



## PRIME MINISTER

TRANSCRIPT OF INTERVIEW WITH IAN McMINN, RADIO 3AW,  
MELBOURNE - 11 DECEMBER 1989

E & O E - PROOF ONLY

McMINN: Good morning Prime Minister, not 21 that's for sure.

PM: A bit more than that mate.

McMINN: How was your birthday bash?

PM: It was good. We saw a lot of old friends stretching way back - some I went to school with and some I haven't seen for some time. It was a very very happy and rather long night.

McMINN: A rather long night? Not like the old days?

PM: I beg your pardon?

McMINN: Not like the old days?

PM: Not for me, it was for some.

McMINN: Anyway, thanks very much for joining me on the program.

PM: Pleasure Ian.

McMINN: First up I guess the one issue that could or would stop you being re-elected and that's interest rates, as it affects both home-owners and also small business. In fact I looked at an editorial, Prime Minister, in yesterday's Sun Herald where it says that it attacks the very cornerstone of your Government's success in regard to jobs because as interest rates stay high then people will eventually have to lay off workers.

PM: Well, the employment figures are still good. We've had another significant increase in employment in the last month's figures and a reduction of unemployment below the six per cent mark and participation rates at their highest ever. So at this stage what seems to be happening is that there is a lowering of activity in some areas but it is not yet reflected in a decline in employment and what we're trying to achieve is - what they say in the jargon - a soft landing so that we can ease off the level of activity, most importantly therefore, imports, while still having sufficient growth to maintain employment. Now that's the picture that seems to be emerging and it's going to be a fine act of political and economic judgement to get that just right, but I believe we will.

McMINN: Do you ever get sick and tired of saying that, I mean, you've been saying that now for some months? That ...

PM: No ...

McMINN: ... if soft landing maybe?

PM: Well, if it's right, if it's what you're about you can't have a different story every day. You've got to call it as it is and that's the way it is Ian.

McMINN: And what about small business?

PM: Small business is participating and it has been a major participant in the facts of the seven years of this Government, including the most recent period. And those facts are very simple - a rate of economic growth twice as fast as in the previous seven years, a rate of employment growth five times as fast. So they have been great beneficiaries of the doubled rate of economic growth and the higher rate of employment. And, equally therefore, they must be participants in the decision now which involves some slowing down of activity. You can't be in it at all the buoyant, expanding times and expect to be opted out by the Government at the stages where you have to restrain activity a bit.

McMINN: In 1983 you welded together a number of interest groups, one of which was small business, and now they're crying out - they're saying that they're going broke.

PM: Of course when you say they are crying out, they are going broke, you can't have a situation where the economy is still growing, and employment still growing, and having every small business going broke. The fact is of course that for all business, large and small, there is some pressure from tight monetary policy and that's why it's there. Not to have a position where it is easier to grow. What we're doing at the moment is deliberately, in the interest of Australians now and in the future, is to lower the level of economic activity because we can't sustain the level of imports. Now that's what the policy is about - to lower the level of activity and so, obviously, that puts some pressure on, that's what the policy is about.

McMINN: What about the pilots, I mean you made the point earlier on you can't be in it sometimes and out of it other times, and then as late as last Thursday you were talking about the fact that you'd be urging the airlines to forego their damages claim. Now we hear from Brian McCarthy again today that all's not well in the IRC and, you know, we can't see an end to it again.

PM: Well, that's from Mr McCarthy's point of view all may not be well. The simple fact that Brian McCarthy has to understand is that there can't be one set of rules for his organisation and one for everyone else. The Commission is saying there are three conditions under which Mr McCarthy's Federation can have the opportunity of being part of the action. I will just remind you that they are the ones that apply to everyone else. Firstly, that the bans on the employment of his members being lifted, ... that applies to everyone, no union can be involved in the processes who've got that situation. So exactly the same - lift their bans on the employment of their members. Secondly, that they accept the decisions of the Commission, the same as for everyone else. And third, that they accept the principles of the National Wage Case guidelines, the same as for everyone else. So what Mr McCarthy must understand and that no-one is saying to him, and certainly not me, but more importantly it's the Commission. No special problems or difficulties or conditions for you, just that you accept the conditions that apply to everyone else.

