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6 March 1997

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

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**SATTLER:**

In the week that he chalked up one year as Australian Prime Minister, John Howard is a clear 30 points ahead of his rival, Kim Beazley, in the opinion polls. His Government is also a comfortable 13 points ahead of the ALP but that is not to say the Coalition hasn't had its problems as governments do, the stand-outs I think being the Austudy backdown, funding rows with the States, alleged procrastination over Aboriginal land claims and the Senators Woods and Colston affairs. So is John Howard, is his Government ahead by default? The Prime Minister joins me now. Your response Prime Minister?

**PRIME MINISTER:**

I don't believe I am ahead by default but nor do I get carried away with opinion polls. I keep reminding myself and reminding my colleagues that public opinion demands performance. We have to keep in touch, we have to keep delivering and I don't enter my second year as Prime Minister with any sense of smugness or complacency.

**SATTLER:**

So do you think that you've made some blues?

**PRIME MINISTER:**

Let me put it this way. All of the major things we said we were going to do we have done and we have done them with bits added. We introduced our Family Tax Initiative, we have changed the industrial relations system, we've got the sale of one third of Telstra through the Parliament, we've introduced a lot of measures to help small business and there's more coming in that area in two or three weeks time.

Obviously you get a bit of static along the way but it's for others to make judgements about errors that we would have made.

**SATTLER:**

Well, Austudy was a static one, wasn't it?

**PRIME MINISTER:**

Well, there was nothing wrong with the actual means test. The purpose of that was to make sure that people who were not entitled to Austudy didn't get it and I don't apologise for that.

**SATTLER:**

But it was too stiff, surely?

**PRIME MINISTER:**

Well the administration of it was poor and when that was discovered we did something about it and we changed it. The goal of making sure that people who could afford not to have Austudy wouldn't get it was a proper goal and it was just that the way it was done was administratively clumsy and when we discovered that the Minister changed it. But I certainly don't believe the original decision was a bad decision. It was a good decision. People don't want benefits like that that are meant to help low income earners and modest income earners. People don't want the rest of the community who can afford it to get them. That's what it boils down to.

**SATTLER:**

Yes but what do you say to the students who may have missed out because they didn't believe they could survive without Austudy and they would have been entitled to it?

**PRIME MINISTER:**

Well the information that I have is that there aren't a very large number of people in that category and because the, many of the school, the university year has just begun, there's not going to be an enormous number of people affected by that.

**SATTLER:**

Can we talk about the Federal Government's relationships with the States and even some of your conservative colleagues like Richard Court, for example, he's upset about the cuts to legal aid. He wants you to get on with the job of defining pastoral and mining rights following the Mabo and now the Wik native title decision. Are they entitled, people like him, to be a bit hot under the collar?

**PRIME MINISTER:**

Well I accept that in the lead-up to a Premiers' conference you always get a bit of shadow boxing between the Commonwealth and the States, no matter who is Prime Minister or who is Premier. So far as legal aid is concerned, we are applying the principle that the Commonwealth Government will fund legal aid matters arising under Commonwealth law and the States should fund legal aid matters arising under State law.

**SATTLER:**

Yet at the same time, seeking to save \$120 million for yourselves too, aren't you?

**PRIME MINISTER:**

The reason we are saving money as a result of the application of that principle is that over the years the States have used Commonwealth money to fund State legal aid responsibilities. Now I know this is a difficult decision but the principle is sound and the principle is defensible and that is that if somebody is charged under a State law and that person is entitled to legal aid, that legal aid ought to be provided by the Government that has brought in the law and that's the State government. And conversely, if somebody is charged under federal law, that person ought to be, if he is to be legally assisted, he or she is to be legally assisted, should be legally assisted out of federal money.

Now that is the principle that Daryl Williams has argued for and that is the principle on which the decision is based. Now, I don't think there's anything wrong with that, I really don't. I think it is fair, it is transparent and it establishes a clear demarcation of responsibilities.

Now the second point that you raised, and that is about native title, I've had a lot of discussion with Richard Court in the wake of the Wik decision. We had a Premiers' meeting in January at the request of the Premiers. Immediately they asked for it. We had a meeting and it is a very complicated issue and I have been in very detailed discussion and so have my offices with the West Australian Government and I am endeavouring through discussion with everybody to see if there is a basis for an agreed outcome. I have said that if that does not emerge by around Easter, which is only a few weeks off now, I will then make a recommendation to my colleagues in the Federal Government as to what we should do.

Now I don't believe that I'm dragging my feet. Equally I don't believe that I am hurrying the thing along. It is incredibly difficult and complicated.

**SATTLER:**

Well you are sitting on a barbed wire fence on this, aren't you?

