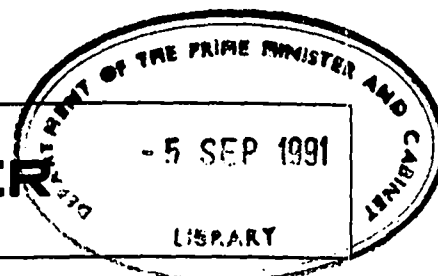




PRIME MINISTER



**TRANSCRIPT OF INTERVIEW WITH PRIME MINISTER AND JOHN KERIN
RAY MARTIN MIDDAY SHOW, SYDNEY - 28 AUGUST 1991**

E & OE - PROOF ONLY

MARTIN: Would you please welcome the Prime Minister Mr Hawke and Treasurer John Kerin. My apologies for the faux pas John.

KERIN: That's alright Derryn.

MARTIN: Thanks for that. Mr Hawke - thank you for the time, both of you. I hate to hit you with a poll straight away but The Australian's got a poll out today that says, a national poll that says that only 7 per cent of Australians believe the Budget's going to do them any good. Has it been a marketing and media disaster?

PM: No it hasn't. It's never easy selling a Budget and John had the, I think the additional difficulty this time of the succession and obviously people were looking at a lot of it through the prism of comparison. I think a difficult job has been done well.

MARTIN: Was it basically a Keating Budget as Mr Willis has said?

KERIN: It was a Government Budget. The Expenditure Review Committee, which is what puts the Budget together, we'd worked out the strategy when Paul was there. But it was a Government strategy and it's very appropriate for these times. If you haven't noticed we do have a recession and there's not goodies.

MARTIN: I've certainly noticed. I think most of us are aware of that. But what about the suggestion, this line that Brian Howe has used that it's not the time for a song and dance man. Could you have sold it better?

KERIN: I don't think you can really get into a lot of glitter when we have to spell out quite a few hard messages. But there's real reform in this Budget and there's real social justice in this Budget as well - the families package, the reform through the superannuation, the fact that we are cementing in Medicare, all of these things continue a lot of reform.

MARTIN: Can I ask the audience, I haven't asked them before, but do you, was there social justice? Did you see that or did you see reform in the Budget?

AUDIENCE RESPONSE

MARTIN: Alright, some yeses, some nos. But my question I guess is that it gets back to selling it, that there wasn't a memorable line. This obviously is written by bureaucrats, but there wasn't a memorable line in the speech, there wasn't any, you've now got to put a white paper out on superannuation. I don't think the message got out of reform.

KERIN: There's a lot of detail in superannuation and this is something that has to be really tidied up in a way because about 70 per cent of people are now in superannuation funds. There's about over \$3 billion worth of taxation concessions and we are now getting it right through to all the wage and salary earners. We just have to take this decision now because this is a decision for the next century. So the white paper is to make sure we get it right.

MARTIN: Alright. Mr Hawke you've attacked the Press coverage for being mindless and plain stupid.

PM: Some of it, some of it.

MARTIN: It's also been – were there exceptions?

PM: Yes indeed there were. I mean yes indeed there were, I mean there were a lot of favourable comments. My point was that, particular point, and you won't find me in this thing getting into a whole lot of jargon because I don't think that's appropriate. My basic point was this, that some people were saying there wasn't any, this was a stand still Budget because there was no vision for the future. I was making the point, and I haven't been able to be challenged on it by anyone. I spoke at the Financial Review dinner on the Wednesday night and I've spoken elsewhere. I said 1991 is the year of the greatest reform, not just in this Government, but since the War. The Budget was the third step which followed the March Statement, the Special Premiers' Conference process and this. We're just transforming this country in a whole lot of areas. The superannuation reform is historic. But that was only part of it. We've got the Special Premiers' Conference where we're wiping out conflicting State regulations, where we're having a National Rail Freight Commission, a National Road Transport Commission, bringing these things together, a National Electricity Grid Commission which will mean we'll save billions of dollars in stopping this replication of investment, one State doing what it needn't do, where you can share electricity between States, historic reform in the area of tariffs. Now all these things are going at break-neck speed because we've got to go at break-neck speed in changing this country. I mean if I can leave this session with these people with one statistic in their mind, in all your viewers, it's this, and it's the most important statistic for all Australians. We are 17 million people in a world of five and a half billion and we have to become competitive. The world isn't going to give us a living. What John Kerin is about as Treasurer and I am as Prime Minister and my Cabinet, is making a whole series of decisions which is going to make this 17 million people a great 17 million, tremendous capacity, but we've got to be able to run this country in a way which makes us competitive with social justice. And that's what it's about.

