



PRIME MINISTER

13 February 1997

TRANSCRIPT OF THE PRIME MINISTER THE HON JOHN HOWARD MP PRESS CONFERENCE - PARLIAMENT HOUSE

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Ladies and gentlemen, I'd like to announce that I've appointed Senator Chris Ellison, a Senator from Western Australia, to replace Senator Bob Woods as Parliamentary Secretary to the Minister for Health. Senator Ellison will also assist the Attorney-General and Minister for Justice in certain selected areas.

He's been a Western Australian Senator since 1993. He played a particularly active role on behalf of the then opposition in the debate on the then government's native title legislation in '93. I think he'll do a very energetic and effective way a job in his new responsibilities and I congratulate him.

Can I also say that the employment figures today are pleasing although in accordance with my past practice, irrespective of how the figures have gone, I'm not reading too much into one months' figures, but it does mean that we've had an employment growth of 158 000 since the election of the Government in March of last year. The unemployment rate remains the same because the participation rate has risen. But a rise predominantly in the female part-time area of close to 35 000 jobs in the month is pleasing. I don't want to put it any higher than that. But it is pleasing and obviously more welcome than if the trends had been or the direction had been otherwise. And I think the trend in the employment growth and unemployment is...the trend growth gives some cause for optimism but I have never sought to overstate these figures and I don't overstate them today. But it's fair to note the rise and to note that that is a pleasing development.

They're the only two specific announcements that I have to make but you may want to ask me a question or two and I'd be very happy in my normal fashion to try and respond.

QUESTION:

Prime Minister, on the employment rates other than what you've said, unemployment is actually 21 800 higher than the same month last year, how soon do you expect your Government's policies to actually start flowing through to reducing that amount?

PRIME MINISTER:

I can't and I won't try to put a month or a particular time on it. I am not going to make predictions about particular targets by particular times. I repeat what I've said before and that is that we will muster atom of every policy activity towards improving the employment situation. There's been strong evidence of that this week in relation to the announcement on the 'work for the dole' approach. But I'm simply not going to start talking about things being achieved by particular months. And there's always deficiencies in comparing a particular month with another particular month just as there are deficiencies and ill wisdom in if you have a good month saying, you know, eureka! the problem has been solved. I mean, that is simply not something I'm going to do. It remains a very difficult challenge. It will take time. The former government had 13 years and left us with 8.5% unemployment having pushed it to a post-depression high in the early 1990s. We have had just on a year, and I'll say again and I'll keep on saying it, that it really is absurd and impertinent and lacking in any credibility for a government that had 13 years to fix a problem and leaves it in large dimensions, then thumping the table after a year saying how outrageous and how shocking, you haven't fixed the problem.

QUESTION:

Prime Minister, if these figures are pleasing you'd have to admit that most of the figures beforehand have been less than pleasing, could you therefore say that you've now reached a turning point on employment?

PRIME MINISTER:

No, I'm not prepared to say that. All I'm prepared say is soberly and sensibly comment as accurately as I can on the monthly figures as they come out. But this is too serious a problem to sort of become the captive of fancy rhetoric. It is too serious a problem for that. And you all know that these figures can bounce around. All I can do is react to a given set of figures. If they're disappointing, they're disappointing. If they're pleasing, they're pleasing. But I'm not going to get into this game of saying well, you know, we've just turned the corner or this or that. I don't know. All I can say is that we've had a growth in employment of 158 000 since I became Prime Minister. Now, I hope that growth goes on. I really do. And we will do everything we humanly can to ensure that that growth does go on. But I can't be certain it will but I hope that the policy changes that we made in the area of industrial relations, many of which incidentally won't begin to bite, until the 1st of March they won't come in to force. The workplace agreement of the IR legislation doesn't come in to force until the 1st of March. The unfair dismissal law was only changed from the 1st of January. Many other provisions of the Act have only been in operation with the other provisions since the 1st of January. And some of the measures we've taken to help

small business. The very, very generous and I think major incentive involved in the capital gains tax change doesn't start until the 1st of July. So I don't want to overstate it and I won't and it should not become the captive of fancy, transient, political rhetoric.

QUESTION:

Prime Minister, did John Sharp mislead the Parliament yesterday when he said that he hadn't discussed consultancies with any member of the CASA board?

