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**PRIME MINISTER**

30 September 1996

**TRANSCRIPT OF THE PRIME MINISTER  
THE HON JOHN HOWARD MP  
RADIO 2UE WITH ALAN JONES**

E & OE .....

**JONES:**

The Prime Minister, I have to tell you all, it's not television, but has scrubbed up very well.

**PRIME MINISTER:**

I have indeed. Long weekend but a good weekend. Yes, a disappointing result for me as a St George follower yesterday.

**JONES:**

But they were superb.

**PRIME MINISTER:**

But Manly played very well, they did, Manly played very well.

**JONES:**

They took a lot of punishment, didn't they, St George?

**PRIME MINISTER:**

Yes...

**JONES:**

Defended superbly I thought.

**PRIME MINISTER:**

The thing that struck me though was the absolute impenetrability of the Manly defence towards the end of the first half.

**JONES:**

Were you shouting foul one minute from half time?

**PRIME MINISTER:**

No, no, well look, these things happen...

**JONES:**

You don't do those sorts of things.

**PRIME MINISTER:**

No I don't, I sit their very quiet. I was sitting next to Ken Arthurson and I tell you what, you can't shout anything if you're sitting next him. He was pretty excited.

**JONES:**

Wasn't he?

**PRIME MINISTER:**

Yes, I can understand that, he's had a hard year and Manly's been a very - as have a number of others - but Manly in particular has been a very loyal ARL club and I can understand how he feels, and he's a Manly boy, as he said, everybody's got to come from somewhere and he's a supporter...

**JONES:**

But it's good for the Australian psyche, isn't it, that you have a weekend like that where - I don't know whether you've caught up with the ratings - it was the Channel 7 coverage of the AFL that was the highest rating event outside an Olympic Games ever.

**PRIME MINISTER:**

That's incredible. It was great down in Melbourne, they just played terrific.

**JONES:**

Now, last weekend you weren't at the football, you were at the Queensland Liberal Party and you said and I quote:- "the Australian people want in their leaders people who know what they believe in, who are prepared not to be intimidated, who are willing to stare down their opponents and their critics but they want people to remain essentially part of the Australian community"- they want Australian people and they want leaders who know what they believe in. Do you believe in anything that Pauline Hanson said?

**PRIME MINISTER:**

I certainly believe in her right to say what she said. I thought some of the things she said were an accurate reflection of what people feel. I think she said, as I have said, that there were many times under the previous government where people felt intimidated out of saying what they really believed. I don't agree with her when she implied that Aborigines as a group are not disadvantaged, I think they are. I think the criticism that's got to be made of Aboriginal policy is that over the last 13 years they've done nothing to remedy the disadvantaged. What really gets people cranky about Aboriginal Affairs policy is that we have pumped hundreds of millions, if not billions of dollars over the years into trying to tackle the problem but they don't seem to be any better off, in fact, in many respects they seem to be worse off.

**JONES:**

That's what you're saying, see people didn't...I just wonder whether people have actually read the speech. She said apart from the 40 million spent - I'm reading exactly from the speech - so far since Mabo on Native Title claims, the Government has made available one billion for Aborigines and Torres Strait Islanders as compensation for land they cannot claim under Native Title. She says, bear in mind that the 40 million spent so far on Native Title has gone into the pockets of grateful lawyers and consultants not one Native Title has been granted as I speak. That's a lot of taxpayers' dough.

**PRIME MINISTER:**

Yes, but that's right. But Alan, we voted against the Native Title Act so don't put me in the back. Hang on, hang on, now let's get this straight. I mean, the Coalition opposed the existing Native Title Act, not because we oppose Native Title but because we thought the former government was doing wrong. And I said in the campaign, and I'm in the process of doing it right now, we're going to change the Native Title Act if the Senate will let the changes through, to make it more workable. I think it is ridiculous, it is ridiculous, that all of that money's being spent but no Native Title has been granted. I think it is also ridiculous that the present Native Title Act is working in a way that prevents some legitimate development going ahead. Now, I want justice for the Aboriginal people. I did not oppose the Mabo decision, I thought it was, in itself, a very justifiable decision but I think the way the Keating Government did it, the way Robert Tickner handled the situation was quite wrong.

