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## PRIME MINISTER

**TRANSCRIPT OF THE PRIME MINISTER, THE HON P.J. KEATING, MP  
INTERVIEW WITH CHRISTOPHER CORDEAUX, RADIO 5DN, ADELAIDE,  
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### **E&OE PROOF COPY**

CC: Paul Keating is sitting opposite me, good morning.

PM: Glad to be here.

CC: Thank you very much for your time. I understand you are here for some fairly high powered stuff.

PM: Yes I am here to, basically, start off this investment and strategies conference this morning, looking at the future of South Australia and what strengths it has and how we might advance them.

CC: From our sample that we have here, the people who we contact through the telephone, we never see them mind you, but we hear them. I have the impression that the ordinary person is more interested in politics at the moment than he or she has possibly ever been before. It is becoming the next nouvelle thing, I think, is to be involved and to want to be more involved and to have actually looked up democracy and public servant in the dictionary and been surprised at the meaning of those words.

PM: Look, I think, there is an enormously healthy public debate in Australia. For instance, the fact that you just made this point and you can be discussing on radio things about the economy or social policy or the environment or whatever it might be, this doesn't happen in the United States, it doesn't happen in Britain. You don't get the same general involvement by the community in public policy issues. So, there is an enormous conscientiousness about the Australian electorate.

CC: Well, they are very interested in you at the moment.

PM: Well, they are always interested in Prime Ministers.

CC: But they are particularly interested in you, I think, you have one of those jobs. Did you ever go to Luna Park in the old days?

PM: I did, yes.

CC: Remember those faces that stood there day after day having things thrown at them, that was their job.

PM: I know.

CC: I think they have kind of put you in a position a bit like that at the moment. I have suggested to people that they get a picture of you and a picture of the Leader of the Opposition, who ever that may be at the time, and put them both on the fridge and put underneath the question "Is this man headed for the 21st century?" And, answer it privately for themselves every day. Now, I think that is the question don't you?

PM: I think it is. The system basically runs itself. The job of Ministers and Prime Ministers is to nudge it along and change it. That is all it is about. I mean, to be sitting around, to be sitting in a government job with the white car and the rest, but not changing anything, well it is to just waste your life away and kid people that you are actually doing something for them. I think we have just got such an enormous opportunity, we are the only nation in the world that has a continent to itself, we are in a temperate part of the world, we are close now to the fastest growing markets in the world, we have got an opportunity we have never had before in our history and to not recognise the opportunity and not got for it is to really sell yourself short.

CC: Well, I think, people do in fact perceive that at the moment and everyone who has asked has and who have been overseas recently particularly says that they are astonished at what a good place Australia is really compared to the situation in the rest of the world, but I think that entitles them to give more trouble to the people who are running it because if something is pretty good, you want it to be perfect. If it was totally out of control, you would think well, what the hell it doesn't matter. But the difference between how it felt to be on one of Magellan's ships and how it feels to be the captain of a cruise ship is significant isn't it?

PM: Absolutely.

CC: And, I think a lot of people feel that these days when you talk about things like, those words that have become I think probably the worst cliches of the present era, which is development, growth, and employment and interest rates you can throw in as well, but it is like a cruise ship - the answers are no more interesting than the question and contain no more information, the questions sometimes have more information in them than the answers that you actually get - but can't we start talking about, when you talk about growth and development, about growth of human imagination, growth of optimism and development into developing the new ideas, I mean developers think they are doing new things. They are not, they are doing old, boring things.

PM: Old, boring things, exactly.

CC: Well, we could lead the world.

PM: This is why, Christopher, I have been speaking about our identity. I don't think you can feel confident about yourself as a country or about ourselves as individuals if our sense of ourselves and the creative spirit of ourselves isn't both there and being harnessed and being, if you like, used in a corporate way to identify us as a nation. It is all of those cultural, in a sense, spiritual things about the country which I think you are getting at.

CC: Well, why don't we hear more about it?

