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# MEDIA RELEASE



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## MEET THE PRESS

Network TEN presents an exclusive feature length interview with JOHN HOWARD in this week's edition of MEET THE PRESS, Sunday March 2 at 8:30am.

On the anniversary of his first year in Government, JOHN HOWARD will discuss the achievements of his Party and their plans for the year ahead.

**GUEST:** JOHN HOWARD  
PRIME MINISTER OF AUSTRALIA

**PRESENTER:** PAUL BONGIORNO

**PRESS:** JULIE FLYNN  
RADIO 2UE  
  
MALCOLM FARR  
THE DAILY TELEGRAPH

*A full transcript of the program will be placed in the press gallery boxes by 12 noon Sunday March 2, 1997.*

*Please feel free to extract whatever material is appropriate, acknowledging MEET THE PRESS, NETWORK TEN.*

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CHANNEL TEN	MEET THE PRESS	02.3.97	08.30
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Subject: i/v John Howard

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**PAUL BONGIORNO:** Good morning and welcome. One year ago, today, Australian voters ended the longest period of Labor government since Federation. It was a stunning victory for the John Howard-led Coalition, capitalising on community perceptions that the Keating administration was out of touch with the mainstream, and promising the battlers a new government wouldn't ignore their fears and aspirations.

Today, the Prime Minister meets the press. On the panel, Julie Flynn, Radio 2UE and Malcolm Farr, the Daily Telegraph.

Thanks for joining us, Mr Howard.

**JOHN HOWARD:** A pleasure.

**PAUL BONGIORNO:** I guess we better say 'Happy first birthday'.

**JOHN HOWARD:** Yes, it's great.

**PAUL BONGIORNO:** Now, I believe before we get down to serious business, that you actually met the real Placido Domingo last night.

**JOHN HOWARD:** I did. What's more I presented him with a little gift on behalf of the promoters. It was quite an experience.

**PAUL BONGIORNO:** I don't suppose you want to say who your favourite tenor is, do you?

**JOHN HOWARD:** It was a good show. I'll be diplomatic. It was a very good show.

**PAUL BONGIORNO:** Well, I guess onto other matters....

**JOHN HOWARD:** From three tenors to the three journalists.

**PAUL BONGIORNO:** That's right, yes. Well, I noticed reading the number of press interviews you've given in recent days for the first anniversary, that there is no doubt that one of the achievements of the first year was the passing of the Telstra legislation, and it's no secret that that legislation passed because of Mal Colston defecting from Labor, becoming an Independent.

Now, Labor is convinced that Colston is vitally important to you. Just how grateful are you to him?

**JOHN HOWARD:** Well, naturally we're grateful for the support of Brian Harradine and Mal Colston in getting the legislation through. Of course we were. I mean, after all, we did win a huge majority at the last election. Because of the vagaries of the electoral system, we don't have control of the Senate. So why wouldn't you be grateful if you can get the support of a couple of Independents. I mean, let's not be sort of mince words about that.

Of course we were grateful, but that doesn't alter the fact that in relation to the expense allowance dispute that's going on at the present time, the more it will be allowed to run its course.

**PAUL BONGIORNO:** Well, how big, though, do you feel you're indebted to him? I mean, do you owe him in a big way?

**JOHN HOWARD:** Well, not owe in the sense that the law is going to be bent.

**JULIE FLYNN:** Last time that he had these problems were under a Labor government....

**JOHN HOWARD:** That's right.

**JULIE FLYNN:** ...and an administrative solution was found. You've promised to raise the standards that that government applied. Would you be prepared to take it further than they did?

**JOHN HOWARD:**

Well, what we are going to do is to allow the law to run its proper course in relation to him and in relation to anybody else against whom allegations are made.

I mean, you'll be aware that some allegations have been made about a couple of other members. One of them won't be a member for much longer. He's resigning. But they will be allowed to run their course - those investigations. That means, of course, that all of the men involved are entitled to a presumption of innocence. And let's understand that the Labor Party is on a destruction mission as far as Colston is concerned.

