

7 May 1997



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

E & OE.....

PRIME MINISTER:

Good afternoon. Ladies and gentlemen, could I start on the Wik issue. Cabinet this morning fully endorsed my ten point plan which will now go to the Government joint party room next week. I want to make it clear that that plan has been endorsed because it is the best and fairest solution to a very difficult issue. The alternatives will cost Australian taxpayers more. The alternatives will create delay and confusion. The alternatives don't strike the Australian fair balance between the legitimate interests of farmers and pastoralists and also the rights of native titleholders. I am strongly committed to the ten point plan because it will deliver certainty to Australian farmers and pastoralists and it will enable those pastoralists and farmers to get back to business to run their properties without interference from anybody.

This is a difficult issue. I understand the concerns of representatives of rural Australia and it is not only the members of the National Party who represent rural electorates. In fact there are more rural Liberals in the House of Representatives than either of the other two parties. It is an issue of great concern to those people but when the effect of the ten point plan is fully understood, when for example the proviso in the ten point plan which enables a farmer or pastoralist to carry out any of the activities embraced by the definition of primary production in the taxation act without having to go through the right to negotiate procedure, the amplitude of the change involved in the ten point plan to the benefit of farmers and pastoralists is fully understood and properly known.

I just want to make it very clear that I won't be backing off the ten point plan. I am very strongly committed to it. It is the only fair and just solution to a very difficult problem and I will be devoting all of my energy to secure its passage through the Parliament and I will be arguing of course very strongly that it receive overwhelming support in the Party room but I wouldn't want there to be any doubt in anybody's mind of how strongly committed I am to the ten point plan as a solution to this very difficult issue.

Could I also inform you that Cabinet has decided in principle to apply, in relation to future compensation that may arise in relation to native title claims, the split of 75% being paid by the Commonwealth and 25% being paid by the States as currently applies under the *Native Title Act* for past acts involving compensation. There are some proper conditions attaching to that agreement. One of those proper conditions is that if there is any significant upgrading of leasehold tenures in the various States then it would be a requirement of our paying 75% of any compensation that might have been involved following a compulsory acquisition of a native title, it would be a condition of our paying 75% that the State charge something for the betterment factor involved in the upgrade of the title. In other words, it will not be possible for there to be mass freeholding or upgrading without some proper charge being made for the additional benefit that will accrue to the titleholder.

I will be writing to the Premiers in the next day or two about that issue but it does meet the view that was put to me at the Premiers' Conference. I did undertake on that occasion to have a look at extending the 75%- 25% principle to subsequent compensation. We have decided to do that subject to proper conditions including the one in particular that I have mentioned. Any questions?

JOURNALIST:

Is Mr Fischer 100% behind the ten point plan?

PRIME MINISTER:

Yes he put out a statement today saying that.

JOURNALIST:

Is the ten point plan that Cabinet endorsed the same as you released last week?

PRIME MINISTER:

Yes.

JOURNALIST:

Is it possible if States go down the path of upgrading pastoral leases to some exclusive form of tenure? Is that possible on a mass scale provided that they meet the proviso measures you spoke about?

PRIME MINISTER:

Well they will be able to do what is allowed under their law and what be allowed in the legislation, the question of how frequently it might occur will depend on circumstances both in relation to individual pastoralists and also in individual States but let me make it clear in relation to that, there has been absolutely no alteration to what has been in the ten point plan now for weeks. It was always possible under the ten point plan to have a Crescent Heads situation and that was where, that's the bit of land in northern New South Wales, where you reach agreement. Native title is established. You then have a...within a few hours there was a compulsory acquisition. Now in some cases I imagine that will occur. In other cases I imagine it won't occur because the pastoralists and the native title holder may be perfectly happy to let the arrangement rest but there's been no change on that and the extent to which it might occur will vary from State to State, case to case, area to area.

JOURNALIST:

Prime Minister are you, just to clarify, that Tim Fischer and his National Party colleagues in Cabinet are now bound by Cabinet solidarity and cannot in a public forum work for amendments to your plan?

PRIME MINISTER:

Well the normal rules apply, yes. The normal rules apply with all of these things but this is not a normal issue even though the normal rules apply. It's a very difficult issue and it's always harder to apply the normal rules to abnormal issues.

