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FM CANBERRA 070405Z FEB 83

TO IMMEDIATE FCO

TELEGRAM NUMBER 56 OF 7 FEBRUARY

INFO SAVING BRISBANE, PERTH, MELBOURNE, SYDNEY

MY TELNO 52: AUSTRALIAN GENERAL ELECTION

1. ANTICIPATING HIS ELECTION BY TOMORROW'S CAUCUS MEETING AS LEADER OF THE ALP, MR HAWKE HAS GOT HIS CAMPAIGN ROLLING ALREADY. HE HAS ABANDONED THE VIEW HE EXPRESSED AT THE ALP CONFERENCE LAST JULY, THAT A CAPITAL GAINS TAX MIGHT BE NECESSARY. (IF THINGS GO WRONG, THIS WILL CAUSE HIM TROUBLE WITH THE LEFT LATER ON.) HE HAS ALSO PLEDGED THE ALP TO PREVENT THE DAMMING OF THE GORDON RIVER IN TASMANIA. BOTH MOVES ARE CLEARLY DESIGNED TO PICK UP SECTIONS OF THE ELECTORATE WHO MIGHT OTHERWISE HAVE DOUBTS ABOUT THE ALP.
2. MR FRASER HAS SO FAR CONCENTRATED ON ATTACKING MR HAWKE FOR HIS LACK OF EXPERIENCE AND ON CASTING DOUBTS ON HIS ABILITY TO WITHSTAND THE PRESSURES OF HIGH OFFICE (MR HAWKE IS NOTED FOR HIS QUICK TEMPER, IT IS ALSO GENERALLY KNOWN THAT HE USED TO HAVE A DRINK PROBLEM). MR FRASER HAS ALSO SOUGHT, NOT VERY CONVINCINGLY, TO EXPLAIN TO THE ELECTORATE HIS DECISION TO CALL A DOUBLE DISSOLUTION (SEE UPTON'S TELELETTER OF 7 FEBRUARY TO ATKINSON, SPD).
3. NEITHER PARTY HAS FORMALLY OPENED ITS CAMPAIGN. THE LIBERALS WILL DO SO IN MELBOURNE ON 15 FEBRUARY, THE ALP ON 16 FEBRUARY IN SYDNEY. BOTH SIDES ARE SCRATCHING ROUND FOR ISSUES, SINCE IN ONE SENSE THE ONLY REAL ONE IS THE PERSONALITIES OF THE TWO PARTY LEADERS.
4. THE KEY TO POWER LIES IN ABOUT A DOZEN MARGINAL SEATS WHICH THE ALP COULD CAPTURE WITH SWINGS OF UP TO 3 PERCENT AND THEREBY ACHIEVE A BARE OVERALL MAJORITY. A SNAP OPINION POLL ON 4 FEBRUARY, SHOWED THE ALP WITH A SUBSTANTIAL LEAD JUST AFTER THE NEWS OF HAWKES SUCCESSFUL BID TO DISPLACE HAYDEN BECAME KNOWN. BUT THERE IS A LONG WAY TO GO YET AND MUCH WILL DEPEND ON HAWKES ABILITY TO PRODUCE CLEAR AND PLAUSIBLE POLICIES, ESPECIALLY ON WAGES WHICH COULD EMERGE AS A MAJOR ISSUE, AND TO PROJECT HIMSELF AS A CREDIBLE NATIONAL LEADER.
5. THERE IS SPECULATION ABOUT MR FRASER'S MOTIVES IN GOING FOR AN UNEXPECTEDLY EARLY ELECTION AND FOR A DOUBLE DISSOLUTIONS. IT SEEMS LIKELY THAT HE HAD BEEN TOYING WITH THE POSSIBILITY OF AN EARLY ELECTION FOR SOME TIME AND HIS DECISION TO GO AHEAD MAY HAVE BEEN TRIGGERED BY HIS LEARNING THAT THE LABOR PARTY WAS ABOUT TO CHANGE ITS LEADER. HE MAY HAVE CALCULATED THAT THERE WOULD BE AN ENSUING PERIOD OF INDECISION AND UNCERTAINTY IN

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THE LABOR CAMP ON WHICH HE COULD CAPITALISE. THE RATIONALE FOR
THE DOUBLE DISSOLUTION DECISION IS DISCUSSED IN UPTON'S TELELETTER.

6. AUSTRALIAN POLITICS ARE SO POLARISED THAT IT WILL BE DIFFICULT
TO OBTAIN BALANCED AND IMPARTIAL VIEWS FROM EXPERTS ON THE
PROBABLE OUTCOME AS THE CAMPAIGN PROGRESSES. HAWKES SURPRISING
EMERGENCE AS ALP LEADER HAS GIVEN THEIR CAMPAIGN A TREMENDOUS
INITIAL FILLUP, AND MR FRASER IS BEING PRESENTED IN THE MEDIA
AS ALMOST AN UNDERDOG. BUT THE HAWKE IMPACT MAY WELL DIMINISH
IN THE NEXT THREE AND A HALF WEEKS, WHILE THE CONSERVATISM OF
THE ELECTORATE MAY LIKEWISE BEGIN TO SHOW THROUGH. AT THE
MOMENT I SENSE A GENERAL HUNCH THAT THE LIBERALS WILL MAKE IT.

MASON

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