They're out to get him. The fact that they may have sort of had administrative solutions, which is a euphemism for perhaps turning a blind eye, some might think, it doesn't alter the fact that now they feel quite free to have a go at him. We're going to just allow the law to take its course.

We're not going to show him any favouritism, but equally we're not going to be bulldozed into the sort of rolling him out, so to speak, simply because the Labor Party and some media hysteria have suggested that we might. I mean, we'll let the thing be investigated properly and the law run its course.

I mean, that's the assurance I give you. He won't be shown any favours, but equally we won't allow the

Labor Party's malicious, vengeful campaign against him dominate an objective, considered examination of his position.

**MALCOLM FARR:** Whatever the Labor Party's motives, it could be in the end that they are routing out a rat - someone who's been rorting the taxpayer.

**JOHN HOWARD:** Well, there .. well, yes .. well, they're your words. I mean, you....

**MALCOLM FARR:** It could be. I mean the end result will be that the taxpayer will be saved.

**JOHN HOWARD:** Well, that's very colourful language and it gets a line, but doesn't alter the fact that he like anybody else who's entitled to a presumption of innocence - that is our system - and people should await a proper consideration. My position is simple....

**PAUL BONGIORNO:** Prime Minister....

**JOHN HOWARD:** Hang on. My position is simply this: that the law should be allowed to run its course. He's not going to be done any favours, but he's not going to be subject to any persecution. And the other thing I want to say is that the great bulk of members of parliament, the overwhelming majority on both sides are honest and scrupulous and utterly above board in relation to their

expense allowances, and it makes them as mad as hornets when stories get around about allegations of rotting because it gives a false impression.

The great bulk of MPs are decent, hard-working, honest men and women on both sides who are trying to do a job for the community.

**MALCOLM FARR:** Do the public believe that?

**JOHN HOWARD:** Well, to the extent of the public doesn't believe it, I think the members of parliament are done an injustice and I feel that my obligation as Prime Minister to speak up for all of them, on both sides - not only my own colleagues, but also the very honest, hard-working people in the Labor Party as well, who do the right thing according to their own values and beliefs.

**PAUL BONGIORNO:** Prime Minister, one of the excuses, if you like, that the former Labor government gave was that there was some advice they claim that would be hard to nail Senator Colston with any sort of criminal activity. Now there is the perception that too much....

**JOHN HOWARD:** Well, you ought to go and ask Senator Evans and Mr Beazley about that. I don't know anything about what happened in government 13 years ago. I was in Opposition then.

**PAUL BONGIORNO:** But that brings me to today in the sense that the perception is that at the Federal level there is too much trust of politicians for their TA and other allowances, that the system isn't tight enough, and that at the end of the day Senator Colston is found not to have done anything criminal, the perception is out there that he has been rotting. I mean, we saw on television this week the chauffeur car and the self-drive car.

**JOHN HOWARD:** An English jurist once said that if there was no instinct for honour, you couldn't legislate it. And no matter what system you have, there will always be somebody - and I'm not suggesting there's anybody at the moment - there always might be somebody who'll try and manipulate it.

But I repeat, I think the great bulk of people in the Parliament on both sides are hard-working and honest and scrupulous, and I feel some sympathy for them in the sense that the collective good name of the show is sometimes put into unfair disrepute.

**PAUL BONGIORNO:** A question from Julie Flynn.

**JULIE FLYNN:** Prime Minister, you've used your authority as Prime Minister this weekend to raise the issue of gambling and gambling taxes. But the States are arguing that you've cut their funding and rejected calls from people like Jeff



Kennett for a review of the tax base, you leave them with no choice.

**JOHN HOWARD:**

Oh, come on. Look, States always say the Federal Government gives them insufficient funds. What I expressed concern about was the fact that there's growing evidence that there are a lot of people in our community who can't afford to do so, are losing large amounts of money gambling.

