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# PRIME MINISTER

14 May 1996

## TRANSCRIPT OF THE PRIME MINISTER THE HON JOHN HOWARD MP PM PROGRAMME WITH FRAN KELLY

E&OE.....

**KELLY:**

Prime Minister, are the States happy with this proposal?

**PRIME MINISTER:**

Well, I would imagine so, but if they are not they are being, they would be unreasonable and unrealistic. Plainly, with an \$8 billion hole in our deficit we don't have the resources available to fund this unexpected and quite extraordinary additional expenditure and that is why, in a sense, I am appealing over the head of the States, if they object to the Australian people in saying to them that unfortunately and regrettably because of the particular circumstances, we are asking on a one-off basis for people to contribute to the cost of making Australia a safer nation.

I don't like doing it but having decided to do it, I will do it irrespective of the reaction of the States because it is the right thing to do. We are determined to get these guns out of the community. You can't take people's property from them without compensating them for that property. It was lawful until last Friday for people to own certain types of guns, it is now unlawful, and it is only right and proper that people be compensated. You can't confiscate their property, that's anarchy, and they are entitled to be paid reasonable compensation.

I think most Australians will accept this. It's about a \$1.40 a week for the average taxpayer, \$70 a head. It would be higher for somebody on my income and that's how it should be. In all of those circumstances I think it would be unreasonable of any State to object.

**KELLY:**

Well, one already has objected in anticipation. Were you disappointed to hear State Premier Richard Court's comments?

**PRIME MINISTER:**

Well, I think it is unrealistic to say that the Commonwealth can find this \$500 million. I mean, we'd have to cut further into programmes, including some programmes going to the States in order to find it, and I don't like doing it, I can tell you, but I accepted the responsibility to do it and I thought this was the most open, transparent, sensible way of doing it and the most equitable way of doing it, and we've had a remarkable amount of bipartisanship on this issue.

I note incidentally from his statements on Sunday that the Shadow Treasurer Mr Evans will support it and therefore I assume the Labor Party will allow the legislation to go through. I would like to see the legislation introduced into Federal Parliament in the next two weeks and I would assume it will go through without opposition because there has been a bipartisan view and I thank the Labor Party for that on this whole issue.

Now, I repeat, it's not something I enjoy doing but we have a special unexpected quite extraordinary situation. There has been widespread community support for the unified action of all governments last week in banning these weapons. You have to give people an incentive to surrender these dangerous weapons. You cannot take them without compensation - that's wrong - and it violates the principle of property rights which is fundamental to our democracy so it's necessary to find the money. This is the fairest way of doing it and I appeal to people to see the sense of what we are doing.

**KELLY:**

Mr Howard, to the levy itself, how did you arrive at the figure of \$500 million? Is that a best guess or is it firmer than that?

**PRIME MINISTER:**

Well, it's the best estimate that we can make on the available information. This is an unusual situation - it hasn't happened before.

**KELLY:**

And as everyone says there's a lot of weapons out on the black market, there's quite a big black market, there's a lot of unregistered gun owners. How can we possibly know?

**PRIME MINISTER:**

Well, you can, acting on the advice of advisers, and we have quite a number of people advising us. Now, I know that some of the people in the gun lobby will say it is not

enough, others might say it is too much. Bear in mind that those who want to trip up this law, those who want to frustrate what the Government did last Friday will try and sow doubt in the minds of the community about what we are doing. They'll try and create the impression that there are far more guns out there than perhaps there are. This is our best estimate, it's honestly arrived at. If there is anything over then that will be refunded to the taxpayer through the Medicare system. Can I emphasise...

**KELLY:**

So it will cost...

**PRIME MINISTER:**

Now hang on, can I emphasise that it is a one-off increase. The legislation will actually say that the levy goes up by .2 of 1% for only one year. It's not an increase in the levy with a promise that we'll bring it back. The legislation itself will specify that the increase is for one year only. We don't anticipate that more will be required and that's in anticipation of the question I think you were about to ask...

