



**PRIME MINISTER**

2 October 1997

**TRANSCRIPT OF THE PRIME MINISTER  
THE HON JOHN HOWARD MP  
TELEVISION INTERVIEW WITH JENNIFER BYRNE  
THE 7.30 REPORT, ABC TV**

E&OE.....

**BYRNE:**

Good evening.

**PRIME MINISTER:**

Good evening Jennifer.

**BYRNE:**

Let me take up that last point from John Laws. I would like to put to you that even if you do win on travel rorts, and admittedly, you had a very good day today in the Parliament, as Prime Minister of the country, you lose. We all lose because of the disgust that is building up about what is happening in Parliament.

**PRIME MINISTER:**

Well I would agree substantially with that. The whole episode has been unhelpful to public respect for the institution but you have to see it in context. I did, after all, take some painfully, for myself, difficult decisions last week not to push things under the carpet but to actually uphold a very high standard. I lost three Ministers last week, not because I refused to enforce a standard but because I was willing to enforce a standard. I had to let go two members of my personal staff, one of whom I have had an association with for 20 years in pursuit of that standard and all of those things were hard but they were right. And I have to say in my defence that a lot of the controversy and a lot of the publicity of the events of last week was due to the fact that I faced a difficult situation. I acted resolutely, promptly and I applied standards that my predecessor refused to apply.

**BYRNE:**

But...

**PRIME MINISTER:**

No, this is a very important point, and what Mr Beazley has refused to apply in relation to Senator Sherry. Now if you're saying to me, is it better to...

**BYRNE:**

No, but can we just... the whole point is...

**PRIME MINISTER:**

Is it better to get onto other things...

**BYRNE:**

Mr Howard, I just don't want to get onto Mr Sherry.

**PRIME MINISTER:**

No, no, no.

**BYRNE:**

Because you're the Prime Minister.

**PRIME MINISTER:**

Yes I know, and I am answering. You asked me a question as Prime Minister, and if you asked me in a couple of years' time, what is the most important thing that has happened in the last week, it is not the argument over travel rorts, it was really some marvellous things that we have done to promote small business. One of the ladies interviewed talked about small business. Well, during the week my Government brought in what has been described as the best pro-small business package for 20 years.

Now that didn't get as much publicity as it might otherwise have gotten.

**BYRNE:**

But isn't that the point, that really your agenda has been thrown aside in the public mind. What I don't understand, Mr Howard, is as you said, you suffered badly last week. You lost three Ministers and three staffers have gone. Now you said that you wouldn't be going tit-for-tat, that you wouldn't be dirt digging yet we've had an horrific week, lots of accusations. How can you justify allowing this to happen, in fact encouraging it. You've been in there dirt digging too.

**PRIME MINISTER:**

Jennifer, you said that my agenda has been pushed aside. That's wrong.

**BYRNE:**

In the public mind we have heard about the travel rorts.

**PRIME MINISTER:**

You can't, with great respect, people in the media can't have it both ways. You can't salivate about the argument and then moralise about the fact that it's going on. I didn't hear people last Friday saying there ought to be a truce and it ought to stop because that was the end of the week that was bad for the Government. What I did this week was to say to Peter Reith, we've got to get our small business package out. We got that out. We introduced major reforms in relation to the child support agency. You can't say that our agenda is being pushed to one side if we are still getting on with the business of Government.

We are getting on with the business of Government and naturally, it has not been a good two weeks for the institution. I accept that. I accept that completely but it doesn't follow from that that every Member of Parliament has set out to rort his or her travel entitlements. The great bulk of Parliamentarians are honest men and women who work very hard for their electorates and try very hard to support the values that they believe in.

**BYRNE:**

But when Peter Andren got up and he said what many in the community believe, that we need a simpler, saner system, you howled him down. You called him sanctimonious, that he was smearing Members, why wouldn't you listen to him?

**PRIME MINISTER:**

He was wrong in what he said. What he said was that things had been systematically rorted and he then in fact withdrew that criticism and he was also wrong to imply that I hadn't done anything. I have in fact done more to clean up the system than any other Prime Minister. I have sent a reference off to the Remuneration Tribunal to give us a more transparent system. Before that, another of other changes were introduced and...