**JONFS:**

But still you say you want leaders who are prepared not to be intimidated. People are intimidated from reading what Hanson has said and actually saying, look, this was wrong, but this was right. Now, I haven't heard you ever address some of the detail so far of what Hanson was saying yet 98.7 per cent of the people polled here in a gigantic poll - 37 000 - agreed with Hanson.

**PRIME MINISTER:**

But Alan, as Prime Minister - and I don't want to sound as though I'm carried away with myself - but the Prime Minister doesn't define his views and his values by reference to the speeches of others, he sort of states what his view is. And I've said consistently in this context that if people want to know my view on immigration, Aboriginal Affairs, minority groups, all of these other things, anybody ask me a question, I'll give you a very direct answer but I don't run around responding to the speech of every Independent member of Parliament. If I did that people would be quite entitled to say this bloke sort of devaluing the office, he's the Prime Minister, surely he's got original, self-motivated views of his own, which obviously I have.

**JONES:**

Fair enough comment. Business out there, they're doing it tough. Manufacturing figures in the manufacturing sector, they've indicated their profits have plummeted 20 per cent in the year to June. Many of them are saying, well look, we've had John Howard in office since March, we can't see any appreciable change in the climate. How do you answer that?

**PRIME MINISTER:**

Well, some of those views are a reflection of business opinion. It's not uniform, there are some areas of business that are doing very well. Some in the service sector are booming. I think the housing sector is beginning to recover. Manufacturing is flat, it was always expected to be flatter this quarter. You say what have I done - well we have tackled the huge budget deficit problem we inherited and if the Senate lets the budget through we will have done a mighty service to the Australian business community for the next two or three years because we will have delivered the circumstances for a low interest rate climate which is what Australian business wants. And we've put into the Parliament...

**JONES:**

Just on that Prime Minister, if we'd saved \$200 000 and we actually had it, if we were lucky enough to have it, and went along somewhere to put it on deposit, we'd struggle to get six per cent for it, if you went to borrow it you'd be paying, if you were a businessman, 12, 13 or 14 per cent. Isn't that ridiculous - I'm getting six per cent for the money if I invest it, I'm paying 14 per cent if I borrow it.

**PRIME MINISTER:**

Well the answer to that is to have even more competition in the financial sector and you've started to see that happen with housing. Think back a year ago, you didn't have ferocious competition between the banks and these new entrants like Aussie Home Loans and RAMS for housing loans. You've seen over the last 12 months a historic change in housing industry finance where, because of competitive pressure interest are coming down and if you have even more competition in the banking sector, which in part is what the Wallis financial inquiry which we established, is all about, then I think some of those circumstances will change.

**JONES:**

How can business be competitive when on the one hand you've got our tariff rates at about five per cent and you've got - I just checked these the other day - some Indonesian tariffs - we compete with Indonesia, they make all sorts of stuff they import here - 37 per cent if you want to get something in; in India 32 per cent, Thailand 28 per cent, China, on washing, on kitchens, which one of our employers wants to get in, over 100 per cent, and here we are running around talking about reducing tariffs.

**PRIME MINISTER:**

Well that is a legitimate criticism to make. I believe in lower tariffs but I think the lower tariffs in Australia should be matched by equally fair treatment from other countries. I also believe the lower tariffs in Australia should be matched by reductions in business costs through reforming such things as our industrial relations system, getting rid of the unfair dismissal law and all of those others things which we have put into the Parliament and right at the moment the negotiations with the minor parties have reached the crucial sensitive stage and I hope over the next few weeks we will know the fate of that legislation.

**JONES:**

Now, you talk about small business, one thing that would help, Prime Minister, small business an enormous amount and they do business with the Government, is if the Government paid their bills, if you as the managing director of the employment house actually paid your bills on time. There's a policy within government, which you may not be aware of it, that no bill is paid within 30 days. They allow the thing to go right to the limit of 30 and sometimes beyond. It makes it tough for small business.

**PRIME MINISTER:**

I think small business, that the bill should be paid by the Government in the same way as they are paid by the rest of the community...

**JONES:**

That's as soon as you get them.

**PRIME MINISTER:**

Some people...

**JONES:**

Well you'd make it better though...