**KELLY:**

Actually I was going to say if it turns out to be less than the \$500 million you said you will give it back.

**PRIME MINISTER:**

We will definitely refund it yes.

**KELLY:**

By reducing the Medicare levy for a while or something?

**PRIME MINISTER:**

We'll find a way of fairly refunding it through the levy system, yes.

**KELLY:**

There's been overwhelming support for the achievement on gun laws at last Friday's meeting. There's also been a lot of noise since. Do you dismiss that noise?

**PRIME MINISTER:**

I don't think there's been much noise at all given the magnitude of what was achieved last Friday. Given the fact that it is always difficult in a federation to get complete uniformity of action, I don't think there's been a lot of noise. I think the response of many sections of the community has been quite magnificent, and particularly of farmers. I do regret that many of them are going to be inconvenienced, but they as

always are behaving like very good Australians and understand the need for what the Government has done. So by and large, I don't think there's been too much noise.

**KELLY:**

There's been some rumblings in the Queensland National Party with some MPs saying there have already been some resignations from branches over this issue and some suggestion that there could be pressure on them to cross the floor. Could this become a major friction within the Coalition, at least at a States level?

**PRIME MINISTER:**

No.

**KELLY:**

Not worried about that at all, not worried about the States where the National Party is strong, falling away a bit on this agreement?

**PRIME MINISTER:**

No.

**KELLY:**

New South Wales Police Minister Paul Whelan says there could now be some delay in bringing in the general legislation because the plan is for each State to prepare their own bill and for the Commonwealth to choose the one to base the uniform law on. Is that how it will work, and if so, how soon do you think it will be before the States can bring in the new laws?

**PRIME MINISTER:**

Well, I heard on the news tonight, the ABC news, that New South Wales had already passed legislation.. The Commonwealth has already signed into law...

**KELLY:**

I think they haven't passed the overall legislation, they've passed an immediate ban on the sales...

**PRIME MINISTER:**

Well, that will still work, and then it will be followed up by legislation. I mean, let's not try and create difficulties that don't exist, and let's not..

**KELLY:**

I'm just trying to get a sense of how soon you hope the States will bring in their legislation.

**PRIME MINISTER:**

Well, I would, just allow me to finish... the Commonwealth has already put into law the customs prohibition on the importation of weapons which are covered by the ban. It is my advice that the States are all acting as soon as possible. Some States have a capacity to do it by way of regulation followed by legislation. Others have to do it entirely by legislation so there will be sort of a staggered legislative response, but the sense that I clearly got from last Friday and I am sure it's the case that all states want to act quickly. I would think that it would be in the interest of all state governments to act quickly because there is a public demand for this and it goes right across party lines. Anybody who thinks there's some kind of political advantage in dragging their feet on this is sadly mistaken.

**KELLY:**

On another issue, Prime Minister, there's a lot of angry members of your back bench, according to reports anyway, who want the Government to legislate for pastoral leases to extinguish native title. Can you or will you do anything to oblige them? Will you bring in a legislative response to that issue?

**PRIME MINISTER:**

Well what I will do Fran is that I will see, the Government will see that the commitments I made before the last election in this area are honoured and those...

**KELLY:**

And those commitments...

**PRIME MINISTER:**

.. were first of all that we would preserve the Native Title legislation, we would take action, we would legislate to make the Act more workable and it is unworkable, and we have put together a number of proposals which contain quite significant changes and I know that many of those changes, in fact all of those changes have been welcomed by the mining industry for example. We also said that we would honour the principles of the Racial Discrimination Act. Now there is concern about pastoral leases. I understand that but there are also certain legal imperatives in relation to pastoral leases, not least of those of course the provisions of the Constitution regarding compensation for the acquisition of property. Now we have had some discussion with our back bench and there will be a further discussion in the Party room about this matter next week, but let me make it very clear that what we will produce will meet in full the commitments that I made before the last election. There will be no back sliding on those. They will meet the legitimate concerns of pastoralists and

miners. I emphasise that. They will also keep faith with my commitment that we did not regard these changes as being a Trojan horse for the destruction of the Native Title Act.

