



**PRIME MINISTER**

TRANSCRIPT OF INTERVIEW WITH IAN McMINN, RADIO 3AW, TUESDAY  
20 FEBRUARY, 1990

E & O E - PROOF ONLY

McMINN: Good afternoon, Prime Minister.

PM: Good afternoon, Ian.

McMINN: Now you've been given the kiss of death, you know that?

PM: No I don't know that, what's that?.

McMINN: Well, you have. Malcolm Mackerras has done a Lou Richards on you. You haven't picked it up?

PM: Well, I've seen reference in the Press in the last few weeks that he said we'd win.

McMINN: He's given you a 60 percent chance of winning.

PM: Yes.

McMINN: That is very bad news.

PM: I don't think so. I mean, he's looking at the evidence and I want your listeners to know I'm not cocky or complacent, but on the evidence that we have, I think we will win.

McMINN: The evidence. What evidence have you got?

PM: Well, the published polls and the, there's one out today, another one tomorrow which confirms that we should win, but I'm not taking, sort of, ultimate comfort in that because I believe the Australian electorate expects me to fight this election hard right up until the last day and I'm going to on the basis that I don't assume anything about the result. But I think in the end, Ian, the thing that's going to be important is that people are going to say, well which side has got the leadership and the team. Now on my side, my leadership is unquestioned and it's strong. On the other side there is just total disunity and historically Australian politics have shown this truth, that the people say, look, and they've said it to the Labor Party over the years, as you know, and I think said it rightly, they say to

parties if you can't govern yourself, we're not going to let you govern the country.

McMINN: In 1983 I travelled around the country with you. I was then working for Network 10.

PM: You missed the plane once, mate.

McMINN: I did, no that was actually in 1984 I missed the plane. We'll get into that at another time - that's when I was working at Macquarie actually.

PM: That's right.

McMINN: Yes. Anyway, the images, the television images at the time and you were campaigning on reconciling the country and bringing it together, the television images at the time were very favourable to you and conversely for Malcolm Fraser, the images were of conflict. Now everywhere you're going right now, you're attracting images of conflict even to the point yesterday where you walked off the podium, you did your block and Andrew Peacock says you're losing your cool.

PM: Yes, I've noticed Andrew Peacock has said that and, as I said earlier today, I just hope the Leader of the Opposition keeps on believing that. Let me go back to '83 in a minute and pick up yesterday first. The facts were, as people have conceded, that I treated as a joke what happened at the Opera House. I went up there to talk and deliver my speech and there wasn't a square centimetre on the podium. They'd occupied the podium and I said, come on I want some room to put my notes and we had a bit of a laugh about that and the whole audience were laughing with us on it, so there was no problem there. And then, of course, later on in the day I simply had a situation where I was asked to launch a magazine in an enclave in Parliament House and this zealot just took over and I just couldn't share that very small room with him and the people couldn't hear -

McMINN: But that was on the same day, that was on the 7.30 Report, it got a wide coverage, but -

PM: ... it got coverage, but ...

McMINN: But the, but the evening news every night's showing you storming your way through pilots or whoever might -

PM: Not storming, not storming my way through. I mean, I've got to make my way through as I did here, coming into the studio. There's a group of them out there carrying on, making a noise. Well, I just can't sit down and wait for them to go away, I've got to walk through them - I'm not storming through. But let's go back to the past with '83. In '83 you had widespread disillusionment with the Government. You had a situation there, within that last 12 months before that election, another quarter of a million people being thrown on to the unemployment scrapheap and

you'd had a situation of widespread industrial confrontationism. Now I said let's change that and we have. There's been a 60 percent reduction in industrial disputation under my Government compared with that period. Now what we have now, the central core of the dispute, are these pilots and just let me, you know, as it's pilots, just let me remind you, let me show you that. Deadline '89. Exactly 12 months old and that was issue number one put out by the Australian Federation of Airline Pilots in February '89. And what they were saying, they were talking about their prolonged industrial action, they were going to take on their employers, the Government the ACTU and the Industrial Commission and -

McMINN: What I'm talking about -

PM: And, and they've been beaten and in a situation where the community regards them as being unacceptable. They tried to pull on the whole community to get a 30 percent wage increase.

