



PRIME MINISTER

PARTIAL TRANSCRIPT OF THE PRIME MINISTER, THE HON P.J. KEATING, MP - DOORSTOP INTERVIEW, POWERHOUSE MUSEUM, SYDNEY, 25 AUGUST 1992

Q: We're having a bit of problems here trying to understand how Chinese boat people are getting into Australia and it seems Australian journalists have a better intelligence service than Foreign Affairs and the Indons. Can you explain that a bit more?

PM: Well I don't know. I think obviously we have a widely spread news service that is going to pick up information in other countries and that may reach here before local surveillance produces these things.

Q: Mr Keating, are you concerned about the level of the Australian dollar?

PM: I'm not out here for a comment about that, one of you said something about the Liberal's immigration policy.

Q: Are you happy with the immigration level or would you like to see a cut?

PM: We think that the immigration program's important. We think that in reducing the level in recent years to around 80,000 we have taken account of economic circumstances, and we've appropriately taken account. But I'm very very concerned about the attitude the Liberal Party has taken. I think Mr Howard's hijacking of the immigration policies of the coalition - that is pushing Mr Ruddock to one side and demanding that the intake be cut - is I think confirming the general contempt that Dr Hewson holds for the ethnic communities in this country. That is he says multiculturalism is a mistake. He thinks, Mr Howard thinks that the intake should be cut dramatically. What they're saying, not even subtly, is that they don't believe in the migration program, they think multiculturalism is a mistake, and they basically have nothing but disregard for the ethnic communities.

Q: Why don't you want to talk about the dollar or the financial markets?

PM: Because I just don't talk to doorstops about the exchange rate ever, and at doorstops in particular.

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Q: Prime Minister, on the interest withholding tax, is that definitely on the agenda or is this just a toing and froing because there's a problem with your Budget, selling it?

PM: Well what is on the agenda is that John Hewson's got a \$30 billion tax hike. That's over half the existing income tax revenue. Revenue raised is \$49 billion; he wants to raise nearly \$30 billion from a consumption tax. We'll give the Australian people a thirty per cent tax rate without a consumption tax, and we'll do it from a strong fiscal policy. The things we announced last week are basically to keep the tone on fiscal policy. Now he's got exactly the same problem. You understand if fiscal policy in 95-6 is difficult for us, it would be similarly, were he to be in office, difficult for him. So if we've got to say where we're going to raise two billion, so to must he. He must say how he would make fiscal policy more receptive to the tax cuts, that is more able to carry the tax cuts. And so the responsibility is for him not to keep secret his agenda for tightening fiscal policy in 95-6, but most particularly to tell us how in the hell he's going to fund \$13 billion worth of tax cuts when all the consumption tax money's spent on payroll tax and petrol.

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