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PRIME MINISTER

24 May 1996

**TRANSCRIPT OF PRIME MINISTER
THE HON JOHN HOWARD, MP
RADIO 6PR WITH HOWARD SATTLER**

E&OE.....

SATTLER:

From Canberra now we're joined by Prime Minister, John Howard. Good morning Prime Minister.

PRIME MINISTER:

How are you? Actually I'm in Sydney.

SATTLER:

In Sydney. Good to talk to you. I haven't been able to call you Prime Minister before.

PRIME MINISTER:

It's very nice to be on your program and I can assure you I will appear regularly on it while I'm Prime Minister.

SATTLER:

Thank you for that because we are part of Australia.

PRIME MINISTER:

A very important part. If it wasn't for Western Australia's export income for example, we'd be down the shoot even further.

SATTLER:

They'd be broke I reckon. We'd all be broke. All right let's get to the nut of why I think we're talking today, and we'll talk about a few subjects in the 15 minutes or so

we've got. We've woken to the news in our major newspaper, The West Australian, this morning and I'll quote, '

the wages of Western Australian workers could fall dramatically under the Howard Government's workplace reforms legislation. Proposing sweeping changes would allow State workplace agreements to override federal awards. A shop assistant paid \$401.00 for a 38-hour week under the federal system could be cut back to \$317.00 for a 40-hour week under the State award.'

What do you say to that?

PRIME MINISTER:

Well what I say to that is that people's wages in Western Australia are not going to be cut under this legislation. Nobody, I repeat, nobody who is currently under a federal award can be forced out of that federal award against that person's will. Full stop.

SATTLER:

Okay, I think you also said in the lead up to the election that no one was going to be worse off financially under your reforms. Do you still stick to that?

PRIME MINISTER:

I am very happy to repeat it and I'm very happy to say that the commitment I gave, that anybody going into an Australian workplace agreement, that is the workplace contracts provided by our legislation, must be paid in take-home pay terms, at least the value of the relevant reward and that remains. It is in the Bill and I warn your listeners, I warn the people of Perth and Western Australia that over the next few weeks they will be subjected to a fear campaign about the impact of this legislation. Ignore it. We are not in the business of cutting people's wages. We are in the business of creating a more productive climate so they can earn more. We're also in the business of giving people the choice, if they want to, to negotiate directly with their employer. If on the other hand they want a union to do it, then the union can do it on their behalf. The real change being brought about by this legislation is to give people effective choice. We are not, I repeat, not in the business of cutting people's wages. I mean why would you want to cut people's wages?

SATTLER:

Well the Opposition and the unions would say because you're on the side of the employers.

PRIME MINISTER:

That misunderstands the motives of most employers. A smart employer wants to increase the wages of his employees not decrease them, because people respond to the incentive of higher wages. Of course there are a minority of employers who treat their employees badly.

SATTLER:

What are you going to do about them?

PRIME MINISTER:

Well all the policies that are under the existing legislation will be kept and anybody who chisels an employee under an Australian workplace agreement can face a fine of up to \$10,000. I just want to make it very clear that if any employer out there thinks that this new legislation is some kind of license to exploit their employees, could I say to them, forget it, it's not. And they will find when they look at the small print, this legislation will be very tough on crook employers.

SATTLER:

But it is there partly to erode the power which unions have had under Labor Governments here. Isn't that true?

PRIME MINISTER:

But the legislation is unashamedly designed to remove the monopoly power that unions have had on the bargaining process in this country. I've never denied that. I'm quite up front about it. I think it is wrong if a person wants to enter an agreement with his or her employer that that person must go through a union even though that person doesn't want to. I think that's wrong. I think most Australians think that's wrong and what this Bill does is to give people the choice if they want to, only if they want to, not to go through the union. I think that's a pretty simple principle. And I quite openly admit it will remove a monopoly power, but it will not remove the protections of the award system if people want to remain in it. And even if people move out of the award system into a workplace agreement, they must be paid at least the value of the award.

SATTLER:

All right. Well the story also says that part time workers, many women, would no longer be guaranteed a minimum number of hours a week and that would be determined by employers, and could vary from week to week. Is that true?

PRIME MINISTER:

What legislation does is to introduce a lot more flexibility in relation to part time work. I mean at the moment the choice for many people is a full time job or no job at all whereas a lot of women in particular, with young children, want part time work and if you get part time work you are guaranteed that you are paid the award hourly rate. I mean if you work 20-hours you get paid twenty times the hourly rate under the award. The problem with the present system is that it is so rigid that people will go along to their employer and say I can work three days a week and the employer says I want you for five, so you work five days a week or no days a week. And that woman says, well

I'm sorry, I've got some young children at home and I'll only work three days a week. He says sorry lady, I can't give you the job because you've got to work five days a week.

SATTLER:

So you think people are actually being denied jobs because it's so rigid?

