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PRIME MINISTER

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TRANSCRIPT OF THE PRIME MINISTER THE JOHN HOWARD MP TELEVISION INTERVIEW WITH STEVE LIEBMANN THE TODAY SHOW, CHANNEL NINE

E&OE.....

LIEBMANN:

Good morning to you.

PRIME MINISTER:

Hello Steve.

LIEBMANN:

This is it the, this is the Ministry that's going to restore public confidence in your leadership, in your government and get you to the next election.

PRIME MINISTER:

Well I don't believe there's a lack of public confidence in either, certainly not...

LIEBMANN:

...Well I'd argue on that.

PRIME MINISTER:

Well we might, but it's a very strong team, it contains more changes than people expected. I've promoted some people who have performed exceptionally well and I've altered the responsibilities of others and I think, overall, it's a very strong team.

LIEBMANN:

You've had to dig pretty deep though, Mark Vaile last Friday as a humble back bencher, four years experience in the Parliament. He's gone from being one of the troops sitting around the boardroom table and young Mr Thomson, Andrew Thomson, he's only been in Parliament...

PRIME MINISTER:

...Well that doesn't matter. I remember a bloke who entered Parliament in 1974 who was Treasurer in 1977, so there's nothing unusual about that. Mark Vaile is a very competent person and most of the people with whom I've spoken said that he was a logical appointment to replace John Sharp. Andrew Thomson has particular skills, certainly in the area that I've chosen him as Sport and Tourism. And I think overall it is a stronger team.

LIEBMANN:

They'll handle the heat.

PRIME MINISTER:

I think they'll do more than that. I think they will assist me in returning the focus of Australian politics to things that people are concerned about: job creation, taxation reform, cleaning up the native title mess. They're the things that people are really interested in. That is what we were elected to do and despite the distractions of the past couple of weeks, we've continued, such as our small business reforms indicated and our child support agency changes, we have continued to focus very heavily on those mainstream issues.

LIEBMANN:

What about that election promise to reduce the size of the Cabinet and the Ministry?

PRIME MINISTER:

Well I don't know that I ever promised to reduce the size of the Cabinet or the Ministry. I said I'd reduce the size of government and I've done that, because the budget deficit now, is much lower than the one we inherited. We inherited a \$10.5 billion deficit and at the end of our first three years in office that will be \$1.6 billion dollars. Now that is what I promised to reduce, it's neither here nor there whether you have 26, 28 or 30 Ministers. That doesn't determine the size of government. It's how much the government spends of taxpayers money that determines the size of government.

LIEBMANN:

The Coalition has the largest ever female representation in the Federal Parliament and yet you can only find a place for one woman in your expanded Ministry.

PRIME MINISTER:

No, that's not right, I've got a total of four Ministers in the Ministry.

LIEBMANN:

But only one upstairs?

PRIME MINISTER:

Yes, but hang on, I mean, I have now got for the first time in a number of years, I've now got a person who is full time looking after the status of women. Previously, it was just an addition, as the Minister assisting, to Jocelyn Newman's Social Security responsibilities, I have now got in Judi Moylan, somebody who is looking after it full time. So don't anybody suggest...

LIEBMANN:

...Well some are.

PRIME MINISTER:

Well, they're wrong.

LIEBMANN:

OK. Because none of this would have been necessary if it hadn't of been for the so called travel gate travel rorts affair. Given what's happened over the past two weeks and especially Nick Sherry's unfortunate action of last week, is the tit-for-tat brawling over now?

PRIME MINISTER:

Well, we didn't start it but there were matters that came out which required the resignations of people. What occurred there shouldn't have happened, but it did, and those people are now out of the Ministry. There is an investigation by the Auditor General. Matters that can properly be raised in criticism of your political opponents should be raised. There is a difference. I was prepared to take action in relation to the people in my team. Kim Beazley wasn't.

Now I don't want to dwell because of the unfortunate events affecting Nick Sherry, but of course I don't want to dwell unduly on his personal position, but the fact remains that when the crunch came and the heat was on, Kim Beazley didn't have the guts to impose the standards that I had the guts to impose on my team. It's cost me dearly in terms of personal pain in relation to two valued staff members and colleagues, but I'm still prepared to do it and now that it's happened I'm now getting on with the job.