McMINN: But was it out of character - I know you've been asked this by people within your party and certainly commentators have made this type of judgement as well - that in 1983 you were the great conciliator, the good bloke if you like, and all of a sudden we had a different side of Bob Hawke ...

PM: It's not a different side at all ...

McMINN: ... it's war?

PM: It's a grossly inadequate analysis ...

McMINN: When you say it's war.

PM: But why don't you give the whole ... instead of for your own purposes. You're trying to get an argument going with a grin on your face. You only quote part of it. The full quote, of course, was that I was saying to them - not only directly at them in that quote as I did, but through intermediaries then and during the dispute - I was saying, look, for God's sake, don't pursue this course of action, don't declare that you are going to take everyone on. The employers, the Commission, the Government, the trade union movement operate within the system .... If however you are going to say that you are going to set your sights on destroying everyone else, then it's war. Not of my choosing. What I was seeking and choosing was the processes of conciliation and arbitration, in the system. I said it's only if you are going to take on everyone else then understand that it is war in those circumstances. We are not going to lay back and have the system destroyed. They'd better understand that. Now, that's what I've asked all the way through that should happen. I hope that now that the position is quite clear that the airlines are going to restore full operations, I hope that the Federation will make the decision to come back into the arbitration system so that in some way they may perhaps be able to look after that number of their members for whom there will be jobs.

McMINN: Were you told at that time, way back when, that the dispute may only last about three or four weeks

PM: What has happened of course is that once the AFAP - the Federation of Airline Pilots - once they made the decision to instruct their members to resign then you were into a new situation. It wasn't the same dispute. Because when you had the employer and the union in dispute then that was one thing. Once the airline pilots' organisation instructed their pilots to resign, then the airlines had none of their members employed. And that's what I meant - you moved into a new situation because what was involved then was the rebuilding of the airlines without the AFAP. That was a quite different situation. That first stage was over, you've moved into one then which is going on now, which everyone accepts is going to move to completion, that is ...

McMINN: One day.

PM: The fact is that you will have the airlines operating normally as you go into 1990. That is normal in terms of being able to cater, through their regular services, with the demand that's made upon them. That's what is going to happen and that's why I've said, I said the other day, now look I don't want damages collected from the AFAP. What I want to see is the airline industry operating - not just normally as measured by services available to meet demand - but I also want a situation in which there can be as much industrial harmony as possible. You are not going to have that if you impose damages upon the union. I've never wanted that ... but the important part of the case that was taken, which I supported, was that you had an independent judicial assessment by a judge of the Supreme Court as to what the facts of the case were. And it totally destroyed the totally untrue claims that were made by the Federation and its leadership that here was a conspiracy by the Government and the airlines. The finding of the judge of the Supreme Court was it was the Federation that was spoiling for the fight, not the Government and the airlines.

McMINN: Just looking at Victoria right now, you're right in the middle of all sorts of problems in terms of public transport. Now obviously that's not your responsibility although there has been comments by Gerry Hand, a former State President of the Labor Party here, saying that it could have a backlash federally and clearly there's a number of marginal seats that Labor must win if you are to retain Government. Does it concern you that you've got this sort of problem continuing?

PM: I'd rather obviously not have the problem in any State. Before you go to a federal election you like it all to be a bed of roses, no problems at all. That's a fact a life. Now I don't intrude into the Victorian State situation when it's a matter of State responsibility. I do hope and trust that these issues will be resolved as soon as possible, and that's not just because there will be a federal election next year, but just because of the issues themselves. I hope and trust and believe that they will be resolved. And in regard to Gerry Hand, you mentioned Gerry, well the difficulty obviously there is that he's both a Minister in the Federal Government and also has his constituency in the area very much in question. Now I hope that it will be resolved in a way which doesn't involve a continuing problem for Gerry Hand in his dual capacity.

McMINN: So clearly it's something that you wouldn't entertain going on for a whole lot longer?

PM: I hope it doesn't go on for a lot longer, no.

McMINN: Child poverty - and we're getting all these ones out of the way - child poverty, that statement of yours in 1987, has it caused you moments when you wished you'd have said it another way?

