

THE PRIME MINISTER, MR BOB HAWKE,  
INTERVIEWED BY MR RICHARD CARLETON  
ON 60 MINUTES, SUNDAY 12th November 1989

MR CARLETON: Do you fear a united Germany?

MR HAWKE: Fear, no, I think we shouldn't fear it, I think it is inevitable.

MR CARLETON: But two mighty wars this century, why not a third?

MR HAWKE: Because we do live in times of the most dramatic change. War in 1914-18, even war in 1939-45, while disastrous, never threatened the annihilation of mankind from this planet. Now war means that. ....

MR CARLETON: According to the Prime Minister, it is not just East Germany, it is the whole communist system that is in trouble.

MR HAWKE: I mean, you have had now more than seventy years of this rule, in the Soviet Union, and they still can't feed themselves. Their people still queue up for basic necessities. It is a failed economic system.

MR CARLETON: Failure, and economics. You have been in power, not seventy years but seven years.

MR HAWKE: Nearly.

MR CARLETON: We've got an inflation rate of eight per cent and each month we are spending two billion dollars more overseas than we earn. *Sir*, by those two measures you are a failure too may I suggest.

MR HAWKE: You may suggest it, but may I suggest that that is a very selective picking of the criteria. May I suggest -

MR CARLETON: We'll go to interest rates as well.

MR HAWKE: Sure, and we'll go to employment. We'll go to the fact that we have created 1.6 million new jobs, which is a rate of employment creation more than four times faster than our predecessors, more than twice as fast as the rest of the world.

MR CARLETON: Look, I'll concede that you've been a good Prime Minister. That Australia is a more gentle, a caring and a more equal place -

MR HAWKE: Yes.

MR CARLETON: - than it was some years ago. But the fact of the matter is sir, that you have failed.

MR HAWKE: No well -

MR CARLETON: I've got to pay 17 per cent for a housing interest loan here. In Japan they pay six.

MR HAWKE: Okay.

MR CARLETON: In France and Germany they pay less than ten. In Switzerland they pay six too.

MR HAWKE: Okay, okay.

MR CARLETON: Why under your management have we got to pay 17?

MR HAWKE: Well the rates of interest under us haven't reached the peak that they did under the other mob first of all.

MR CARLETON: Well no -

MR HAWKE: Well wait a minute. But wait a minute, you don't live in Switzerland, you live in Australia. You've got to make a choice, within an historical context, where in fact no government in the past has been able to control wages. And so historically in Australia - that's where you're going to live I hope, I hope you're not going to live in Japan or somewhere else -

MR CARLETON: Now come on, onto the point.

MR HAWKE: In Australia, the context is this. That historically no government has been able to control wages, to keep a situation where the Richard Carletons and everyone in this community have got security of employment. Because there's been boom and bust.

Interest rates are at that level, not because I want to impose any hardship on you, and I guess you can probably cope. But certainly I don't want to impose hardship on your ordinary viewers. But I know, from our historical experience, that if I don't have monetary policy tight for the time being, then the economy will collapse, because you will suck in that many imports that the exchange rate will collapse, interest rates through the roof and the economy's gone.

So we've got to all exercise the restraint and bear the pain of high interest rates to just bring the level of activity down somewhat.

MR CARLETON: Mr Hawke, I've been listening to politicians for years and years and years telling me about ...

MR HAWKE: I've been listening to interviewers too -

MR CARLETON: Yes, I know. Telling me that they've just about got the solution, just give me a few more months, a few more weeks, even a year, one more term in office.

MR HAWKE: But I'm not saying, I'm not saying, just wait for a few more - I'm saying with pride, that in this six and a half years, getting on for seven years - I'm saying, look at that, I'm not saying just wait for that, I'm saying that now that kids are getting employment. Their parents who are in work have got secure employment.

That's a product of the past, of what we've done.

MR CARLETON: Prime Minister, Bangladesh can run an airline. Zaire can run an airline. Australia can't. May I suggest -

MR HAWKE: Australia can run an airline, what are you talking about.

MR CARLETON: We're not doing a real good job at the moment.

MR HAWKE: On the contrary, I mean, you compare the airlines of Australia with those countries. We leave them for dead.

MR CARLETON: Well there's no airline, I couldn't get a plane today, couldn't get a plane on Wednesday. The programme's been chartering planes for 13 weeks.

MR HAWKE: Now, now are you really saying -

MR CARLETON: The airlines are in chaos here.