**PRIME MINISTER:**

That is part of it. Another part of it is doing something about the red tape and I'll have in a months time a report from Charlie Bell, the Managing Director of McDonalds, about how to cut red tape by 50 per cent in the first three years of our government. It's a big ask, but he agreed to take on the Chairmanship of that committee several months ago and I expect to have his report in a months time. We have delivered on that commitment, we've also cut the provisional tax for small business by the tune of \$180 million a year and we have also delivered our promise to have capital gains tax rollover relief for small business and that will come into operation in July of next year. So we haven't been sitting on our hands in relation to those core commitments to the small business community.

**JONES:**

Your biggest problem though is the balance between expenditure and saving isn't it? I mean...

**PRIME MINISTER:**

And also our foreign account.

**JONES:**

Now to fund that, we need domestic savings. Why would there be any tax at all on interest accrued on savings? Why wouldn't we want to say to people out there listen, if you save you win.

**PRIME MINISTER:**

I suppose in isolation that's right, but some people are modest savers, some people are big savers and I suppose it might be argued that to relieve all savings of taxation is perhaps being unduly generous to high income earners. You need incentives. One of the best incentives for higher savings in Australia is to have low inflation because if you don't think your money is disappearing through high inflation you are less inclined to spend it and you are bit more disposed to saving. Saving is a cultural thing as well as something that is responsive to taxation.

**JONES:**

You shouldn't be punished for saving surely.

**PRIME MINISTER:**

No you shouldn't be punished.

**JONES:**

Now you said also yesterday or at the weekend in an interview with the Sunday Telegraph that you wanted a personal philosophy to gain currency which was directed towards personal achievement. If I could really bring that right to the personal - your youngest son has chosen to be a lawyer, he is going to do work experience in a legal firm. Would you seriously in the light of the performance of Dr Wooldridge in the last two weeks, encourage one of your children to be a doctor, to actually go and study for six years, do a year of internship and then in the lottery that comes out, have four hundred of them with the rug pulled completely from underneath them, never being able to have a meal ticket, never to be able to practice as a GP?

**PRIME MINISTER:**

I think that's a bit rough. The answer to your question is that I would in a sense encourage my children to do what they wanted to do. At the moment my youngest son is disposed to study law, he may not end up doing so, but that's a matter for him to decide. We do have a very large number of doctors in this country. To suggest that what we have done is in some way draconian or unfair ignores the fact that market pressures have made entry into the medical faculties much much harder than it used to be five or ten years ago, much harder.

**JONES:**

But 400 of these miss out. Already you are cutting Australians....

**PRIME MINISTER:**

But Alan you can equally say there are a lot of people who have very high qualifications who are going to miss out, are getting the opportunity of studying medicine in the first place.

**JONES:**

But you are talking about deregulating the labour market, and we are paying, you are talking about deregulating the labour market, and we are paying \$130 000 to educate these people to put them on the scrap heap but we are letting, Prime Minister, in the twelve months to June 1995, 1188 overseas doctors and when Dr Wooldridge was asked about that he said, "well, I can't do anything about them", he said, and I'm quoting his words, "I'd be accused of racism or discrimination if I restricted migrant doctors' rights to claim Medicare benefits". So he can discriminate against local kids but he can't discriminate against foreigners. We are not serious are we?

**PRIME MINISTER:**

Well, I didn't hear the total interview that he gave in relation to the overseas doctors but the way our immigration policy works at the present time allows people who qualify under family reunion, irrespective of what their occupations are, to come into this country. Now we have put very severe limitations on foreign doctors. Every week virtually I have representations from doctors who are complaining about the fact that although they hold qualifications from overseas universities, they are required to go through a local medical practitioner accreditation system in this country. We have the toughest standards in the world - no, let me finish, you see because it is very important people understand - we have the toughest standards in the world on foreign doctors. We do not, as your question implies, allow people with inferior qualifications to come into this country and are allowed to practice.

**JONES:**

But 1188 doctors come in here and we are knocking off our own kids whom we have spent money to educate when John Howard says we want a deregulated labour market and big brother Wooldridge is saying 400 of you won't be able to go to the college of surgeons and the college of physicians.

**PRIME MINISTER:**

Hang on Alan. Those 1100 have all got to fulfil the same qualifications, they've got to come up to the local qualifications and to the local standards before they are allowed to practice.