PM: I did in fact, of course, in the full statement that was issued with the election speech that I delivered - the full statement was that there would be no financial need for any child to live in poverty. And obviously it would have been better in hindsight if that full passage that was in the written, distributed text was the one that was actually used. But it's very important to notice that those who are in fact directly concerned are the ones that have indicated that the Prime Minister delivered on the promise that he made. Let's just, without burdening you with a whole lot of quotes, but just let me give you a couple of references. The Australian Institute of Family Studies have referred to the fact that my promise was that we would make the family allowance supplements increased in percentage terms to the married pension rate and they said, and I quote them: "By these means the Government's pledge to meet the benchmarks has been met. The new levels of family allowance supplements represent rises in real terms since 1983/4 of 41 per cent for younger children and 203 per cent for older children over the previous family income supplement payments. For low income families, especially, the decision of the Government to annually adjust all family related payments in accordance with movements in the Consumer Price Index is the most significant long term reform of the tax package." And Bishop Hollingworth on the 7th of May in strict income security terms: "It is true that the Prime Minister's promise that no children shall live in poverty by 1990 will be achieved. This represents significant progress." Perhaps most importantly, in terms of the miserable politics of the Opposition on this, Bishop Peter Hollingworth stated in August of this year that the Government had made real advances in recent years in building a more secure and adequate system of income support for Australians living close to or below the poverty line. He said this: "These reforms are too important to be caught in the crossfire of political conflict. The Opposition ought to openly acknowledge the merit of such reforms and move towards a more bipartisan stance on welfare policies for children." So those in the area know that the promise that there would be no financial need for children to live in poverty - they are asserting that that promise has been delivered and they are criticising the Opposition for their miserable attitude and opportunism in this matter. Quite rightly so I might say too.

McMINN: Yet of course you've got a report yesterday coming out from the Sydney City Mission talking about 500,000 children who are still living in poverty and a quote from a Mr Ken Harrison there: "I applaud the Prime Minister's sentiments", in regard to what you just said, "however the reality has not been reached."

PM: What we are saying is that what you deliver in respect of children is a very very substantial increase in financial outlays to lower income families via the family allowance supplement so that in respect of children the benchmarks that were agreed by the people from the same sector that this spokesman is about - we didn't just say here are the benchmarks, as a proportion of the pension, which will meet the target of payments to look after the needs of children. We did it in consultation with these people. It was agreed that if these family allowance supplements amounts paid to into the families for their kids, if those payments are met, they will represent the amount to deal with the needs of children in those circumstances. Now, that has been done. That doesn't mean, as I've said in my meeting with the Australian Council of Social Service not long ago, that doesn't mean that there are not other elements that relate to poverty. What we were about was the actual financial payments that would meet the needs of children. Let me just again quote so that we can pick up the point to which you referred - the ACOSS on the 3rd of October put out its news release and in it they say: "The Government's initiatives on child poverty have been of considerable benefit. The financial benchmarks for children which the Government set have been met and ahead of target. ACOSS congratulates the Government on setting and achieving these standards." But they then go on, and this is important in relation to what you were saying: "The Prime Minister is correct to say that he has achieved the financial benchmarks for children and this is a major achievement." And remember, this is the Australian Council of Social Service saying that. "However", they say, "it is also clear that poverty has not been eradicated in our society. The Prime Minister in his speech to us acknowledged that there is more to poverty than just income. Poverty is also about a lack of access to adequate housing, health care, education and jobs." They conclude by saying that I'd indicated to them that I'd "work with them and other organisations in addressing this broader agenda. We welcome his determination to seriously tackle these issues in a comprehensive way." And since then, just the week before last, I met with ACOSS in Sydney to address these other aspects which go to poverty, the ones that they mentioned. But in welcoming the fact that I'm meeting with them to deal with those other issues, they say that I have met and delivered on my promise the financial targets in regard to children in poverty and met it ahead of schedule.

McMINN: A couple of other quick points, Prime Minister, before we try to maximise your time here by letting people talk to you directly.

PM: Yes.

