



16

PRIME MINISTER

26 September 1997

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

E&OE.....

Firstly I would announce that Mr Peter McGauran this morning tendered his resignation as a member of my Ministry to me. He indicated in that letter of resignation that after reflecting on the matter overnight, he felt that his continued presence in the Ministry would be damaging to the Government. And after consultation with the Leader of the National Party and Deputy Prime Minister I have accepted that resignation.

I should also inform you that a short while ago I have, with immense regret, terminated the services on my staff of both Mr Grahame Morris and Ms Fiona McKenna. You will be aware, ladies and gentlemen, yesterday I went into the Parliament and informed the Parliament that I have received a document signed by Mr John Sutherland claiming that he had had certain discussions with both Ms McKenna and Mr Morris. It remains the case in so far as Mr Morris is concerned he has absolutely no recollection of anything remotely resembling the discussions alleged by Mr Sutherland. In Ms McKenna's case, she indicated to me that she had had a very general discussion with Mr Sutherland about the payment of certain travel allowance amounts without their being any reference to the magnitude of the problem which was subsequently to emerge and without any reference to the amount involved in the case of Mr Sharp. I think in the circumstances, that although regrettable, her failure to mention that to either Mr Morris or myself was understandable.

This morning I have been informed by my own department that there was a conversation some weeks ago between an officer of my department and an officer of the Department of Administrative Services wherein the Administrative Services Office claimed a belief that there had been a discussion between my office and somebody else, presumably the office of the Minister of Administrative Services regarding the matters that had been under discussion in recent days.

Can I say again that Mr Morris emphatically denies having had any discussions as alleged with Mr Sutherland, but I am afraid that there is sufficient doubt now raised in my own mind that despite the long association between us that I may perhaps not have been as well served as I should have been and it is therefore with very immense regret that I have terminated the services of both. Some may think in relation to Fiona McKenna that is a particularly difficult decision - it is - because her position was different. But it remains nonetheless the case that given the gravity of the matters involved, I really have had no alternative.

I want to repeat what I said yesterday with all the conviction that I have that I knew absolutely nothing of these matters until a few days ago. Both Ms McKenna and Mr Morris have affirmed to me - and I guess to others, but that is a matter for them - that neither of them had any discussion with me about these matters until the past few days.

Can I also say that I regard it as quite astonishing that neither Mr Jull nor Mr Sutherland mentioned the claims of Mr Sutherland in the several discussions I had with them before Mr Jull's resignation. And I might also add that yesterday, Mr Morris has informed me that yesterday, he telephoned Mr Sutherland and asked for his CV and that of the other members of Mr Jull's staff on the basis that he, Mr Morris, would try and find them jobs. No reference was made, according to Mr Morris, during that conversation, which was yesterday, to the allegations that were subsequently to be contained in the document given to me by Mr Jull.

But having said all of that, I cannot obliterate the fact that the claim has been made. I have sent the statement off to the Auditor General. I have had no alternative but to dispense with the services of two people who have given years of loyal service to me and to the Liberal Party and to this Government.

May I also announce that I will be forwarding a very detailed reference to the Remuneration Tribunal inviting the Remuneration Tribunal to give detailed recommendations to the Government for a completely new and different method of paying travel allowances. I do not gainsay the fact that significant improvements and changes have been made over the past 18 months and the system now is more transparent and better than what it was during the 13 Labor years and the propensity for its fiddling is a lot less now than used to be the case. But I still think that it has some fundamental systemic flaws and I am going to ask the Remuneration Tribunal to give me advice on that. I want to say to the Australian people that I will leave no stone unturned to provide a system which is as transparent as humanly possible; one that is fair to the overwhelming majority of Members of Parliament on both sides who are both honest and careful in their dealing with taxpayers' money and when I receive the report of the Remuneration Tribunal that will be the subject of a very detailed examination by the Government.

And the final thing I would like to inform you of is that I will announce the new members of the Ministry at the end of next week. Are there any questions?

QUESTION:

Yes, Prime Minister how can you expect the Auditor General to perform the task you have given him?

PRIME MINISTER:

Oh, very easily. I think the Auditor General will report on the procedures that were adopted and I think he is entirely the right person.