Now it's a difficult balancing act. I want to keep faith with the Aboriginal community. I respect the decision of the High Court in the Mabo case but I also say that the former Government's legislation went too far. The former Government's legislation created barriers to development that should not have been created. The former Government's legislation introduced procedural hurdles which should not have been put there and those barriers and those changes have slowed development in this country, have imposed reasonable costs on miners and pastoralists and our changes which I am sure will win widespread support, are designed to address those whilst preserving the integrity of the High Court's decision, there will be nothing in what we propose that will undermine the integrity of the decision of the High Court of Australia in the Mabo case.

**KELLY:**

So will it be your intention to wait for the High Court then to rule on this...

**PRIME MINISTER:**

Fran it will be my intention, as I hope would have been apparent from what I said, to take our proposals through the processes of our Party. I always do that but you will find what comes out will meet our electoral commitments and will contain a material improvement, a significant improvement for pastoralists and miners but will also keep faith with the decision of the High Court.

**KELLY:**

Finally Prime Minister, the Commonwealth Public Sector Union says that three key departments, the Department of Employment, Education and Training, the Department of Health and the Department of Social Security have been told that they must find \$4 billion worth of savings over the next two years. Do you concede that cuts of that size could only be achieved by pretty massive cuts to programs?

**PRIME MINISTER:**

What I will concede is that there is an enormous amount of speculation going on at present regarding the Government's budgetary process. We inherited an \$8 billion black hole from the former Government. We are endeavouring and I certainly place very high store on the Government keeping its electoral commitments. Could I make one observation about the union you mention. I noticed in *The Canberra Times* this morning a report suggesting that based on the Department of Finance's calculations, something like 13 000 commonwealth public servants will have been made redundant in the 24 months to June of this year. The great bulk of those redundancies would have been as a consequence of the actions of the former Labor Government.

**KELLY:**

So in the past 24 months?

**PRIME MINISTER:**

Yes, the past 24 months. I mean, we have only been in power, 24 months to June of this year, that's the calculation, if that report's correct and I think it is. Now that being the case, the great bulk of those would have been as a consequence of action taken by the former Labor Government. I don't recall any industrial action taken by the public sector unions in relation to those decisions. It would appear that just as there was good and bad uranium under the former Labor Government, there were good and bad redundancies. Now I think the union lacks credibility with its industrial campaign. It has a perfect right to argue against decisions taken by the Government. That's its democratic right. It has a perfect right to advocate the causes and the interests of its members but if you're going to have a situation where redundancies carried out by a government with which you are politically affiliated are accepted, yet those which occur under a government with which you are not politically affiliated are the subject of industrial action, you can't expect the rest of the community to have a lot of interest in your credibility on that subject.

**KELLY:**

As you mentioned you did give some guarantees prior to the election about cuts to public spending..

**PRIME MINISTER:**

Yes I did, yes I did.

**KELLY:**

And of those, do you guarantee now that anyone legally entitled to a benefit now will continue to be eligible for that benefit, and will benefits remain indexed at the current level?

**PRIME MINISTER:**

Fran, I am not going to sort of go down the path you want me to go down. Let me just remind you that before the last election we put a figure of two and a half thousand redundancies which would follow from a 2% reduction in running costs, that was the context of the two and a half thousand figure. If you go back and examine what we said at the time, that's what we said. As far as welfare payments are concerned, can I invite you to have a look at the speech I made in October of last year to ACOSS..

**KELLY:**

Fair Australia.

**PRIME MINISTER:**

Which contains some very firm commitments in relation to welfare payments. I didn't make those commitments lightly and I'm not referring you to them this evening lightly either.

**KELLY:**

So you stand by those commitments?

**PRIME MINISTER:**

Fran, go and have a look at the speech and I think you will find it contains some very strong commitments and I wouldn't be lightly repeating those, making that reference again tonight if I didn't mean it.

**KELLY:**

Prime Minister, thanks for joining PM.

**PRIME MINISTER:**

It's a pleasure.

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