McMINN: Today's Herald has an article by Hugh Crawford saying that Senator Graham Richardson indicated that the Federal Government would hold on as long as possible before going to the polls. He said the Government still had six months to go and putting that in the context of another article there by Tony Parkinson who says - and this will be interesting for you: "Federal Opposition Leader Mr Peacock has conceded the Hawke Government is likely to go into next year's election campaign with interest rates lower than now." I quote him: "I make no bones about it, I expect interest rates, for professional rates anyhow, to come down a couple of points before the next election. But I also know that people will see through it" and he says that while this will give a psychological boost to Labor in a run up to a possible May poll, it will be something that people will see for what it is. A slight drop before you go to the polls.

PM: Let me say this, without any personal disrespect to Andrew, it's not only myself but everyone in the economic and political area would take no notice of anything that passes as economic analysis by Andrew. It's a matter of common currency in the business and political and economic community that Mr Peacock's understanding of matters economic is zilch. So anything that Andrew has to say in the economic analysis area he can just put to one side. The position in regard to what will happen to interest rates is as I've put it on many occasions and I don't want to bore your listeners by saying it again at any length. It's simply I say to them that we haven't got interest rates high for fun or to hurt, deliberately for the sake of hurting. They are just there because we've got to lower the level of activity and imports to a point that we can sustain with our exports and we will be easing monetary policy, therefore having lower interest rates, as soon as but not before, we are confident that that lowering of activity has occurred and that we can ease off with confidence. That decision will be made irrespective of electoral considerations.

McMINN: And Richardson's comment - six months?

PM: Richardson doesn't determine election dates or even economic policy.

McMINN: Alright, we'll take a break.



MCMINN: I'm with the Prime Minister and he's here to take your calls. The first caller is John. Good morning John. Oh, by the way. Before I bring John through, seeing the board is absolutely packed - as you'd expect - I'd just ask people if they could keep their comments reasonably short. Could you please get to your point quickly and that way everyone gets a chance. The Prime Minister can be here for another 20 minutes and 20 minutes only. He has another function to attend at 11 o'clock. On that note, keep them short and give everyone a go. The first caller is John.

CALLER: Good morning Prime Minister.

PM: Good morning John.

CALLER: I'd like to speak to you about compensation payments to former Commonwealth employees suffering from work-related injuries. Our presenter said keep it short but I must background the matter if you'd -

MCMINN: No John, honestly, I must ask you - I'm sorry but if it's going to be lengthy - I'll give you another chance but it has to be quite short.

CALLER: Could you call five minutes short?

MCMINN: That's far too long I'm sorry. I really am sorry John.

CALLER: I'll ask the Prime Minister then.

MCMINN: Sorry, look I really am sorry about this and I don't mean to be rude to anyone but five minutes is a long time. Michelle. Good morning Michelle.

CALLER: Good morning. Good morning Mr Hawke.

PM: Good morning Michelle.

CALLER: I would like to ask you a question about Medicare but I would just like to make one statement if you wouldn't mind please.

MCMINN: Please keep it short.

CALLER: I will. That is that I feel that your monetary policies are hurting Australia badly and I think that there's a lot of that, people out there, we were hearing constantly of many businesses going under. I just feel that you're going to have to have a long and hard look at things. My question about Medicare is that you tell people that they don't need private health insurance. You assume that elective surgery, you know, people can wait a couple of years to have elective surgery. But we

had a case here recently where a man needed a triple bypass and because he didn't have private health insurance he would have had to wait two years. And when you go to a private -

MCMINN: So the question please Michelle.

CALLER: When you go to a public hospital you're asked whether you have private health insurance and then you're charged by private hospitals - well the health insurance ... Why, if we're not meant to have private health insurance the public hospitals, y'know, charging private health funds for your visit there.

PM: The situation in regard to Medicare is this, and its impact on the Australian people. Before we came to office Michelle there were two million Australians who had no form of cover at all. You had a position where you'd had Medibank before. The Conservatives came in and had five changes of that scheme which had introduced total confusion and left two million, at that stage, out of sixteen million Australians without any cover at all. Now what we've done with Medicare is bring about a total transformation which means that every person in Australia is now covered in the case of a need to go to a doctor or to hospital. There is universality of coverage. It is equitable in that the scheme is financed, as you know, by an income tax levy which means that those of us like myself with higher incomes pay more. Now in terms of what happens with waiting lists in hospitals, that is a matter, after massive payments from the Commonwealth to the States, it's a matter within the State jurisdiction. And it is the fact that there has been a significant lessening of time in the hospital waiting lists.