PM: Because we have got a whole set of media reference points about 'now Prime Minister, can you give us a guarantee that interest rates won't run up tomorrow morning?' You say 'oh, well ok' and that is your point. Where the real question is - is this a different sort of society? Is it getting a real sense of its own self importance and capacities? Are we trying to bring the most creative people forward and free rein to those who can add something new and in the making of something new can we make that linkage to these massive markets and societies and old societies around us and be part of them?

CC: Like Indonesia for instance. Surely it is a bit old fashioned to be selling rifles isn't it?

PM: Well, maybe it is old fashioned, maybe it's right, I don't know.

CC: But there are some very good things that we could be selling Indonesia that will help all of us.

PM: One of the things we are selling, obviously, is going to be health services, we are going to be selling them all sorts of internationally traded services, education, things like that.

CC: Let's just take solar power for a second. We actually lead the world in that department and if more solar hot water systems, just as a simple example, were made 4,000 jobs I've heard, straight away. Something useful, doing something clean, doing something that people can actually be proud of. But instead of that, you hear this job development goes into things like making new cars or something.

PM: As you know, we have had a number of break throughs in solar technology and solar power lends itself, particularly to these many islands in the Archipelago of Indonesia, where they don't have a national power transmission system. Where they have got to have local power which either runs on diesel or kerosene or something else. They are the sort of things we can do. But we also do a lot with water up in those countries, that is, the producing of water and its cleanliness. I think, we have got a fairly and I hope now, a proud

record with countries like Indonesia, but the main thing is understanding that these are very old societies and they have their own mores and traditions and while we have been given the great opportunity of inheriting this continent, we have to come to terms with them, they live next door to us.

CC: It would be great to talk about that, just that one subject all day, but there is a whole list of things, everybody has given me a different question in here ...

PM: I can hear the fax machine, grinding away behind you.

CC: There is a full board of questions out there, the one last thing that I would like to say is and I suppose everyone is saying this so there is not much point in saying it again, but that business over there with the BBC, I think probably people appreciate hearing ...

PM: Which was that?

CC: It was a piece of parliament, is sounded more like a soccer game or something like that. There was a thing, I don't know which tribe it was or maybe it was all tribes of the north American Indians, had something call the speaking stick and when something had to be discussed, the person who held the stick was the only one who could speak at the time. If you wanted to speak you had to get the stick. Now, in the end things degenerated a little bit and eventually people possibly were even killed to get the stick from them, but nobody dared to speak without the stick. Now, maybe that would be a good idea.

PM: Well, one thing is for sure, that this notion of trying to talk over people, if you have got something to say generally, if it has got some value, it will stand up. But, I mean, television in some respects has changed the way the House of Representatives works because now everybody thinks that they are on television and they want to get the tuppence worth in because they know it gets into a 30 second grab and that's that. But I don't think the BBC should be going on about it. The Hansard records of the House of Commons would make your hair stand on end. Our place is just so tame compared to that place.

CC: I think people have been surprised since they have actually had access to it and I think actually that parliamentary station on the ABC tv and radio is going to suddenly turn up as a top rating station in the near future. People weren't aware it was there and they weren't aware of what it sounded like.

PM: One thing about pay television, of course and those other things, you will have these, particularly fibre optic cables, you will be able to just have that channel permanently if you want it. If you wanted to be a glutton for punishment, but if you wanted it.

CC: I think people think really that Parliament should be more like a court or a church.