PRIME MINISTER:

I think you could well be referring to Mrs Pollock. I think that's about the worst kept secret around this building today that Lindsay Tanner is going to raise Mrs Pollock.

QUESTION:

John Sharp admitted on *AM* this morning that he had discussed consultancies.

PRIME MINISTER:

I don't believe he misled the Parliament. I think the implication behind that suggestion is that he had promised consultancies to people whereas the situation as explained to me by John, and I have no reason at all to disbelieve it, is that what John did was to say to the lady in question that if you were to resign that would not of itself disentitle you to consultancy work with the Government in future. It is my understanding, based on what he's told me, that she had in fact done consultancy work before. So what he was really doing was not, as I understand it, was not saying, look, if you resign I'll guarantee you consultancies. What he was saying was that if you resign that will not prevent you on the merits getting consultancy work in the future. And against the background of her having had it in the past, which I am told was the situation, that is a very different thing.

QUESTION:

Can you explain exactly what the rules of this Government are in relation to offering one job on the basis of resignation from another?

PRIME MINISTER:

Well the rules are rules of probity and commonsense and this is not an argument about probity. This is an argument about safe skies. We have never disguised the fact, nor has Sharp ever disguised the fact that he wanted a new board because of many of the things that have happened under the former Government, the obvious lack of aviation experience of the existing board, and can I say, I think John Sharp has adopted a commonsense approach. If you want a better board - you are a new government - isn't it sensible to talk to people? I mean, he has been criticised for trying to do the right and courteous thing by a particular person and not in any way to call into doubt or question her credentials in other areas and I don't think he's lacked any probity at all

and you say, what are the rules? You act with probity but you also act with commonsense and the commonsense of this situation is that his behaviour, so far from being suspicious or tawdry or corrupt, his behaviour has been the commonsense behaviour of a Minister endeavouring to implement a policy change in an area where there was disaster and failure and tragic loss of life under the former Government. I mean, this is about safer skies, not about corruption. If you want safer skies you will understand that what John Sharp has endeavoured to do is absolutely right.

QUESTION:

Mr Howard, when you were elected you promised very exacting standards of Government. In the light of the (inaudible) this week can you be said to be delivering on those promises?

PRIME MINISTER:

I don't think for a moment the developments this week have compromised that promise at all. I mean, there has been no lack of honesty or candour or probity by Sharp or by Herron. In relation to the Woods matter, Senator Woods of course is resigning from the Parliament. The criticism that was made of me in relation to the Woods matter was that I had not recalled, which I hadn't and which I acknowledge I had not recalled a reference to it made by the Attorney General five or six months ago. Now you can choose to believe or disbelieve that and I know that some of you have written in disbelief of it. I know that. Well can I say that your disbelief is not well founded. I didn't remember that conversation when I made, when I gave the answer to Ray Martin and that's regrettable but I didn't. And when you bear in mind that I had in the space of two weeks, I had had a conversation with Bob Woods, the first conversation I had had with him about the issue and a conversation on the same day I think within the space of half an hour perhaps, or an hour with the Attorney General about the same matter and that I had subsequently had a discussion with Bob Woods when parliament resumed only last week in which he told me he was going to resign and further spoke about this matter. I think it is understandable perhaps the rather transient reference to it five or six months earlier had escaped my attention but that doesn't represent any lack of probity or dishonesty unless you are claiming that what I should have done when I was told by the Attorney General in, I think it was August or September of last year, or perhaps a little later. The exact date we haven't been able to fix, unless you are saying to me I should have dragged the bloke in and said look, the federal coppers are going to have a look at you, thereby warning him, and I am going to stand you down while they're having a look at you. Now that has been put to me. Can I say I don't accept that. Now those who have put that will continue to put it but I don't believe that suggests a lack of probity. You can criticise the fact that I didn't remember it. Go ahead and do that but don't suggest that that is a lack of standards because standards go to things such as probity and honesty. They don't suggest that you will, on every single occasion have an immaculately infallible memory. I don't.

QUESTION:

But Prime Minister yesterday you told the Parliament that your Department informed you that the President of the Senate supported the salary arrangement for Senator

Colston but the correspondence would suggest otherwise, that the President of the Senate didn't support that.