JOURNALIST:

Is that a let out?

PRIME MINISTER:

No it's not a let out no, no, you would make a great mistake. There are no let outs but equally there is an understanding on my part, a public understanding of the difficulty of this issue for my friend and colleague Tim Fischer and he has displayed as usual magnificent loyalty and support to the Government on a very difficult issue but there can't be any mucking around on issues of Cabinet solidarity. The Cabinet decision has been taken. All members of the Cabinet are bound to publicly support and prosecute that decision. That is the way you run a government. Now I say that without qualification, without ambiguity, but I also, in saying so I acknowledge that this is one of those issues that has been extraordinarily difficult for Tim. I understand that and I sympathise with him and I would be failing in the reciprocity of loyalty that is involved in a Coalition Government if I didn't acknowledge that. You only run a successful Coalition Government if you are prepared to recognise the particular difficulties of your colleagues on certain issues whilst always working within the established rules of Cabinet solidarity and I think Tim has behaved magnificently on this issue but at the end of the day you've got

to take a decision. We have taken a decision. I am not backing off that decision. I will be taking it to the Party room and I will be asking for very strong support and I expect to get it.

JOURNALIST:

Mr Howard, do you believe the fear of Pauline Hanson has been driving a lot of the opposition from the Nationals?

PRIME MINISTER:

I would have thought the great bulk of it no - but it's very hard to quantify. It is a difficult issue for pastoralists and you've got to understand that the Wik decision destroyed their bona fide belief about where they thought pastoral leases sat in relation to native title. Now what my ten point plan does is to wipe away that uncertainty but at the same time show a greater respect for native title than with the blanket extinguishment option and that's what I set out to do two or three months ago. I said I wanted to respect native title but deliver security to pastoralists. Now I have done that with the ten point plan. That is why I am, if you like, passionately committed to getting the ten point plan adopted into legislation and understood throughout rural Australia and once farmers and pastoralists understand it, they will know that what I have been saying over the past few weeks has been right and they will also know that some of the things that have been said in favour of blanket extinguishment have been illusionary mirages and have been quite misleading and deceptive.

JOURNALIST:

What benefits do Aborigines get out of it?

PRIME MINISTER:

Well they get the respect and protection of native title which was inherent in the original Mabo decision. I mean I have never disguised the fact that Wik had to be wound back. It's a question of how far you wind it back. I've never denied that.

JOURNALIST:

They say there's nothing in it... (inaudible)

PRIME MINISTER:

Well I tell you what, there's a lot more in it than the alternative would be and it's a question of what is a fair balance and I think the pendulum has gone too far out in that direction and I've brought it back to the middle and that's why it's a fair plan and that's why I'm so strongly committed to it and I don't intend to back away from it.

JOURNALIST:

Mr Howard in the context of your comments in relation to Tim Fischer...

PRIME MINISTER:

I have already acknowledged Michelle.

JOURNALIST:

Mr Howard will you ensure that the upgrading charge that you mentioned if leases are converted to freehold is not just a token charge?

PRIME MINISTER:

Oh yes.

JOURNALIST:

Mr Howard, in the context of your comments on the Coalition and Tim Fischer's performance in the Coalition, given the fact that the Coalition should not be a one way street, what wins can you point to in

terms of Mr Fischer changing the ten point plan in terms of meeting the concerns of his constituents or has it become just, the Coalition become a one way street?

PRIME MINISTER:

The Coalition hasn't become a one way street. The difference between what's been put to me at various stages of the negotiations by representatives of the Aborigines and others, particularly the former, the difference between that and the ten point plan is evidence of my concern to ensure that pastoralists are properly protected but looking after the legitimate interests of farmers and pastoralists is not something which lies peculiarly within the monopoly of the National Party. There are many Liberal members who represent rural constituencies and you don't approach this thing on the basis of apportioning wins and losses. You approach it on the basis of a fair agreement and what I have produced is fair. That's why I support it. That's the main reason why I'm so very strongly supported to it. It's not a question of sitting down and handing out a morsel to this or that section of the Government, it's a question of sitting down and talking to everybody and working out a plan that strikes a fair balance on a very difficult subject and one that for obvious systemic reasons poses a much greater challenge and represents a much more difficult issue for a party on our, or parties on our side of politics and that's why it has involved a bit more elbow grease than other decisions that we've had to take.