- PM: Absolutely.
- CC: Or something like that. This business of concerted almost organised crime in the back benches of just shouting people down.
- PM: It means if you are a Minister trying to answer questions extemporaneously you can hardly hear yourself think.
- CC: OK, we can probably hardly hear ourselves think with all the things that people are actually saying waiting on the other end of the telephone lines around the place if we could hear them, so we had better go to those people.
- Q: Good morning, Mr Prime Minister. I have a question about the up front fees for students. I am the future of South Australia, I am a mature aged student doing a higher degree in indigenous education and the up front fees for me is going to mean I can't continue with that study, I can't influence my children, I can't be an active participant in my society with what I am getting from those studies and I would like to know how the Prime Minister can justify this unempowering so many people like me with these up front fees.
- PM: I think that first of all that the government does not support up front fees for domestic undergraduate students. First time entrance to university or a particular university course, I don't think, should be hindered by a student's financial circumstances. During our term of office we have overseen quite dramatic expansion in the number of higher education places and they have risen by about 65 per cent - from 350, 000 in 1983 to nearly 600,000 today. So, in response to university wishes this Government has given institutions greater flexibility and responsibility in managing their own affairs including allowing charging of fees for post graduate students not receiving scholarships. But you are talking about up front fees for domestic under graduate students and we don't support up front fees for domestic under graduate students.
- Q: Good morning, Prime Minister. I am an ex-allied serviceman, I fought in the Pacific ... against the Japanese, became a POW on the Burma Railway for three and a half years and in 1950 came to Australia and became a naturalised Australian in 1954. My wife is an Australian, my children and grand children were born in this country. I would like to receive the same entitlements of an Australian ex-serviceman, but my most concern is for my wife who is Australian, who became a war widow after ... and received the same entitlement as wife from Australian ex-serviceman. I put my life on the line to defend this country against the Japanese, what is part of my life now, why can't I not receive the same treatment after all I am an Australian now?
- PM: Let me tell you this, I sympathise most sincerely with all of the people who served in the war as prisoners of war. It is one thing, not only the enormous sacrifice in combat, but being interred, to be locked away

and to be deprived is, I think, a singular burden which people have carried and, of course, many didn't survive it. They made, as we all say, the ultimate sacrifice. We do make special provisions in our treatment of veterans' entitlements, for those who were prisoners of war, but I think your position probably is that you are supported by The Netherlands, are you not in some sort of veterans' entitlement and you have come to Australia subsequently. You would find Australian service men and women around the world getting service pensions from here in other countries, by and large most of these things equate. They are very similar to one another and in some places we top them up as we do with some of the British pensions. But, I'm just not certain about The Netherlands.

Q: Good morning Prime Minister and welcome to our State. I know it is easier for others to criticise ... and for the person running the country, I'm not here to criticise. My question is, would you know the reason behind the dumping of NSW's nuclear waste on South Australia?

PM: The nuclear waste is mostly low level waste which is in the suburbs of Sydney. It is at the Lucas Heights establishment originally and it went to St Mary's which is, again, out in the western suburbs in a housing area. This waste is going to be transported to the Range Head site at Woomera where until the Commonwealth decides what the long term site will be for a national repository. That is, the plan of disposal of low level radio active waste. The Range Head site is owned by the Commonwealth, it as you know, has a history of being associated with weapons development and I can assure you that all safety procedures are going to be observed in the transportation and storage of it and the fact that it is geographically within the borders of South Australia means, in terms of any problem it might have, is very greatly diminished there than it is with other people in the suburbs of Sydney.

CC: Dean Brown doesn't actually want it on his roads he says.

PM: He said that, but he has also written to me asking me can he use the same repository for his nuclear waste.

CC: What, yours?

PM: Use ours. So, he is telling the public here this is a dreadful thing and then he is writing to me saying can I use the site too.

CC: If I can just throw a question in here, this is something that has been on peoples minds because, I think, unfairness is one of the things that produces the biggest result in anyone from a child to an adult and you probably know that business a few years ago. Those three men who risked their lives to save an environmental disaster on the boat, the bow fell off a boat or something and there was the possibility of all this oil going into the sea of Western Australia. They were rewarded for their heroism with varying amounts of money and now the tax office wants to take half of that. Now, that seems terribly unfair to people in their minds. What is the thing about taxes, I mean, a lot of people

consider taxes are there basically as sticks to hit people with or carrots on the other hand to encourage them to do certain things, some people think that. How do you think about taxes?