QUESTION:

Mr Howard, you don't seem to believe Mr Sutherland's story (inaudible).....

PRIME MINISTER:

I believe that in particular given the information that has come to me this morning that some doubt has been raised and I cannot allow the situation to drift in the face of that doubt having been raised. I am the Prime Minister and I am ultimately responsible for the appearances of correctness and otherwise of the Government and whatever the pain and the personal difficulty involved, I have had no alternative but to take the action that I have. I have no personal knowledge of any discussions that may or may not have occurred between other people. What I have personal knowledge is that I didn't know about these things until a few days ago and that is absolutely the correct position. And I say to the Australian people, I had no knowledge of them until a few days ago. And I would challenge anybody who believes evidence exists to the contrary to provide that evidence and I will deal with it.

QUESTION:

Isn't it possible though that Grahame Morris (inaudible)

PRIME MINISTER:

Well (Barry) in politics you have to act not only according to the reality of things but also the potentiality of things. And you know me well enough, and all of you know me well enough to realise that unless I felt it to be in the interest of the Government I would not want to terminate the services of somebody who I have known for almost 20 years.

QUESTION:

(Inaudible)

PRIME MINISTER:

Well I would imagine that there are file notes. I don't know the extent... I mean I do not know what's on file at the Department of Administrative Services. I am just telling you what I was told this morning. I am sure that there are notes in various places and I am sure that in the course of various investigations they will be looked at.

QUESTION:

Prime Minister why (inaudible)....

PRIME MINISTER:

I have no idea.

QUESTION:

(inaudible)

PRIME MINISTER:

Well I am not making any allegations.

QUESTION:

(inaudible)

PRIME MINISTER:

No I don't think I want to talk to either of them now, given the allegations. I think I would be criticised if I now approach Mr Sutherland and I think that given that he was employed by Mr Jull I think that is in a similar situation. I haven't spoken to either of them. The last time I spoke to Mr Jull was shortly before Question Time yesterday when he handed me the Sutherland statement. But I don't know. I am not.... You would have to ask them but could I just finish. You would have to ask them. But I repeat that I do find it quite astonishing, particularly in the light of the fact that during my discussions with Mr Jull before his resignation I asked him in the most pointed of terms why it was that he had not informed me of the large repayment that had been made by Mr Sharp.

QUESTION:

(Inaudible)

PRIME MINISTER:

No.

QUESTION:

(Inaudible)

PRIME MINISTER:

Absolutely. Only conversation. There was absolutely no suggestion of any written advice to my office. And there is no suggestion that Mr Jull gave any intimation himself to me or to my office.

QUESTION:

Grahame Morris ... back from the Cook Islands. What aspect exactly in relation to the Sharp and Jull affair did he brief you on?

PRIME MINISTER:

Well, at that stage, I didn't think it was a Jull affair because it related as I recall, and I choose my words carefully. As I recall it related to some adjustments to travel claims that had apparently been made by a number of people, including former Labor Members and also I think he mentioned Mr Sharp's name, I would have to check my recollection of that. That was, I think what he talked to me about and showed me was a proposed response to some questions asked by one of your learned colleagues.

QUESTION:

Just to assure the Australian people. Can the Auditor General cross examine this? Can he require him to answer under oath? Can he subpoena them?

PRIME MINISTER:

Well, the Auditor General can carry out an inquiry into the procedures that were adopted in accordance with the Terms of Reference and obviously if the Auditor General thinks that certain other things should be done, or that he doesn't have a capacity to do certain things, he will so report and can I assure you that we will not be unwilling to examine what he puts to us.

QUESTION:

...(inaudible)... one version of events ... against the version of events that we're getting from Mr Morris. How can the Auditor General do that?

PRIME MINISTER:

Well, a lot of people I guess, will endeavour to do that in different ways. I imagine they'll be questioned. But, I mean, it is not a direct responsibility of the Auditor General to determine whether that conversation actually took place.

I mean, some people ...

QUESTION:

...(inaudible)...