JOURNALIST:

Under this plan, is it possible, and I have no idea, is it possible for a State government to resume a large bulk of pastoral leases compulsorily and then transfer those leases into freehold and give the leases back so wiping out native title?

PRIME MINISTER:

There are compulsory acquisition powers under State legislation now and what will be possible after these changes have been made is that compulsory acquisition of proven Native Title can take place but it will have to take place after due inquiry which affords the same rights of objection and comment and intervention to Aboriginal title holders as it does to any other title holders or claimants, and also the payment of compensation.

JOURNALIST:

Prime Minister, when did you decide that you'd had enough negotiations and what in particular made you think that? I mean, was it...

PRIME MINISTER:

Well, I think probably a week or ten days ago we were bringing the thing to finality. I had a very long meeting with my backbench committee which I made my position on this very clear. But it's an ongoing process.

JOURNALIST:

Since that meeting with the backbench committee, the Chairman of that committee, Wilson Tuckey, has said the position for blanket extinguishment has hardened. On what do you base your confidence that the Party Room will give the big tick to the 10 Point Plan?

PRIME MINISTER:

Well because it's the best plan, that's why. And in the end the Party Room will always back the best plan.

JOURNALIST:

But there are a number of backbenchers saying they don't believe your plan is the best and won't deliver certainty to pastoralists.

PRIME MINISTER:

Well it is...on something like this I would be amazed if 100% of the Party Room backed it, I mean, as it's ever been the case on difficult issues. But at the end of the day the job of the Government is to take a decision, to take a stand, to go out and argue the wisdom of that position and the wisdom of that stand. I have been very patient on this issue, very patient indeed. But I promised the public I would be because it's a sensitive issue that goes to the fabric of the kind of society we are. And if I had been peremptory and if I had dealt with this issue in the space of a few weeks I would have been heavily criticised as being insensitive to the wide variety of views that exist. But I have listened to everybody. I've made a decision. I'm sure that decision is right and I'm going to go hell for leather from now on to get that accepted, to get it put into legislation and to deliver a bit of certainty to the pastoralists and the farmers and the Aboriginal community that I think they're entitled to have.

JOURNALIST:

Are you saying that your 10 Point Plan is now set in stone, that despite further concerns there will be no further amendments?

PRIME MINISTER:

Stone? Well certainly I'm very strongly committed to it, yes, of course it is.

JOURNALIST:

So there won't be any more amendments despite backbench concerns or concerns from the National Party?

PRIME MINISTER:

Look, there are going to be no changes to the essence of the plan. You might, when the legislation comes out, of course be willing to talk about the way in which it is expressed. I'm not going to be so pig headed as not to be willing to do that. But if you're asking me if I'm going to back away from any of the essentials of the plan, the answer is no, I'm not. If you're asking me whether there is any possibility that I will support blanket extinguishment, no there is not.

JOURNALIST:

Mr Howard, you suggested yesterday that you were growing tired of the way in which some backbenchers were talking out of school...

PRIME MINISTER:

No, I wasn't, I wasn't referring to backbenchers. I was not referring to backbenchers. I think my backbench has been magnificent.

JOURNALIST:

But you did make comments about criticism from within the Liberal Party...

PRIME MINISTER:

Yes, yes, I was referring to criticisms at a State government level from some people, yes.

JOURNALIST:

(Inaudible)

PRIME MINISTER:

Yes I do, I think...no, I'm very happy to answer that question. I think that I have been very patient and I have turned the other cheek. The fact is that given that the Coalition has not had control of the Senate, and in that sense we're in stark contrast to some State governments over the last few years who've had control of both Houses, given that we haven't had control of the Senate we have achieved a remarkable degree of economic reform and economic improvement and economic change. I mean, just remember - bringing this whole thing back to basics and back to the main game, the mainstream,

whatever main you like - just bear in mind that we inherited a \$10 billion underlying budget deficit when we came into office and we've made huge strides to getting that right. We've brought interest rates down. We've reformed the labour market. We've embarked upon the greatest privatisation this country has seen. We've undertaken major reforms to the taxation system of particular benefit to small business. And I just won't accept any longer this suggestion that the pace of economic change and reform under this Government has been too slow. And every time that allegation is made in future I shall be answering it.