McMINN: But I'm talking about the image on television every night and -

PM: OK, but -

McMINN: But the image on television every night. I mean, you'd, put it this way, you'd prefer to be able to walk around the place without being accosted by people and, and -

PM: No, no -

McMINN: And going on the evening bulletin every night.

PM: No, not right. I mean, this is a democracy and if people want to protest, however wrongly, I mean, including pilots who wanted to, to rape the Australian community and said they did. And because I had the strength to stand up to them on behalf of the Australian community and not let them destroy the economy, they are still crooked on me. OK, but I'll defend their right, I'll defend their right to protest. I mean, I think they're silly in doing it, but they have every right to do it.

McMINN: And you don't think that's going to detract from your chances?

PM: No, on the contrary. I mean, it's quite clear from every poll the Australian people just regard the pilots' federation as having been an abomination in what they did and what is involved in this election is a question of strength of leadership. I was prepared, at a lot of obviously personal discomfort and so on as you are talking about now, I was prepared to show the strength of leadership. I said don't do it, now for God's sake don't do it, it's silly what you are going to do, but if you're going to take on the whole Australian community and try and get a 30 percent wage increase, which increase is on top of your

average \$80,000 a year that you're getting for 32 hours a week, I said if you think you can do that to the Australian community and destroy the community, you've got me to stand up to on behalf of the Australian community. My political opponent would have caved into them, said - yes, you can have it. Now all I'm saying is the fact that they are making a noise, OK that's one thing, but the real decision that the people of Australia have got to make is do they prefer Bob Hawke, who had the courage to stand up to the pilots and say firstly, don't do it, it's wrong, work in the system. When they wouldn't, I said I'm defending the Australian community. They make the choice between that strength of leadership or my opponent who would have said, yes you can have your 30 percent.

McMINN: Why, if we can change the subject -

PM: Sure.

McMINN: Why is the ALP doing so badly in Victoria? Now every day I sit here and every day I get a lot of calls. You'd agree that there's a lot of seats that are hanging in the balance here. Why in Victoria if I'm told equally that it isn't, doesn't appear to be so bad in the other parts of the country?

PM: Well, let's be quite frank about it. I mean, you've never seen me dodge an issue, a question - I won't now. Quite clearly there's some dissatisfaction in this State with the State Government and, to his credit, John Cain has acknowledged that. He's said the problems in Victoria are the responsibility of the State Government and I thank him for being quite straightforward and unequivocal about that. But my point is this, as I said in Western Australia, Ian, where there was also dissatisfaction with the Western Australian State Government, I said this - do people really think that the electors of Victoria are dumb, that they are people who act against their self interest? In other words, are they going to give themselves, as Mr and Miss Victoria, going to kick themselves in the backside to punish John Cain and the State Government? What this election is about, for instance -

McMINN: Well, in the West, by the way, Dowding resigned.

PM: I know, but I'm still making the point that what was being said to us in Western Australia, the same thing that's being said here, let's, if you want, concentrate here. If, and I'll come back to the comparison between the two, but is the ordinary Victorian elector if dissatisfied with some of the things that the State Government has done, going to say -

McMINN: Like a blow-out in the State Bank ... \$1300 million or whatever?

PM: OK. Yes, but are they - can I just ask you a question - are they going to say because they're dissatisfied with

that, that we will hurt ourselves by destroying Medicare because that's what's an issue here, are you going to keep Medicare or are you going to have the Opposition mishmash there? Are we going to punish ourselves in regard to education? Are we going to punish ourselves in regard to wages? All these federal issues because we're unhappy with something that the State Government's done. Now my belief in regard to the electors of Victoria is they're not going to give themselves a kick in the backside to punish John Cain. I just don't believe that will be the case.

McMINN: To punish John Cain?

PM: To punish John Cain. Their concern is with certain things about the Victorian Government.

McMINN: Well -

PM: The Victorian Government is not up for election on 24 March, the Federal Government is and it's a choice between Bob Hawke and Andrew Peacock on 24 March. It's a choice between keeping Medicare or having it abolished. Now those are the issues. Now I don't believe that essentially the Victorian people are going to have different judgements about those things which are up for grabs on 24 March.