PRIME MINISTER:

Hang on, some people may in fact think it was unnecessary that I refer that document to the Auditor General but the reason I referred it to the Auditor General instead of simply keeping it to myself and acting according to the responses that I was given by Mr Morris and Ms McKenna was because I thought I owed it to the public, given it concerned a matter of public debate that I sent it to the Auditor General.

Now, if as a result of his examination the Auditor General says, look I can't take things any further than this, I suggest you do that, well we will have a look at it.

But Mr Morris and Ms McKenna, sadly, are no longer members of my staff. Nobody is alleging that I knew anything about these matters or that I was involved in any kind of behaviour that would involve investigation.

QUESTION:

... Auditor General finds ... Jull ...

PRIME MINISTER:

Well, Mr Jull and Mr Sharp, will they return? No they won't return to the Ministry. I mean, look you have to understand that although the reference to the Auditor General arose out of their resigning from the Ministry, my view that they ought to leave the Ministry was in no way conditioned upon a presumption that I made about how the Auditor General would find.

I came to the conclusion that they couldn't remain in the Ministry because the magnitude of the adjustment made by Mr Sharp, whatever the circumstances of the mistake having been made in the first place, the magnitude of the adjustment made by Mr Sharp required an explanation and a disclosure.

I mean it should have been disclosed to the Australian public and explained and I think Mr Jull as Minister for Administrative Services, should have ensured that a proper explanation was given and he should have ensured that I was notified. He should have notified him...myself, himself. And they're the reasons why Mr Sharp and Mr Jull are no longer in my Ministry.

Now, quite separately from that, I felt there was an obligation to have the Auditor General look at the procedures.

I mean, the Auditor General is not an umpire on my decision that they're no longer in the Ministry. Nor, indeed is the Auditor General an umpire on other things. But what I have asked him to do, given his responsibilities and given the fact that we are dealing here with the handling of public money, I've asked him to look at those events in accordance with his terms of reference.

And I felt it necessary because it was the standing inquiry on the matter. I felt it necessary yesterday, when I got Sutherland's statement to send it off to them. And that was done in the interests of full and complete disclosure.

QUESTION:

...(inaudible)...

PRIME MINISTER:

Well, he certainly agreed with me that we should accept Mr McGauran's resignation. I am not going to talk about future Ministries and future prospects. Mr Sharp's only just left the Ministry. I'm certainly not going to speculate about his future. I mean, it remains the case that there was carelessness. There was lack of attention to Ministerial responsibilities and its not a situation about which I am particularly amused.

QUESTION:

...(inaudible)...

PRIME MINISTER:

Well, the answer to the first question, you say did I expect him to stand down when? Last night? Well, I had a lot on my mind last night.

Well, look Tim Fischer and I took the view last night that despite the seriousness of what had been revealed by Mr McGauran in Parliament about the charter and Mr Fischer had some things to say about that on the 7.30 Report. But the right thing to do was to ask the Department of Administrative Services to do a full reconciliation and audit of McGauran and when we got that we would have the whole picture. And it would have been open to us to, if there had been as a result of that, some other discrepancies which revealed a pattern then obviously it would have been an open and shut case.

But if it had shown a completely clean bill of health then perhaps we may, we perhaps may have reached a different view about his future.

In other words, we put on, we decided on Friday night as we had done, let me remind you with Sharp. I mean what I did when I heard about Sharp, when he told me about it on Monday was that I asked Mr Jull for an explanation and the explanation that I got was quite inadequate. And it was delivered to me, I think it was just after Question Time, and then I asked for further information and I had further discussions and I got a report from the Head of the Department of Administrative Services. And it was arising out of that whole process that I came to the conclusion that neither of them could remain in the Ministry. Now, I decided in the interests of due process to get the full story from the Department in relation to Mr McGauran. But that has been...well, it's not been short circuited because they'll still get the report from the Department and that will be on my table on Monday morning. I mean, Mr McGauran's resignation does not terminate the compilation of that report.

QUESTION:

Will you release this?

PRIME MINISTER:

Well, let me get it first.

QUESTION:

Are you confident there are no more Ministers who will be subject to allegations?