JOURNALIST:

Mr Howard, does that mean you're willing to get into a slanging match with Mr Kennett?

PRIME MINISTER:

No, I'm not willing to get into a slanging match with anybody. I am willing to openly defend the achievements of my Government - that's what I'm willing to do. And all of my Ministers from now on are going to openly defend the achievements of our Government because we are very proud of those achievements and we're not going to turn the cheek any longer.

JOURNALIST:

Mr Howard, can you maintain that momentum given what's happened with Senator Colston this week? I mean, the numbers in the Senate are moving against you.

PRIME MINISTER:

Well, we'll just wait and see. I mean, it's a very fluid world. I mean, we now see the re-embrace of Senator Colston. I mean, it must have been a marvellous scene on those Labor Party benches last night. I mean, this man that they have attacked and reviled and traduced like nobody else has been reviled and traduced. I mean, the man of course they cuddled and protected for 14 years they now lovingly embrace in order to defeat Coalition legislation. I mean, where does Kim Beazley stand on all of this? I mean, where does Mr Beazley stand? I mean, he sat on that report. He ignored the advice of his lawyers 13 long years ago. He allowed his party to reindorse this bloke year after year. I mean, we have done the right and principled thing - we sent him off to the police because we thought it was the right thing to do. We also defend his right to have a day in court. They've broken the rules on every score. They covered up in the first place and now they want to tear up the rule book, they want to tear up the rule of law and throw him out of Parliament before he's had a fair trial. I mean, on every count they are a disgrace on the Colston issue. And if Beazley had one skerrick of leadership on this he would reject his vote in the same way that I have. But he's very happy to have it, of course he is.

JOURNALIST:

Do you regret not making more use of the vote last year?

PRIME MINISTER:

I beg your pardon?

JOURNALIST:

Do you regret not making more use of Senator Colston's vote last year, maybe pushing the envelope more on reform?

PRIME MINISTER:

I'm sorry, I didn't quite hear that.

JOURNALIST:

Sorry. Do you regret not making more...

PRIME MINISTER:

I can't see you. Who is it? George, George, you're in the fog George.

JOURNALIST:

Do you regret not making more use of Senator Colston's vote last year when you had it? There might have been a few more issues...

PRIME MINISTER:

Well, you use it as though it is ours to deploy wherever we choose. That was never the case. This idea that we knew in advance exactly how Senator Colston was going to vote is absolute nonsense - we didn't. It so transpired that on a number of issues he did support us, on others he didn't. He voted against us on the industrial relations legislation, so did Brian Harradine. Brian Harradine voted against us on the Hindmarsh Bridge legislation. I forget how Colston voted against us. But we were fortunate to get our Telstra legislation through and our budget through. But we had every right to expect the Senate to pass that material because we told the public we were going to sell Telstra. And I just think that this idea that we sort of were given some huge favour getting the Telstra legislation through when we campaigned on it in the 1996 election is ridiculous.

JOURNALIST:

...this morning...

PRIME MINISTER:

I actually meant Michael Gordon, but you've had a go haven't you Mick? Have another go and then I'll have Mr Gordon's.

JOURNALIST:

What does this mean for media ownership? Does the Government have to revise its strategy given that...

PRIME MINISTER:

Media ownership?

JOURNALIST:

Yes. Discussions on...

PRIME MINISTER:

No, well we will make a decision on that and then whatever decision we make of it involves legislation, it will be presented for the Parliament. I mean, we're not going to sort of have the decision we take coloured by some sort of assessment of how we think Senator Colston is going to vote. I have no idea what he might do in relation to that or, indeed, Senator Harradine. We discussed the matter a little over the last day or two and will be resuming the discussion again shortly and in the meantime there will be some consultations between the Minister and the relevant government party committee.

JOURNALIST:

How do you respond to the views of the backbench, particularly the committee Chairman, (inaudible) by changing the rules is going to do nothing more than give Fairfax to Mr Packer?