PRIME MINISTER:

Well my Department did say to me that Senator Reid supports his views in principle but is seeking supplementation for the increased salary. Now the correspondence to which you are referring, I think, I can't be certain because you're referring to it, the correspondence is correspondence that passed between Senator Reid and Senator Colston before Senator Colston wrote to me and on the information that's been given to me by my Department, Senator Reid did not allude to that correspondence when she wrote to me. So when I made that statement to the Parliament, and I repeat it to you today, I was relying on what I had been told by my Department.

QUESTION:

Prime Minister, when did Mr Sharp refer to (inaudible) in the discussions between Mr Sharp and yourself, when did Mr Sharp refer to the (inaudible) situation?

PRIME MINISTER:

No it was mentioned by him yesterday. Exactly when within the half an hour I can't tell you but, and we would have, it would have been discussed again today.

QUESTION:

Why didn't you refer that matter to the Chief General Counsel?

PRIME MINISTER:

Because I was satisfied that the explanation that he gave me did not represent any valid grounds for doing that.

QUESTION:

Mr Howard, last night Justice Bishop had a different explanation of the..

PRIME MINISTER:

He was pretty busy on the phone I gather.

QUESTION:

No, not really...

PRIME MINISTER:

Yes he was.

PRIME MINISTER:

What he said was that if Mr Sharp had said to Dr Pollock if she was not on the board there could be consultancy work with..

PRIME MINISTER:

Look, I am not going to respond to something that is put by somebody who wasn't involved as a principle in the original conversation. I've been in this game long enough not to get into that. I can only repeat to you the explanation that John Sharp who was a principle in the original conversation, Bill Fisher wasn't a principle in the original conversation, I can only repeat what John Sharp has said to me and I have no reason at all to doubt what he has told me. I have always found John Sharp to be both competent and candid.

PRIME MINISTER:

That problem with the probity and honesty of the arrangement with Ms Hollows, why is it that Senator Herron chose to read all but three lines of the letter yesterday to the Senate, the three lines being those relating to John Sharp? (Inaudible) giving people full information about what was going on?

PRIME MINISTER:

Well you will have to ask him that. I mean I can't put myself in, much in all as I respect and have affection for my colleagues, I cannot put my mind, put myself inside the mind of each and every one of my colleagues. I really think that is verging on the pedantic. Well, you'll have to ask him. I don't know.

QUESTION:

(inaudible)

PRIME MINISTER:

Well I'm sorry Laura. The letter was tabled by me. I mean, if we'd held the letter back you might have a point but I mean, I tabled the letter yesterday with Burmester's opinion.

QUESTION:

Prime Minister do you believe that Gabi Hollows representing, membership of the CASA board as a consumer representative is somehow compromising air safety in Australia?

PRIME MINISTER:

I'm not going to personalise the comments I have made because I had quite a regard for Gabi Hollows but the fact is that of all of the people on the board, Molloy is the

only person who has any civil aviation background or experience and given the history of it and given that one of the reports that came out last year was into the Seaview Report in fact cited lack of effective supervision as one of the causes of the problems in the industry. I think Sharp's case is very powerful. I mean, Gabi Hollows is associated with many great causes in Australia and she obviously has expertise in many areas and that was clearly in the minds of both John Sharp and Senator Herron and..

QUESTION:

Do you understand her seeing that letter as an inducement to step down from the CASA board?

PRIME MINISTER:

Well, if it were, why was there a gap of 11 months between the date the letter was written, or not 11, perhaps 10 months, and I mean, that letter was written in May and this matter has arisen in the last couple of days. Now if in fact people felt that his behaviour had been so outrageous I mean, I just make that point.

QUESTION:

Mrs Hollows thought that Mr Sharp had not acted appropriately, that she was upset after the conversation. Apparently that's what she's put in, I understand that's what she's put in the letter or a fax to you.

PRIME MINISTER:

Look, I'm not going to talk about , I mean, that's her letter to me. I don't, I mean, what she does with that letter is her business.

QUESTION:

Should you not have referred that letter and her view and her concerns to legal counsel before clearing your Ministers?