MR HAWKE: Are you really saying to me, you are comparing Zaire and Bangladesh and you want to compare our airlines with theirs, and you take this moment. If you took the point up -

MR CARLETON: 13 weeks without planes. Sir, the buck's got to stop somewhere and I suggest it stops with you.

MR HAWKE: The buck has stopped. The fact is that the airlines are being recreated. They will be back in full operation in the early part of next year.

MR CARLETON: March, says Abeles.

MR HAWKE: Well -

MR CARLETON: We've had it for three months and we're looking at another five.

MR HAWKE: Okay, okay. What's the alternative? The alternative - we could have fixed this dispute, that started back, in the middle of last year. Could have fixed it, eliminated it, just like that, by doing what? Saying to the pilots -

MR CARLETON: Caving in to the pilots.

- MR HAWKE: Yes, and I tell you what, if we've done that, you would have not only destroyed your airline industry, you would have destroyed the Australian economy.
- MR CARLETON: But look, it's a disgrace that Australia can't have planes in the air for what is going to be eight months apparently.
- MR HAWKE: We've had planes in the air, we haven't had as many but -
- MR CARLETON: Oh but it's laughable, what's going on now.
- MR HAWKE: Well, it's hardly laughable. They are being built up gradually and the full system will be restored. And it will be restored - but we -
- MR CARLETON: By March?!
- MR HAWKE: But, but, just, okay, just, stop the anger a bit and come down to ... no - you -
- MR CARLETON: Put it now - The tourism industry that's being ruined, and Skase is going bust because he can't fill the Mirage resorts, no planes will go there.
- MR HAWKE: Yes, you are saying, you are saying Skase is going bust because of the airlines dispute ... I would love to have an analogy - is that your analysis?
- MR CARLETON: ~~His~~ Mirage resorts going bust because the planes won't go there.

MR HAWKE: Are you saying that Skase is going bust because the airlines -

MR CARLETON: Skase's Mirage Resorts, all right?

MR HAWKE: Get the grin off your face, you know you're - you know -

MR CARLETON: You too.

MR HAWKE: You know, yeah. Now, let's go back to this. If you want to compare the airline industry, in Australia, into the future, with what it's been, let me tell you this. That when the airlines resume operations in a full sense next year, we will have an airline industry which will be fifty per cent more productive than the one we had from the middle of 1989.

True it is, problems now, and I have never denied that, but -

MR CARLETON: But you can't!

MR HAWKE: No, but what about, what about acknowledging, what about acknowledging the fact, no one's disputing it, that as from the beginning of next year, a fifty per cent, and a continuously fifty per cent more productive and efficient airline industry. That will be the outcome.

MR CARLETON: Prime Minister, I just can't, for the life of me -



MR HAWKE: Well you just ignore that do you?

MR CARLETON: No, no. Well if it comes about, if and when it comes about, fine.

MR HAWKE: Why, why won't it come about.

MR CARLETON: Well you say it will, it probably will.

MR HAWKE: Yes.

MR CARLETON: But how can you sit there and believe that you have given leadership to this country, when we've had our airlines down -

MR HAWKE: The leadership that this country required is the leadership that I have given, and that is, not what the alternative - you know what the opposition were saying? Give in. Give in. That's not leadership, that -

MR CARLETON: There's got to be a better way.

MR HAWKE: There is no way, there is no way Richard, when you have a situation of having pleaded, as I did, with the AFAP. I pleaded with them. I said, negotiate within the system, like every other organisation. They refused. If they had been given in to then you know that every other union would have said, okay, that's the norm, thirty per cent.

And there were many with the industrial muscle and capacity to take it and grab it. That would have ruined the economy. And leadership was about not giving in to blackmail to destroy the industrial relations system and to destroy the Australian economy. That is what leadership was about.

MR CARLETON: Prime Minister, I want to suggest to you that maybe, just maybe, you've lost just a bit of your touch on this.

MR HAWKE: Well -

MR CARLETON: I mean -

MR HAWKE: You can suggest it, but you're wrong.

MR CARLETON: The community I suggest is laughing at you, not with you, when you say silly things like, there's no dispute in the airline industry.

MR HAWKE: Well if I'd said that, they would be entitled to laugh at me and so would you and so would everyone. The trouble is, I never said it. Now why, what purpose do you have? I assume not deliberately, but what purpose do you have in misquoting me? I never said that. If I had they would have been entitled to laugh at me.

Now if you quote, and it's a pity you can't, if you quoted accurately what I said, that the industrial dispute was finished. A point which has been conceded may I say by every editorial writer. Every person who's commented on the dispute.