MARTIN: But they remain words. You don't think that we've numbed by promises and lies and deceit in some cases? They're words that you can now utter but where's –

PM: But they're not words.

MARTIN: But where's the indication that people understand it? The polls show 7 per cent of Australians believe that that Budget offers them anything.

PM: There are two different things, two different things. You say whether they are words and whether they understand it. They're not words. I mean I –

MARTIN: If they don't understand it, who are you talking to?

PM: Whether they are words or not I'm simply saying we are doing the things. I mean in the March Statement, the tariff reform – not words, actions. The reform of the taxation law – not words, action. And the same thing with the Special Premiers' Conference, all the things I've listed. They're not words, they're actions.

MARTIN: But apart from that poll, Bob, it's been bucketed. The Budget has been bucketed by the media. It's been bucketed by business. It's been bucketed by welfare groups. Even the ACTU and Bill Kelty.

PM: By some of them, by some of them.

MARTIN: Pretty general.

PM: But two different propositions.

MARTIN: But are they all wrong and you're right?

PM: They are wrong insofar as they say that action has not been taken. Certainly you're wrong if you're saying it's words. These are not words. These are a range of decisions, including in this Budget that John's brought down, the superannuation reform which is the most important decision that's been taken –

MARTIN: You both know better than I do that politics is about perception. Now you can sit there and say this is the biggest reform that we've had in 1991. If the mob out there watching this, if the business, if the ACTU, if the welfare groups, if they think it's not reform –

PM: The answer to that is very simple.

MARTIN: Where are you failing? Not getting the message out.

PM: Well politics is about perceptions. Before the 1987 election, well before it, people were saying you're dead. People were saying the same sort of thing, well do people understand what you're about. Look at the polls. They were saying it before the 1990 election. What I say is this. When the people have to cast their vote in 1993 they are going to be casting a vote in regard to a Government which will have done more in terms of economic reform and social justice than any other government in the history of this country.

MARTIN: So this is done for '93 rather than '91?

PM: It's done not just for '93, it's done for the year 2003.

MARTIN: Would you agree Mr Kerin with Bill Kelty and with Bob Carr that you're a spent force, you're dead to use the PM's words, if you can't get unemployment under 10 per cent by 1993?

KERIN: We will get it under 10 per cent by 1993, there's no two ways about it.

MARTIN: Significantly?

KERIN: To a large degree. It will certainly be pointing in the right direction. There's no two ways about that.

MARTIN: Are you dead as a Party though, as a Government if you don't do that?

KERIN: No. When you see the Opposition and see some of the things they're promising the people, they have absolutely no compassion – knock off unemployment benefits after nine months, bring in an extra big tax, cut Government spending, cut all the welfare out that really affects people – we've got a better than good chance. But it's not just on that negative ground. It is what we are actually doing. We've got so much on the agenda that sometimes I think people just don't understand it. And if they just want froth and bubble in the middle of the situation we are now, to go through all that mad excesses of the 1980s, they are not thinking very straight at all.

MARTIN: You see I keep coming back to my first question. I mean you keep saying that froth and bubble is not good enough, song and dance is not good enough, we need more. Now that's fine, we can all agree, but why aren't you getting the message out? Why are the polls so bad in terms of ... Budget?

KERIN: The world knows it.

MARTIN: The world knows it. Australians don't. 17 million Australians don't seem to.

PM: That's not right. If you look back at the period of the past, I mean I look at the future in terms of reading what's happened in the past. I can point to you in the period between the '84 and the '87 election where we made decisions and tough decisions and the polls were awful because people didn't like the immediate impact of tough decisions.