PRIME MINISTER:

That particular letter was a communication from Gabi Hollows to me and I don't think it really had anything, it didn't bear upon the allegation. You see the question that was asked of me was asked of me by Tanner and he said : Herron delivers this letter. Doesn't this represent a breach of the Crimes Act?

QUESTION:

Why didn't you report to the Chief Counsel the matter surrounding the letter?

PRIME MINISTER:

Well they were in the sense John that the material that was before the Chief General

Counsel included the answers that had been given by both Herron and by Sharp in the House.

QUESTION:

(inaudible) if she was not on the board there could be consultancy work...(inaudible)...

PRIME MINISTER:

The allegation was that the letter represented an inducement. That was the allegation and that is the allegation that I've had investigated and I am satisfied that there was no attempt to in any way limit the investigation.

QUESTION:

You talk about commonsense, and then you talked about the safety problems... do you believe Gabi Hollows compromises air safety ...(inaudible). Are you saying that..

PRIME MINISTER:

What I'm saying to...

QUESTION:

... on a slightly case by case basis..

PRIME MINISTER:

No I'm just, no I'm not saying that. I'm just saying that people ought to have a commonsense approach to these things. This has got nothing to do with bribery or corruption or dishonest dealing. You have a plain, simple situation where John Sharp wanted to bring about a change in the personnel of the board, not because he had anything against Gabi Hollows. You have a Chairman of the Board who obviously, you know, is an old Labor warrior, I don't criticise him for that but I mean, let's just exercise a little bit of commonsense about it. He wanted these changes to the board. He recognised that Gabi Hollows had skills in other areas. He doesn't want to do her in the eye but he wants to bring about a change in the composition of the Board because there has been a long record of failures in this area. I mean, you've had two major disasters, absolute disasters in this area and you have an inquiry at the end of last year that underlines that point and he set out to achieve the objectives of the Government and I think in the circumstances, I mean if you want to, you can have a pedantic, you know, view about it, or you can take the view that there has been, which I do, there has been absolutely no lack of probity. I mean, if he had sort of suggested that somebody occupy a position to which that person had no demonstrable skills. After all, this lady is associated with the Hollows Foundation. She has a clear interest in matters relating to Aboriginal health. If the proposal had involved something in which she had no demonstrable skills, I think that would have been an entirely different matter.

QUESTION:

... this principle that members of a board should have expertise in the area, hands on experience in the area that they are governing...

PRIME MINISTER:

It depends on the circumstances. Where you've had an appalling record of death and disaster and safety failure I think you ought to apply more rigidly than you might in areas where there hasn't been demonstrable failure.

QUESTION:

Prime Minister, when Senator Colston got in contact with your office seeking the pay rise, did it then follow any discussions among your staff or perhaps even involving you that it might be warranted to not necessarily make the Senator happy but to make sure he wasn't unhappy - given the text of the Telstra vote?

PRIME MINISTER:

I had a discussion with my Chief of Staff about it. I had a brief discussion with her about it. I had to approve it under the MOPS Act that is why I was involved. And, I said that - she raised it with me and she briefly discussed it. I had a minute from my Department about it and the minute from my Department recommended that I approve it. But the cost of it be sought within the Senate's budget.

QUESTION:

...at no stage was the possibility of Senator Colston's vote raised in your discussion with your Chief of Staff or anybody...

PRIME MINISTER:

I don't remember that being discussed. Bear in mind it was a couple of weeks actually before the final vote on Telstra.

QUESTION:

Prime Minister, you told the Partyroom on Tuesday that you wanted ...

PRIME MINISTER:

Did I?

QUESTION:

...to focus on the three core issues ...(inaudible)... the three core issues of unemployment. You spent all this week fending off questions on a number of other issues.

PRIME MINISTER:

Well that happens.

QUESTION:

I mean, does it worry you though?

PRIME MINISTER:

No.

QUESTION:

Mr Howard, given the controversy surrounding the CASA Board do you think that Mr Sharp in terms of any appointments to that Board should ensure that he does not want any people who may have done work or supported the Coalition during the election campaign and/or people he has close mix to, personal mix to?