PRIME MINISTER:

It's the rigidity and the flexibility of the system. This makes it more flexible and that is a very desirable thing. What you've got to do is to change the law to accommodate all the combinations of arrangements that people want during their working lives. I mean we have moved on from the day when the workplace in Australia consisted overwhelmingly of men working in full time jobs from 9 to 5, and we've moved on from that. I mean that is a generation or more behind us. But what has not moved on is the law. The law is still essentially built on a workplace culture in this country where most of the people employed were men, most of them were employed in manufacturing industry and most of them worked the rigid 9 to 5, five days a week. You know as well as I do and particularly young people listening to this program, women, that that is really a thing of the past. There are so many more women in the workforce, people want part time work, they want to be able to combine their work and family responsibilities.

SATTLER:

Talking about young people, the story reckons apprentices won't be entitled to study time. Is that right?

PRIME MINISTER:

No, no, no. What the legislation does is to allow training packages combining whatever quantity of work and whatever quantity of training as is agreed between the employer and the employee subject to the proviso that the package must at least pay the person, unless they otherwise agree and they wouldn't, the unemployment benefit. I mean at the moment that flexibility is not there, but under our proposal you might agree, if you're a young person entering the workforce and you are undertaking training, you might agree with your employer to work three days a week and undertake training for the other two days. Now if you did that you would be paid for three days a week. You'd be paid the full award rate for the time you were working for the employer. Understand that. There is no suggestion that you would be paid less than the full award rate, but you would have the flexibility.

SATTLER:

It can't stop you studying, but you can't expect to get paid for that time because you're not earning money for the employer.

PRIME MINISTER:

You get paid for the time you're at work. That's the principle. But you don't get paid for the time you're not at work. Now I don't think that's unreasonable. The effect of that is that there will be a lot more packages, there will be a lot more jobs available for young people that include a work component and a training component. At the moment in any five day period there has to be at least 80% of it which is a work component even though you may not be at work for 80% of that time. Now the net effect of this is that a lot of jobs that would otherwise be available, aren't available. Once again, we're making the system more flexible so there will be more jobs created for young people who don't have much experience.

SATTLER:

All right. Just a couple of other issues before you have to go. The Mabo land rights legislation. As you know, this state reckons it's in an almost unique situation with that, and our Premier is not happy that you're not going to allow pastoral leases to extinguish native title. We've had on our program some pastoralists who think that they're going to lose their property or they run the risk of at least being forced to pay higher legal bills to fight claims for their property. Why wouldn't you budge on that?

PRIME MINISTER:

Well, can I say Howard that I share all of the criticisms that are being made by Richard Court about this legislation. It is...

SATTLER:

We want you to do something about it.

PRIME MINISTER:

Well hang on. Listen. Let me answer the question. It is not just a matter of us legislating to extinguish pastoral leases. There are three barriers to that. The first barrier is that in the election campaign we said that we would respect native title and we wouldn't breach the Racial Discrimination Act. Most people believe that if you legislate to extinguish pastoral leases, you are breaching the Racial Discrimination Act. But even if we felt that weren't a breach of our commitment, as I presently understand it and most people do, there's no way you will get that legislation through the Senate because the Labor Party in the Senate, the Greens, the Democrats have all said they're going to vote against it. And the third thing is that even if you did get it through you would face a constitutional challenge which could delay the matter for quite a long period of time after the legislation was passed.

Now what we are proposing is a more practical, workable, speedier alternative. There are some reforms that have a reasonable prospect of getting through the Parliament which will dramatically improve the workability of the Native Title Act, will take away the right to negotiate and therefore hold up the development process before native title has been, has passed a threshold. At the moment the problem really is that anybody

can come along and slap a claim on and once they've slapped a claim on, they say to people who want to develop the claimed land, you've got to negotiate with me because I'm a claimant.

SATTLER:

That's what they're doing.

PRIME MINISTER:

Now, that is what we want to cut out and we are proposing and I am, I hope the parties, the other parties in the Parliament will support this because it's a reasonable proposal and it doesn't extinguish native title. It respects the Racial Discrimination Act. We are proposing that that right be taken away altogether during the exploration stage, that there be only one negotiating process during all the other stages of the project and in addition, we are looking at an even more extensive extension of that principle. Now if that were achieved you would in a practical way be tackling a large part of the problem. Now I understand all of the frustrations that people feel about this legislation. I might remind you that I didn't vote for it.

SATTLER:

All right, it sounds like you would like to have introduced legislation that would allow pastoral leases to extinguish native title but it's just too difficult.

PRIME MINISTER:

No, it's no question. Look, I am a realist.

SATTLER:

You wouldn't, that's what I mean, you wouldn't get it up.

PRIME MINISTER:

I mean, it's no good beating your breast about something that you can't achieve and I mean, it's very easy for people to sort of say to me, pass legislation. I mean, I know that I can't pass that legislation because of the attitude of those who control the Senate. I also know...

SATTLER:

You mightn't get your industrial relations legislation passed them either.

PRIME MINISTER:

There is a difference with that and the difference with that is firstly it is in complete fulfilment of an election commitment.

SATTLER:

Yes.

PRIME MINISTER:

And that is very, very important.

SATTLER:

Just like Telstra.