- PM: I think they are something nations bear for the, I mean, we are all part of the social contract. The contract is that we expect to have health services and roads and telephones and the rest and there is a minimum level of taxation that keeps all that going and we try as Governments and a society to keep that balance about right. In the case of these people, I mean, I can well and truly understand their disquiet and disappointment about this. I didn't know about this Christopher, until you mentioned it. You can take a lottery win and its not taxed, it depends on whether it is income or paid as income or whether it was paid as an ex gratia payment or whether it was an award. I mean, I don't know enough about it, but if they received it for heroism ...
- CC: Well, that's what it was, but the trouble is that it was part of their job it was seen as, but on a broader level surely while taxes are what you say they are obviously, isn't it possible to also use them as a device to encourage certain things in the economy and the society and discourage others and still get enough money to keep the roads being built?
- PM: I think so, well just take Australia. This is the lowest taxed country in the world, in the developed world. We are running this country with a share of revenue, that is all revenue to the size of our economy, revenue to GDP the economists call it, it is about 26 per cent.
- CC: What I'm saying is, couldn't it be used more like a controlling device rather than just a way of raising revenue?
- PM: I think it does have, for a start the income tax system is progressive, it means that those who earn the greatest incomes pay the most, the rates rise as your income rises, there is a user charge component say of petrol taxes, I mean they are not without their social import.
- CC: Some people think that ... a very influential control the taxes are having is the payroll tax is, in fact, having the effect of reducing the incentive to employ people and they also think it is unfair.
- PM: That may well be true although employment has been rocketing along. We have had 91,000 job growth last month, we have had 590,000 jobs now since the election and while there is no doubt a cost there, if you look at the overall level of wage cost, that is salaries and supplements and on costs which may include payroll tax, by and large the Australian wage bill is now we are regarded as basically a very competitive country and that is why so much investment from abroad is coming here.
- Q: Good morning. What I want to say is I'm on a disability pension and after I pay my rent I am left about \$95 a week to live on and I have to

go to a naturopath or physio and you have to pay full price for that. Isn't there some way you could just do something for people on disability pensions, so they can go to naturopaths or something like that and get it cheaper?

PM: Naturopaths and some people in those fields, of course, are not covered by Medicare and they are not deductible and you don't get the 85 per cent rebate or you don't get bulk billing so it becomes a cost. As you know, this Government has introduced rent assistance for people renting privately ...

Q: Yes, I get all that.

PM: I might add my opponents want to take it all away from me, of course. They think it is all too much Government spending. That is code for ripping that sort of stuff off people. I always wonder why they always want to hurt the people at the bottom end of the queue, but they do.

Q: They were saying they want to bring in an inspection on cars over five years old and things like that, it only hits people with no money.

PM: Anything that is a flat charge doesn't take account of capacity to pay. That is why most of the things the Commonwealth does with Medicare for instance, you don't pay a cent of the levy until you are over a certain level of income in the odd \$20,000, it is why we try to protect those who are disabled or who are on age pensions with, for instance, with the pharmaceutical discounts et cetera. But when State governments levy charges like car registration fees and things they are just flat costs. It costs the same to register a car whether you are a millionaire or whether you are on a very low income.

CC: A fax has just come in and this is the other question that is around, the republic. Everyone seems to have an opinion about that, it must be a good topic because everyone thinks something about it. I would like to ask you the question, which kind of republic do you consider the best for Australia - Austria, Spain, France, Portugal, Italy, Argentina, Philippines or Irish republic or Canadian. I didn't know Canada was a republic but it says here they changed their flag and cut the size of the members of government, but kept their constitution in tact.

PM: We are now currently, Christopher, in our Cabinet discussing some of the modalities of Australia moving to an Australian person as our head of state. I think we would like to see that accomplished in a way which doesn't fundamentally alter our current system of government.

CC: So, what difference would it actually make?

PM: Well, it gets back to the point I think you made earlier, that is we are gathering about ourselves much more confidence about our identity and who we are, pride in the fact that we can do things - both culturally and economically - we have got a relationship now with these old and large societies around us like Indonesia and China and turning up



saying 'look, we know all these years you thought that we were just a chip off the European block, but really we are here in our own right, but excuse me, by the way, we are borrowing the monarchy of another country, do you mind?'. They say 'come on, you can't be serious'. So I think, in the end and, of course, the other thing is I notice last week Prince Charles, while I was in Europe there was a report in the British press that he is leading a trade delegation to Islam representing, he said, he is going to spend more of his time promoting British business. Not Australian business, British business. Not Commonwealth business, Canadian business, Australian business - British business. This makes the point again. Basically, the Governor-Generalship is the deputy's office of the Queen, it is out there on a sort of constitutional limb, it is hurting us in this region and we are saying not only that it is hurting us, it is actually diminishing our own sense of ourselves.