PRIME MINISTER:

It depends on their ability and their qualifications. I mean, my - well I know who you're talking about and why didn't you name him? Well Dick Smith has an enormous amount of skill in this area, an enormous amount of skill in this area, but who gets appointed to the Board is a matter for the Cabinet to decide when there are vacancies. But let me state my policy - I don't believe that a close personal association or a clear identified public support for one side of politics is of itself a disqualification. It depends on whether you have merit in its own right for the particular position. I mean, surely nobody criticised our appointment of Donald McDonald as Chairman of the ABC. He had clear and evident skills for the job. Of course he's a close personal friend of mine. I didn't criticise many of the appointments made by the former government where they were clearly made on ability. I didn't criticise the appointment of people like Michael McHugh despite his clear association to the High Court of Australia. I didn't criticise the appointment of Doug McClelland as High Commission to London. I have left in place people like Kerry Sibraa and Neal Blewett and Geoff Walsh in their respective positions since we took office. You've always got to look at whether the person has merit. I mean, if we're ever to get into a situation where you can never appoint somebody who's supported the Coalition - it's a question of whether they can cut the mustard in the job, that's got to be the principle. If they can't cut the mustard in the job it clearly is a job for the boy or the girl, but where they can identify particular skills I think it's utterly justified.

QUESTION:

Prime Minister, Justice Fisher was working the ... pretty busily last night. Do you think he's behind a campaign to trip Mr Sharp up?

PRIME MINISTER:

Well I don't think he's, sort of, trying to help him. And I think there's been a fair amount of beating of the tribal drum on it. But look, I understand that. I've known Bill Fisher for a long time. But I mean, let's just understand where Bill's coming from - he does have strong Labor affiliation, I don't criticise him for that. I've enjoyed his company at social occasions on a number of times in the past. I mean, once again please exercise some common sense about this and the common sense of it is that you've got a new Minister with a clear mandate to fix up a disaster area inherited from the former government, you have a board presided over by somebody and with the exception of one they have no experience at all in aviation safety. Sharp sets about trying to bring about changes in the Board and one of those approaches is to say to a very respected person who doesn't have civil aviation experience but has a lot of other experience in another area - hey we'd like you to help in this - as part of the discussion - we'd like you to help in this other area. Now in my book that is a common sense vigorous action on behalf of the Minister and it's as far away from shonky behaviour as you can possibly get.

QUESTION:

Given the weight that you were placing on established guides given that the Board members say that there is now no way that they will resign, they have six months to go and they chose longer, are you going to act to try to remove them from the Board?

PRIME MINISTER:

Look, I will act in accordance with the law. The law confers upon them under the relevant Act certain entitlements and it also has certain provisions in relation to the circumstances in which they may cease to be members of the Board. I mean, I will observe the law. I can do no more than that. Obviously the Chairman is encouraging them not to resign. I mean, he's made that perfectly clear in discussions with the Minister. I mean, you've got a clear case here where the Chairman appointed by the former government has dug his heels in and is encouraging everybody else not to go and the Minister has tried to bring about changes and we're talking about events that happened in May of last year.

QUESTION:

...try and explain Mr Sharp's memory loss in the Parliament yesterday?

PRIME MINISTER:

What memory loss is that?

QUESTION:

Well he was asked on a couple of occasions about other offers he may have made to CASA Board members...

PRIME MINISTER:

Well you'd have to ask him that, Mike.

QUESTION:

Surely there comes a point doesn't there of which memory loss of his ... and now it's misleading the Parliament?

PRIME MINISTER:

Well are you alleging that he did?

QUESTION:

I'm not alleging that at all, I'm asking...

PRIME MINISTER:

Well I don't believe he has, but as for his own particular recollections he's obviously better qualified to answer to those than anybody else.

QUESTION:

Prime Minister, were you relying on the wrong legal advice yesterday when you told Parliament that the Minister for Aboriginal and Torres Strait Islander Affairs was not in a position to authorise the construction of the Hindmarsh Island bridge?

PRIME MINISTER:

No.

QUESTION:

Given that in November Mr Burmester and Senator Herron both said in estimates committees that that was the case...