PRIME MINISTER:

Exactly, like Telstra. I mean, those two things are in an entirely different category. I mean, we went to the Australian people and said, this is exactly what we are going to do, but when I went to the Australian people on native title I said three things. I said I would legislate to make the act more workable and that is exactly what I am proposing to do. I would honour the Racial Discrimination Act and I would respect the High Court decision on native title. Now that is exactly what I am doing. I am completely fulfilling the election undertaking and I believe that the course of action that the Government has proposed in the discussion paper is more likely to bring about a speedier resolution of this than another course of action. If you go down the legislation path to extinguish native title where pastoral leases have been issued, that will almost certainly galvanise total opposition amongst the opposition parties to any other changes, therefore you could end up with no improvement at all. You'd be left with the present situation. But even if it got through it would face constitutional challenge and that could delay it for a very long period of time into the future.

The other thing that we are doing is that we are supporting the Queensland Government and we'll support any other state governments in court proceedings allowing either the High Court or the Federal Court to resolve or decide that the grant of a pastoral lease has extinguished native title, and there's a case starting in Queensland in a couple of weeks time and I would hope that there would be a decision on that case within a few months, and that incidentally would be well in advance of the passage of any legislation, even if it were introduced next week.

SATTLER:

It could be a very interesting legal precedent.

PRIME MINISTER:

Well it would not only be an interesting legal precedent but it would also in relation to pastoral leases without reservation establish whether or not they extinguish native title. Now that of itself doesn't help the Western Australian situation because there are pastoral leases in Western Australia granted with reservations, but that is why the proposals that I've outlined in the discussion paper I think they stand a better chance of getting through the Parliament. I mean, in this business it's a question of getting a

practical outcome. It is not, I mean it is easy to sort of say well, do this, do that without necessarily having the responsibility of being able to achieve that outcome. Now in this particular case I have set my sights on two things - firstly, honouring the commitments I made in the election campaign and that's very important.

SATTLER:

We think so.

PRIME MINISTER:

Yes. You have every right to think so. And secondly I want to achieve a practical improvement. Now I think what I have proposed is more likely in a shorter period of time to achieve a practical improvement for pastoralists and the mining industry whilst respecting legitimate rights of the Aboriginal people than any course of action. Now that's why I've done it. Now I understand how my colleagues in the Western Australian Government feel about this. I would be angry and frustrated if I were the Premier of Western Australia because the present native title act is gumming up the works but I remind you and your listeners that it was the legislation of the Australian Labor Party. I voted against it as a Member of the then Federal Opposition and I think it is a mess but to get it changed, I not only need to pass legislation through the House of Representatives, I've got to get it through the Senate. Now there is not a snowflake in hell's chance that they with their current attitudes, the Labor Party, the Democrats, the Greens, are going to vote for legislation which extinguishes native title.

Now if I'm wrong on that, I am quite sure they will very quickly tell me that and I'll be very happy to acknowledge that. But there is no way they are going to agree to that being passed and you know that. I think most people know that. Faced with that situation I can either say well, we'll roll it up anyway and we'll wait and see what happens. You lose then any opportunity of getting lesser legislation but still valuable changes through. Many people in the mining industry have said to me, look, we would like to see native title extinguished but we realise that from a practical point of view you should aim for lower than that and get some other changes through because you've got an opportunity of getting support in the Senate for those proposals.

Now that is what, you know, that is influencing my thinking. The other thing that is influencing my thinking is a little matter of what I said before the election. I said three things. Let me remind you again. I said we accepted the High Court decision, we accepted the native title, principles of the native title legislation but we reserve the right to amend the legislation to make it more workable and in doing that we would honour the principles of the Racial Discrimination Act.

Now they were the three things I said before the election and everything that I am doing now is guided by those three commitments, and everything I am now doing is also guided by my pragmatic understanding of what is achievable in the Parliament. I mean, it is no good saying something you know cannot be achieved. If I really want to help the pastoralists and the miners and the developers in Western Australia or anywhere else in this country, I have got to try and get something that works. It's no good saying look, this is what we'd all like but it's not going to be achieved but you

should still be happy with it, should still be happy that I've failed to achieve what I set out to do. I mean, it's not a simple matter of people just snapping their fingers and saying, pass legislation to extinguish native title. The fact is that won't get through the Parliament.

SATTLER:

You realise it's a big issue over here. There are a lot of other things I'd like to talk to you about but I know you have commitments. When are we likely to see you here?

PRIME MINISTER:

Very soon Howard. I visited Western Australia very regularly as Opposition Leader and I intend to do exactly the same thing as Prime Minister. I have always enjoyed visiting Western Australia.

SATTLER:

It's the best part of the country. You know that.

PRIME MINISTER:

Often lively.

SATTLER:

No one else is listening.

PRIME MINISTER:

It's often lively.

SATTLER:

All right. Well, the invitation is there to be in the studio and take calls from the people who, some of whom have voted for you, some who voted against you, but you are our Prime Minister.

PRIME MINISTER:

Thank you very much Howard. Very nice to talk to you.

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