**PRIME MINISTER:**

It is an enormously difficult issue. I am trying to achieve an outcome that everybody regards as fundamentally just and an outcome that delivers certainty. The Wik decision was an extremely disappointing decision. It overturned my understanding, Richard Court's understanding, the understanding of farmers and miners and many other people about the relationship between pastoral leases and native title and that has really thrown the whole issue back on the table. Now I accept the Mabo decision. I thought the *Native Title Act* was badly flawed and that is why we said we were going to amend it and I remind your listeners that the then Coalition Opposition actually voted against the *Native Title Act* in its present form when it was passed by the former government because we knew there were weaknesses. Now, I'm trying very hard in good faith discussions with everybody and I mean, I've spoken very regularly to the Western Australian Premier about this and I want to assure people living in Western Australia that their Federal Government understands the particular problems that Western Australia has, unlike any other State, with this issue. Now, I understand that and I won't let them down. I have an obligation to try as hard as I can to, if I can, to achieve an agreed outcome. Now that is the basis on which I am proceeding but it is not going to go on for ever and if we can't see our way towards that agreed outcome within the broad time frame of about Easter, I'll then be giving certain recommendations to my colleagues.

**SATTLER:**

All right Prime Minister, you agreed to take talkback calls and we've got one on the line for you now. His name is Bill. Bill you've got the opportunity to speak directly to the Prime Minister, a rather unique opportunity, away you go.

**CALLER:**

Good morning Howard, good morning Prime Minister.

**PRIME MINISTER:**

Hello Bill.

**CALLER:**

You made a comment a short while ago in relation to Austudy and that it was designed to help low and moderate income earners. Now, I was just wondering what your idea of low or moderate income was in view of the .. quote the other day about families going to have to look after their 18 - 20 year olds and I think the income limit they put on that was \$23 350.

**PRIME MINISTER:**

Well, ....no decision, I mean, the decision that has been taken in that youth allowance area is that we are in favour in principle of having a common youth allowance. I mean, low to middle income is something that is very much in the eye of the beholder. And

there are certain income and assets limits that apply. Obviously somebody who is earning anything like that money would have to be classified as a low income earner obviously.

**SATTLER:**

Okay, thanks very much for you call there Bill. Now, Prime Minister, of specific interest to Western Australia and I believe you are up to speed on this, is the decision to chop a five percent subsidy to the shipbuilding industry by December 31. Now, I don't know whether you've heard, but jobs have already been lost. They are putting people off down at Coogee here because the companies now can't compete with their forward orders against their more heavily subsidised foreign competitors who get between 9 and 23 percent subsidy and we'll get it until the end of 1998. I can't for the life of me and neither can the people in the industry here see the logic of chopping that subsidy ahead of the competitors.

**PRIME MINISTER:**

Well, what we have done - originally the subsidy was to have disappeared earlier than the date you mentioned.

**SATTLER::**

Yes, in June.

**PRIME MINISTER:**

That's right. Now what we have agreed to do is to extend it until the end of the year.

**SATTLER:**

But you are not going to have an inquiry until the end of the year. It might be too late then.

**PRIME MINISTER:**

Hang on. This is the result of some discussions I had with the shipbuilders and the Western Australian Premier and Deputy Premier when I was over in Perth in December. I had a meeting with all of them, and following that meeting and following some negotiations in ...we agreed with a proposal that was put to us in the Parliament that it should be extended, and we extended it until the 31st of December which on my advice brings us into line with the subsidy arrangements applying in our competitor countries.

**SATTLER:**

No it doesn't now.

**PRIME MINISTER:**

Well you know we are obviously going to have an argument about this but that is the advice that I have and that we will, in the meantime we'll monitor what those OECD countries do with their assistance and we will review the need for any further bounty during the second half of 1997.

**SATTLER:**

But can you understand it doesn't make a lot of sense when they are paying Canberra more than three times the amount in income and company tax than you are giving them in subsidies, now they are losing the contracts, people are losing their jobs and the companies are slowly winding back.

**PRIME MINISTER:**

Well, I mean, a lot of companies don't get any subsidies from the Government. Most companies don't. I mean it's very few companies in aggregate get subsidies from the Government. Most people have to, if they want to start a business, they have to start it with their own capital and if they earned a profit they pay some tax. I mean, a great, overwhelming majority of companies don't get any subsidies at all for anything so it is an atypical situation for any company to get a subsidy. Look I understand the strength of feeling on this. I also understand the success the shipbuilding industry has had. I listened very carefully to what had been put to me and as a result of that and other propositions that had been put to me we did change the original budget decision. We changed it in the belief that that would put us in line with our OECD competitors. We have said that we will review the need for further bounty assistance during the second half of 1997 having in mind what happens amongst other things in those OECD countries. Now that's not a bad response...

**SATTLER:**

No it is not a bad response but a lot of people you'd think could be better.

**PRIME MINISTER:**

Well, obviously I understand that, but nobody can say we are ignoring them.

**SATTLER:**

No we can't say that. Now, I was going to ask about politicians perks but I think Margaret might have got in ahead of me. Here she is. Yes Margaret.

**CALLER:**

Hi Howard, and Mr Howard. I just want to know, when you came into power, I thought you said that you were going to cut out the frequent flying points for politicians and public servants and also the chauffeur driven cars, and with this man that's coming up now, this Colston, or whatever his name is, you've done neither.