PRIME MINISTER:

How do I respond to that? Well look, that is part of the ongoing debate, I'm not going to respond to one particular part of the debate. The issue is under consideration and I'm not going to respond to individual comments on it. I mean, I think we all know that when it comes to media laws everybody has a passionately held allegedly disinterested view, everybody puts it very strongly and I think you have to discount the passion of the views that are put fairly heavily.

JOURNALIST:

Wasn't Mr Fischer at the Cabinet meeting this morning?

PRIME MINISTER:

No he wasn't, but I had a number of conversations with him.

JOURNALIST:

(inaudible)

PRIME MINISTER:

He was not there for the very simple reason, David, that he had a prior commitment in Queensland.

JOURNALIST:

So there's no sense of the rug being pulled out from under your Deputy ...(inaudible)...I mean, the decisions...?

PRIME MINISTER:

No, quite the reverse. We are together on the platform arguing the case.

JOURNALIST:

But he wasn't in the room when the decision was made.

PRIME MINISTER:

No, well hang on, we were just confirming what was a very strong previous disposition.

JOURNALIST:

These are members of your own backbench who are becoming increasingly vocal on the issue of cross media ownership....

PRIME MINISTER:

Oh, I don't think they're becoming vocal at all. I mean, you've got allow little...I mean, with a large majority like that you don't run around taking...sort of getting into some kind of paroxysm of rage because there's the odd point of view expressed. Look, I understand that.

JOURNALIST:

Mr Howard, when do you expect to announce a decision on cross media...

PRIME MINISTER:

I'm sorry, I think Karen was trying to ask me a question.

JOURNALIST:

I see, so it's not significant...

PRIME MINISTER:

What's that?

JOURNALIST:

That people are being outspoken on the issue of diversity, of expressing concern that you might change the laws?

PRIME MINISTER:

Well, you know, diversity of opinions.

JOURNALIST:

Mr Howard, when do you expect to make a decision on the changes to the laws?

PRIME MINISTER:

I don't know. All I can say Margo is that we've commenced discussion of the issue and we'll return to it soon but I'm not going to try and predict any more precisely than that. It's an important issue but it's certainly not the most important issue we have. But it's important.

JOURNALIST:

Mr Howard, you've said Wik is an extraordinarily difficult issue for Tim Fischer. What's your message to Joan Sheldon who is part of the government that's effectively quarantined...?

PRIME MINISTER:

Well I don't...I have had a number of discussions with Joan about the issue. If I have a view to put to her I wouldn't convey it, much in all as I, you know, enjoy your company, I wouldn't convey it at this press conference. I think it would be more natural and polite of me to talk to her on the telephone.

JOURNALIST:

Prime Minister, the New South Wales Government's move to a bed tax...

PRIME MINISTER:

Bed tax, yes. This is a Carr GST isn't it?

JOURNALIST:

Yes.

PRIME MINISTER:

I mean, it's a very, very interesting...I mean, you know, a Carr GST. Very, very interesting. I mean, you know, introduced in a very, very ad hoc sort of way - a Carr GST.

JOURNALIST:

Do you rule one out...?

PRIME MINISTER:

A Carr GST always. Always rule out a Carr GST.

JOURNALIST:

Is this an area of tax reform that the States should be commended on?

PRIME MINISTER:

Look, if you think the New South Wales budget is about tax reform - you don't really mean that Malcolm, do you? I mean, the New South Wales budget is all about big spending and big taxing.

JOURNALIST:

Mr Howard, are you concerned on the media ownership issue that you've alienated every major proprietor except for Kerry Packer?

PRIME MINISTER:

I am sure they are all fair minded, all of them, and the idea that they would feel any sort of sense of aggression towards one or other participant on the political stage according the stance that it is speculated that that participant might take would be a long way from their thoughts. Look I am certain that at the end of the day the position that we adopt on this will be a fair sensible position that will promote the national interest.

JOURNALIST:

Do you still have the view that we don't need to change the foreign ownership rules in the media or do you think that we need to look at both cross media and foreign ownership together?

PRIME MINISTER:

I think it is very hard given that the thing is now, to use the legal parlance, part heard, I don't really think I should start answering those questions, much and all as I am tempted to do so. I think it might be a bit unfair on my colleagues if I did that.