PRIME MINISTER:

Well, as Mr Beazley said, he can't answer for every individual in his Party and I'm not going to try and answer for every individual in mine. I can say this, that I will again emphasise in the most appropriate way the importance to all of my Ministerial and, indeed, all of my parliamentary colleagues, the importance of accuracy, of being prompt and being direct and being correct in these matters. And if other people in the future fail to meet the high standards I've laid down, well, they also will pay the same sort of penalty.

I am simply not going to have people making allegations that I am cavalier about the money belonging to the Australian taxpayer. And I think the Australian taxpayer has a right to require of all of its members of Parliament, on whatever side they may be, has a right to require of them that they be both scrupulously honest and meticulously careful in relation to these matters. I have set standards that the Labor Party didn't. And if the Department of Administrative Services had been as porous, I think it is, in 1983 as it apparently is now, we would have known a lot more about Mr Beazley and Mr Evans a lot earlier.

QUESTION:

Did Mr McGauran's own checking of his records - and obviously he probably was checking them last night - reveal any more discrepancies, especially between his charter flights and his travel allowance claims?

PRIME MINISTER:

Not that I have been informed of.

QUESTION:

Mr Howard, if the Auditor-General's report finds in the negative against Mr Sharp would you refer the matter then to the Federal Police?

PRIME MINISTER:

I will do whatever is appropriate, Mr Short, in response to the report I get from the Auditor-General. Can I tell you that if there is a properly based recommendation from the Auditor-General that some other process be adopted then I will respond to that. But I'm not going to hypothesise about particular agencies of the Commonwealth Government. I don't think that's fair to Mr Sharp. There is no substantive allegation against him of dishonesty. And I think all of us have some obligation to use our language fairly carefully.

QUESTION:

Mr Howard, Mr Fischer said last night or tried to lay the blame at Labor's feet for not fixing the situation over 13 years. Is it Labor's fault or your Minister's?

PRIME MINISTER:

Well, look, everybody is responsible for their own conduct whether they are Labor, Liberal or National Party. The point Mr Fischer was making, I think quite a legitimate point, was that the Labor Party persisted with a system for 13 years which it must have known was crook because within a few months Colston had got into trouble and Evans and Beazley had covered it up and ignored advice to send it to the police and ignored all sorts of advice. So they must have known even though they - what did Evans call them? - young mistake makers - that they must have known it was a crook system but they kept it. I think that's what Tim was referring to.

Look, can I just make it clear that in this business if you become a Minister you have got a responsibility to keep your affairs in order and you can't expect to hide behind somebody else, you can't expect to get cover from others. At the end of the day you have a responsibility. And that's the approach that I have adopted with these matters and it's caused me pain and caused me difficulty, but I am simply not going to allow an impression to be created that we don't have high standards. And I determined to deal with these things as quickly as possible.

The Australian people want me to focus, not on travel allowances except to ensure that we've got a decent workable system, they want me to focus on reducing unemployment, reforming the taxation system and cleaning up Labor's native title mess.

QUESTION:

Mr Howard, how difficult was it for you to sack the man who must have been your closest friend in 20 years of politics?

PRIME MINISTER:

It's been a very, very difficult day, a very sad day. But at the end of the day nobody is exempt from requirements of performance and requirements of standards. And when I use the word standards, I don't impute any dishonesty on Mr Morris' part.

QUESTION:

[Inaudible] negative effect on your Government of these ministerial departures coming on top of the previous ministerial departures?

PRIME MINISTER:

Well, I think it has been a very difficult week. Of course I would have wanted it otherwise but politics has some good weeks and some bad weeks and this has been, I think, *septum dias horribillus*.

QUESTION:

Mr Howard, would a week like this make you reconsider the joys of being in politics and reconsider whether the job of PM is worth it?

PRIME MINISTER:

Absolutely not. What this week has done is to give me a steely determination to continue to deliver the good government that I believe we have, in the main, delivered. And to not only lead the Coalition to the next election but, indeed, in the medium term at least, to be the Prime Minister of Australia at the Centenary of Federation.

I am not a person who lightly gives up in the face of some temporary difficulties. And what this week has done, difficult though it has been, what this week has done is to give me an even greater determination to carry on, to fight on, to deal with a rudderless Labor Party and to deliver the good government that the Australian people elected us to deliver in March of last year.