The figures I've got indicate that in the last financial year, net gambling losses in Australia were about \$9.4 billion, and that's about 2 per cent of GDP. Now, I'm not a wowser. I don't care if other people gamble, but I do express some alarm about the social consequences of people who can't afford to do so, getting into personal family and financial distress as a result.

I wouldn't like to see more facilities - that's the point I made at the weekend. I think we're up here: we're at saturation level as far as gambling facilities in Australia are concerned.

**JULIE FLYNN:**

But don't the States have a point that they're not .. because you won't look at restructuring the tax base, or their fixed share of Commonwealth revenues, that gambling is one form of getting revenue in - gambling sin taxes, if you like?

**JOHN HOWARD:**

Well, you know, the States could look at their expenditures and there are other revenue-raising devices available to States. That is an easy, if I may say so, it's an easy excuse and gambling, of course .. mass gambling was introduced years and years and years ago in some parts of Australia, and because it has spread more rapidly and the introduction of large casinos and the like have been the modern manifestation.

Now, I am not condemning it as such. I think it would be absurd of me to do that, but what I am expressing concern about is that taken to excess, many people are left in personal and financial ruin as a result. And that is only adding to societies complications and to distress and difficulty for people in the community.

**PAUL BONGIORNO:**

Are you saying you don't accept the States' argument that their tax base is so eroded that they've got no other option? And I mean, it's one thing to say that you're bemoaning it: isn't it fair enough to say 'Well, what can you do about it, if you don't want it to expand?'

**JOHN HOWARD:**

I mean, you can't .. if you're a State, you can't have it both ways. You can't sort of say 'Well, I want all the independence to do what I like and make my own spending decisions, and the Feds can't tell us what to do', and yet if something goes wrong or you're short of a dollar, you always blame the Federal Government.

Now for time immemorial in our system. States have sort of blamed the Federal Government whenever there's a shortfall. Some of those criticisms are from time to time justified. What we are endeavouring to do in co-operation with the States is to end areas of duplication, and I hope the States are as keen as we are to end areas of duplication.

**PAUL BONGIORNO:** Well, Premier Kennett apparently doesn't think you're going fast enough or hard enough in that area.

**JOHN HOWARD:** Well, it'll be very interesting to see the reaction of the States, this year, in respect of proposals that have been put to end areas of duplication. I mean, I congratulate the Victorian Government in handing over its industrial relations authority to the Federal Government. It'd be a very good idea if that were duplicated, and I'd be interested in a two-way trade.

There are some things that I think the States can do better than we can, but equally there are some things we can do better. And you've got to be realistic about what can be achieved in this area.

**JULIE FLYNN:** Such as?

**JOHN HOWARD:** I don't believe you're ever going to totally reverse the sort of relative fiscal roles of the Federal Government and the States. I think you can make improvements at

the margin, but I think this idea that you're going to turn everything on its head is a bit of a pipe dream.

**JULIE FLYNN:**

There has been some criticism of your first year, that in fact you have been, if anything, too cautious and tax reform and health reform are the two key areas that are nominated. Isn't this whole argument between the States and the Commonwealth over the tax base also a reflection of the fact that you've said you will not look at broadening the tax base next [...].

**JOHN HOWARD:**

Well, we made a promise in the election campaign that we would not introduce a GST in our first term. Now, it's no good people saying 'Well, look, yes, we're aware of that, but what about tax reform?' I mean, we made a promise. We looked the Australian people in the eye and said 'We will not have a GST in our first term.' Now against that background, it is hypocritical of people to run around saying 'What are you doing about tax reform?' when we made a promise to the Australian people before the election that we wouldn't do it.

Now as far as the pace of reform generally is concerned, if we hadn't been in a minority in the Senate, we'd have changed the industrial relations system nine months ago. The benefits of that would now be flowing through to the small business community.

The unfair dismissal laws would have disappeared nine months ago, not six weeks ago. And a lot of the benefits of our program that will only be felt in the next six or nine months would have been well and truly felt, absorbed, and would have been working as a benefit of that sector long before now.