McMINN: In the West, there was, you made no secret of the fact that you supported Carmen Lawrence and equally you weren't putting too many impediments in the way of Peter Dowding resigning. A simple question, should Rob Jolly, for the benefit of the Labor Party, resign?

PM: No, I don't think so and that's certainly a matter in Victoria, but I, I've not said that. I notice there was a beatup -

McMINN: Would you like him to?

PM: No. There was a story on the front page of today's Age which was totally unfounded. The author had not contacted myself or Bob Hogg. We'd ... put, neither myself or Hogg had put any pressure on Cain to that effect.

McMINN: Well, you see, what I'm getting at is that here people are saying constantly a statement, \$1300 million this Thursday in regard to the State Bank, the VEDC revelations, they feel that a lot of them and a lot of Labor Party people that have spoken to me on this station -

PM: Yes.

McMINN: - have said that they feel that their vote was cheated in the State Government at the last election because they feel that somehow or other the election was called before the figures came out. Now what I'm getting at is that should Jolly do the right thing in terms of the Labor Party and say OK, like Peter Dowding did and just say, OK let's clear the air, let's get that out of the way?

PM: Well, as I said in Western Australia, and let me make it quite clear, when I was asked the question over there I said this is a matter for the State people. Here, what they do is a matter for them. I don't intervene. I simply say this, as I said earlier today Ian, I know Rob Jolly going back a long way because he was a research officer at the ACTU and all of my knowledge of Rob Jolly is one of both high competence and complete integrity and this matter will be dealt with during this week and I believe, as I understand it, it will be shown that in respect of the Bank, the board had total independence and there was no ministerial responsibility for decisions. Now, in those circumstances, one is hard, is hard to see how Mr Jolly's head should be on the block. But having said that, these are matters for Victoria.

McMINN: And so you're not ruling out the fact that he resign?

PM: No, look, it's not a ruling out or ruling in. I'm saying -

McMINN: You're saying you've got no control over ...

PM: I'm saying what I know about Mr Jolly, his competence and his integrity, that's the first thing I'm saying. And the second thing I'm saying that as far as I know, and this is something which will come out during the week, but as far as I know, there was no ministerial lines of responsibility in this matter. By legislation and by the way the administration was set up the board of the Bank and the executive of the Bank was entirely independent of the minister. Now, that's as I know it. Now in those circumstances it's hard to establish the case.

McMINN: People might want a sacrificial lamb, like Dowding was?

PM: Well, I'm not so sure that Mr Dowding regarded himself as a sacrificial lamb. I think Mr Dowding in his statements accepted that he had a responsibility, that there was a difference there. He was involved in decisions. I mean, there is no analogy at all. He said, I was involved in decisions, I look back on them, those decisions that I was involved in, that I had responsibility for, they were wrong decisions. I therefore resign. But here in this case, as I think will come out, there is no ministerial responsibility or involvement in the decisions.

McMINN: Now moving onto industrial relations where there is clearly an alternative between yourself and the Opposition. I see headlines about the Coalition talking about cutting labour costs and there was a rather confused press conference, if I may say, yesterday in Canberra between Dr Hewson and Dr Stone - John Stone, he's not a Dr is he? I don't think so, yet.

PM: I don't think he's a Dr, no.

MCMINN: Anyway, before we get to that I'd like to play just a very small snippet of an interview I did with Bill Kelty yesterday. I asked the ACTU Secretary what would happen if the Coalition tried to reduce the role of the IRC and move quickly to enterprise-based bargaining.

EXCERPT OF KELTY: If that is the way it is going to operate then it's going to be the survival of the fittest and the fastest. We'd better be out there quick and we had better be fit, and we had better be fast and we had better do whatever we can in that market society to get whatever we can.

MCMINN: Now you might have missed the first couple of words there. Well he's basically saying if that's what's going to happen they're going to go for it. Now is that a responsible position?

PM: But it's not - one doesn't have to be hypothetical. I mean we've had the decade of the '80s. At the beginning of the '80s the conservatives had exactly the same policy then, exactly the same policy as they want to put back now. So we're entitled to look back and say well what happened? We pleaded for them not to do it. But they said no, that they were going to get rid of the centralised wage fixing system and let it be hell for leather. Now that was their policy. What happened? You had a wages blowout and the economy collapsed into the worst recession for 50 years. Now what Kelty is saying, he's pleading with them to have sense. He said don't let it be a free for all, don't create that system. But he said if you do, if you're saying that's the way it should be, ok, we'll go and do it. But it's no good. He doesn't want that.

