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PRIME MINISTER

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TRANSCRIPT OF THE PRIME MINISTER THE HON JOHN HOWARD MP RADIO INTERVIEW WITH HOWARD SATTLER, RADIO 6PR, PERTH

E&OE.....

SATTLER:

My next interview is with Prime Minister John Howard. Good morning Prime Minister?

PRIME MINISTER:

Good morning Howard.

SATTLER:

Your Defence Personnel Minister, as I said, has had a nice hot potato land upon her lap?

PRIME MINISTER:

I'm sure she will handle it with great skills and dexterity.

SATTLER:

Yeh, well I'll tell you what, this will be a big test and talking about tests, there have been a few tests put to your Ministers recently haven't there?

PRIME MINISTER:

We've had a bit of activity, but that's now behind us. I was prepared to do something when faced with a problem. Mr Beazley wasn't. That's the difference.

SATTLER:

You say you put it behind you and I've got to say that the Attorney General, Daryl Williams, who has been elevated, said much the same. The Transport Minister, the new Transport Minister, Mark Vaile, said much the same but does that mean that the travel rorts affairs just goes away now and there's no change in the system.

PRIME MINISTER:

No, it doesn't mean that at all. There will be a change in the system to make it less vulnerable to those small minority of Members of Parliament who are careless or may deliberately try and cheat. The great bulk are careful and are very honest, but unfortunately a small number aren't in that category. I will deliver a system that is as foolproof against reckless indifference to accuracy and dishonesty as is possible. I've asked the Remuneration Tribunal for some advice. We discussed it yesterday, and there is a strong view in the Cabinet that we have to deliver a better and different system, but as far as the rest of the issue is concerned, well, I am more interested in dealing with matters like unemployment and taxation reform and cleaning up the native title mess, which I know is of such great importance to people in Western Australia.

SATTLER:

Well, we wish you would clean it up.

PRIME MINISTER:

Well, I've introduced the legislation Howard. That legislation was introduced 3 weeks ago in the House of Representatives and we have been told by those who control the numbers in the Senate, that there will be consideration of the legislation before Christmas. Now this is imperative, this thing has been going on for too long already, through no fault of ours. We were delivered a High Court decision in December of last year against all expectations.

SATTLER:

The Parliamentary Committee is now running around our North West and you have got people like former Aboriginal Affairs Minister, Fred Chaney and Ian Viner, all, sort of, carping at the Government, carping at you and saying, you know, you can't have these amendments and what do you think about that?

PRIME MINISTER:

I don't agree with them. We do need amendments. We do have to deliver certainty to the miners and farmers. What I have put down with my 10 Point Plan is a fair balance between the interests of farmers and miners and the interests of Aboriginal people.

But you have got to remember that before the Wik decision, we were effectively promised by Mr Keating and this was acknowledged by many people in the Aboriginal community like, Noel Pearson, that the grant of a pastoral lease completely extinguished native title.

Now what I have proposed is something which is in accordance with the principles of the Wik decision, delivers security but falls a little short of that guarantee that Keating, in the eyes of many people gave. Now it's a bit rich for people to say that I am being unfair to the Aboriginal people when, what I am doing is actually in theory, falling a little short of what everybody believed to be the law before 23rd December last year.

I mean, let's be fair about this. These people who are having a go me over this on the grounds that I am being unfair to Aborigines...

SATTLER:

...These are your former Liberal mates, by the way?

PRIME MINISTER:

With great respect, I don't care what their political lineage is. I want to deal with the merits of this issue. It is a very difficult issue and I have tried to strike a fair balance. I think the overwhelming majority of Australians want this legislation through. They are fed up with the debate over native title. They're fed up with the confusion. They're fed up with all the bickering over what different things mean. The Government has produced a bill, that bill will provide security. It has been discussed in great detail with all the State Governments, including, in particular, the Western Australian Government, from whom we received some very valuable advice in the course of preparing the legislation.

The universal cry I hear as I go around Australia on this issue is: get the legislation through, let's have some predicability and have some stability and let's have done with all of this endless debate about native title.

SATTLER:

All right. But what do you think of Aboriginal groups - and I have this information first hand - Aboriginal groups are simply saying give us the money and we will go away and will withdraw our claims? And it is happening, I can tell you, in the North West right now.

PRIME MINISTER:

If that is happening it rather exposes the hypocrisy of people who say this is a great issue of principal. If it is a great issue of principal you wouldn't be saying give us the money and we'll go away.

Now look, I don't know who you are talking about. I mean you say you have it first hand. That's interesting. I don't have that first hand. My responsibility as Prime Minister is to deliver a fair outcome and that's what I have done. The Australian people want that fair outcome passed through the Parliament.

SATTLER:

But what do you think Aboriginal people should get out of this? The call has been for jobs, education and that sort of thing and guarantees of some income. Is that fair enough?

PRIME MINISTER:

I think Aboriginal people should get justice out of this. And that means if they can reach agreement with mining companies and with others and they agree to certain developments going ahead in exchange for money, that will provide jobs and education opportunities...

SATTLER:

...But as long as that money does. That's the point I am making. It shouldn't be just cash-in-hand.

