



## PRIME MINISTER

TRANSCRIPT OF NEWS CONFERENCE, SHERATON HOTEL, PERTH, 19  
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E & O E - PROOF ONLY

JOURNALIST: Mr Hawke, John Halfpenny's been very critical today of you bringing in the military to help sort out the civil aviation -

PM: Well I didn't have any doubts before this that I was right and if Mr Halfpenny's criticised me, that just reassures me that I'm right.

JOURNALIST: He says though that your bad handling of the situation has deliberately worsened the dispute.

JOURNALIST: Just let me make it clear that I have never taken any notice of John Halfpenny. I've never regarded John Halfpenny as someone who has any significance at all in these matters. Now you can quote John Halfpenny as long as you like if it satisfies you. It is a matter to me of supreme indifference if - I should perhaps just amend that - I repeat what I said at the beginning. If John Halfpenny is coming in against the Government and in any sense giving comfort to the pilots, that totally reconfirms our position in this matter, yes.

JOURNALIST: What about the pilots advertisement this morning calling on you to back off. Will you back off?

PM: Now what I'm saying about the advertisement that here is the Federation which in February of this year in its publications to its members said to them, 'prepare for the great battle in which we're going to shut down the industry'. These are the people who are now expressing their concern for the tourist industry, for the people on school holidays. They deliberately set about shutting down the airline industry in which they said they were going to take on their industry, the Government, the Arbitration Commission and everyone else. Now I have said from the beginning on behalf of the Government and the people of Australia, you are not going to take on the rest of Australia and win. If you are going to do something which is different from all other workers and say that you'll have special treatment, then you're wrong. You're not going to do it. We are not going to destroy a system in Australia which has created over one and

(PM cont) a half million jobs, which has exercised wage restraint, which has seen a growth in profits, which has allowed investment, which has allowed jobs. All that's not going to be destroyed by the pilots and for them to now be saying 'back off', they've got their facts wrong. They ought to read their compass. I hope when they're in the cockpit, they read their compasses better than they're reading the compass in this matter. They've just got it back to front.

JOURNALIST: Mr Hawke, you've also put your own credibility on the line. Have you painted yourself into a corner on this? Have you become obsessed with it?

PM: Do I either look as though I'm painted into a corner and I feel obsessed? I'm simply doing what any Prime Minister must do and that is when the security of this country is threatened, to stand up and say those who will threaten the security of the country are not going to win. Now I've simply said in answer to a question when I was asked was my credibility on the line, I said yes. I said it is if as Prime Minister I'm not prepared to stand up for the security and economic welfare of this country, I wouldn't deserve to be Prime Minister. Now that's quite straight forward. The fact is that this Federation will not be allowed to destroy the Australian economy.

JOURNALIST: Mr Hawke, do you believe the Government's now on the way to winning this dispute?

PM: Well there is no doubt that the Federation would never, never win it. I mean it's never going to be allowed to win it. So I've put it in that way. I don't talk in terms of victory for myself or for the Government. I don't want to talk in terms of victory. The only real entity whose interests are involved here is the Australian nation, the national interest, and that is going to win.

JOURNALIST: Mr Hawke, there was a suggestion by a Melbourne industrial relations lawyer today, Anthony Mackin, that the coming ACTU Congress at the end of the month may herald a little more division in the union movement about this dispute. Are you concerned, particularly in the wake of what Mr Halfpenny said that you're going to hear more objections from the union movement about -

PM: ... but I've said what I've got to say about Mr Halfpenny. It comes down to a question of Bill Kelty and John Halfpenny. I'll tell you who to have your money on.

JOURNALIST: Mr Hawke, there have been calls today for a national summit or a Premiers' Conference about this dispute. Will you consider any of those options?

