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Foreign and Commonwealth Office

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John Chasins

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Following Lyn Parker's letter of 11 April about the call of the Australian Parliamentary Delegation on the Prime Minister tomorrow, you asked for further details of recent political developments in Australia.

The Australian Labor Party (ALP) has suffered several setbacks in recent weeks. In a by-election in February, the party lost the Federal seat of Adelaide to the Liberals, with a swing of 9%. Major issues which contributed to this defeat were a Federal Government proposal (subsequently dropped) to time charge local telephone calls and the non-declaration as election expenses of a 10,000 dollar election donation given by the wood-chipping company Harris-Daishowa to Mr Mick Young, the President of the ALP. This was a major factor in the decision a few days later of Mick Young to resign from his position of Federal Minister for Immigration, Local Government and Ethnic Affairs. He subsequently also resigned as ALP President.

A further blow to the ALP followed on 19 March when the ruling Labor Party in New South Wales (led by Barrie Unsworth) was convincingly beaten in the state elections by the Liberal/National opposition (led by Nick Greiner). The swing against the ALP (on a two-party preferred basis) was the highest in New South Wales for 50 years. There were also sizable swings against the ALP on 19 March in state by-elections in Victoria and Western Australia and in the Queensland Council elections.

Mr Hawke has lost a number of able ministerial colleagues in recent months; Senator Susan Ryan (Education and Status of Women) and John Brown (Environment, Tourism and Arts) have both resigned, besides Mick Young. Mr Hawke has attracted increased criticism for spending too much time on the golf course and in the company of the new rich entrepreneurs. The Labor left complain that he has lost touch with the grass roots. Paul Keating, the Federal Treasurer, is said to be undecided whether to leave politics for business or to hang on in the hope of succeeding Mr Hawke as Prime Minister.



A recent poll shows a drop of 10 percentage points in Labor's support since the general election last July. The next Federal Elections are due in mid-1990, but the Labor Government are thought to be considering a referendum on extending the life of a parliament from 3 to 4 years.

At their calls on the Foreign Secretary and Lord Glenarthur this morning, the Delegation urged the desirability of more visits to Britain by parliamentary delegations from Australia, remarking that theirs was the first such delegation to come to Britain for 17 years. They asked why Britain had not signed the Protocols to the South Pacific Nuclear Free Zone Treaty (the Treaty of Rarotonga), but expressed concern about Soviet and Libyan interests in the South Pacific. They spoke in critical terms of the Common Agricultural Policy, but accepted that Britain and Australia had parallel interests in wanting to reform it. They also showed some rather ill-informed interest in British policy in Northern Ireland and our relations with the Irish Republic.

Done now

Adrian (Culshaw)

(R N Culshaw)
Private Secretary

PS Para 4 above - presumably
the golf is played
on a strategy
Rm

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