QUESTION:

When you reshuffle the Ministry and the Cabinet will you maintain National Party numbers in the Cabinet and in the Ministry in line with the Coalition agreement you reached with Mr Fischer last year?

PRIME MINISTER:

I think it reasonable of me to say one thing about ministerial changes that I will announce at the end of the week. And I don't want to dignify it with any particular word because that does rather tip ones hand, but I what I want to do of course is to preserve and honour the normal ratio between the Liberal Party and the National Party. That is determined according to the numbers. That's the age-old formula. I think it's fair and I think it's reasonable.

Can I take the opportunity of saying that one of the great strengths of the Coalition is the absolute bond of trust and reliability and dependability that exists between myself and Mr Fischer.

QUESTION:

When did Ms McKenna tell you of her recollection given that your office, last night, was saying that neither of your staff had any such recollection?

PRIME MINISTER:

Well, I'm not sure as to the - precisely what sort of briefings were given in relation to the two but...

QUESTION:

[Inaudible]

PRIME MINISTER:

Well, I think it's fair to say that last night was a pretty frenetic night and I think there may have been some confusion. But Ms McKenna indicated to me both yesterday and today that she'd had no substantive discussion about the Sharp repayment, certainly no reference to the magnitude. The gist of what she put to me was that he'd indicated in a very casual way that there were some repayments of T/A taking place. There was no suggestion that there was any great drama about it. And in those circumstances it was not the sort of matter that she felt ought to mention to either Grahame Morris or myself.

QUESTION:

And Sharp's name was mentioned.

PRIME MINISTER:

She can't remember, according to what she's told me, she can't precisely remember the names that were mentioned. She thinks names were mentioned but she can't remember what they were.

QUESTION:

Prime Minister, why do you think it is that three Ministers [inaudible] to what for you were the most serious and paramount principle?

PRIME MINISTER:

Well, I think it's two isn't it. Oh no, three, the other is involved in an administrative sense, yeah, sure. I think you have to ask them. I really do. I mean, anybody who knows me does know that I place an enormous amount of importance on these sorts of things. I don't regard them as, sort of, idle red tape. I think it is important that no matter what the other capacities of the Minister may be, that he or she has a responsibility to not only deal carefully but appear to deal carefully with the money of the taxpayer. But I can't explain the motives of other people and, in fairness to them, I

don't want to presume to explain the motives of other people. I can only explain my own motives.

I mean, I didn't want the events of this week to occur. I had no idea when I arrived down here on Monday that this was going to be such a turbulent week. And of course it's been a difficult, painful week and I've had to take some decisions that I wouldn't have wanted to take, but I haven't shirked from taking them because I want to get the Government back on course, I want to get the Government focussing on tackling unemployment and delivering taxation reform and responding to the aspirations and the concerns of mainstream Australia. That's what I'm interested in doing. But you have to deal with these issues when they arise. I regret they've happened. I can't answer for the motives and the priorities of other people. I don't presume to be too judgemental, but equally I'm not amused when I think proper standards are set and, perhaps, some people appear not to take too much notice of them.

QUESTION:

[Inaudible] agreement with the Nationals on three Cabinet posts, doesn't it appear there really aren't any outstanding candidates for that job and won't that weaken your Government?

PRIME MINISTER:

I don't agree with you about there not being any quality candidates. I think there are a number of people in the National Party who will make very good Ministers, as there are in the Liberal Party.

QUESTION:

Prime Minister, will you be filling the three holes that are left or will you be reshuffling?

PRIME MINISTER:

When?

QUESTION:

Will you be simply filling the holes that have been left...

PRIME MINISTER:

I'm not going to speculate about that.

QUESTION:

Mr Howard, [inaudible]

PRIME MINISTER:

I'm sorry?

QUESTION:

In regards to parliamentary employment, is it fair for [inaudible] to claim 109 nights for living at his wife's apartment in Melbourne over the past year at a cost of \$35,000 for the taxpayers?