MCMINN: But I mean don't you think a lot of people might think that that's a threat to their right to throw out a government, which many people perceive as not having sorted out the matters for them?

PM: Well. Let me put it this way. If Bill Kelty had just stood up and said 'look, I don't like Andrew Peacock and the Liberals and the National Party. I don't like 'em. I'm telling you now, I'll make life difficult for them.' I wouldn't support that proposition and I would publicly reprimand him. But Bill Kelty has been totally responsible. He's been confronted with a situation - and why do you think the business community is so worried about it - they're confronted with a situation where these people haven't learnt. They haven't learnt in Medicare. They've had seven years in Opposition and what do they get up at the end and say? Sorry, you know what our record was, it was terrible. And it's no better now. Because after seven years we haven't got a policy. They are exactly the same in regards to industrial relations. After seven years they are promising a return to exactly the position which destroyed this country at the beginning of the '80s, which brought the

worst recession in 50 years, which brought double digit inflation and double digit unemployment.

MCMINN: (inaudible)

PM: And so what Bill Kelty is saying, he's saying if that's what you want, if you want it to be a situation of the strong using their strength out there in a bargaining position, if that's what you want, and he said it's the worst thing you can do, but if that's your policy ok, we'll have to go and exercise our strengths in the market.

MCMINN: So a threat to the electorate about industrial disruption?

PM: No, a promise of industrial disruption from the conservatives who haven't got the good sense to learn from their mistakes at the beginning of the '80s.

MCMINN: So if you vote for the conservatives, I mean, you're chucking it away. The point I'm getting at -

PM: Well let me say -

MCMINN: The point I'm getting at is that people feel bludgeoned by the fact that a Kelty would get on and say -

PM: No, no. Not bludgeoned by that. What the people are concerned about, including a poll that came out today of the business community, have said - this is an AAP poll of the business community. They've said they see a swing to the Liberals could see the \$A at money markets sold off. They are saying that the Labor Government deserves to win. They are saying that they have lost confidence in the Opposition and they are saying there's the mirror image. You've got business and the unions saying look we don't want a descent into what you foisted upon us before, conservatives. You ruined the country before they said by opening up this free bargaining situation. Both sides are saying for God's sake, particularly for Australia's sake, don't let's have it again.

MCMINN: They're also saying that the respondents are disillusioned with both parties, saying neither deserves to win.

PM: No, a minority. The majority, and as you know, you've read it, the majority are saying Labor deserves to win.

MCMINN: Interest rates. The key issue in the campaign it would appear at this stage.

PM: Yes.

MCMINN: You're talking about interest rates dropping. Andrew Peacock's talking about interest rates dropping. The question is to, and I'd say a pretty cynical electorate, why should they believe either of you?



PM: Well if they don't want to believe me - they should - but if they don't want to believe me I suggest it's much more significant that they believe the banking community. Because the banking community has said unequivocally that interest rates are going to fall further. That is prime rates and the cash rates and the bill rates, but importantly that mortgage rates are going to fall. They have said that.

MCMINN: Can you quantify that?

PM: No I can't. What I do - when I say I, that is the Government. That's essentially in this economic area myself and Paul Keating. What we've done is to take the tough decisions. I've had the guts to make the tough decisions last year and take all the flak to have tight monetary policy. Which we had to have. I mean let me say again to your listeners now, the last thing in the world I wanted to do was to hurt them or hurt myself by having high interest rates. We had to do it because - I haven't burdened you with a lot of statistics and I'm not going to do it again. But in the last year very simple statistics. Our consumption increased by eight per cent, our production by four per cent. Just that gap was made up by sucking in imports. We couldn't go on doing that. So I've had to have interest rates high to lower demand. Now what the banking sector is saying is right, those policies are correct, we understand them, they are working. We have already started the reduction of prime rates. The cash rates and the bill rates are down substantially. And they are saying they'll come down further. And they are saying that mortgage rates will come down.