PRIME MINISTER:

Howard, that ultimately is a question of, I guess, the self discipline and the degree of responsibility within the Aboriginal community. I am always in favour of Australians negotiating sensible agreements and sensible compromises but you can't do that unless you have a framework of law which ensures that if you can't get an agreement and you can't get compromise then it's possible for people to know where they stand.

Now, we are going to provide that. There is nothing in our Legislation that will in any way interfere with the right of Aboriginal people to negotiate directly with mining companies or pastoralists and to reach fair solutions which are beneficial to them and advantageous to mining companies. And that means advantageous to the whole of Australia, because when you are talking about mining companies, you are talking about export income for Australia. You are talking about jobs for Australia. You are talking about the future economic growth and development, not only of Australia but in particular of Western Australia, which provided so much of our export income.

SATTLER:

Can we talk about aged care?

PRIME MINISTER:

Indeed.

SATTLER:

You demoted Family Services Minister Judi Moylan. Did that have anything to do with her failure to sell the aged care reforms, especially the Nursing Home Bond?

PRIME MINISTER:

It's not a demotion if somebody's in the outer Ministry and they remain in the outer Ministry with a different portfolio. Now let's not sort of...

SATTLER:

You removed her from that portfolio?

PRIME MINISTER:

I put her into another portfolio, but her seniority and her position is the same. She has gone from being the Minister for Family Services to being the Minister for the Status of Women.

SATTLER:

Would you agree she had not sold the aged care reforms as well as she could of?

PRIME MINISTER:

I think Judi did an exceptionally good job with a very important, difficult but necessary reform. And, can I say with relation to the aged care reform that the Labor Party is conducting a quite disgraceful scare campaign. What I have done with nursing homes is the same as what the Labor Party did with hostels. What we are asking is that people who can afford to do so, I repeat, people who can afford to do so, make a financial contribution to their care in a nursing home.

I know it is difficult. I know it can be the subject of an easily whipped up emotional campaign but there are issues where a Government has got to take a stand and has got to cop some short term unpopularity, some short term emotional attack, some short term flak in the interests, over a long period of time, of bringing in a sensible reform.

I mean, if every time we did something that people ran an emotional campaign against, we caved in and changed it, we would be a hopeless Government.

SATTLER:

Yeh, but Prime Minister, it is very hard not to be emotional when a 95 year old man called this program and all he had - his only asset - was his home. He was forced to sell his home to pay for the bond. They said you have got a sufficient asset there for us to ask for a bond. He said I have got no additional money and he had to sell his house and rang the program yesterday threatening to kill himself. Now what do I do with him?

PRIME MINISTER:

Well Howard, I understand that there is emotion in this issue. I understand that. I have said that. I've acknowledged it.

SATTLER:

Yeh, but your Minister said that no one would be forced to sell their home.

PRIME MINISTER:

Well, that doesn't absolve us from the responsibility of pressing ahead with a sensible reform. Now you talk about a particular case. I am simply not going to respond to particular cases unless I am in full possession of all of the details.

SATTLER:

Well I have had five similar calls in the last two days.

PRIME MINISTER:

I understand what you're saying but you must understand that unless I am in full possession of all the details, I can't give an intelligent answer.

SATTLER:

All right. Broadly speaking, should people have to sell their homes to pay for a spot in a nursing home?

PRIME MINISTER:

Twenty three years of politics has taught me that often, when things are said in interviews, without any ill will on anybody's part, further investigation produces alternative facts.

Can I say that I don't think that it is a supportable proposition for people to say that if an elderly member of their family has to go into a nursing home and that family - by reason of the assets of that elderly person and therefore their potential inheritance - if they can afford to make a contribution towards that person's care in their remaining years on this earth, then I don't think it is reasonable that they turn around and say: look, I don't want any of those assets touched, I think it is the responsibility of everybody else to look after my elderly relative.

Now I am just asking you Howard and I am asking your listeners, because they really believe - given that Governments only get their money from taxpayers - do they really believe it is fair that if you and your family can make a contribution and the contribution is limited to a draw down of \$2600 every year and if there is any money left over from the bond after the person leaves the nursing home, for whatever reason, then that is refunded to the person or to that person's estate.

Now are you seriously saying to me that if people can afford to make a contribution they still shouldn't be required to do so no matter what their assets and the rest of the taxpayers should contribute the capital is needed to maintain the quality of the nursing...

SATTLER:

Prime Minister, what I think I am asking is for you to confirm the promise from, Judi Moylan, then Minister, that no one would be forced to sell their home for a spot in a nursing home. Now some of these people don't have any relatives and I suspect the 95 year old didn't have anyone else to pay.

PRIME MINISTER:

What the Minister was saying, in the context of that, was that in many cases arrangements can be made to borrow on the strength of the home - arrangements can be made to rent the home out - and it was in that context that she made the statement. Obviously, if a person is living alone in a home and that person goes into a nursing home, it is not impossible for the home to be let out.