MCMINN: Phyllis joins us now Prime Minister.

CALLER: Good morning Mr Hawke.

PM: Good morning Phyllis.

CALLER: Congratulations on the years and what you've done with them.

PM: Thank you very much.

CALLER: And also I would like to express, have the West Germans and the East Germans, is it well known that there are opportunities for immigration to Australia?

PM: Yes Phyllis it is well known. I was asked this question at the Press Club the other day. There are two points - quickly, if I could make three points to Phyllis about this. Firstly of course, like you Phyllis, I guess you're overjoyed about the fact of what is happening, at long last after these years of dictatorship that the opportunity for freedom and liberty is emerging in these countries, Iron Curtain countries. Obviously if there

are people who wish to come here to Australia the opportunity will be open to them because we have a non-discriminatory program. But I did make the point, which I think you ought to think about, and that is this. That essentially these people are patriots I think. They have been fighting for freedom, for the removal of repression in their own countries. And I think that the overwhelming majority of them are going to be thrilled with the changes that have taken place and will want to be there and play a part in rebuilding free, democratic, strong and prosperous nations once more.

MCMINN: Bill. Good morning Bill.

CALLER: Thank you Ian. Good morning Mr Hawke.

PM: G'day Bill.

CALLER: After your vehement declaration that you were going to destroy the pilots federation because they chose to strike -

PM: Well, would you give me the quote on that one Bill because I'd like to see it, I haven't -

CALLER: ... now declare that you now want the airlines companies to withdraw the \$10 million damages suit and b) would it be the ACTU bringing pressure to bear?

PM: Bill, y'know cynicism is a delightful feature of Australian politics but it's always a help Bill if you get your facts straight.

MCMINN: The question that Bill is asking is -

PM: I hear what he's asking and I have not said that I was going to destroy the Federation of Airline Pilots. So you've got the problem Bill that you've based your question on a false premise. What I was determined to do was to stop the Australian Federation of Airline Pilots destroying the Australian economy. We have succeeded in doing that. I've been under no pressure from the ACTU on this issue at all. It's been my own view long before this dispute that I don't like the idea of damages being used in the industrial relations system. I didn't discover that view during this confrontation with the airline industry. And you would well know that if you'd been following my public career. That's been my consistent position. I believe there was a very strong case for having the action in the court so that there could emerge, as there has, an independent judicial assessment of the facts of the dispute. That's been done. Now that that's been achieved I see no point, indeed I would argue strongly against damages being collected. That's the fact and very simple and indisputably.

MCMINN: Jessie, good morning.

CALLER: Good morning Mr Hawke.

PM: G'day Jessie.

CALLER: Tears for Israel. I love Israel too but take notice of God's promise to his chosen Israel and the God-fearing people in Australia. God promised 'if you ask me I will listen to you and help you in time of your trouble'. A parallel here - stubborn, arrogant Israel and an agnostic, arrogant Prime Minister, tears and all.

PM: Thank you Jessie for those thoughts. That's lovely.

MCMINN: I don't think Jessie's got a question there. She's got a statement and Irene's next.

CALLER: Good morning Mr Hawke.

PM: Morning Irene.

CALLER: I just want to say a very happy birthday on Saturday. You and I have one thing in common - we were both 60 on Saturday.

PM: Thank you very much Irene. Well -

CALLER: And I want to say all the best. I think you're doing a jolly good job Mr Hawke.

PM: Thank you very much. It's very kind of you Irene and I just hope that in your 60 years you've had as much happiness in this country as I have. We're both lucky to live in such a beautiful country. But thank you very much Irene.

MCMINN: John. Good morning John.

CALLER: Good morning Mr Hawke. I'm just wondering why the Australian Government doesn't take a tougher stand towards the Khmer Rouge in Cambodia in the United Nations or through other diplomatic channels.