MCMINN: And stay down?

PM: I believe so because we have got, as distinct from the Opposition, we've got tight fiscal policy and tight wages policy. Without - again I don't want to burden your listeners with technical jargon, but when I say tight fiscal policy that means we've conducted our own public business in a way that's never been done before. For the first time, under my Government, we've got surpluses. We've gone into surplus. And we have had four successive years of real reductions in our outlays. So fiscal policy is tighter than it's ever been before. Wages policy tight with tight monetary policy. That means now that we can look to confidence, and the banking industry is looking with confidence to rates coming down and staying down.

MCMINN: At that point Prime Minister we'll take a break and go into an open line after the break.

MCMINN: First call to Ada.

CALLER: I'm a bit shaky.

PM: No need to be shaky Ada.

CALLER: Mr Hawke, look I've always voted for you, I always ... but I think this time I'm not going to.

PM: We always get those in the election Ada. You know the Liberal Party always rings up.

CALLER: Let me first talk to you.

PM: Sure.

CALLER: I am the mother of a young pilot, a young ... pilot. It cost me a lot of money to study. Look, now he will have to go overseas looking for a job. I came to this country 35 years ago. I worked hard. My husband worked hard for my son to study and now what's he doing with ... trying and you ... my family. I don't know what you're going to do about this, young people. They're not people earning \$80,000.

PM: Ok Ada. Well thank you -

CALLER: They're not people earning \$80,000. They're young pilots, young -

MCMINN: Ada, I don't want to cut you off because it's rude, but nevertheless we've got a lot of calls. So I think the point's made.

PM: Ada. Thank you for your call. Let me say when I refer to \$80,000 that is the average figure which the Pilots Federation have not questioned. That was the average figure. A lot of people there, pilots, were earning very very much more than that. Certainly there were some that were earning less. The average was \$80,000 a year for an average of 32 hours at the stick a month. Now, exactly a year ago Ada your son's union, the Federation of Air Pilots, made a decision. Not me. They made a decision that they were different from every other union in the country which had decided to abide by the guidelines. They said damn that, it's alright for everyone else. We are going for a 30% increase. And they declared in February, exactly a year ago, that they would take on 1) their employers, 2) the trade union movement, 3) the Government, and 4) the Industrial Relations Commission. That was their decision that they would take us all on to get a 30% increase. I pleaded Ada with them. I said don't do that. I said stay in the system, put your case, there's a case for an increase. Do it like every other union of workers and argue your case. They said no, we're going to take everyone on and we don't mind how long we stay up. Just let me read to you Ada from what your son's union put out, Deadline '89, Issue No 1. They said get ready for a non-income period. Establish other employment opportunities. They said start a lawn mowing business. These were their words. Go and get another job because we're going to have a long fight perhaps but we'll win it. Now Ada, I could've, like the Leader of the Opposition, I could've laid down and said ok we'll cop it. But I wasn't prepared to Ada for a very simple reason,

that if I had allowed the pilots to win that 30% increase then the whole system broke down. You would've had a wages explosion and the economy wrecked. Ada, there's no-one who's sorrier than I am that there's been unhappiness for your son and for other pilots. I pleaded with them to do what every other union of workers has to do. They decided no, that they were going to take on everyone. Now in life Ada, I've seen it and so have you, you see people decide that they're going to pick a fight, take someone else on and they get beaten. They don't like it. I don't like it. But it was of their making and I had a responsibility to protect the Australian community. Now I'm proud that I had the guts to stand up when it was necessary, as distinct from others who would've laid down and allowed the Australian economy to be wrecked.

MCMINN: Next call to Gay. Good afternoon Gay.

CALLER: Good afternoon Mr Hawke.

PM: Good afternoon Gay.

CALLER: In today's Sun there was an article that Labor is going to give \$160 million to help poorer private schools. It said that Mr Dawkins had planned to release the schools policy today but apparently it was leaked to the media and it's going to be lodged on Thursday. What I'm on about is I have two children currently attending Bacchus Marsh College and as late as yesterday we had a letter from Mr O'Keefe, the sitting member for Burke, to say that we had been rejected for Government funding. Apparently it's going - our school is a non-demoninational school - and apparently they're going to give it to the Church of England, the Anglicans, to build a school ... They haven't got a peg in the ground. I'm not having a go at the Anglicans, I'm married to one. What I'm on about is they haven't got a peg in the ground. We've got a hundred children attending the school. We're not millionaires by any means. My husband's a truck driver. We're working class ... We've done this with no fuss. We've had working bees, we've done everything, we've worked our butts off. Why?