MARTIN: I'm not talking of popularity now, I'm not talking about the Government. I'm talking about the Budget, the understanding of the Budget.

PM: And I'm talking about the same thing, about where we've made tough decisions and there've been polls about it and people didn't like it. But as they came to understand it, in the end, look don't let's jargonise about this. In the end what Government is about and what elections are about is people making a decision between alternatives. They'll have to make a decision in 1993 between a Government which in employment terms has had an employment record better than the rest of the world, which has brought prices down. We inherited -

MARTIN: But you've got almost one million people out there watching this out of work. I mean how can you say -

PM: I know there are and we have - well the answer to that has been, as you know again without blinding you with statistics, if we hadn't slowed the economy down the world would've imposed a much more drastic solution ... We had to slow it down. But what is the Opposition doing? They are offering policies which will increase, dramatically increase the level of unemployment in this country. It's inevitable that their policies would do that. But what would they do then about looking after those people you're talking about? They are saying bye bye unemployed, we'll increase the numbers of you, we'll give you benefits for nine months but after nine months you're off. No benefit from the community. Now that's the judgement that the people are going to have to make Ray.

MARTIN: Alright, OK. I keep referring to the 7 per cent poll which is just one poll but that's their understanding of the Budget. Let's move on. Does this bloke, does your future depend on this bloke selling this Budget?

PM: My future is connected with this bloke in some respects. I mean a Treasurer in any Government, in any Australian Government certainly, is a very important part of that.

MARTIN: Are you good mates?

PM: Yes.

MARTIN: You told us you are good mates the last time we were together with you and Paul Keating.

PM: We're good mates. But let me say it's not just - of course I'm good mates with him. But it's not just the Treasurer in whose hands the Government is. We've got a team, a team may I say which is essentially the same team which was described in 1987 by Hewson as the best Government in the post-War period of Australia, essentially the same people.

MARTIN: But you're talking today about a team that is tattered around the edges, if not in tatters.

PM: I said there were some tatters around the edges, yes, because I don't like the proposition that's occurred in the last few days where there was a little bit of selective Cabinet leaking. There's no way I can, as Prime Minister, say in front of an audience like this, audience, it's a good thing if I have a Minister doing a bit of selective leaking. It's not. And so I've said so. That doesn't look good and it isn't. It'll stop.

MARTIN: Alright. It will stop will it?

PM: Yes.

MARTIN: I might come back to it in a moment. Can I just ask, in terms of straight talk you said no, you're both emphasising no jargon in this Budget and straight talking -

PM: Well we try not to.

MARTIN: Why did you decide to drive yourself? Why did you get rid of the chauffeur and the Ford Fairlane?

KERIN: It's a long story.

MARTIN: Can you keep it short.

KERIN: My electorate is closer to Canberra than any other Minister's. So I have a house in Canberra and I have a house in my electorate. The white cars cost an awful lot of money.

MARTIN: How much? How much do they cost?

KERIN: Well they cost over \$100,000 because the charging system is crazy.

MARTIN: \$100,000 a year.

KERIN: Yes. So I just lease a car from the Commonwealth Car pool and drive that. That costs the taxpayers a whole lot less. Eight kilometres from work I live and it's just nonsense to sock the taxpayers with \$100,000 when you don't need to.

MARTIN: Well you're the boss, why don't you do that with all your Ministers? Why don't they all get rid of \$100,000 a year car?

PM: He just explained, he's just explained that it's not as easy for all of them.

MARTIN: Why? They all live in Canberra.

PM: They don't all live -

KERIN: No they don't.

MARTIN: You mean from your electorate to Canberra etc.

PM: He lives in Canberra, his home's there.

MARTIN: But you say you couldn't do that. You think even those who rent a flat or rent a house in Canberra that they need Commonwealth cars?

PM: In that period in Canberra I suppose some of them could. Some of them mightn't have the same degree of confidence they have in their driving as this bloke has.

MARTIN: But Bob, I mean, you are fair dinkum.

PM: Yes of course I am.

MARTIN: At this stage here's a bloke who's your Treasurer, he's our money man. He says look it's good enough for me to save \$100,000 and drive myself in these tight times -

PM: But listen to what he says. He said it's easier for him to do it in respect of his total operation because he lives in Canberra than it is for others.