**BYRNE:**

Let me ask you about this.

**PRIME MINISTER:**

Could I just...

**BYRNE:**

Well I want to actually pursue this because I think it is an important issue. You have, you have put this.

**PRIME MINISTER:**

Let me finish. I'm sorry. You asked me a question about Peter Andren and perhaps because you didn't like the answer, you interrupted me. Now I am simply...

**BYRNE:**

No sir, I wanted to pursue the issue of the Remuneration Tribunal.

**PRIME MINISTER:**

No, well I also want, and insist upon my right to answer questions that you put to me. What Peter Andren said and implied was that, in effect, that everybody had been doing it. Now I, as an individual Member of Parliament, as Prime Minister, as Leader of the Liberal Party I resent and reject that. I have never set out to do anything wrong in relation to my travel allowances and I believe that that applies to the overwhelming majority of Members on both sides and I am simply not, however unpopular it may be in a populist media sense to say so, I am not going to have the names of all Members of Parliament besmirched.

Now that's what I was defending. I wasn't criticising his right to ask the question and the decision to remove him was not mine. It was the Speaker's.

**BYRNE:**

Can I ask you about the tribunal now, sir?

**PRIME MINISTER:**

Yes.

**BYRNE:**

That out in the community, the system that we all understand is called receipts, that you get money back for receipts submitted for legitimate business expenses. Would you support a system as simple and transparent as that?

**PRIME MINISTER:**

Well it's one of the options that I have raised in the letter of reference to the Remuneration Tribunal.

**BYRNE:**

Would it be, it certainly would be one that the community would understand. Would you favour that as opposed to just one of..

**PRIME MINISTER:**

Well it has some appeal to me because of it's simplicity. There are some complications to it but Jennifer, I want a transparent system. I have not enjoyed the last two weeks. I understand the concerns of the public. And I feel let down, in a sense, about certainly what happened last week. But I do want to take the opportunity of defending those men and women in Parliament who are honest and trying hard. And there are a lot, on both sides, that are in that category and they have a right to protect their good names like any other citizen. I mean, at the end of the day your good name is the most precious asset that you have and they have a right to defend and protect their good names.

**BYRNE:**

Again, looking at it from just a personal, community point of view. To take a personal example - before you moved to the Lodge, as I understand you shared an apartment with two other MPs.

**PRIME MINISTER:**

I did.

**BYRNE:**

For which, I understand, you would have been paid \$145 a night, is that right?

**PRIME MINISTER:**

Well, it's not just for the accommodation. Hang on, it was also, it was to cover all of your living expenses.

**BYRNE:**

Would you have absolutely spent exactly what you claimed? And, I suppose, my question is, these allowances, though legal, totally legal, are they perks or are they rorts?

**PRIME MINISTER:**

Well, it depends on the circumstances. In my case I rented, along with two colleagues, a flat for the whole year, which is 365 days. I would have spent, on average, I guess 100 to 120 days in Canberra. I can't be precise about that. But about a third of the nights I would have claimed, been entitled quite legitimately, to claim the travel allowance, out of that I defrayed my rent. I also paid for my meals. I entertained

constituents when they came to Canberra. I took colleagues out for dinner. The idea that the only expense you have is in relation to your flat is wrong. I mean, if a constituent rolls in - and they do and it's their right, it's part of the job - of course you take them to lunch or to dinner or you buy them a drink and so forth.

Now look, I'm not complaining. The last thing I've ever done is to complain about my remuneration. It's better than that of the average Australian citizen. But to suggest that automatically, because you share a flat in Canberra which you only occupy for one-third of the year but you pay for for the whole of the year, that that automatically represents some extravagant perk, I think in many cases can be unreasonable.

**BYRNE:**

Can we move on Mr Howard?

**PRIME MINISTER:**

I think moving on is, in fact, the operative injunction of the entire Australian community.

