER: Yes. Listen, I'd like to know is there anyway that through Parliament....that any dual nationalities are not allowed to hold power such as....or anything else in Parliament?

PM: Such as what?

CALLER: Such as in Parliament. Like, in here in New South Wales we've got a Greiner who's just raping New South Wales something terrible and he wasn't even born here and with it he's selling off all of our heritage.

PM: Well, Kevin, as far as I know, Mr Greiner only has his Australian nationality. It's not dual nationality and I just want to simply say to you and be as tough as I was in the answer to the previous questioner. If you've got a view that you're against anyone that was born in this country, you're talking to the wrong bloke, mate. You want to talk to someone else, because as far as I'm concerned immigration has been the thing which has

PM (cont): enriched this country. At the end of the last War we were seven million people. Now we're sixteen and half million people. We've got people in this country that have come from one hundred and thirty odd different homelands. As of this very day that I'm talking to you, Kevin, almost forty percent, about thirty-nine percent of every person in this country today was either born in another country or is the child of a parent born in another country. If you think you can turn the clock back to have an Australia that consists only of people born in Australia then you want to do the worst possible thing to this country. You're talking to the wrong bloke, mate. If you want that sort of thing, go and talk to some Conservatives.

MAUMILL: Prime Minister, you look healthy, you look fit, you look active. I've never seen you work better. Does that mean you're going to go on indefinitely?

PM: Well, I'm putting myself up next time for another term and I feel right. You're absolutely right. Never felt better.

MAUMILL: Have you given Hazel a commitment that you'll retire by a certain time?

PM: No.

MAUMILL: Has it ever been discussed between the two of you?

PM: No. We just want to feel sure that we're both fit and well and able to keep going. I'll keep going while I feel that I'm at my peak and that's where I feel at the moment.

MAUMILL: But are there any other horizons that you'd like to conquer? I mean, everything you've set out to do? I spoke to you on a plane one time. I interviewed you when you were Chief of the ACTU. We talked at some length. You said, 'One day I want to be Prime Minister of Australia. I want to go into Federal Parliament and one day I hope to be Prime Minister'. You've done that. You went into Federal Parliament. You became Prime Minister. Is that the end of the Hawke agenda?

PM: No. No. There's a life after politics, mate. Life after politics.

MAUMILL: Well, after politics, what role do you see yourself in? What do you do with a Prime Minister? Look at Malcolm, he's walking around looking for a job.

PM: Yes, and I'm trying to help him get one.

MAUMILL: You're trying to help him get one. I know you are.

PM: How's that? That's not bad, is it?

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MAUMILL: Can't be fairer than that.

PM: Can't be fairer than that.

MAUMILL: You've always been for full employment, even for ex-Prime Ministers. What would you do? What would Bob Hawke, ex-Prime Minister of Australia do?

PM: Well, I've said one of the things I want to do is I'd love to do a television series which would involve a lot of work interviewing people who I've had the great privilege of meeting who I think have made an impact upon the world and have changed events in a very significant way. I've learnt a lot from meeting these people. I mean, I've had my imagination and horizons widened by getting to know them and I would like to share with millions of other people in this country and around the world, my knowledge of these people through really reasonably lengthy interviews with them. So, that's something I'd very much like to do, and then well, I'd also like to spend a lot of time with my six grandchildren. Just got the sixth the other day, and I'd like to see more of my country and I'd like to see of the world.

MAUMILL: Has your vision for Australia been distorted at all by the behaviour of Australians during the immigration debate? Are they the good people, the good blokes, if you like, and this goes for men and women, using your own words, are they the good blokes you always thought they were, or do you scratch an Australian and you find a racist?

PM: No. It's not fair to say, 'Scratch an Australian and you find a racist'. There's no doubt there is racism in this country, and that hurts and disturbs me. The thing that hurts me is that people are so unintelligent that they can be racist. I mean, you can't determine, I can't determine, what I was born. I could have been born black. I could have been born Jewish. I could have been born anything. I happen to be born a white Australian. OK. That's what I'm born. It is an obscenity to have a prejudice against a person because they were born different to you. That person who is black or Jewish or Japanese; that's what they were born and they've got the same mixture of emotions, aspirations, hopes, fears, strengths, weaknesses, as you and I have. I mean, where I particularly find it galling as I've said is where so-called Christians, you know, they call themselves Christians, have this prejudice, because I go back to what my father said to me. He said, 'If you believe in the Fatherhood of God', he said, 'there's a corollary.... The Fatherhood of God means the brotherhood of man'. You've got the same Father, you're brothers, and that's right. I mean, I don't practice that....now but that's a truth, I think, which just seems to me to be overwhelming and I just find it so repulsive and unintelligent that you have a prejudice against a person. You could have been an Aborigine. You could have been born anything. You happen to be born what you are. Now, you should regard every human being, in my judgment, as a fellow

PM (cont) human being. Not lesser, not greater.

MAUMILL: What sort of a job's Bill Hayden doing as Governor General? Are you happy with it?

PM: Yes. I thought he'd be a good Governor-General, and he's doing it well. I get good reports. I expected him to do well.

MAUMILL: Got any advice for the Libs who are self-destructing in Victoria, apart from keep on doing it?

PM: No. No. I just go on with my colleagues governing the country and we'll leave them to....themselves apart. There's a truth in politics which we learnt in the Labor Party, and that is, if you can't govern yourself, the people won't call on you to govern them.

MAUMILL: Thanks for joining us today, Prime Minister. You do have other appointments now to attend. I appreciate the fact that you've joined us today and we look forward to talking to you again in a talkback context very soon here on 2KY. Thanks for being -

PM: It's been great being with you again, mate.

MAUMILL: Good on you, mate. Good to see you again.

ends.