MARTIN: So you don't think you could do it with the other Cabinet Ministers.

PM: Look, let me say this. In terms of a budget, you know, of over \$100 billion, what perhaps would be saved at the edge by another couple of Ministers doing a John Kerin - I admire him for what he's doing - but what -

MARTIN: It'd be good PR. It'd be a good sign, a good symbol.

KERIN: You see I'm in a different situation. It's quicker for me to drive from my electorate down to Canberra where I have my other house, two and a half hours, whereas you've got to

allow so much to drive from Campbelltown into the airport. So I use my private car there and in Canberra I just use a lease car. It makes sense.

MARTIN: I'm not going to get anywhere on that obviously. Do you think that banks are bastards?

KERIN: I didn't say that.

MARTIN: You didn't. I thought you – didn't you, you're quoted, I was reading the quotes last night of you saying it. We can't believe the quotes?

KERIN: No you can't. I never said that at all.

MARTIN: What did you say roughly that said that?

KERIN: Well the report was, it was a purely private conversation, we were looking at the article by Christopher Skase who said that he blamed the Government, the airline pilots, the communists, for all his troubles and I said yes people like him treated us like mugs, the banks went along with it and we're all paying now. So that got translated by the media that I was saying the banks are mugs.

MARTIN: Bastards was the word.

KERIN: No it was not.

MARTIN: Alright. You've got a reputation as being the clown prince of Parliament. Has Treasury made Jack, or John in this case a dull man?

KERIN: No, I have a good sense of humour but I'm basically very serious about things. I don't think now's the time to be jocular about matters economic. I find there's nowhere near as much source for humour as there are with the farm animals and all that.

MARTIN: So no mesmerising of chooks or magpies these days?

KERIN: No, no. I've knocked off the public performances there.

MARTIN: Alright we'll leave it. Let's leave it there for a moment. We'll take a break and come back and talk about leadership with the two gentlemen in a moment.

COMMERCIAL BREAK

(Grab of Brian Howe comments)

MARTIN: PM, why did your Deputy, Brian Howe, feel the need to say that publicly?

PM: Because in recent days there's been, some silly things have happened. There's been as I said earlier some selective leaking of what went on in Cabinet. The Deputy –

MARTIN: By whom?

PM: Well I'm not going to name names. It happened and I'm saying to you I believe it will stop now.

MARTIN: But you've both said to me, Mr Howe just last week, that in fact it's the Press that's been obsessed with the leadership troubles, in the Labor Party it's not a problem.

PM: No, the situation was that I believe that the Press has certainly played a role and naturally enough has been very interested. I mean whether it's been on my side of politics or others, if there's any suggestion of leadership challenges they read everything through that particular prism. That's one issue.

MARTIN: (Inaudible)

PM: Wait a minute. That's one issue. On this one it reached a point where there were selective versions talked about of what had happened in Cabinet. Now that properly upset the Prime Minister, the Deputy Prime Minister Brian Howe, and has upset the Prime Minister too I might say. As a result of that there are some certain things, quiet discussions have taken place. I don't believe that will happen again. As far as I'm concerned that's the end of that. It's got to end because if that were to go on, if you were to have selective leakings of what went on in Cabinet, or particular coloured versions of what went on, you can't have stable government on that basis. Now it was serious. I could've tried to say oh it didn't happen or don't let's worry about it, so could Brian Howe. It's much more honest to say that's not good, it's got to stop, it will stop.

MARTIN: You also said that someone would talk to Mr Dawkins.

PM: I said there'd be some discussion. I'm not saying anything more publicly about it. I'm simply saying publicly I believe this will stop.

MARTIN: But you've raised it, you see. It wasn't the Press raising it this time. Mr Howe raised it and you raised it yesterday at the Press Conference.

PM: Yes I was at a Press Conference. I was asked a question about it. I gave an answer there. As far as I'm concerned I've given the answer and it will stop.

MARTIN: We spoke to Mr Dawkins' office this morning. No-one's spoken to him.

PM: Well, time for that to happen.