**BYRNE:**

Okay, well I'll take up that request. One immediate problem that arises from this pretty horrible now 10 days that you've been through is the future shape of your Ministry. You've said that you intend to maintain the balance in the Coalition between the National Party and the Liberals, but it would seem to me you've got a real problem here because Peter McGauran has gone, the only other National Minister you have, Bruce Scott, has been targeted and there are some questions still to be answered.

**PRIME MINISTER:**

Well, he's answered all the questions.

**BYRNE:**

Okay. Will you persist with maintaining the Coalition? Because it seems if you don't go for Mr Scott that you're going to have to reach right out beyond the Ministry into the backbench if you wish to maintain the National Party balance. Will you do that? I mean, the National Party have already given up on waterfront reform. They say that's for Mr Reith. Will you abide by that Coalition agreement where the Nationals have the same representation?

**PRIME MINISTER:**

Well, I will certainly maintain the Coalition and I will honour the agreement that I shook hands with Tim Fischer on in March of last year.

Coalition arrangements are solemn things entered into between two parties. Tim Fischer is the most loyal and effective Deputy Prime Minister that any Australian Prime

Minister could have. And I have certainly no intention at all of welching on the arrangement that I made with the National Party. I would allow it and I wouldn't expect it to welch on any arrangement I made with it.

**BYRNE:**

So even if you have to promote a backbench National Party member...

**PRIME MINISTER:**

Well, Jennifer, I'm not going to get into talk about personalities. Good try. But I will be making certain decisions over the next few days in discussion and consultation with Mr Fischer and Mr Costello, as is normal, and when I've reached my own decisions I will announce them. But it will be against the background of honouring the Coalition arrangement and that is the right thing to do. It was an agreement we entered to for a three-year period and it will be fully honoured by me as Prime Minister.

**BYRNE:**

Mr Howard, can I ask that maybe not so much a personality, a potential rival, you heard Mr Fraser has stood up today and praised Mr Costello for a wonderful job. The dogs, you would know, have been barking for days now about your leadership, also looking at Mr Beazley's leadership. Do you feel hot breath on your shoulder, sir?

**PRIME MINISTER:**

Well, no. And can say I praise Peter Costello very lavishly for his performance in Parliament over the last couple of days. One of the good things for a Prime Minister is to have strong performers beside you and behind you. It adds to the strength and the lustre of the team. And I'm very proud of the fact that I have a lot of good performers in Parliament. We've demonstrated that this week. And can I say that if I had been at the podium this morning, instead of Malcolm Fraser, I would have used very similar expressions because I think Peter's performance this week has been outstanding.

**BYRNE:**

Would you express similar support and confidence in two Ministers who have been questioned as to whether they will stay in the Cabinet in their current portfolios, Amanda Vanstone and Daryl Williams, the Attorney-General?

**PRIME MINISTER:**

Well look, I'm not going to start going through the whole Ministry. You asked me a particular question in a particular context about the Treasurer and the Deputy Leader of my Party. I'm not going to get into the business of, in relation to anybody else, of saying who's what. I mean, you know I'm not going to do that.

**BYRNE:**

When will the new Ministry be announced?

**PRIME MINISTER:**

Oh, it will be announced by Sunday.

**BYRNE:**

It was going to be late this week, wasn't it?

**PRIME MINISTER:**

Well, was it? I mean, is there much difference between Friday and Sunday?

**BYRNE:**

I just wonder if it suggests more difficulties.

**PRIME MINISTER:**

No, no it's not. It's just that I've had one or two things to tick off this week including that outstanding small business package, the child support agency and also, might I say, this is the week in which we have had a revolution in the involvement of the Mums and Dads of Australia in share ownership. The Telstra share float represents the turning of a page in the history of share ownership in Australia and it has involved, in way that was never dreamt possible a few years ago, literally millions of Australians in share ownership. And I think when the dust settles about travel matters, what people will properly remember from this week is really the Telstra share float, the reforms to the child support agency and, most of all, the best small business package this country's seen in 20 years.

**BYRNE:**

Well, we shall see. I do thank you for joining us tonight. Thank you Prime Minister.

**PRIME MINISTER:**

My pleasure.

[ENDS]