I mean, I know of a number of cases in my own extended family where that occurs, where an elderly Aunt of mine went into a nursing home and her property, in which she had lived alone for a number of years, was rented out. It provides an income stream. It was unencumbered at the time. If this system had applied at that particular time, it would have been possible to raise some money on the security of that home and the relatively small amounts that may have been required and that loan could well have been serviced by the renting out of the home at a time when you could get perhaps a couple of hundred dollars a week rent for that home.

I know it is difficult and I know the easy thing for me to have done and the easy thing for the Government to have done would have been to say look we won't have anything to do with it, it is too hot to handle, but I repeat, what we are doing with this is what Labor did with hostels and it is disgraceful hypocrisy on Kim Beazley and Jenny Macklin's part to run around the country scaring elderly people, telling lies about our policy.

SATTLER:

And so are they responsible for the suicides?

PRIME MINISTER:

I am not making any allegations about the suicides, nor indeed should you draw any conclusions, or I draw any conclusions. I understand the stress that many elderly people suffer.

SATTLER:

So is there going to be no review of this aged care reform?

PRIME MINISTER:

I also understand that we have got to strike a balance between a sensitivity to that stress and also getting extra money into the nursing homes sector in Australia.

SATTLER:

So there will be no review?

PRIME MINISTER:

We will review its operation but the policy changes that were brought in by the Government - they were brought in by Mrs Moylan with the full support of the Government - those policy changes will remain.

SATTLER:

Alright Prime Minister I know time is our enemy here but the story the other day about the proposed VAT that is going to be discussed by the Premiers at the end of this month, and prospectively a 21% VAT. Is that going to be seriously canvassed?

PRIME MINISTER:

Well before I answer that can I finish my earlier answer. And my earlier answer is that the policy changes will remain in the nursing home sector, but I will of course be willing, as will the new Minister, Warwick Smith, as always be willing to discuss the operation of it, but we are not going to change the date of introduction. We think they are fair and defensible changes and the campaign being waged against them is just disgraceful exploitation of the emotional vulnerability of elderly Australians.

Now you asked me about taxation reform. I don't know anything about that document. It is not my document. It has apparently emerged from state source - I know not where. As far as the Federal Government is concerned, we are on track with preparing and working on details to reform Australia's taxation system. I will as I have said, when I made the announcement, sit down with the states and listen to their views. I am anxious to know the views of all of the State Premiers. It is an issue from time to time. For example, I have discussed with the Western Australian Premier, Richard Court, I have discussed it on a one on one basis over the last eighteen months with different Premiers, I will be interested to know whether they have a combined view or whether they have a number of views.

SATTLER:

I tell you what, you would have a heck of a job selling a 21% consumption tax wouldn't you?

PRIME MINISTER:

Well, I am not trying to sell it mate. I mean, I had nothing to do with that document.

SATTLER:

I think you would agree anyone would have a difficult job trying to sell a 21% consumption tax.

PRIME MINISTER:

Just take it from me, pigs might fly too.

SATTLER:

Well alright. Now, I understand you are in Tasmania. Is that right?

PRIME MINISTER:

I am in beautiful, sunny, elegant, Hobart.

SATTLER?

Have you been to that catamaran company yet that you were going to visit today?

PRIME MINISTER:

It is the most fantastic enterprise Incat. The owner of it is such an enthusiastic, impressive businessman. He has got a motivated workforce. He has now sold another one called "The Devil" to the Tasmanian Government to go on the Bass Strait run and he made a very interesting comment - he said he thought his company could become the Boeing of Australia. It was an analogy with the great aircraft construction company in the United States which is has sort of cornered the world market. I mean what this bloke and what the operators in Western Australia also are doing is that they are beating the Europeans, they are beating the Norwegians in particular at a game that they had by the scruff of the neck for a couple of centuries.

SATTLER:

I must put this to you. A few months ago it was looking pretty shaky when you were going to withdraw their 5% bounty. I mean was that a serious error of judgement at the time?

PRIME MINISTER:

It was changed.

SATTLER:

I know, but I mean at the time, surely, there was no logic behind it.

PRIME MINISTER:

We listened to what the industry had to say to us. Any government worth its salt, will listen to a reasoned case put in relation to a decision that has been taken and if that is a good case it will change that decision. That is what I did. Now I will always do that. And I hope that people understand in dealing with my Government, if we take decisions that they think are unreasonable and they put a case to us, if they have got a strong case, we will change it. Now if they haven't, we won't change it and that is what quality government is all about.

SATTLER:

Alright, when are we going to see you over here in this part of Australia?

PRIME MINISTER:

Soon, I had intended to come over about the time I got pneumonia.

SATTLER:

Yeah, how are you?

PRIME MINISTER:

I am fit as anything. Like the proverbial Mallee bull. I am very fit. As you know in my time as Opposition Leader and as Prime Minister I have been a very regular visitor to Western Australia. I haven't been for the last few months. As I say, I had planned to go to the State Conference in July and I got crook and Peter Costello had to come in my place, but I think if you look back on my record over the years, I am a very frequent visitor to Western Australia and I will be there again soon.

SATTLER:

Alright, look forward to having you in the studio when you come.

PRIME MINISTER:

Good to talk to you Howard.

SATTLER:

All the best.

PRIME MINISTER:

Bye bye.

[Ends]