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**TRANSCRIPT OF THE PRIME MINISTER  
THE HON JOHN HOWARD MP  
TELEVISION INTERVIEW WITH GLENN MILNE  
TODAY TONIGHT, CHANNEL 7**

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E&OE.....

**MILNE:**

Prime Minister, thanks for being with us tonight.

**PRIME MINISTER:**

It's a pleasure.

**MILNE:**

For the average person watching the programme, jobs and job security are the issues that worry them most. When can you tell them that unemployment's going to start dropping?

**PRIME MINISTER:**

I believe the employment situation next year will do better. It's always the last thing to come right. We've laid the groundwork. We inherited from Labor, after 13 years, an 8.7 per cent unemployment rate and also a budget deficit of \$10.5 billion and we've tackled the deficit. We'll have a surplus after our first three years. We've got inflation down, interest rates down, business investment's strong and we believe all of that will produce, in 1998, a better employment outlook.

**MILNE:**

Well, I saw a paper the other day and a headline - 'The Good Times Are Back.'  
Do you think that's right?

**PRIME MINISTER:**

In many parts of Australia that's right. People in jobs are doing well because inflation and interest rates are down and they've got more money to spend. We still have too many Australians out of work and all of our efforts are directed towards giving them jobs. That's why we took the decision we did on tariffs, to provide job security. We're attracting business investment.

We're adopting a strong stance on this greenhouse issue because if we roll over, like the Labor Party wants us to do, we'll lose tens of thousands of jobs, particularly in, say, the Hunter Valley of New South Wales and the La Trobe Valley in Victoria and in industrial areas in South Australia.

**MILNE:**

Yet the Amanda Vanstone, the Employment Minister, says it's like waiting for the drought to break. That makes the Government sound helpless though, doesn't it?

**PRIME MINISTER:**

The Government's not helpless by fixing the deficit, by attracting business investment, cutting interest rates, holding tariffs at moderate levels. They will all add to a better employment picture.

**MILNE:**

If this argument you're putting about greenhouse gases is so compelling, the link between greenhouse gases and jobs is so compelling, why do we appear to be isolated in the wider...[inaudible]...?

**PRIME MINISTER:**

Well, we're not completely isolated but we are in a special situation. We are a developed country which is a large producer of energy and that makes us very different from other countries. And my job, as Prime Minister, is to protect the national interest. And if we roll over like the Labor Party, both in New South Wales and federally, want us to do there'll be thousands of blue-collar workers who will lose their jobs.

I mean, I am not prepared to see unreasonable constraints placed on Australia. Australia will play her part. We will contribute to solving the problem. But we are not going to cop a burden which is disproportionate to our situation.

**MILNE:**

Now, this issue will be decided in Kyoto in December at a global summit. Will you be taking a compromise position there?

**PRIME MINISTER:**

We will be putting forward our proposals at the right time. I'm not going to cripple Australia's negotiating coin and strategy by revealing what our proposals are now. That would be stupid and against the national interest.

If we have imposed on us at Kyoto unfair mandatory targets, we won't accept them. Now, I hope that we can persuade other countries to agree to different targets according to our circumstances. That's all we're asking for. And we want to get everybody involved, not just the developed countries. We need to get the developing countries that produce part of the problem involved in the solution as well.

**MILNE:**

You took the greenhouse campaign to the South Pacific Forum and the pictures here made you look pretty isolated and uncomfortable. Is that how you felt?

**PRIME MINISTER:**

No, I didn't. But at the end of the day, I don't care whether I am on one or the other side, as long as I'm promoting the national interest. It doesn't matter how many there are, I mean, what kind of leadership, what kind of national role is that, that you determine your position according to the clamour of the voices at the conference. I determine my position internationally according to my country's national interest. Nothing, nothing less than that.

**MILNE:**

You had to also confront questions over there about your wife's health and your future. Was that tough?

**PRIME MINISTER:**

Well, I thought it was silly. My wife had a serious operation last year. Everybody knows that. She has a good prognosis. She's made a good recovery. As far as I'm concerned, I've never contemplated resigning. I, for example, would look forward to being Prime Minister at the Centenary of Federation in the year 2001. I mean, that's, you know, what I might say, a medium-term goal.

**MILNE:**

So that's a commitment to serve out the full term next time if you're elected?

**PRIME MINISTER:**

Oh, my word.

**MILNE:**

And after that?

**PRIME MINISTER:**

Well, you ask me at each election Glenn.

**MILNE:**

I'll do that.

**PRIME MINISTER:**

And I'll give you a term specific response.

**MILNE:**

On the waterfront. The bosses seem to be running a million miles from the Government at the moment. They're saying we need stronger government backing, more money if we're to take on the unions. Can the Government do that?

**PRIME MINISTER:**

Well, our role is to provide the right framework for change. To change the law - and we've done that - to break the legal monopoly of the Maritime Unions on supply and recruitment of labour on Australia's waterfront. We've done that.

One of the employers' representatives this morning in Western Australia said that we've done all we needed to do legislatively. And at the end of the day, my Government doesn't employ any wharfies, we couldn't afford it, but they're employed by companies and it's for the companies to use the law as we have changed it for the first time in Australia's history, to make it possible to recruit non-union labour on Australia's waterfront. You couldn't do that under the law. You can now do it. It's only been legal for nine months and that represents a huge change.