PM: Well John, with respect, I don't want to be rude but I think that your question doesn't really reflect an understanding of what we have been doing. It's an extraordinarily complex issue Ian but, and I can't begin to do justice other than to say this. That it was the Australian Government through our Foreign Minister Gareth Evans who has recently advanced a proposal of having an interim United Nations administration there to handle the period before the holding of free elections to enable an independent democratic government to emerge. The reason why we in fact advanced that proposal John, which is receiving a degree of support around the world, is precisely because we are aware of the possible dangers of the alternative quadripartite proposition for an interim administration which would include the Khmer Rouge. So

that's the bare outlines of it John. I think if you understood in fact what specifically we were doing because of our concern about the Khmer Rouge you wouldn't express the concern that you have.

MCMINN: Irene, good morning.

CALLER: Good morning Mr Hawke.

PM: Good morning Irene.

CALLER: Look, I never seem to hear any consideration being give to the 65 plus retiree, non-pensioner, and I emphasise non-pensioner. There's a lot of us listening out there. Are you going to be astute enough to give us the fringe benefit health card to help us?

PM: It's not a question of being astute enough Irene. The question of not only that benefit but other benefits that are associated with the pensioner card are being considered and some relaxation has been given at the end of last year. But in the health card area, that's -

CALLER: But not for non-pensioners.

PM: No, I understand Irene. I understand Irene that you're referring to the non-pensioners. In the decisions that we made at the end of last year in the Budget, we did, as I hope you appreciate, make a number of decisions which has made it easier for the accumulation of savings in a non-discriminatory way. That was one thing that was considered but at that time the issuing of the health card benefit to the non-pensioner group was thought to be too expensive. I appreciate that it would be an attractive vote winner but there are so many things Irene that a government could do which would be attractive vote winners but if you did them all in combination it starts to be fairly irresponsible economically. But it's something that I guess remains on the political agenda but I would be misleading you Irene if I said it was just around the corner.

MCMINN: Kath, good morning Kath.

CALLER: Good morning Prime Minister. Happy birthday. All the best for Christmas for you and your family.

PM: Thank you very much indeed Kath.

CALLER: I'm going to do a Bob Hawke. I'm going to do three quick points.

PM: Yes.

CALLER: Interest rates, while I think they're high but I think the people are very well off today. My mother struggled during the depression with five per cent and father was on the sustenance. About the children, no

matter how much money you give some women they would spend it all and give the children nothing. Third point, Mr Peacock made a statement about he doesn't run around with silver tails. Well I don't know what you call the parties with Lang Hancock and with Mr Elliott at the races. And have a wonderful time.

PM: Thank you very very much indeed Kath. Thank you.

MCMINN: Alright, well. Three quick points indeed. Norma.

CALLER: Good morning Mr Hawke.

PM: Good morning Norma.

CALLER: I'd like to have a different tack on what everybody's been talking about. I'm not an Australian but I think that Australia is a very political country and every question that has been presented to you this morning has been political.

MCMINN: Ok.

CALLER: I feel that we should - it's your birthday. We should ask you how you feel as a man and what you've learnt.

MCMINN: Ok, is that the question?

CALLER: Yes, that is the question. What wisdom you have to offer.

PM: Well Norma, first of all you asked me how I feel. I feel these things. I feel very fit and well and physically and mentally very alert and strong. That's the first thing in terms of my own condition. Secondly I feel - you say you're not an Australian - well I am and I feel terribly proud of this country, not complacent because we've got some challenges in front of us. But I think we have the capacity and an increasing sophistication to face up to those challenges. Thirdly - because you went to the point about all the questions being political - I don't think that we should be frightened of being too political. Because in the end if we're going, as a nation, to face up to the sorts of challenges that we have, that is the challenge of harnessing our resources as well as ensuring that we protect the environment for future generations, the challenge of making sure that we become an active, constructive partner in the Asian-Pacific region. If we're going to face up to the issue of providing appropriate educational opportunities for our children, which is just about the most important thing there is, all these important things in the end become political questions. So I feel happy that the Australian people I think are getting more sophisticated in their political thinking and their preparedness to face up to issues. So

without being exhaustive Norma, those are some of the things I feel. Basically I feel proud and confident about this country.

MCMINN: Prime Minister, there's one question I'd like to ask you and that was the question of child care. Now, Mr Peacock in his statement indicated there'd be child care rebates. A program here that I did a couple of weeks ago got quite an enormous response in that regard. Is the ALP as they go into an election year going to try to match or better the Opposition on child care?