PRIME MINISTER:

The question of whether it was fair is something that you have to ask him because that involves personal value judgements and each of us may approach those things differently. It was, as I am advised and it is my understanding today, completely within the rules. And to be fair to him, if you were going to start making judgements about fairness or otherwise, I hope that is applied right across the board and I hope that is applied also to people who sit opposite us.

I'm not going to...I think it's something you should ask him. But it is my understanding that it was completely within the rules.

QUESTION:

[Inaudible]

PRIME MINISTER:

I beg your pardon.

QUESTION:

Would you like it to remain part of the rules [inaudible]

PRIME MINISTER:

George, I think the whole thing ought to be on the table. I mean, I want a system that is fair to the decent, honest, hard working member of Parliament.

QUESTION:

Have you got anything in mind?

PRIME MINISTER:

I have got a few things in mind but I want to broaden the mind and get some ideas from the Remuneration Tribunal.

QUESTION:

Are you in favour of a global budget for travel allowance?

PRIME MINISTER:

Oh look, I'm not going to get into that. I mean, look Matt, I can see it coming - Howard supports global budget, opposes global warming but supports global budget.

Mr Wright.

QUESTION:

Are you tempted at all to...

PRIME MINISTER:

No.

QUESTION:

...into the travel claims and expenditure of members of the opposing benches, particularly the frontbench [inaudible]...?

PRIME MINISTER:

Look, I am interested in reducing unemployment and fixing the tax system, Tony. I don't want to get caught up with some kind of dirt digging exercise. I mean, others may, but I'm not interested in it.

QUESTION:

You say it's been a difficult, painful week. The Labor accusations won't stop here, do you think next week's going to be...?

PRIME MINISTER:

Oh but Labor accusations never stop. I mean, what else do you expect them to do. Of course they'll scream and rant and rave and Simon will get suspended again.

QUESTION:

[Inaudible]

PRIME MINISTER:

Well, I don't think it was their ranting and raving that caused us damage this week. I think we caused ourselves damage. I mean, let's call a spade a spade. We inflicted the damage on ourselves and we have to be honest enough and direct enough to

acknowledge that. And I know that and that is why I have taken the action that I have today to the maximum extent possible, in a very difficult situation, to clear the decks and to get back to the business of delivering good government.

QUESTION:

How responsible are you under your code of ministerial conduct for the lapses of your staff in this case?

PRIME MINISTER:

Well, I don't carry a direct responsibility. I carry a responsibility if I believe that they are the sort of lapses or actions that mean that they're perceived capacity to continue in the positions they occupied may have been reduced to take the sort of action that I have. I mean, I'm not directly responsible in the sense that the act of the employee, without an authorisation, is regarded as the act of the employer, if that is what you're trying to suggest.

QUESTION:

[Inaudible]

PRIME MINISTER:

No, the code...I've read the code, as well as writing it and I can assure you that it doesn't have that affect. Have a look, some of the doctrines of company law are relevant here, Michael.

QUESTION:

Mr Howard, you obviously have to invest a degree of trust in your Ministers and in your senior staff. Do you feel any sense of betrayal...

PRIME MINISTER:

No, I don't want to use a word like that. I am immensely disappointed about what has happened this week and I think many people in the country will feel immensely disappointed about it. I wouldn't be human if I didn't say otherwise. But I'm not somebody who pontificates too much on the behaviour of others. I want to get on to the next item.

QUESTION:

Mr Howard...

PRIME MINISTER:

Can we have somebody who's...John, I mean, you're a very interesting interlocutor but can we just try this bloke.

QUESTION:

You've lost seven frontbenchers, what extent are we getting into a second [inaudible]...

PRIME MINISTER:

Well, you know what it's like with ministries. Those in the outfield always think that they should be in the slips or opening the batting or the bowling. So, nobody ever adopts a common description of a first and second eleven. I mean, some people may think that when vacancies arise, the opportunity has finally arrived for the first eleven to be properly recognised. I mean...

QUESTION:

[Inaudible]...badly, some people may start to look at the captain. What sort of responsibility do you as Prime Minister feel for the gaping hole you've now left in your Ministry.