JOURNALIST:

What are the chances now, Mr Howard, of having a public inquiry on media ownership?

PRIME MINISTER:

We've had so many public inquiries on media ownership in this country I think most people are sick of them except for journalists.

JOURNALIST:

So...

PRIME MINISTER:

I don't see any need for a further public inquiry.

JOURNALIST:

Without giving a sort of a firm date on cross media ownership and given that you have been talking about it for some time, can we expect something within this next session?

PRIME MINISTER:

No look, I'm not going to do that.

JOURNALIST:

You said at the beginning that selling the 10 point plan you're going to devote all your energy to it...

PRIME MINISTER:

Well, I'm going to devote a lot of energy to it, not all of my energy to it.

JOURNALIST:

Is there a danger that the task of selling this week's budget is going to...

PRIME MINISTER:

No, I don't think so. It is will such a good budget that there will be a natural sales momentum about it. It will be a very good budget for jobs. It will be a particularly good budget for regional Australia and it is going to be a budget for the longer term and I think people will see it as the product of a lot of work in a fairly compressed state of ... compressed amount of time. I mean one of the things that has inevitably happened over the last couple of months is that senior ministers, myself and the Treasurer included have been largely preoccupied in putting the budget together, and all governments go through these phases but next week the budget will come down, I think it will be seen as a very positive budget for employment growth, a very positive budget for regional Australia and small business and it will be very much part of the mainstream appeal of this government.

JOURNALIST:

Will you rule out any tax increases in the budget?

PRIME MINISTER:

I'm not going to speculate about....

JOURNALIST:

..inaudible...

PRIME MINISTER:

I'm not, you know our position on tax increases.

JOURNALIST:

On the budget, when you say it is a good... it will be a good budget for jobs and for regional Australia, are you talking about specific initiatives or in general?

PRIME MINISTER:

I'm talking generally about the budget. The specific initiatives will be announced on Tuesday night.

JOURNALIST:

But they will be specific initiatives?

PRIME MINISTER:

No, I didn't say that. I said all of the specific initiatives of the budget will be announced on Tuesday night, but it will be good for those sectors. Very very good.

JOURNALIST:

Can you give us a sense of what you are going to say on the Pauline Hanson issue tomorrow night?

PRIME MINISTER:

Look, what I will do is... thank you for asking that. (That doesn't mean to say I asked him to do it!) There was no deal with Cassidy!

Look, I will say something about Mrs Hanson tomorrow night. I'm not going to attack her personally. In fact I think the demonstrations that have gone on around Australia over the last week or so have really been quite stupid and counterproductive and probably momentarily driven more people towards her rather than repel them. And I really think it is people who are interested in denying her oxygen, they shouldn't engage in those sorts of demonstrations.

I won't be attacking her personally. I certainly won't be attacking many of the people who've been superficially attracted to her because as I acknowledged in the past there are reasons why that may have occurred. I will however, because she has now gone from being an independent Member of Parliament to purporting to be a Party leader, I will be taking the opportunity, in part on Thursday night, but certainly not comprehensively and only and definitively on Thursday night, I will be taking the opportunity of pointing out that whilst some of the people who are attracted to her may have reason to feel that past situations have dealt them a bad hand, that her solutions as far as I understand them will end up dealing them an even worse hand. In other words, if there are problems which she is endeavouring to exploit, her solutions to those problems if they were implemented as I understand them, will produce an even worse situation and an even worse outcome.

I think in a situation like this you have to have an intelligent and balanced response. Last year I took a view which I genuinely held to, and I still believe now that the view I then took was correct, that the appropriate response given her status as an independent Member of Parliament was to, apart from denying some specifically absurd remarks that she had made about us being I think 'flooded with Asians' was one remark she made that was offensive and wrong, and the other remark she made was about Aboriginal disadvantage. Well, I repudiated both of those statements as being errors of fact in an interview shortly after her speech and beyond that I took the view that is well known. Now others took a different view and I still maintain that that stance was correct.