PM: The first thing I will be doing is to ask the Australian electorate to take account of Mr Peacock's words in the light of their action. I mean, they've been in government, they've had the opportunity of addressing these issues and they were an abysmal failure. In terms of our approach we have undertaken and have delivered to provide many many more child care places. And at the end of this current period we will have created 98,000 additional child care places, which I point out to your listeners will be a trebling, a trebling of the number of child care places from those provided by the Opposition. Now on the question of Mr Peacock's proposals, let's remember this. That like all of their policies they are not means tested. They will mean that the resources of this community will be provided indiscriminately to those who need the assistance least, the highest income people by way of the tax rebate approach will get the assistance, where really it is the lower and middle income people of Australia who need the greatest assistance.

MCMINN: So you'll be coming out with some program?

PM: I'm just going to conclude by saying we in this, as in other areas, are not simply going to say our reform program is complete. We will be addressing further measures in this area.

MCMINN: So keep your eyes open on that. Margaret, good morning.

CALLER: Good morning.

PM: Good morning Margaret.

CALLER: Recently it was said of the pilots federation that they were deliberately conspiring to disrupt the operations of the airlines causing them financial harm. Aren't the tram drivers doing the same thing now and why aren't you blasting them?

PM: Well as far as the Melbourne tramway system is concerned, that is a matter for the State Government. With the division of powers that we have Margaret in this country, state transport is a matter for the State Government and they deal with that. As far as the

airline industry is concerned that is a national problem. I have to deal with that. And I have dealt with the airline industry as I thought appropriate. If you've got any questions Margaret about how the tram drivers have been handled, well you'll have to get John Cain in here Ian and allow Margaret to address a question to him.

MCMINN: Alright, I know Prime Minister you're almost out of time. Sorry to all the people who tried to speak to Mr Hawke this morning but didn't get a chance. While I've got you for the next couple of minutes, an exhaustive amount of material coming out over the weekend about you and your wife and all that sort of stuff. After wading through it I thought to myself this morning what in the hell am I going to ask this man that there hasn't ... But I guess there was one sharp division amongst the people who support you and the people who detract from you - and I guess anyone in the public eye as long as you would have your fair share of enemies and friends. The supporters say you have a vision of Australia. The detractors say that you're a wheeler and a dealer and you probably read the quotes - James McClelland is not one of your mates - 'he's a mediocre man with an oversized ego.' So what are you, a visionary or a wheeler dealer?

PM: Well McClelland ought to look in the mirror at night and say to himself well I Jim McClelland know and Bob Hawke knows the reason for his bile and his lack of impartiality and I laugh whenever I read McClelland's comment because I know and he knows the reason for his bile. Look, I think if you ask a man about his vision after he's been Prime Minister for seven years, the man's entitled to say look I don't create new goal posts every 12 months. I say, look at what we have done. In 1983 if I'd been asked for my vision for Australia I would've given you this answer. My vision is for an Australia which ceases to be dominated by confrontationalism. In 1989 I can say I have delivered on that vision because we are not the confrontationalist society we were. I would've said then that I wanted to have an economy in which our kids had a greater opportunity of being educated. Only 36% of our kids then stayed on in school - 36%. After seven years of my Government it's 61%. I've delivered and will continue to have that vision. I would've said then that I wanted an Australia which was respected in the region and in the world. You ask any international organisation, any significant international leader in 1989 about Australia, in the region and in the world, about its place as a leader in peace and disarmament. Let me quote the Secretary-General of the United Nations Committee on Disarmament. He said to me, in Geneva, 'if other countries had done as much as your Government in the area of peace and disarmament, those issues would've been further advanced than they are'. So my vision now is a continuation of those things.



MCMINN: And I put it to you that this talk about retirement to have television programs and talkbacks and all the rest of it ... so much nonsense, you're going to stay there as long as you can.

PM: I'm going to stay there for quite some time with -

MCMINN: Paul Keating or no.

PM: Paul is there, an important part of the team, very important part of the team. I want to be around for quite a while yet. I love this country. I still think I've got something to do for it and I'd like to be there.

MCMINN: Alright, thank you for joining me. The Prime Minister, Mr Robert James Lee Hawke, two days after his sixtieth birthday.

ends