PRIME MINISTER:

Well, Paul I am very conscious that it has been a very damaging week but I am also very conscious and I very strongly assert that in a situation that was not directly in any way of my own making and not directly as a result of any neglect, or mistake of my own, that I have responded both correctly and speedily and comprehensively and openly and transparently to a very difficult situation.

QUESTION:

Do you regret accepting Mr McGauran's word on his statement about repaying the \$9,000 when you announced the resignation of your first two Ministers?

PRIME MINISTER:

Well look I regret that he has had to resign but I mean at the end of the day if you cannot rely on a statement given to you in writing by one of your colleagues, you never do anything. I mean you surely understand the sort of pressure there are on the time of a Minister or a Prime Minister. I require a certain amount of due process, but if somebody gives me a statement, they sign it and they say it's kosher, well surely I am entitled to act on it. I mean if I am not, I would never do anything.

QUESTION:

As I understand it you said you can't say that similar allegations (inaudible)

PRIME MINISTER:

I think I said - well I certainly meant to say - that I can't be answerable for all of the details of the travel allowances and travel arrangements of my colleagues. I mean I am

not suggesting..... make it clear I am not aware of anything else, no, but I don't want to sort of give an answer that somebody will come back to and point to in six months time and say "you said that, therefore, you were certifying that everything is in order. I mean no man or woman in my position can do that.

QUESTION:

At no stage last night then did you suggest to Mr McGauran or to Mr Fischer that he should stand down?

PRIME MINISTER:

No, the situation is that last night Mr Fischer and I had a discussion and we agreed that we would make a final decision on Mr McGauran's situation after I had received from the Secretary of the Department of Administrative Services, a detailed analysis and reconciliation of all of McGauran's travel expense things and that was the understanding we had and that was the line we took. It was a clear understanding between the two of us that we would make a final judgement when we got that. I don't recall speaking myself to Mr McGauran last night. I think Mr Fischer did. But Mr McGauran rang me twice this morning and he was really very keen to resign and I accepted his resignation after discussion with Mr Fischer.

QUESTION:

Well, Mr Prime Minister, to use your cricket analogy it must feel a little more like Michael Atherton than Mark Taylor at the moment.

PRIME MINISTER:

Yes, well I tell you what. He scored a lot of runs for a while and he sort of lost a few tests but he came back. But that is a very cruel analogy to use on me Max, that's all I can say.

QUESTION:

(inaudible) when it was reported about Mr McGauran's claims largely for staying in his wife's Melbourne apartment. And shouldn't you have announced this review back then?

PRIME MINISTER:

Well I suppose you could say that Bob Hawke should have announced a review back in 1983 or Malcolm Fraser should have done something else. Of course with the benefit of hindsight Mr Cleary, you can always say that you can do this or that. Look I have my own sort of attitude about how I will handle the entitlements of my own office and I don't try and over-moralise about these things: Equally, everybody makes their own judgement about what's seen as fair or unfair. I just repeat that it is my understanding that what he did was in accordance with the rules. If you're going to start pointing the finger at Peter McGauran, point the finger at all the other people on

the other side who may be, not in a directly similar situation, but may, in fact, be making claims that some people in the community regard as unfair, yet are strictly within the rules. I mean, I can remember debates about all sorts of claims in earlier years that fell very much into that category.

QUESTION:

You weren't alarmed at the time [inaudible]...

PRIME MINISTER:

I think you will be aware that although he hasn't received much recognition for it, I think you'll be aware that he did take steps to make a very significant repayment.

QUESTION:

What's your gut feel about what the man in the street might be thinking about this week's events?

PRIME MINISTER:

Well, I think the man and woman in the street would feel disappointed that it occurred but they would know they've got a Prime Minister who not only knew nothing about the Sharp allegations until a few days ago, but a Prime Minister who's prepared to take decisive, even though painful action in a personal sense, to right a very difficult situation.

QUESTION:

Mr Howard, what about the man and woman in the market and the stockmarket, what are they going to make [inaudible]...

PRIME MINISTER:

Well, I thought the dollar went up.

QUESTION:

Who are you tipping this weekend?

PRIME MINISTER:

I'm barracking for Newcastle.

QUESTION:

What about the crows?