MCMINN: Gay -

GAY: Why?

PM: Thank you for your question. Let me be quite direct about it. In the period that we've been in office there has been an historically unprecedented increase in funding in real terms to both the Government and the private sector. A fact which is acknowledged by every commentator. Now in the allocation of funds, Gay, as between schools, there has got to be certain criteria that are laid down so that you get priorities. Now as a Prime Minister I don't sit down and say, 'well if Gay rings me up, yes alright I'll give her money', and I think you'd appreciate this Gay, there's got to be a set of objective criteria so that judgements are made between conflicting demands. No government can satisfy

every demand from every group in the community who wants more money. So you've got to have an objective set of criteria. All I can say, Gay, is that they have been followed and I think you will see when the details of our education policies are released - and you referred to that - that you'll see a continuation under this Government of what has never been done before. The public sector and the private sector have publicly acknowledged the fact that they have been given greater increases in funding and greater security into the future of funding than under any previous government.

McMINN: Next call to Duncan. Good afternoon Duncan.

DUNCAN: Hello, Mr Hawke.

PM: G'day Duncan.

DUNCAN: I'd just like to congratulate you on being a strong leader over the last couple of years and just to say to the listeners out there that we need strong leadership in this country and, you know, you have represented us and been strong as far as the ... and in the local view. I'd just say are you planning on having this televised debate with Andrew Peacock because I think it would show the people really what leadership's all about?

PM: Well Duncan, thank you for your kind comments. Saying in regard to the pilots dispute and other things, in the end leadership is about being prepared to take decisions that you might get a kick in the bum about, if provided you are convinced that you've got to do it in the interests of the country - and I hope I've done that, I've tried my best any rate. In regard to the debate, yes, the debate is on next Sunday night. I believe ... confidence that I can equip myself well -

McMINN: If I can interrupt, why wasn't the debate held at the end of the campaign, Prime Minister? Why was it at the start of the campaign?

PM: I don't know. There was discussions between my - I mean I have got, let me say this, I've got a supreme indifference to the debate. I had no involvement in the discussions, I left that to my people, they discussed it with, I think, Mr Eggleton. I mean, I am supremely indifferent to the intrinsic merit of the debate. I mean, I simply make the point, and again it goes to the intelligence of the Australian people. I say this on the basis I think I can win the debate, but just put that to one side. Andrew Peacock, the Leader of the Opposition, and I have been in public life for approximately the same period of time - about 30 years. I've been in public life, I came to the ACTU here in Melbourne in 1958. I became a public figure in '59, conducting the basic wage case. So I've been a public figure for 30 years. Andrew Peacock has for a similar sort of period. Now I believe - this is why I say it - I regard the debate as, you know, a bit of flim-flam in a sense. I

agreed to it because if I hadn't Mr Peacock would've been running around the country saying Hawke won't debate me-

McMINN: Well he ... you the last time, didn't he?

PM: I don't believe he did, and that's a judgement that people want to make if they want to. I mean, I don't believe he did. But any rate I'm simply saying we've been in public life for 30 years and I think people are in a position where they can and will make a judgement as between Bob Hawke and Andrew Peacock on the basis of 30 years in public life and I don't think one night is going to make much difference. That's why I regard this supreme indifference. I will try my best, I'll try my best. I believe I'll equip myself well. I think the Australian people are pretty sensible. They are going to look at Bob Hawke, Andrew Peacock. We've been around for 30 years. You can judge us.

McMINN: We await this on Sunday night. Next call to Ruby.

RUBY: Good day Mr Hawke.

PM: G'day Ruby.

RUBY: Congratulations for what you've done.

PM: Thank you.

RUBY: Over the last seven years. ... Is it a criminal offence to pay off the coppers?

PM: Is it a criminal offence to what?

RUBY: Pay off the coppers.

PM: Well I think it would be, if anyone pays off coppers. I mean, it would be criminal offence -

RUBY: But this is a thing I want answered and I want it answered properly. In 1984 I heard Derryn Hinch say that his best friend paid off the coppers and he wasn't too pleased about it. But no way can I get him to answer that. I've put it through to ... time and time again.

McMINN: Look I'm sorry, we're just going to have to move on because it's getting into one of those horrible areas where the whole station might be taking a call. I'm sorry Ruby about this. Bill, good afternoon.

BILL: Thank you very much. Good afternoon. Mr Hawke, I'll come straight to the point. I came to this wonderful country about 35 years ago from the UK and I have a small business which depends heavily on interstate transport. Now my question is this. Now that you've established the precedent of military intervention during the airline pilots strike -

PM: That's a bit rough, Bill.

BILL: This is how it can be viewed, I believe. But could I ask you then, now that a precedent has been set, how long will it be before you take action to remove the border blockades which threaten to bring businesses like mine to a standstill?

PM: Ok, Bill. You've come to the point, let me come straight to the point. Firstly, there is no direct comparison between the dispute you're referring to and the pilots dispute. By definition, from day one the pilots dispute was a national dispute which involved a conflict under a federal award where the Government therefore, my federal Government, was directly involved from day one. Here this dispute, Bill, as I hope you'll appreciate, is a complaint that the trucking industry has against the Government of NSW. Let me say this Bill, that I agree not with the tactics of the truckies but I agree with what their concern is. Their concern is a very simple one and Bill, coming from a lovely country where you haven't got all this different, you know, one State system and things being different on one side of the border to the other, you'd probably understand it. What the truckies are saying is for good sake, why can't we have a national system of road standards and regulations. In December last year - and this will show you how I've been involved and how I've got the answer - I made available to the States at the end of last year in December, \$120M which would help them meet some of the black spots in the roads, where the most dangerous ones where, on condition that they agreed to national standards. So I've given, as I said in response to an observation by Mr Greiner, I said look I've given you the key to the answer to this dispute. In December of last year agree with me and the other States and we can have national standards, which is what the truckies want. I think they're right in wanting national standards. I mean, it is silly to have a situation. But let me give you the most stunning example. Under the different standards that exist now, you can have a position that a driver can be regarded as drunk and unfit to be driving a vehicle in one State but just across the border he's a law abiding motorist. Now what the truckies want is national standards. I think they're right. I don't like their tactics but their objective is right.

McMINN: We've run out of time. Just one quick one from me. I was reading Paul Kelly on Saturday - last Saturday - and he wrote the following, Paul, a very astute man as you know. Does your research show a desire to change Government but a lack of faith in the alternative. In other words, if you get in is it because the other mob lost rather than you win?

PM: I think it'll be a combination of facts as I think there will be a vote for us because of the fact. For instance, just take some fundamentals. In education, that as a result of my policies instead of it being one in three of Australian kids staying on in education, it's now two in three. I believe, secondly, that they'll vote for us

positively because we've got Medicare, so that everyone, every single member of every Australian family is covered. They'll vote for that positively. I concede that one of the reasons why I believe we'll also be elected is because they have no confidence in the alternative. Just take health. I mean, it is remarkable, isn't it, 7 years in opposition and they have stand up in front of the Australian people and say sorry we got it all wrong, we have deliberately misled you since June of last year when our words were our policies are finalised, fully drafted, fully costed. They've been telling the Australian people that for over 6 months and they get up and say actually we've been telling you fibs. Now the Australian electorate can't have faith in people who haven't done their work, but more importantly who are fundamentally divided and disunited. They don't trust their own people, they don't like and trust their Leader, they are deeply divided, they hate one another. The Australian people, as I said before, have said consistently and will say again, if you can't govern yourselves, we're not going to let you govern us.

McMINN: On that note, we shall see. First week of a campaign and having done three of them, not as many as you or Mr Peacock, I might add, but having done three of them the campaign can change. We didn't get through the calls and we didn't get through all the topics I'd like to address but maybe I'll put in a request during the normal channels but I'd like to see you back on the program in the last week of the campaign.

PM: Well, if it can be managed I'd love to. Thank you to you and your listeners.

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