LIEBMANN:

You have knowledge now though that the system has been systematically abused by some, by no means all but by some and is now in need of urgent reform.

PRIME MINISTER:

Well I certainly agree it's in need of urgent reform. We have made a number of changes, I'll make even more changes when the remuneration tribunal gives me some advice on that. And are you saying, well some people cheat, the great bulk don't.

LIEBMANN:

But what's the big deal, you're the Prime Minister, why can't you simply say, and I don't want to dwell on this aspect of politics, but why can't you simply say: listen I'm the Prime Minister fellows, the rorting is over from this particular date your system's changed, protect your receipts, you'll be reimbursed on legitimate claims, end of story. Taxpayers have got to do it.

PRIME MINISTER:

Well, what I can say, as Prime Minister, is that I will deliver a new system that will be as rort proof as anybody can produce.

LIEBMANN:

On Saturday the former Liberal Minister, Sir James Killen, called for the televising of Parliament to be scrapped. He said Parliament had been turned into a place of entertainment, the past two weeks had been desperately sad. Do you agree? Is the televising of Parliament a mistake?

PRIME MINISTER:

No it's not. There is never, with great respect to my dear friend, Jim Killen, you can't turn back the clock on the communications revolution. I mean, the idea that you would hide behind not televising Parliament is ridiculous. There are some things shouldn't be televised, court proceedings should not be televised. I will fight with every bit of my body against televising criminal trials and to have a repetition of the OJ Simpson trial in this country. That is obscene, it would destroy I guess the impartiality of our criminal justice system but when it comes to Parliament the public is entitled to have the modern communications techniques made available in relation to things like that, and Jim I don't agree with you mate.

LIEBMANN:

All right, just go back to the reshuffle. Would you have done it had it not been for the so called rorts affair.

PRIME MINISTER:

I don't know Steve, probable not to the same extent. Look you never say never in relation to ministerial changes. That is in the nature of politics. Obviously the events of the last couple of weeks resulted in the need for certain changes. I think it is a much better team and I have done what a Prime Minister should always do and that is reward performance and I don't think anybody doubted that people like David Kemp and Nick Minchin performed outstandingly and they deserved some promotion and some recognition.

LIEBMANN:

But on the other hand if Ministers Vanstone and Moylan weren't performing to your expectations, to your satisfaction and weren't up to it, shouldn't you have got ridden of them anyhow?

PRIME MINISTER:

But I still think both of them performed appropriately. Why did I move them, I think I can do better with the new arrangements. I mean Judi Moylan is still a Minister, she's got full time responsibility for the Status of Women. Amanda is still a Minister with responsibilities to Justice. I mean, you're saying to me, if I had thought they were so bad that were [inaudible] I didn't. I didn't think that at all. I still had a very high regard for both. Each of them had difficult reforms and changes to put through and each of them was very, very stoic, but that doesn't alter the fact that halfway through, I can make the political judgement that, David Kemp, in the case of Employment and Education, Warwick Smith, in relation to Family Services, can relevantly speaking, add a bit more as far as the promotion of the government.

LIEBMANN:

But you can see where I'm driving, I mean the suggestion is that you had to have your arm twisted, if it hadn't of been for the trouble rorts affair, you would have sailed along merrily even though they were Ministers...

PRIME MINISTER:

Some people will say unkind things about me Steve, no matter what I do. I had to make changes, I've decided on more changes than people expected. The firepower of the new team in the politically sensitive areas is now stronger in my opinion. That is why I made the changes. That's my responsibility the health of the government and the prosecution of the government's message and doing the right things by the Australian people at the end of the day is my responsibility. You've got to be sensitive to people's feelings but at the end of the day you've got to do things that are right for the government and no body else.

LIEBMANN:

When you last appeared on the programme I suggested to you there was a despair and frustration with your leadership and the apparent lack of vision. People wanted to know, they wanted to know where John Howard is taking them.

PRIME MINISTER:

Well I can say to them now, John Howard is taking them to a focus on things that concern their daily lives. They don't want excessive debate about things related to travel. They want dishonesty punished, but they don't want an excessive focus on these things. They want their tax system fixed, they want unemployment brought down, they want the native title mess fixed up, they want stronger growth so we can see more of job generation. They're the things that people are really interested in.