- CC: Wouldn't you have actually been offended if he had been promoting Australia, wouldn't you in fact be saying that it is none of his business, that we should be promoting ourselves, if in fact he had been ...
- PM: No, I don't mind him promoting Australia, but it just makes the point that the Queen of Great Britain is essentially, her principal task is as Monarch of that great country and that is fine because she is Queen of Great Britain and she is their Queen just as I met the Dutch Queen in The Netherlands. But the thing is she is not our Queen, she is not an Australian. It is not an Australian monarchy.
- CC: It is some kind of nostalgia or something if a lot of people feel very, very connected to that and the passport and things, this latest bit I think people find ... I don't know how many people have even looked at their passport and seen the Queen mentioned in it, but the idea of taking her out of it seems to have upset a lot of people.
- PM: The thing is, let's keep on the substance and not the shadow. The substance is whether an Australian person is our head of state, whether we are grown up enough, enough about ourselves to have as our head of state an Australian person. That is the key point. All the other symbols, I think, are ancillary points.
- Q: Good morning. My question is a social policy question and it is related to principles of democracy and it is related to family law. Since 1975 we have had no thought? divorce in this country, but we have seen a preponderance of court orders made in the preference for sole custody and this is in the majority of cases for children with little relationship with their fathers. We know that this is currently being debated in the Senate or about to be, but I would ask the Prime Minister what his position is on the value of families in Australian society and whether he sees that replacing the Office of the Status of Women with an Office of the Status of Family is a progressive step to make because I would suggest that the Government runs the risk at the moment of formulating social policies that have very much to do with the feminist movement.

PM: Cut that out, no. Just understand where we are coming from. I mean, I mentioned on the program earlier we have had 590,000 jobs since that last election and over two million since the Government came to office. That is jobs inside Australian families. That is increasing the income of families, in fact, household - this is a very important number this - household disposable income, that is the disposable income in an Australian household has risen by 40 per cent since the Government has been in office. That is after you have washed the inflation out of it, 40 per cent in real terms which is a staggering statistic. Now, that is about binding Australian families together, a priest I knew once said to me when poverty flips in, love flips out the door and I have always thought this has a lot of truth to it. I think, stability in family incomes and more employment in households are one of the things which helps hold them together. That is why our support for families goes to these things, our support for children. If you look at the Family Allowance Supplement or the additional family payments as it is now called, it is support for low to middle income families with children and it goes per child. So, it is about binding it together. But, you can't cavil at the change in the status of Australian women. The role and status of Australian women today is nothing to what it was 10 or 15 years ago and why shouldn't it be as it is now - improved - when women were disenfranchised from getting jobs in the workforce and interesting jobs and interesting lives. I mean, it was the worst kind of discrimination and I don't think repairing that discrimination means in some way disinform the Australian Government's family policy. Whether it is the Family Allowance or the Family Allowance Supplement or the additional family payments or it is the general support for greater participation in education amongst children or it is employment in the household or it is Medicare, all these things are supportive of Australian families. I have got my opponents, John Howard is running around talking about his support for families, but he doesn't support family support. He is for families, but not family support. The Government is for family support. I think that is the key point.

Let me just go to this point about fathers. I think it is terribly important for a child to keep that linkage to a father if there is a separation or a divorce. I think it is terribly important that that should happen. That that balance in the relationship should be maintained. One can never be judgemental about people and why they divorce and the fact that they can't keep their lives together, there are a lot of people who think of themselves and not their children too.

CC: Yes, grandparents ...

PM: And I think people should think about it. There is quite a degree of selfishness in society, well listen, I'll toddle off, I'll walk out and I'll do this or I'll do that. Fine. But then the children are left behind and I think that if there is a greater commitment to children and to families and to actually working at marriages and holding them together, we would be all better off I think. Some effort and some commitment, but I

don't think governments can make that sort of a difference. I mean, you can ask of things of the Government by all means, but don't ask them to keep marriages together, don't ask them to keep peoples love for one another together or their concern for their children or their sense of responsibility to their children. That is something which is a community thing.