Hawke is correct in saying that the industrial dispute is over. And that is simply, not a semantic point. It's a very important point to understand about that. It is true, as a fact, that once the Federation of Pilots said to their members, you resign, resign, and take all your entitlements, which they have done, then the Federation didn't have employees.

And what's been happening, and this is the point of saying that that industrial dispute is over, not that the problems in the industry and the aftermath of that industrial dispute aren't there, but the important point is what the Industrial Relations Commission has said, that the rebuilding of the airlines industry is not in the resolution of a finished, over industrial dispute. The resolution of the problems is in encouraging people now to sign those contracts.

**MR CARLETON:** Sir, to assert that the industrial dispute is over, as you have done here today, I think, lifts peals of laughter across the suburbs of Melbourne.

MR HAWKE: Well it doesn't, it doesn't lift, it doesn't bring peals of laughter, from those who know the realities. I mean, you ask -

MR CARLETON: But if the realities out there are - out there at the airport, you just can't get on a plane.

MR HAWKE: But I am not saying - I mean, why do you insist Richard in misrepresenting what I am saying. I am not saying, that there aren't still problems. Of course there are problems. Aren't there going to be problems if all the pilots in an industry resign. They resign, They finish their employment nexus. You only have an industrial dispute, an industrial dispute as we know it within our system, if you've got employees, and an employer there.

There is no industrial dispute between the airlines and those people who are now employed by them. No industrial dispute at all.

MR CARLETON: So you are saying -

MR HAWKE: And there will be no industrial dispute between the airlines and the increasing numbers of people who are going back into them, as pilots.

MR CARLETON: You said the other day that you were a little tired, I think I quote you correctly

MR HAWKE: No no, no. I - no - let me get it straight again. I -

MR CARLETON: Maybe I've got two mistakes, 'a little tired and a bit dreary' was - were both of those wrong?

MR HAWKE: No no. I said about the answers I gave you, I mean you are running things there - get your research people to do it better. I was asked about what had been, not a glorious week in Parliament. And in I said, in respect to myself, a few of my answers might have been a bit long and a bit boring.

And they said, what are you going to do about it. And I said, I'm going to get a bit more sleep. But I can assure you, Richard, I will be going into this period between now and the next election as vibrant and as fit and active as I've ever been.

MR CARLETON: Do you think it's possible that the community is getting a bit tired of you?

MR HAWKE: Oh, they could be. I don't know, I don't know that any person can ever retain, I mean I reached very very high levels of approval, I would have regarded <sup>it</sup> as impossible, I did at the time, and I said so. You'll never, I said to my people, you'll never have those levels of approval retained.

And I wouldn't have the approval rating in 19 - at the end of 1989 that I had in 1983 and I never expected to retain those.

MR CARLETON: What is your approval rating now?

MR HAWKE: It varies which, which poll you can see. But just let me say this. Which is an important thing. I wouldn't swap my approval rating -

MR CARLETON: For Andrew's!

MR HAWKE: Ah well, you said it, you said it.

MR CARLETON: Had any second thoughts about Keating?

MR HAWKE: I've never had any second thoughts, I mean I've always thought since he's been my Treasurer, that he is an outstanding Treasurer and never had any doubts about that and he still is an outstanding Treasurer.

MR CARLETON: But it was unforgiveable the attack he made on Elliott the other day, I mean totally unsubstantiated, totally personal and he should apologise for it surely?

MR HAWKE: Look, Paul will make his decision about <sup>how</sup> he handles those things. I think he feels that he might have handled it different, differently, if he had had his time again.

MR CARLETON: Well why can't he stand up and be a man and and apologise?

MR HAWKE: Well look, I am not going to be interviewed for, for Paul. I will defend Paul as a Treasurer, I will defend him as a great parliamentarian. I will defend him as a man who's got an enormous committment to this country.

Now in terms of particular actions over a particular issue, and why shouldn't he do something now, you should ask Paul. All I'm saying is, I have total confidence in Paul Keating as an outstanding Treasurer. I say of him, and I think he would say this of himself if you asked him, that he would have preferred, if he could have had his time again on that issue, to have handled it somewhat differently.

MR CARLETON: I might have got a few lines wrong there in those quotes Prime Minister but I wasn't wrong, you don't want to correct me about saying that you've been a good Prime Minister?

MR HAWKE: Thanks mate.

MR CARLETON: Thanks a lot.