**PAUL BONGIORNO:** A question from Malcolm Farr.

**MALCOLM FARR:** Prime Minister, you said a spirit of compromise is going to be needed to work out the Wik problem. Are you confident that your National Party colleagues are prepared to come up with a compromise?

**JOHN HOWARD:** Well, I'm confident that there's a willingness on the part of everybody in the Government to try and see if there's an agreed solution that can be reached. I'm not confident that we can have that agreed solution, but I'm trying very hard.

I've had extensive discussion with the Aboriginal leaders, with the miners and the farmers. I've had them all together in the one room for three or four hours, and I'll be talking to some of them again next week as I did last week. And I'm trying very hard to see if we can reach an agreed outcome.

There's a good spirit abroad, but....

**MALCOLM FARR:** It didn't seem it when Premier Borbidge yesterday said some High Court judges were dills about history.

**JOHN HOWARD:** Well, that in a sense is a little bit separate from the spirit that's needed to reach an agreed outcome.

**MALCOLM FARR:** You say you're not confident at this stage.

**JOHN HOWARD:** I've got no false illusions about how hard it's going to be, and there's no point in getting false expectations up. But I am trying, by including everybody in the discussions, to see if I can find the common ground for an agreed outcome. If I can't, then I'll be making some recommendations to my colleagues.

**MALCOLM FARR:** Legislative....

**JOHN HOWARD:** Well, whatever you do, there'll be some legislation required. It's a question of how extensive.

**JULIE FLYNN:** Hendy Cowan yesterday said that National Party constituency has given up on the Liberal Party coming up with a solution....

**JOHN HOWARD:** Well, that's just Hendy trying to get a headline, really.

**JULIE FLYNN:** ...and that it should simply be extinguishment of native title.

**JOHN HOWARD:**

I've spoken to the only National Party Premier in Australia, quite extensively, last week, and that's the Premier of Queensland, Rob Borbidge, for whom I have enormous respect, and I mean he's fiercely defending the interests of his constituents, but he's also adopting, I think, a very sensible approach. He's searching to see if there is a basis for an agreed outcome which will properly protect the interests of farmers in Queensland. So, I think that sort of utterly final declaration from somebody contributes nothing at all to the debate.

**PAUL BONGIORNO:**

But when you talk compromise, isn't the problem that you're asking one group, the Aborigines, to compromise a right?

**JOHN HOWARD:**

Yes, but those who argue that nothing should happen in the wake of the Wik decision, are asking the pastoralists of Australia to give up something that they have seen as a right for 200 years. I mean, when their leases were issued year after year all around Australia, nobody talked about native title, because it didn't exist. Now, it's a question of .. I mean, in a sense the Wik decision retrospectively altered the whole basis on which pastoral leases in this country have been issued.

So, you've got a collision of perceived rights and, therefore, to talk of compromise is no more unreasonable for the Aborigines than it is for the farmers or the miners. And this idea that compromise

involves imposing solely obligations on the Aborigines, misreads what has happened in the wake of the Wik decision to the perceived rights of farmers and pastoralists in particular.

**MALCOLM FARR:** Do you see this High Court as quite deliberately sending the Government a message that it, the court, wants the Government to move along a bit quicker?

**JOHN HOWARD:** Well, what I have said is that there is a perception in the community - and this is not necessarily related to one or other decision - there's a perception in the community that some people in the judicial area think the role of the courts now is to sort of jolly governments along where they perceive governments haven't moved quickly enough.

Now, can I make it very clear that I have the utmost respect for the integrity of the High Court. I make no complaints about their commitment to their work or to their responsibilities. Like any other Australian citizen, I have the right to disagree with or criticise a particular decision.

I was disappointed in the Wik decision. It would have, in my view, been more in conformity with what everybody was told in 1993, if the High Court had held that pastoral leases extinguished native title. I mean, that's what Paul Keating said: it's what all the farmers



believed: it's what many Aboriginal leaders acknowledged: and it was contained in a recital of the Native Title Act. Now that in a sense has created the dilemma.