**MILNE:**

Is it a fair cop for business to keep complaining about the fact that the pace of reform's not fast enough, then you set up a framework on the waterfront and then they say it's still not good enough?

**PRIME MINISTER:**

Well, generally speaking, some of the complaints about the pace of reform have been quite ridiculous. We have carried out more reform in areas right across government than any government in the last 20 years. We've only been there 18 months and we've turned the industrial relations system around. We now have guaranteed freedom of choice in employer-employee relations. This applies not only on the waterfront but in other parts of industry. It is now up to the business community to fully use the new freedom and the new opportunities that the law's given them. And many of them are and many Australian companies are very grateful for the changes. And instead of saying that things ought to go further, they're too busy taking advantage of the huge reforms that have already been undertaken.

**MILNE:**

Bob Hawke broke the pilot strike by bringing in outside...

**PRIME MINISTER:**

Yes, he also wrecked the tourist industry in North Queensland in the process.

**MILNE:**

Well, I suppose that's the point isn't it, to break perceived power...

**PRIME MINISTER:**

But Bob Hawke on that occasion, might I say, was driven by the policies and the attitudes of the ACTU. Now at that particular time Bob Hawke was not serving the cause of good industrial relations. Bob Hawke was acting out the agenda of the ACTU.

Now on the waterfront we will act out the agenda of a more productive Australian nation. Not the agenda of the employers, not the agenda of the unions, the agenda of Australia.

**MILNE:**

So you wouldn't back the right of employers to bring in their own expert wharf labour from outside?

**PRIME MINISTER:**

We will uphold and support and promote the fullest possible use of the new law of Australia. It is always the obligation to the Government to uphold the law of Australia and that's what we'll do.

**MILNE:**

Tax reform, Prime Minister, where are we up to there?

**PRIME MINISTER:**

Well, we'll be producing a detailed policy before the next election. Obviously we won't be going into any detail until next year. The election is still 18 months off.

**MILNE:**

Will that include things like rates?

**PRIME MINISTER:**

Oh, we'll be...you will know where we stand in great detail. And I am very happy to go to the next election with a vision for a new, reformed Australian taxation system for the 21st Century. Heaven knows we need it. We have a ramshackle, complicated system that everybody knows has to be fundamentally overhauled. And I have no reluctance at all to say to the Australian people I'll give you a better, fairer system for the 21st Century.

**MILNE:**

And lower personal income tax.

**PRIME MINISTER:**

Well, we want lower personal tax. I mean, part of the package will be lower personal tax. It'll be known as John Howard's LTP - Lower Tax Policy.

**MILNE:**

So that's a guarantee?

**PRIME MINISTER:**

Oh, yes. There'll be lower personal tax.

**MILNE:**

The reason I asked you that is because most commentators seem to agree that you're going to have to strike any broadbased GST at a fairly high rate to deliver tax cuts, personal tax cuts. Does that mean you're going to have to dip into the budget surplus and deliver those possible tax cuts?

**PRIME MINISTER:**

Glenn, I'm not going to get, at this stage, I've said all along, I'm not going to get into the detail of responding to this or that piece of speculation. I know it's fascinating and I understand your asking me. We're having a lot of work done and the Treasurer and I are working together very closely on this. It's

a very important exercise for the Government, but more importantly, the Australian people. And we will produce a visionary tax policy for the 21st Century which will certainly include lower personal tax.

**MILNE:**

Jeff Kennett's denying allegations that he was improperly involved in share dealings. Do you take those allegations seriously?

**PRIME MINISTER:**

Oh look, I don't know anything about it.

**MILNE:**

But it's been in the papers...[inaudible]...

**PRIME MINISTER:**

Yes I know, but I don't know the background of it. I mean, if Jeff's denied it, Jeff's denied it. I have no reason to doubt Jeff's word.

**MILNE:**

Do you think, as a starting point, the Australia's Securities Commission ought to have a look at what went on there, just for the sake of the system?

**PRIME MINISTER:**

Well, I don't know that that's been suggested. I mean, I think that is a question...if people want to put that proposition to the Securities Commission and the authorities they'll no doubt go ahead and do it. But, I must say, I haven't busied myself today studying the transcripts.

**MILNE:**

And another State Premier, Bob Carr, he's into you today alleging that your budget cuts have contributed to their heroin problem.

**PRIME MINISTER:**

Well they haven't. In a climate of expenditure restraint to handle Beazley's blackhole of \$10.5 billion we have not cut the anti-drug activities of customs. That's wrong. That's a distortion. I wish Bob Carr would treat the heroin problem on a bipartisan, non-political basis. I really say to him - Mr Carr, this is too serious to become a party-political slanging match. I am prepared to cooperate with you as a Labor Premier to tackle the problem and provide a solution. Don't politicise it, don't demean yourself in the eyes of the Australian public by trying to score cheap political points. I won't do that, I haven't done it and I think it's about time that he grew up and tackled things seriously.

**MILNE:**

And finally Prime Minister, a former Premier, Wayne Goss, a tumour at 46, a message for his family.

**PRIME MINISTER:**

Well, I feel desperately sorry for Roisin and their children. It's very sad. I hope it's benign. It's all that one can say. And I know he'll have the thoughts and the sympathy of all Australians, particularly in Queensland. And the political divide dissolves on occasions like this and I just send my thoughts and prayers to him at this time.

**MILNE:**

Prime Minister, thanks for taking the time to be with us.

**PRIME MINISTER:**

Thank you.

[Ends]