MARTIN: Is it tough trying to sell a Budget when all you read in the papers is about a leadership crisis still, three months after the event?

KERIN: I don't think that's anything new. There are some people in the Press Gallery in Canberra who think there is only one story around, that everything is put through that filter.

MARTIN: Hang on John. This was Mr Howe and Mr Hawke, the number one and number two in the Party who raised it. It wasn't the Press.

KERIN: I think the comments by Mr Dawkins first raised this after stories in the papers. I was going to go on to say that of course there are some people who are doing things that are silly. But obviously there are some parts of the Press that are obsessed as well.

MARTIN: Let's have a look at what Mr Dawkins said.

(Grab of Dawkins' comments)

MARTIN: Have you heard from Mr Keating given the fact he delivered eight Budgets before you? Have you spoken to him at all since the Budget?

KERIN: Yes I have spoken to him since the Budget.

MARTIN: Can you tell – what did he – did he like the Budget?

KERIN: Well it was at a party in Ross Free's office and we just had a chat.

MARTIN: Did he approve of the Budget?

KERIN: Yes of course.

MARTIN: And have you spoken to him Mr Hawke?

PM: No.

MARTIN: Do you blame Mr Keating for this destabilisation, this leadership trouble now?

PM: No, I'm not about attributing blame. I have no evidence that Paul is instigating anything or trying to stoke fires. But there are a few people with some passions and I think the priorities need to be sorted out. I think they will be. But my major concern in this is in ensuring that the Cabinet functions effectively and I challenge anyone, you, anyone else to give one shred of evidence, one piece of evidence, that Ministers are not doing their job and that Government is not performing. It is. There is more being done by this Government than ever before.

MARTIN: But if Ministers are leaking Cabinet documents they're not doing their job are they?

PM: That's a nonsense to say that if in 24 hours of a day a Minister takes one minute to leak something that he's not doing his job. I mean that is statistically a nonsense and you'll appreciate it. It doesn't mean that it's helpful if he does it. But it doesn't mean that he's spending the other 23 hours not doing his job. The fact is that Hewson made one of the few correct political judgements of his life when he said just a few years ago that this is the best Government since the War, the best Cabinet, the best talent. He was right. It's substantially the same Government now. It is doing more in 1991 in this year than has ever been done in important areas of reform than by any other Government in the post-War period. Those are the facts. We're not being helped. We're not being helped by these things that are happening. They will come to an end.

MARTIN: That's it. We won't hear any more of that. You wouldn't like to get rid of Mr Dawkins from Cabinet?

PM: No, I've got no desire or intention to get rid of Mr Dawkins or anyone else. But if we had a situation where X, Mr X or Ms X, we've only got one, if any member of the Cabinet were identified as doing that sort of thing again then that would be a different story. I don't think it will happen.

MARTIN: If they were identified as doing that sort of thing they would go?

PM: I don't think they would have a brilliant future.

MARTIN: What about the future for Mr Hewson then? He got -

PM: Don't de-doctor him. Dr Hewson.

MARTIN: Alright, Dr Hewson. He got the public gallery applause, he's had -

PM: If I bring in, if I busload in the members of the Labor Party branches and can't get an applause out of them I'm going bad.

MARTIN: It was stacked was it?

PM: They've got to do something right.

MARTIN: What about the suggestion that he made, that in fact this Budget is all about you saving your job, that you're a captive of the Left wing?

KERIN: Cheap ...

PM: Cheap, irrelevant nonsense. What the job of the Leader of the Opposition is, particularly in tough economic times, is to give an alternative strategy. In that speech there was not one word, not one sentence, not one paragraph which said what he'd do. The only conclusion that you could draw is in terms of the things that he has talked about, that is slashing another \$3 billion of expenditure, is more social hardship, more unemployment and indeed a situation where the economy would have to get worse and the people within this economy who most need help, the unemployed, would be thrown off without any assistance after nine months. Now when Dr Hewson starts to give the details of what he would do I tell you what, we're waiting. And we'll be waiting with pleasure. And I'm sure the people in this audience will be waiting with pleasure to see how he will justify a proposition that he will make these people and those dependent upon

them, he'll make them pay 15 per cent tax on necessities of life, your milk, your food, your visits to sport and so on, other things that are not taxed now, he'll whack 15 per cent on those so that he can make their luxury cars cheaper, bring down the tax from 30 per cent to 15 per cent, so he can shovel billions of dollars into the pockets of the already privileged in this community and make these ordinary people pay. Now that's when we'll have the interesting political debate and I'm waiting for it. So is John.