**PRIME MINISTER:**

Well, I didn't say I was going to cut out cars with drivers, I've never said that. I'm sorry I didn't say that. I did say that I would cut Government staff and I've done that. Staff in Ministers offices has been cut in my government from 455 under the former Government to 380. As far as frequent flyer points are concerned, what we said that should happen was that in future, frequent flyer points should not be used for personal travel and should be accumulated and set off against the cost of official travel and that is the principle that is being applied. In many cases it is difficult in practice to apply that because the conditions attaching to the use of frequent flyer points, so I am informed, is such that you can only use the credit accumulated on particular flights and at particular times and those requirements often don't coincide with the need for official travel. But I have no recall at all of having said that I was going to cut out cars being driven by chauffeurs or drivers or however you want to describe them, because, I mean, in some cases there is a totally legitimate security reason for it. I don't think it is unreasonable for somebody who is a Minister of the crown to have a driver, I don't. I think in this country you've got to keep a sense of balance about these things. Ministers may in the eyes of the public and politicians have certain perks as they are described. On the other had, given the responsibilities they carry the salaries that senior Ministers in particular have are way below what people carrying far fewer responsibilities in the private sector receive.

**SATTLER:**

All right, well just another call, we're just about out of time. But Bill's there, hello Bill.

**CALLER:**

Good morning, Howard.

**SATTLER:**

And the Prime Minister's listening.

**CALLER:**

Good morning Prime Minister.

**PRIME MINISTER:**

Good morning Bill.

**CALLER:**

Look I would like to ask about this health business. How is it that people in private health that are in there to take the weight of the public hospital system, the public health system, get penalised all the time?

**SATTLER:**

What do you mean Bill?

**CALLER:**

Well they get penalised by every, the cost of the payments going up.

**PRIME MINISTER:**

Do you know what I think - I think, Bill, I think you've got a fair complaint. One of the reasons why the payments have gone up is that there are fewer people in private health insurance now than there used to be.

**SATTLER:**

We need more encouragement don't we?

**PRIME MINISTER:**

Well of course you do and we'll be introducing a tax subsidy worth \$500 million on the first of July. The tragedy is it should have been introduced five or ten years ago. If it had have been introduced five or ten years ago by the former government the number of people in private health insurance wouldn't have fallen to 34 per cent from about 61 per cent in 1983. And it stands to reason that if you've got more people in private health insurance you're spreading the risk around, you're getting the premiums down. What increasingly has happened is that fewer and fewer young, relatively healthier people are staying in private health insurance because it's too costly for them, they've had no incentive, no encouragement. The more of them that drop out the greater strain is put on the funds and as a result they push their premiums up which in turn push more people out and it becomes a self perpetuating process. Now if Graham Richardson's advice to the former Labor government had been taken and not rejected by people like Kim Beazley and Paul Keating five years ago you may now have had perhaps 38 - 39 per cent of people in private health insurance instead of 34 and the premiums would have been a bit lower.

**SATTLER:**

Yes, all right. Prime Minister just before you go too. You're copping a little bit of flak from some of the ladies in Parliament about returning to gender specific titles.

**PRIME MINISTER:**

I haven't seen any criticism of that except from Dee Margetts.



**SATTLER:**

Natasha Stott-Despoja says that you're living in a bygone era because of your preference for gender specific language.

**PRIME MINISTER:**

So it's a bygone era to call somebody a chairman instead of a chair or a chairperson?

**SATTLER:**

That's what she thinks.

**PRIME MINISTER:**

I think you apply the test of common sense does anybody really want to be called a chair or a chairperson. I'm not going back to any offensive gender specific language. What I'm trying to do with these things is to inject a bit of Australian common sense. Chair and chairperson are both ridiculous, clumsy expressions. Chairman is not gender specific. For hundreds and hundreds of years words like chairman and craftsman and sportsman have been inclusive languages and if you examine the anglo-saxon origins of the English language you will find that they have never been gender specific, they have always been taken to include both men and women and that argument on linguistic history as well as the grounds of common sense.

**SATTLER:**

Are we mankind or humankind?

**PRIME MINISTER:**

Well I've always said mankind. If a female member of my staff makes a statement on my behalf she is described as a spokeswoman. She's not described as a spoke or as a spokesperson as far as I'm concerned. I just think you need a bit of common sense and you also need to avoid mutilating a beautiful language in the name of political correctness.

**SATTLER:**

Are you participating in International Women's Day this weekend?

**PRIME MINISTER:**

Well I'll certainly be saying a number of things about it today.

**SATTLER:**

All right, thanks for your time today.

**PRIME MINISTER:**

You talk about women in my Government, there are more women in my ministry than any ministry before. There are more women who sit on the Liberal and National Party side of the House of Representative than in any government since Federation. That's the real test.

**SATTLER:**

And they are women and you are men.

**PRIME MINISTER:**

Tokenistic things about whether you're called a chair or a chairperson.

**SATTLER:**

All right, thanks for your time. Congratulations on the first year.

**PRIME MINISTER:**

Thank you.

**SATTLER:**

We'll talk to you again soon, I'm sure.

**PRIME MINISTER:**

I hope we do.

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