I believe now that she has moved into the party phase and is of course receiving a lot of publicity as a consequence of that, that it is appropriate from time to time for me to attack attitudes that she expresses which are wrong. I mean she does essentially appeal to a frightened view of Australia which is something that I don't like. This is not a frightened country. It is an optimistic hopeful country and

there is an element of bitterness and sourness in the message that is being transmitted. The decent conservative mainstream of Australia is not built on bitterness and sourness, it is built on generosity and compassion and I would hope that those people who are disconcerted by the pace of change and the momentum for change in our community are not enveloped by views that are based on bitterness and sourness but rather on views that are based on optimism and hope. Now, it is in that kind of context that I will have something to say tomorrow night.

But she has a right to speak. She has a right to be heard. She has the obligation of demonstrating the veracity of the claims she makes. She must be held accountable for the absurdity of some of those. I mean, I noticed earlier this week that she's, if the report is correct, is actually advocating the re-legalisation of the weapon that was used at Port Arthur. Now, if that claim is true and I've not seen it countermanded, that is an atrociously irresponsible statement for anybody to make and I think it is something that would fill most Australians, whether they are conservative, Liberal, Socialist, or whatever with very very deep revulsion.

JOURNALIST:

If people find her views objectionable then Prime Minister and you are saying that they shouldn't be protesting. How should they be responding to her?

PRIME MINISTER:

Well I just operate on that old political belief that if you make a noisy physical protest against somebody and it is too... apparently violent, it generates public sympathy for the person against whom you are demonstrating. And if the name of the exercise is to withdraw public support, you don't achieve that goal by generating public support. So that's the basis of my call to those people. I mean, that has always been my view. I always think the most damning response to somebody whose views you find unacceptable can be, and not in all cases - and everybody has a different way of handling these things - I have my way, journalists will have their ways and others will have their ways. But I think it is just a question of trying to get a balance to understand the social forces at work in the Australian community which have produced this sense of unease. And we are talking about change now that has been going on for 20 years, and further change is unavoidable. We have to as politicians understand that and we have to sympathise with people who are affected by that change. We must understand their resentment if they are not involved in the process of debating the nature of that change. We must point out the folly of alternative solutions that will produce a worse result.

I mean, my greatest criticism of her is that what she is proposing will in fact produce a worse outcome than the outcome that she is criticising. I mean, I've quoted the example of foreign investment. Now of course there has always been a concern about the level of foreign investment in Australia. I understand that, it is human, it is natural, but you have to recognise that if you cut out foreign investment in this country you will lower the living standard of this nation. The only way you can reduce foreign investment is to reduce the need for it, and that is to generate greater savings so that we don't have to borrow the savings of foreigners to finance our consumption. Now, that sort of dull economic analysis is relevant to the Government's task in increasing national savings. Now, that's not a very rhetorically flourished way of putting it, but it happens to be the truth and people who rail against foreign investment have an obligation of explaining where the jobs will come from for people who might be dismissed if foreign investment dries up. So I think it is ... it's not a process, it's not an issue that can be sort of dealt with overnight. And if I may say so, one of the flaws in the criticism that's been made of myself by some, including some in this room and some generally, is this idea that this sort of one single response, speech, knock-out blow that is going to sort of wipe Pauline Hanson from the face of the earth. I mean, life is never as simple as that and I think you know, she has attracted a bit of support - from whom it varies a bit according to which poll you read.

I noticed in the Bulletin this morning that most of it seemed to be from the Labor Party. I think in fact the Labor Party's figure in the Bulletin poll this morning is the lowest it's been for 20 years in a Bulletin poll. It's down to 30%. Now, you know, but it is bouncing around a little bit, but I am certain that if

there is an intelligent mature response and analysis, the transience and the superficiality of what is offered will become apparent to Australians. But you have to recognise that there are a lot of decent people out there who for a whole combination of reasons might be attracted and there are some who aren't, but the great bulk of the people who are going along are just ordinary Australians like the rest of us and you have to understand that. But you also have an obligation to specifically deal with particular atrocities on the truth. And this has to be the last question - Mr Gordon?

JOURNALIST:

Should some of your more vocal critics on your side of politics... National Party of your handling of Wik realise that further criticisms from now on will simply play into the hands of Pauline Hanson.

PRIME MINISTER:

Look the best way of quickly reconsolidating conservative Australia behind the Coalition is to get the Wik thing behind it.

Thank you.