**JONES:**

They don't.

**PRIME MINISTER:**

Well, I'm sorry they do.

**JONES:**

Under the new rules they don't Prime Minister. Under the new rules...you go back and check with Wooldridge.

**PRIME MINISTER:**

I will. I will check that....

**JONES:**

He is now making these people after ...



**PRIME MINISTER:**

With respect Alan you are talking about a different thing.

**JONES:**

No I'm not.

**PRIME MINISTER:**

Yes you are, you are talking about a different thing. You are talking about the access to the Medicare provider numbers.

**JONES:**

And they get Medicare provider numbers when they come in here. They will not have to do a course...

**PRIME MINISTER:**

No no no, but only if they meet the qualifications which are laid down here.

**JONES:**

They will not have to Prime Minister. The qualifications have changed in your Budget. You have said, do six years training, one year internship and four years with the College of Surgeons and the College of Physicians and there will be 800 eligible. Wooldridge will only give entry to 400. 400 will go on the scrap heap but the 1188 foreign doctors won't have to be so qualified.

**PRIME MINISTER:**

Well, that is not my understanding of the situation. My understanding is different.

**JONES:**

What are you saying to a Medical student who is listening to you at the moment.

**PRIME MINISTER:**

Well what I am saying to a Medical student who is listening today is that any foreign doctor who comes into this country has to satisfy local requirements before he can practice, that is what I am saying.

**JONES:**

But a third...

**PRIME MINISTER:**

And there have been no, to my understanding, there have been no changes made to that.

**JONES:**

But so do the youngsters here. Are you saying if we are to discriminate, we will discriminate amongst our own before we discriminate amongst foreign doctors?

**PRIME MINISTER:**

No, I am not saying that at all.

**JONES:**

...400....

**PRIME MINISTER:**

No, well hang on. You are putting words into my mouth. I am not saying that at all.

**JONES:**

I've never done that Prime Minister.

**PRIME MINISTER:**

Yes you have, occasionally you have, you've verged on it. And what I'm saying is that foreign doctors who come into this country are required to meet local requirements before they can practice and that has been the policy that we have defended.

**JONES:**

But why wouldn't you cut them back by 400 before you cut your own back?

**PRIME MINISTER:**

Well the foreign doctors who come to the country come in through... they are not admitted as doctors, they are admitted because they are entitled under the family reunion policies of our immigration system to come to this country, not because they are John Howard the foreign doctor, but because they are John Howard - the wife of, the son of, the father of somebody who has sponsored them here under the family reunion system.

**JONES:**

Will you look into the system?

**PRIME MINISTER:**

Alan, I think the decision that was taken in the Budget in relation to the local graduates is quite defensible. You asked me whether I will look into it....

**JONES:**

So 400 kids are going to be trained by us...

**PRIME MINISTER:**

When you have an oversupply of something...

**JONES:**

You cut out the foreign doctors.

**PRIME MINISTER:**

Well...

**JONES:**

Wouldn't that be common sense?

**PRIME MINISTER:**

Well some people ...

**JONES:**

You'd look after your own.

**PRIME MINISTER:**

Well, Alan, look we cut immigration a couple of months ago, we cut it very very sharply, we shifted the focus away from family reunion. It is very easy to sort of say well you know cut all the foreign doctors out...

**JONES:**

It sure would be easy for me Prime Minister to chop the foreign ones and let the young ones in.

**PRIME MINISTER:**

Even though one of the doctors you might be denying entry to this country has married an Australian citizen?

**JONES:**

Well, we look after our own first. We look after our own first.

**PRIME MINISTER:**

But that Australian citizen is also one of our own.

**JONES:**

We've got to go, but I just want to ask you a very quick one about the guns buy-back. There is a problem apparently about the states not having enough money. Will you be increasing the funds available, because that buy-back actually begins here tomorrow.

**PRIME MINISTER:**

Well, I'm going to talk to the Premiers over the next couple of days and try to sort this out. We have been very generous and the Premiers are holding their hand out really for us to pay the lot. Now, they know that I want this scheme. They know that I'm very strongly committed to it. We'll sort it out in a fair and reasonable fashion.

**JONES:**

Okay, thank you for your time.

ends