LIEBMANN:

And yet you look at that Financial Review Morgan poll last week, only 25 per cent of the big end of town thinks unemployment's going to fall, two thirds of business and professional people believe your governments moving too slowly on economic reform.

PRIME MINISTER:

Well some business people always think that. They're wrong, as I'll go into some detail about tonight at the speech in Melbourne.

LIEBMANN:

Are you going to tell those business people that you speak to in Melbourne tonight that get off the golf course and get back to work?

PRIME MINISTER:

No, what I am going to do is remind them that this government enacted more economic reforms in 18 months than any Australian government since World War II, despite the difficulty of the hostile Senate. I mean we have, after all, cut that deficit dramatically. We've got the largest privatisation program in Australia's history, unlike the Labor Party that doesn't have the guts, apparently, to privatise things as evidenced by what happened in NSW at the weekend. We have changed revolutionised the workplace relations system, we are embracing fundamental change to Australia's taxation system, we've given the greatest environmental package this country has seen since World War II. Now all of this in the space of 18 months, and I say to my critics in the business community you are wrong, you have course have the right always to argue for more, but on any fair measure there's been a remarkable degree of reform and the Australian economy is growing very strongly, inflation is down, interest rates are down, business investment which is the ultimate test.

LIEBMANN:

But why is big business..

PRIME MINISTER:

...I guess some of those people, in big business, some of them are never satisfied, but I mean the real test of the business community's attitude to my government is the amount it invests. Business is voting with its dollars in favour of my government because business investment is at very high levels.

LIEBMANN:

You must have people, family and friends, whose opinions you respect and if you got them together today and you said to them in the aftermath of the past two weeks how much damage has been done to the institution of Parliamentary democracy. How much trust and respect has been lost? What do you reckon they'd say?

PRIME MINISTER:

Well they would say some, but they would say, it's not irretrievable and it depends on how quickly there is a refocus of things that concern people. You get very mixed views I mean some people have said to me of what are you worrying, why do you concentrating on this essentially irrelevant issue. I mean, my response to that is that where allegations of any kind of misdemeanour is made concerning public funds it is not an irrelevance. And I'm going to stress nobody has been found guilty of anything and in fairness.

LIEBMANN:

So if they haven't been found guilty and you're innocent until proven guilty, why did you dump three Ministers and probably your closest personal adviser?

PRIME MINISTER:

Because not only in politics, not only must propriety be served but the appearance must also be served. You know that as well as I do.

LIEBMANN:

How did you sack your best friend and three Ministers?

PRIME MINISTER:

It was very hard, he offered his resignation and it was a, not only Grahame but my other staff member, Fiona, both of them have been with me for a very long period of time and it was very difficult. But in the interests of the government and given as you as a newsman will know, the importance of politics of perceptions as well as reality,

you know there was no alternative once that broke and once I had to have an investigation by the Auditor General, everybody knows I had no alternative.

There is something faintly hypocritical about some journalists who sort of screamed for heads and, after the heads have been delivered that said: oh, he went too far. Why did he overreact? I mean it's like some of the people in relation to the reshuffle. They identify certain people and say, do something and when it's done they say: oh, this is terrible, he's altered the balance. Now that happens, I think I did the right thing. It was painful and personally damaging, in the long run though it was the right thing. The Australian public will look back and say well: Howard had the courage to do something different, Beazley put his head in the sand turned around and just pretended as if it hadn't of happened.

LIEBMANN:

Just quickly are you looking over your shoulder with the two Peters?

PRIME MINISTER:

They're very good supporters of the government. They've got a lot of promise.

LIEBMANN:

And you're going to be there at the next election, leading the team?

PRIME MINISTER:

Oh yes, absolutely.

LIEBMANN:

Now all this talk about murmurings, restlessness, not worried?

PRIME MINISTER:

No I'm not, but I've been in politics long enough to know Steve that sort of thing will always be around no matter who's in the chair I think it's a product that [inaudible] of Parliament and being somebody who believes in competition I think it's always important to have people in the background striving to excel.

LIEBMANN:

Thanks for coming in, nice to see you again.

PRIME MINISTER:

Pleasure.

LIEBMANN: