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## PRIME MINISTER

TRANSCRIPT OF INTERVIEW WITH JANA WENDT, A CURRENT AFFAIR,  
8 NOVEMBER 1990

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WENDT: Prime Minister, thank you very much for your time this evening.

PM: Pleasure Jana.

WENDT: Acknowledging all the blood sweat and tears that goes into the kind of micro-economic reform that you've announced today, do you nevertheless have any regrets that you couldn't have moved on it a little earlier?

PM: But we have moved on it earlier. I mean, you go back to the very first days of Government with the deregulation of the financial sector and the award restructuring. The whole process of micro-economic reform has been going on. This is another large instalment, a new large instalment.

WENDT: In the area of telecommunications. Can you still guarantee that no consumer will be worse off?

PM: Yes. We've said not only that, we've said that there will be significant real reductions in STD charges and I've been authorised to say that those charges - those reductions in STD charges to the major routes could be up to 40%, Jana.

WENDT: Can you still guarantee that there will be no timed local calls?

PM: What I've said in the speech is quite clear that there will be the requirement that the untimed local calls must be provided.

WENDT: So that will, categorically that will, continue. There will be no timed local calls.

PM: That's right. We are saying that we will build into it a provision that they will have to continue to provide untimed local calls.

WENDT: Mr Hawke, I'd like to move on. Once upon a time, high employment was your Government's proudest boast. Are you personally disappointed with the sad sort of figures that we're seeing now?

PM: Well, disappointed in the sense that for people who at this point haven't got the same employment opportunities as they had before, of course I'm sad for them. But I still have the situation - and you say it was once our proudest boast as though it disappears - the fact is that those 1.6 million new jobs have been created. They're there. It still remains the fact that we've had a period, under our Government, of employment growth twice as fast as the rest of the world.

WENDT: But Mr Hawke -

PM: That hasn't - those facts haven't changed. The fact is, as I've discussed with you and the media before, we had a position in this country, a year ago, where the increase in our expenditure was twice what the increase in production was. We had to slow things down because if we didn't do it, if we didn't slow things down, the rest of the world would have imposed a solution on us which would have been devastating.

WENDT: In this current climate is rivalling unemployment the price that we're going to have to pay to solve our economic problems?

PM: Well you are going to have the experience, that we have now, of a slowing down of activity - which means a slowing down of employment opportunities but we have said, and I repeat to your viewers, that as we go through 91 the recovery will take place. We will see employment growing significantly again.

WENDT: Mr Hawke, you've always been well able to read Australians and their feelings towards you. What is your reading of your relationship with Australians now?

PM: I think the relationship is still sound. It is the case, as I've acknowledged, that we are not getting ticks at the moment, as people are being hurt by the necessary policies that we've had to - for the reasons that I've put of having to slow the economy down - people don't like that and they have been registering their disappointment. That's one fact. I mean, they're registering their disappointment about the fact that they are being hurt. No-one regrets that more than me. But I know that if I didn't do that I would be letting this country down because the resolution of the rest of the world would be with us. But, secondly, politics is about one side and the other and it is the case that a new leader of the Liberal Party, once they got rid of that silly hurdy-gurdy of Howard, Peacock, Howard, Peacock, which had become a joke, then a new leader was going to have a honeymoon period. And he's having that.

WENDT: But the fact is that really for the first time there are more Australians who would prefer to see your opposite number running the country than would prefer to see you running the country.

PM: It's taken almost eight years, taken almost eight years. Let me say this, that I know that in the enduring sense, there'd be more Australians who would say, we don't trust Bob Hawke we don't want any more of him if they thought that what Bob Hawke had done was to pursue wrong policies to try and hang onto popularity.

WENDT: Most people in a normal and human reaction to something like this would be hurt by the apparent deterioration of what was a very warm relationship. Does it affect you that way?

PM: No it doesn't because I understand the circumstances in which they are expressing that concern. But I know I have total confidence that if you take the period which is relevant and as I've got to look through the period right up to the next election, I know that I would devastate myself irretrievably with the electorate if the perception were able to develop that Hawke had taken the opportunistic line that instead of doing the hard things he'd done the easy things and bugged the country.

WENDT: Mr Hawke, what about the long term? I know it's a fair way to the next election but as you survey the political horizon you have to consider a loss at the next election. How does that thought affect you?

PM: I mean I just don't think about it, Jana. Obviously we've just had an election. There are 2 and a half years to the next election. I keep saying, I've been saying for 8 years, get your time scales right. I mean there have been points before the '87 election, before the '90 election, ... go to an election at those points, we would have been decimated.

WENDT: But, Mr Hawke, your popularity has never been as low as it is now.

PM: And I've given you the reasons for it. I mean I understand why people are saying that. I've given you the reasons.

WENDT: Well do you think that if this trend in these polls continue that you will have to consider your position?

PM: No.

WENDT: Do you think that if the trend continues that your Party might start to consider your position?

PM: They give me no indication of thinking that they want anyone other than Bob Hawke leading them. I think it's a sensible decision on their part, I might say.

WENDT: Mr Hawke, let me move on to the situation in the Gulf. All the signs are that we are moving closer to war. How close are -

PM: I won't say all the signs are. Why do you say all the signs?

WENDT: Well what is your assessment of the situation?

PM: I don't think all the signs are but I think you're right to say that war is a real possibility. I think that is true but I don't think all the signs, Jana. I think the truth is that no-one, no-one knows what the outcome will be because basically we are dealing with an irrational man in Saddam Hussein. Any rational calculation of the interests of his fellow countrymen and women would have to lead to the conclusion that he should withdraw from Kuwait. All the evidence suggests that that's what he should do but he's not doing it. Now where in fact the accumulation of the evidence will lead into that conclusion, one can't be sure. I would not be entirely surprised, I would not be entirely surprised if suddenly Saddam Hussein said I withdraw.

WENDT: If that did not occur and there was an armed conflict are we as a country prepared for an involvement in that kind of war?

PM: Well we've got naval assets there now and I am not going to - these matters are so profoundly important to my fellow countrymen and women that I'm not going to hypothesise about this. I follow the events there on a daily, almost an hourly basis. I insist on being kept informed of all the latest developments. Now the circumstances in which war could arise are not capable of prediction at this time and one will want to know in this hypothetical situation, one would want to know precisely what the circumstances are and what it would mean for our forces there. It would be entirely irresponsible for me to hypothesise about this. But our presence there is serious, it's effective and it's there because we believe that aggression cannot be condoned and must be resisted.

WENDT: Two Australian hostages are to be released as a result of the intervention of a self-appointed envoy. Now what do you think has been the result of that, apart from the obvious release?

PM: Well let me answer that question this way. Firstly, obviously for the two that have said are going to be released then there is obvious pleasure for them, pleasure on our part for them. The fact is that there are many, many more that are not being released and that is why most of the governments that are involved have taken the view that they will not officially engage in a process of bargaining. Because the realities are that what this dictator has done is atrocious, human beings should not be used as hostages like this and they should all be released. It is distasteful in one sense that there is some substance being

given, some stature to this dictator by people going and negotiating with him for the release of one or two when the great majority stay there.

WENDT: Mr Hawke, we'll have to leave it there. Thanks for your time.

PM: Thanks very much, Jana.

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