PRIME MINISTER:

Well the Burmester opinion of that time has been rather selectively quoted. The advice that the Government had and the advice on which the decision to proceed with the legislation was based was advice because there was an outstanding application. It was necessary for the Government to appoint another reporter and if you appoint another reporter you've then got to have another report and the danger that we were advised could arise was that if we went ahead with the construction of the bridge there could be an application made to the court for an injunction to stop the bridge going ahead and the court could then turn around and say to us, you've got to go back and deal with the outstanding application. So not only would you still have the cost of the report but you could have the additional delay and the additional costs of the court

application. Now that was the legal advice that was available on which we acted. That was the legal advice to which I referred.

QUESTION:

Mr Howard, do you think Mr Fisher's behaviour in terms of asking for ... members of the CASA Board going to resign, do you think that Mr Fisher's behaviour is appropriate given government policy?

PRIME MINISTER:

I understand where he's coming from. I'm not going to say it's appropriate or inappropriate. I just want - I made those comments to put the whole thing into context. I'm not going to say it's inappropriate.

QUESTION:

Is it appropriate?

PRIME MINISTER:

I beg your pardon?

QUESTION:

Is it appropriate?

PRIME MINISTER:

Well I've given you an answer to that. You're asking me - I'm not going to say whether it is appropriate or inappropriate, that is a matter for him.

QUESTION:

Have you sought to talk to Gabi Hollows to...

PRIME MINISTER:

No. Well I did, hang on, we tried to reach her yesterday before either I or somebody on my staff, I didn't, somebody on my staff tried to reach her yesterday. I wanted to let her know that I was going to table the Herron letter. But that was the only reason - I thought I owed her that courtesy. John Herron, in fact, sent her a fax indicating that we were going to do that. But I haven't, I mean, I will reply to her letter but I haven't tried - you don't think I would have tried to ring her and talk about the matter? I think I would have copped a question or two if I had have done that.

QUESTION:

Have you taken steps to ensure that all MPs are abiding by travel and other parliamentary entitlements?

PRIME MINISTER:

Well I think my colleagues are aware at all times that I expect them to be above board in relation to those matters and can I remind you Michael that there has been, there has been no concrete evidence that anybody is other than above board.

QUESTION:

Except ...

PRIME MINISTER:

Well I've answered the question. I can't ... I mean, they are constantly aware from me that they have to be very careful about these things and I am ... I've certainly reminded my colleagues from time to time of the need to do that.

QUESTION:

When do you expect the police investigation to end and why has it taken so long?

PRIME MINISTER:

Well, I don't know. I would like these police investigations to come to an end, yes. But I think that's a matter that really...

QUESTION:

Have you made any inquiries why it would take 6 months...

PRIME MINISTER:

Yes, well, I have asked the Attorney General to inquire of the Australian Federal Police as to when the investigations will be completed, but I asked him to do so with out in any way conveying any suggestion that we wanted other than a completely thorough investigation and I just hope that they will be complete.

QUESTION:

Has there been any reply?

PRIME MINISTER:

Well, the reply has been generally to the effect that they hope they will be completed soon, and I can't...

QUESTION:

It seems a long time.

PRIME MINISTER:

Well, I think it is too, Michelle, but I've got to be careful here. If I say anymore than that somebody might say I'm putting pressure on the Federal Police. I mean that quite seriously. I mean, it is a longstanding practice that Prime Ministers, Attorneys-General and other responsible Ministers don't give running commentaries on security intelligence and police matters. Now, I would, obviously I would like these inquiries to be completed, whatever the outcome is, and I have raised that matter with the Attorney-General but I say here on the public record, not in the context of wanting the police in anyway to truncate or shorten or cut across proper lines of inquiry.

QUESTION:

Are you aware of any other inquiries into other MPs apart from Senator Woods and Mr Cobb?

PRIME MINISTER:

Well, I've been asked that before. I don't want you to get excited about the answer that I'm about to give but I can't really observe the code of neither confirming or denying if I try and answer that.

QUESTION:

On the work for the dole scheme, you said the other day that it may be extended to up to 30 year olds.

PRIME MINISTER:

Yes, but I think in the early stages that's unlikely but that's the sort of ceiling... what I was endeavouring to convey with that was that we obviously don't expect people in the older age bracket - I still regard 30 as extremely young - people in the older age bracket to sort of feel as though they are going to be drawn into it...

QUESTION:

Given the fact that there are differing rates of unemployment benefit for people if they live at home or away from home. If they were doing the same job, somebody living away from home would be required to work longer hours than somebody living at home...