Now, I accept that what the High Court has said declares the law as it is at present. But as I've said on probably 20 occasions, the Parliament has the right at any time that if it thinks it is in Australia's interests to alter the law as currently interpreted.

Now that represents a correct statement of the interaction of the legislature and the executive with the judiciary. It respects the role of the High Court, but it asserts the superior right of Parliament to change the law as interpreted and declared by the High Court if it thinks that is in Australia's interests.

**PAUL BONGIORNO:** Mr Howard, there's news overnight that 150 mercenaries have landed on the Papua New Guinea island of Bougainville. Isn't this a slap in the face to our diplomatic efforts to prevent this happening, and what now can Australia do about it?

**JOHN HOWARD:** Well, there are a number of options that we'll be looking at, and I don't want to go into them any further at this stage. We expressed our view about it. We'll continue to express our view about it. This is not a new problem. The previous government had a similar

difficulty with Papua New Guinea. It really is against that country's medium and long-term interests to use mercenaries to wipe out the BRA.

The only way you can solve that problem is by genuine negotiation. We've put that to the Prime Minister of New Guinea repeatedly. We'll continue to do a number of things to try and bring home to the PNG Government the folly of the course on which we believe that government is now embarked. And I understand that view is shared by New Zealand, by the United States, by the UK, by other Pacific Island countries. It's a difficult issue and I don't...

**PAUL BONGIORNO:** Well, there only seem to be two options, do there not? Either we do something about our aid - what we give them: or perhaps even some sort of military intervention?

**JOHN HOWARD:** Well, it's not the sort of issue where one should make sort of over-the-shoulder comments on the run. You're dealing with a very sensitive area of international relations and something is right on our doorstep and something that the rest of the world sees Australia as having a particular responsibility for.

But you're also dealing with an independent country, and you have the sensitivity that a former colonial power, so to speak, telling a former colony what it

thinks it ought to be. That always raises natural sensitivities. And Australia and New Guinea are no different from any other two countries that had that relationship.

**JULIE FLYNN:**

A second jury has just awarded damages to William McLean(?) - a survivor of the Voyager disaster. You gave a public commitment to investigate the Commonwealth's attack on, or challenge to that. Will you continue to challenge this man who now has only three weeks to live? Will your government....

**JOHN HOWARD:**

Well, I will be looking at that matter tomorrow. It is a very difficult and sensitive issue because of the tragic circumstances in which Mr McLean now finds himself. But the other side of it is that what happens to him has enormous precedent implications for hundreds of people who were on the Melbourne.

Bear in mind that Mr McLean was on the Melbourne; he was not on the Voyager. And it opens up a whole new sort of area of potential liability involving tens of millions of dollars. And I'm totally sympathetic to his personal situation, but I have a responsibility to the people who've paid the taxes that might ultimately fund the tens of millions of dollars of compensation claims, to look to their interests as well. So, I'm trying to get a balance of the two.

**PAUL BONGIORNO:** It sounds like you don't have much room to move, though.

**JOHN HOWARD:** Well, it's one of those difficult issues because the optics of it are awful. People say 'Gee, you're hard-hearted and everything. The poor man is dying.' All of that is true, but the implication of just giving a tick to that is that the taxpayers could be up for tens and tens of millions of dollars in circumstances that they may not regard anywhere near as meritorious as Mr McLean.

**PAUL BONGIORNO:** Prime Minister, we are running out of time. Just very briefly, of your deputy - that is Treasurer Costello - and Peter Reith, Leader of the House, which of the two, do you think, is performing better?

**JOHN HOWARD:** They're both performing brilliantly. Look, I think Peter Costello is a tremendous Treasurer, and I think Peter Reith has done a great job as IR, and I think they'll continue to contribute mightily for the Howard government for at least a decade into the future.

**PAUL BONGIORNO:** Okay. Thank you very much to our guest today, Prime Minister John Howard, and to our panel.