PM: Of course I wouldn't. We have a system in this country through the Industrial Relations Commission and the guidelines which is there for everyone else. Everyone else abides by it and under their restraint that they've exercised under it, where they've processed their claims through that system, the rest of the country has prospered. We are not going to be setting up some special arrangements for who? For pilots? For pilots who've, as we've said, are averaging \$80,000 a year for an average 8 hours flying, and they think that where everyone else will work according to these arrangements that we're going to rush around having national summits, Premiers' Conferences, special mediators, for these people who are getting \$80,000 a year for 8 hours flying? I mean you must be joking and they must be joking if they still think that that sort of thing's going to happen. The situation is that by their action they have resigned, they have resigned their employment. They are no longer - as a result of their own action - employed by Ansett and Australian. So what Ansett and Australian are doing is filling those vacancies in the ranks created by the pilots' resignation. That process is going ahead, it will go ahead and the national airline system will be restored.

JOURNALIST: Are you out to destroy the Pilots Federation?

PM: Certainly not only not out to destroy any federation, they seem to be out to destroy themselves because there's a very strange sort of situation in an industrial position. If you instruct your members to resign, which they've done, and therefore you have no members employed by Ansett and Australian, and then flap around all over the place saying, 'we want to negotiate', when you've got no members there employed, it's very strange. But the important thing is this; that the two airlines, in the situation created by the Federation, are now seeking to fill those ranks by recruiting people. Now it's my very strong view that when they have succeeded in doing that, that they should then have an organisation - whether it's the Federation, whether they want to be in that or whether they want to form another union - that that would be for the employees of Ansett and Australian. But it's very important, I think, that they should have an organisation, have a union. So it's the Federation which has destroyed itself by taking its members out. They've no longer any members employed there so the two airlines are filling the positions where there were previously Federation members. But certainly it's my position and that of the Government that when that is concluded there must be an organisation there.

JOURNALIST: Are you concerned about our safety record at all, Mr Hawke? The air traffic controllers have suggested that with a lot of foreign pilots, people new to the job, that Australia's safety record is -

PM: We have a Civil Aviation Authority which has a statutory responsibility to look after the safety standards of this country. They will discharge their statutory responsibility.

JOURNALIST: Mr Hawke, can I change the subject for 30 seconds. The current account deficit's been tipped at above the \$2B mark to come out on Thursday. What's your tip?

PM: I have no tip.

JOURNALIST: Would today's - any comment re today's project on that figure?

PM: Well I think the important thing about today's project - the North West Shelf - is as I said in my speech, that a significant part of the current account deficit figures that have been accumulating over the months is the bringing in to Australia of equipment which is going to establish projects like the North West Shelf and we'll see that now coming onto stream and building up to bringing into Australia \$2B or more in export income. Now as we look to the future therefore we can have great confidence that much of the deficit that we've been accumulating is as we've been saying, restructuring Australian industry, Australian manufacturing industry, building up more projects like the North West Shelf. Australia has got a very, very significant, prosperous future. We go through a period now where we can't be complacent about the level of imports and we must restrain demand to some extent. But in the long term what we're seeing happening and what we're participating in is a restructuring of the Australian industry, the development of our resources which is going to make our external position very strong in to the future.

JOURNALIST: Have you got a tip for the League grand final, Prime Minister?

PM: Well I've got to publish that later, I think. I think the newspaper which has my tipping rights has got an exclusive on that. That's a bit later in the week.

JOURNALIST: Mr Hawke, can I ask you about the capital creation for Qantas and Australian Airlines. There's been talk about non-preference shares, about partial privatisation. What's your own favoured option for raising capital for Qantas and -

PM: I haven't got a favoured option. This is something that's been looked at by a committee of the Party. We'll look at it in Government. I am not publicly discussing what my view about this is.

JOURNALIST: Mr Hawke, the specific wording of the pilots adtoday that you should butt out. Do you find that offensive at all?

PM: No. I mean I've been in public life for 30 years and I've probably said a few offensive - if I can remember I have to think hard, I may have in the course of 30 years said something slightly offensive. No, I don't get upset by those things. The only thing that really upsets me about the whole thing is the temerity of this Federation which set about, deliberately set about the destruction of the industry. I mean this is in their own writing, in their own publication, 'we're going to close down the industry, we're going to have the great battle against everyone'. Now when they've done that to have the temerity to talk about their concern for others, I mean I find that hypocrisy galling. But the fact is that the Australian airline industry is going to be restored. There will be a full restoration of the industry. The only question is now is to whether these pilots, the members of the Federation, want to be part of that restoration or not. It's up to them, individually.

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