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Foreign and Commonwealth Office

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Den Chiles

## Call on the Prime Minister by Mr John Howard, Leader of the Australian Opposition

Mr John Howard, Leader of the Opposition in Australia, will call on the Prime Minister at 1700 on Tuesday 26 July.

We understand that Mr Howard is looking forward to a political discussion. I am writing separately with briefing for the Prime Minister's visit to Australia. I will therefore confine this letter to a summary of the current political situation in Australia.

In June the Liberal/National Coalition was still ahead of the Hawke Government in opinion polls, but in the latest Morgan Gallup Poll published on 2 July the Labour Government regained the lead by 46% to 43%. In the same poll Mr Hawke increased his personal popularity by 3% to 55%; Mr Howard's popularity decreased by 1% to 34%. This turn-around has occurred during a relatively quiet period in Australian politics. Parliament is not sitting and there is little debate in the media on any major issue.

During the past 2-3 weeks, there have been more signs of industrial unrest than for some time. There have been week long stoppages on Melbourne public transport and in the New South Wales and Queensland coal fields. Truck drivers blockaded some of the country's main roads for a few days in protest at increased licence fees. Workers are asking for greater pay increases sooner rather than later, now that the economy seems to be improving. Much will now depend upon the decision of the Conciliation and Arbitration Commission on pay awards for the forthcoming year.

A controversy in Australia has been sparked by the fact that the present Minister of Foreign Affairs, Bill Hayden, is apparently seeking the post of Governor-General which becomes vacant next February. Mr Hawke has done nothing to dampen the speculation, though he has implied that his own choice is not settled. The Liberal Opposition under Mr Howard have made it plain that they consider Mr Hayden an unsuitable choice to represent The Queen in Australia, primarily because of his republican beliefs. The controversy took a sharper turn last week when Mr Ian Sinclair, Leader of the National Party (part

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of the Opposition coalition), implied to the media that not only Mr Hayden but his wife (against whom shoplifting charges were dropped last year) were most unsuitable to reside at Government House. The choice of the next Governor-General is of course for The Queen to make upon the advice of the Australian Government.

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Mr Howard told the Foreign Secretary when he called on him on 21 July that Malcolm Fraser was keen to become Secretary-General of the Commonwealth. He said that neither he nor the Liberal Party as a whole shared the views of Malcolm Fraser on South Africa. Their position on sanctions was very close to ours.

I attach a personality note on Mr Howard.

Private Secretary

C D Powell Esq 10 Downing Street

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## HOWARD, THE HON JOHN (WINSTON) MP

Leader of the Opposition since September 1985.

Born Earlwood, New South Wales 26 July 1939 son of a Service Station proprietor. Educated at Sydney University (LL B); a solicitor.

After various positions in the New South Wales Liberal Party machine, he was elected Liberal Member for Bennelong, NSW, in 1974. Minister for Business and Consumer Affairs December 1975-June 1977. Minister for Special Trade Negotiations June-November 1977.

Unexpectedly promoted to Treasurer following Mr Lynch's equally unexpected resignation from the Government during the Federal election campaign in November 1977 and acquitted himself well, though his relations with the Treasury Secretary were strained and he lost important policy arguments in Cabinet.

Was tarnished by association with Mr Fraser's electoral defeat in March 1983, and although Deputy leader of the Party from 1982, lost the leadership ballot to Mr Peacock (qv) after Fraser's resignation. Deputy Leader of the Opposition and Shadow Treasurer from March 1983 to September 1985.

A surprise ballot on 5 September 1985 for the Deputy's position, called by Mr Peacock to avert the possibility of a direct leadership challenge from Mr Howard, served only to confirm Mr Howard in that position. Mr Peacock promptly resigned and Mr Howard was elected Leader of the Opposition by a large majority.

Any expectations that he would bring a firmer and more effective style of leadership with him were soon dashed. His espousal of "dry" economic policies that had not been carefully worked out led to open dissension within the party and divisions between the leadership and the Liberals' National Party coalition partners as well as many sections of the business community who favoured a more pragmatic approach. After a short honeymoon period Howard's personal standing fell sharply although the party itself tended to maintain its level of support. He will have major problems in identifying a policy platform which will be acceptable to both "dry" and "wet" elements within the party.

He has a rather didactic and pedestrian speaking manner. Sometimes he appears politically naive, but is rarely flustered. By contrast to his stern public image, he is privately a pleasant person and a strong family man.

Married (Janette), 3 children. His wife is a former history and English teacher, debator and adjudicator.

Recreations: cricket, films, reading.