MARTIN: You mentioned cheap shots. What about your Ferrari jibe at Dr Hewson? For a man who's just paid \$1.4 million for a harbourside house isn't that a little bit hypocritical?

PM: Well, you know, I'm nearly 62. Nearly 62. And look at it, very, one of the most beautiful positions in Sydney, a very modest house. I'm 62. I sold a house in Melbourne and I've taken out a whacking big overdraft, a whacking big overdraft. And I have nothing to apologise -

MARTIN: No no-one asked you to. But similarly he earned that money to pay for his Ferrari. Why should you take a jibe at him?

PM: What I am saying is this, very clearly in regard to Dr Hewson compared to Bob Hawke, is this is a man of many mansions, many mansions if I can use the biblical phrase -

MARTIN: You had a place in Melbourne with a tennis court and a swimming pool. You didn't live too poorly.

PM: Yes I did, but let me finish. I mean you haven't had this habit of interruption before. Let me say -

MARTIN: You have a -

PM: Let me make the point. The man of many mansions, the restaurant owner who was, the man of many cars, that's alright. I don't criticise him for that. But what I do criticise him for is this. If you're going to have your mansions, you're going to have your Ferraris, have compassion for those who are not as fortunate as yourself. What compassion is there in a man who says in respect of hundreds of thousands of unemployed after nine months, after nine months you will get no benefit at all. Now that's what I'm comparing. I don't condemn Dr Hewson for having a Ferrari as such. But what I'm saying is what he is about in this country, what he represents is propping up, adding more privilege to those who are already privileged and making the poor and the middle income pay for that transfer of more wealth. He would abolish -

MARTIN: Hang on, let me just ... here rather than interrupt you. But there are close to one million Australians who would say to you two blokes you didn't show me much compassion in that Budget last week, I didn't get much compassion, I'm 100 per cent out of a job.

PM: What we would say is this, that we have brought down inflation from nearly 11.5% that I inherited -

MARTIN: It doesn't help if I'm one of the million out of a job though.

PM: What it does mean is that we will be able to bring down the level of unemployment, we'll have a more competitive Australia. It's on that basis that we will create jobs that will be secure and competitive jobs. That's what the relevance of what we've done is.

MARTIN: When is that? I'm confused about that. You say that the second half of this financial year.

PM: Second half of this financial year.

MARTIN: You say not for two years.

PM: No it will start in the second half of this financial year.

KERIN: ((inaudible))

MARTIN: When will we get below 10 per cent then, unemployment?

KERIN: We believe we'll be getting below 10 per cent by about this time last year – next year sorry, and then it will continue.

MARTIN: Alright, so we'll go to ten and three quarter per cent and it will come down?

KERIN: Yes it will peak at about, we think it will peak at about ten and three quarter this year, the average through the year will be ten and a half per cent, it'll be below the ten and a half per cent by middle year and then through '92-93 it will come down gradually.

MARTIN: We're almost out of time but I had a number of questions here. One was written by – I've misplaced the card now but who wrote, here we go. A question from someone who said, exactly on compassion, is it Will Hancock? Put your hand up. It's written here by one of the audience. It says what are you doing for unemployment for young Australians, which is ... So what are you doing for young Australians? Obviously there are lots who sit at home watching this program.

PM: The most important thing that we're doing is to massively increase expenditure on programs for education and training and re-training so that in this period where there is a relative lack of employment opportunities they are going to be able to develop the talents they've got so that as the economy does come up they're going to be better equipped to get them.

MARTIN: ... there'll be no jobs for them though. The trouble is they go to university and there are no jobs.