PRIME MINISTER:

Well, that could arise, that could arise, but the principle will be strictly observed that

you won't be required to work more than the number of hours that will work out your dole payment.

QUESTION:

How close to the mark was Gareth Evans when he described the work for the dole scheme as the Bob Woods' memorial rock painting programme?

PRIME MINISTER:

Well given that we started discussing it in December of last year in the Employment Committee, he was a country mile away.

QUESTION:

Why didn't you announce it in the election if you were so confident it was such a popular policy?

PRIME MINISTER:

We didn't announce it in the election campaign because we had a determination during that campaign to focus on particular policies and we did, and I think we've been over the question of what was said about it in the campaign. The policy documents were silent on the issue. They didn't say, the two policy documents, and I've had them checked again, the two policy documents - the one "Pathways to Jobs" and the other the Social Security policy, those two documents were silent on the subject. Now, it is true as I acknowledge that in response to the questionnaires certain words were used and I've explained the circumstances of that, and people have taken a bit of a swipe at that which is fair enough, but the fact remains that my own views on the thing, my own personal views are that conceptually it is not something that I've opposed but I've always sort of understood that it is something that would need to be piloted, it would need to be trialed and I think the silence in the two documents on the subject was a fair reflection.

Could I also add Malcolm that the popularity of it is not the driving force behind my support of it. I mean, I never mind, I'll be quite honest with you, I never mind if a policy I support on policy grounds always turns out to be popular, I mean, all Prime Ministers like their announcements to be popular and I wouldn't pretend that I'm any different to any other Prime Minister in that sense but ...

QUESTION:

Do you think there might be a risk that it was misconstrued by the Labor Party...

PRIME MINISTER:

Well, can I say it was not something that was really talked about very much in the lead up to the campaign and that perhaps explains the fact that certain statements were made in that material prepared the Party.

QUESTION:

... so convinced of what the policy was, especially when they have said that their statement was made in conjunction with the Minister's office. They were obviously quite unequivocal about the position of the...

PRIME MINISTER:

Well, Michelle, that's already been. I can't really add to anything that's been said on that and you will understand better than most that in the heat and burden of an election campaign there are quite literally hundreds of questions that pour into campaign headquarters and that particular question was not referred to me or to my office.

QUESTION:

...(inaudible)...

PRIME MINISTER:

It was, I know that, and ...

QUESTION:

... an unequivocal statement by the Party. Now surely they would not get something so simple, so confused?

PRIME MINISTER:

Well they obviously took certain steps in preparing that answer and those steps have been explained. I can only repeat what I have said to Malcolm that it was not in either of the policy documents either way that we supported it or we opposed it.

QUESTION:

But from what you've said today Mr Howard it was clearly in your minds that this was a possibility because you've said that you only wanted to focus on some policy issues in the campaign which implies that this was something that was in your mind, you didn't wish to focus on it during the campaign?

PRIME MINISTER:

Well I don't, I think I've said to you before and I've said publicly before that I had no recollection of having personally ruled it out during the election campaign and I've asked my office to go through all of the transcripts of what I said and I have been not able to find any reference to it having been ruled out and that was the basis of the statement that I made on the Sunday programme.

QUESTION:

In that search have you found any references to you not ruling it out ... I think it was Sunday...

PRIME MINISTER:

Well, when you say you're careful not to rule something out... I mean, I haven't found any reference to it being ruled out...

QUESTION:

But you made a point of saying that you during the campaign made a point of not ruling it out. Given the circumstances...

PRIME MINISTER:

That was a description of my state of mind.

QUESTION:

If the Commonwealth Bank can cut home loan interest rates, do you think they should be cutting rates for small business and credit cards?

PRIME MINISTER:

Well, I wish they could but of course the competitive conditions in that area are nowhere near as great because except for the rather small intervention of Aussie Home loans announced earlier this week you don't have the same amount of competition in the small business area as you have in the home loan area. But I would hope that in the fullness of time there would be more competition. I'll take one more question.

QUESTION:

Would say Mr Howard that the past two weeks have been the Government's worst since the election and what share of the blame do you carry?

PRIME MINISTER:

Randall, after my career you call the last two weeks difficult!

ends