PM: It simply is not true. We're not going to stay in recession any more than the United States is going to stay in recession. Australia is sharing this difficulty with the United States, Canada, the United Kingdom. We're going to come out of recession. The responsibility for Government is to make sure that you spend money now on programs for the young people and not only the young because remember middle aged people also have a problem in regard to unemployment, very much so. And you've got to have programs that in a time of recession give them the opportunity for training and retraining so that when the jobs come, as they will, they are going to be better equipped to get them. That's what we're doing for young people.

MARTIN: Alright. Just finally the last, I think the hottest political issue in Australia at the moment is guns. Now we saw you emotional about Tienanmen Square and the massacres there. We've seen you emotional about other things. Are you emotional about this? The fact that 700 people a year die from guns and we have no national gun laws, no national register for guns?

PM: More important than being emotional about it, what I've done is to suggest to the Premiers, because in the end this is a matter of state laws and I think your audience here and outside would agree that part of the problem is within the States there is political, you know, lack of perhaps courage or determination, they're not quite sure where the votes are and so on. I've put it on the agenda, the whole question of violence in Australia, I've put it on the agenda for the Special Premiers' Conference in November in the hope that with a national thrust we can do something about it.

MARTIN: With respect, Mr Hawke, I was on your national committee on violence for the year of 1989. We spent a year going around the committee. That's your national committee.

PM: Yes.

MARTIN: Now the recommendations went through to you 18 months ago for a national gun law, for a national register, for control. What's happened in 18 months.

PM: But you understand – what's happened is that the governments, that is not the Commonwealth Government, the action –

MARTIN: But where's the national law? Where's the national register?

PM: There isn't a – under the Constitution it requires the action and laws of the State governments and what I'm saying to you is that due to a lack of political will within the states the governments that have got the responsibility who must pass the laws won't do it. That's why I'm going to take the lead in November and say come on you've got to act. And it will probably be easier for the States to act under that national thrust. They'll be looking at one, will you do it, yes, yes, yes, if they'll all do it, and governments of different political persuasion we might get somewhere.

MARTIN: We might. I mean, is there a fire in your belly?

PM: I can't change the Constitution.

MARTIN: But you have fire in your bellies about other things. Is there a fire in your belly about this one. Would you like –

PM: I can't change the Constitution. I have not got the constitutional power to pass laws –

MARTIN: You're the Prime Minister. You're the Prime Minister leading a government. Your position – are you in favour of gun laws?

PM: I am in favour of gun laws.

MARTIN: No guns?

PM: I am in favour of bringing in tougher legislation in this country in the States that have got the constitutional responsibility –

MARTIN: Be specific, be specific.

PM: I'm being specific.

MARTIN: Semi-automatic rifles, would you ban them?

PM: I am being quite specific. If I had the position of authority in the States I would pass laws, I would pass laws if I were a State Premier.

MARTIN: You're the Prime Minister, Bob.

PM: But it is no good saying that.

MARTIN: What's your position? Tell me what your position is.

PM: I'm telling you my position. My position is quite clearly that I have not got under the Constitution the power to pass the laws. That is an authority with the States.

MARTIN: Forget the Constitution.

PM: I will not forget the Constitution.

MARTIN: Well hang on, hang on. Well I accept what you've said there but Bob Hawke –

PM: Well thank you.

MARTIN: Bob Hawke the man. Are you –

PM: I would pass laws if I were a State Premier –

MARTIN: Are you in favour of banning semi-automatic rifles?

PM: I would – I would –

MARTIN: You won't answer me. You won't answer me.

PM: I'm telling you if I were the State Premier who had the power to pass laws, yes of course I would.

MARTIN: So you'd ban semi-automatic rifles?

PM: I would ban them. I think that what has happened in this state of New South Wales -

MARTIN: And in Victoria.

PM: And in Victoria - well can I finish? In this State and in Victoria what has happened particularly in this State and in Victoria, I mean, is something of which we should be ashamed. And I believe that the States who have the responsibility should pass the laws which prevent it happening and I as Prime Minister am doing now what I can to give the vehicle for the States to do it. I can do no more than that. I'm going to do that. I'm going to bring them together and try and get them to do it and I hope that with some sensible pushing from people and programs like yourself and others that the State Premiers who have the responsibility will have the courage and the support of their oppositions I might say, which is important, that both sides of politics at the State level will have the commitment and the courage to pass the necessary legislation.

MARTIN: Can you see any reason for guns in Australian cities?

PM: I don't.

MARTIN: Do you have guns John?

KERIN: No, no.

MARTIN: But as a farmer you didn't have guns?

KERIN: When I was a farmer I did, yes. Not these semi-automatics, of course -

MARTIN: But see that was my question, Bob. As just basically again it seems we always ask politicians, yes they're all in favour of mother and apple pie and goodness. They all would like to see things that happened in Strathfield last week not happen again but are you prepared to put your name and position on the line personally - and I understand the Constitution -

PM: I've done it. I've done it.

MARTIN: - about things like banning guns, of banning semi-automatic guns, of getting a national register.

PM: I will create, I will create the conditions where those who can pass the laws - which isn't me - I'll create the conditions where if they've got the will and the commitment, the courage and hopefully the support of their respective oppositions that they will do it.

MARTIN: Alright, you're not passing the buck?

KERIN: Ray, could I just make one point?

PM: They pass the laws.

MARTIN: But you're not passing the buck to the States?

PM: I'm not passing the buck. Will you please accept that we are federation where the Federal Government cannot pass laws on these matters, only the States can. I will create the conditions where they will pass the law if they've got the will to do it.

MARTIN: John, you're -

KERIN: Can I just make one point?

MARTIN: Please.

KERIN: The Labor Party lost every country seat in New South Wales bar one in 1988 because the Labor Party was running on gun laws and that was exploited, has been continued to be exploited by the conservative forces playing up to the gun lobby.

MARTIN: But does that mean we let Strathfield happen because you lost some seats?

KERIN: No it doesn't. What the Prime Minister explained is the States have the powers. There's no sense just one State doing it alone, they've all got to do it.

PM: They've all got to do it.

KERIN: The Commonwealth's got to give the lead otherwise they'll just come in through whichever State doesn't go along with the uniform legislation. So we've always got to get something uniform right across Australia and the Commonwealth can only try and get them together and that's what the Prime Minister is saying.

PM: If you want to help in this –

MARTIN: I desperately want to help.

PM: Well okay.

MARTIN: As I'm sure you do.

PM: Well I do. So if you really want to help, face up to what's the fact and not the emotion that we've got –

MARTIN: I'm not emotional about this, I'm very factual.

PM: Well I am emotional and factual. But let's together do something about it. Let's together – with whatever power you've got and it's very considerable – between now and November, this is the real thing you can do, the real thing, between now and November use your powers of persuasion so that politicians from both sides of the fence at the State level are going to be so moved that by the time they meet with me in November they will be persuaded that what the people of Australia want in every State is the relevant legislation. That's what you and I can do together. So let's do it.

MARTIN: I'd love to do it.

PM: Okay. Thanks.

MARTIN: Last word Bob, you spoke to George Bush this morning. What did he have to say?

PM: Well very quickly –

MARTIN: ... last words I know.

PM: ... very quickly. He talked about what was happening in the Soviet Union. We agreed --

MARTIN: He rang you did he?

PM: Yes, he rang me. But may I say also as well as talking about the events in the Soviet Union I raised with the President the fact that we were tending in all the drama of what's happening in the Soviet Union – and what's happened there is the most, one of the most important things that's happened in this century – but we're tending to overlook another tragedy in Europe and that's Yugoslavia. It's a tragedy what's happening there. Every day people are being killed in what

could escalate into a very violent conflict. I suggested to the President that while the Europeans have been trying hard and I congratulate them, they don't seem to be terribly successful in getting a basis of resolution. I said I think the time's coming when we may have to try and, together, perhaps take some initiative in the United Nations to get a basis of trying to solve that dispute because we've got a quarter of a million of our fellow Australians who come from that country. It's a tragedy for them. It's a tragedy for the people there. I think really we're going to have to try and do something through the United Nations on this - he agreed.

MARTIN: Yes. It's dreadful. We wish you both well in selling the Budget. Obviously every Australia, all 17 million of us need it to work and work properly so we wish you well. Thanks for your time.

PM: Thank you.

KERIN: Thank you.

ends