Q: Good morning. I would like to know and I do believe many others do, if this golden hand shake and the gold passes given to ex-Prime Ministers are subject to the same tax as what you, Christopher, mentioned just recently regarding the three seamen risked their lives.

PM: Let me just say as far as I am concerned, I have long given up caring about these issues years ago, but everything that I receive, that is income, salary, allowances are all fully taxable. Now, there is a travel benefit for parliamentarians and ex-parliamentarians, but it is there so that people in positions such as my own can come to South Australia, can learn about particular things, can meet parts of society, that we are one country and it is a large country and if you rely upon the private resources of MPs to move themselves around the country, well obviously, they won't be moving very much. That is why that is there, it is not as some sort of a freebie because when most parliamentarians have been to Adelaide 20 times and Perth 20 times and Brisbane 20 times, they are not particularly travelling around for the sport of it. They are doing it because there is a point to it. So, rest assured that all income of parliamentarians and ministers and allowances are fully taxed as everybody else is.

CC: A lot of people seem to find it distressing that ex-politicians seem to, so often, even if by coincidence finish up in top overseas postings or those kind of what people call 'cushy jobs'. Maybe they are very difficult jobs and hard to fulfil, but people think they are cushy at least.

PM: I don't think they are cushy and if someone has given 25 or 26 years of their life to public life or 20 years of their life, it is essentially a life given, it is the major part of ones working life given to the service of the public and they have lost the opportunity to continue a career in business or in the law or in some profession or teaching or where ever they come from. So because their specialisation is public policy, public affairs, in some cases international relations, they become first choices for some of these diplomatic appointments. But again, they are very few, they are mostly career appointments within the foreign service, mostly.

CC: Well, maybe there is something there or maybe it is just one of those things that the media points out because none of us know anymore than the media tells us, really, about anything. Including our health, our future, anything and it is something that is definitely talked about a lot and it is pointed out as though it was a problem. Why should you finish up in Geneva if simply because you have done a job in the government? If you had done a job for BHP you wouldn't necessarily on retirement finish up in an overseas posting.

- PM: No, but you would also walk away with the golden handshake, you would need the barrow out the front for.
- CC: ... million dollars.
- PM: Walk away from the government, you don't do that. People are on salaries and they remain on salaries, they have severed all their working arrangements with the rest of society and really they do develop skills which are very useful in representational posts.
- CC: Well, what do you make of the things that the media does in fact pull out to put on the front page because that is all we ever get to discuss amongst ourselves is, in fact, what is put up there. Why doesn't the Government somehow have more of a public access facility attached ... the more people
- PM: ... (inaudible) ...
- CC: Yes, more people can talk more often to people like you.
- PM: I think one of the things about the fibre optic cable and the enormous opportunities of a digital fibre system is that it will be possible to get stacks of information from the Government about government services, about pensions, about benefits, about things the Prime Minister says, things that are in the Prime Minister's record of things said in the past, seeing what the Foreign Minister said in some place, you will be able to punch it up on the screen, all of this is going to be available. And as you said earlier, Christopher, there will be some dedicated channels also for television and what have you where you don't have to switch in and switch out of normal programming. This will make a difference, but it is a sad fact of life that the quality of broadsheets are down the bottom of the pecking order in world terms. You go abroad, you pick up whether it is the UK papers or the International Herald Tribune or any of the major internationals or the New York Times and you realise then how poorly we are being served by our broadsheets. Now, unless people travel they can't see that, but those of us who do travel can see it and you say one of the problems is we are not getting enough investment in human resources in the media, there is not enough investment by proprietors in people, journalists and there is not enough continuity or depth so it is all flim flam in the daily news, what passes for comment pieces is just poor second rate opinion or if you get in these closed markets like say South Australia has frankly one paper - The Advertiser. Western Australia - one. Queensland - one. There is no choice.
- CC: That is something people are concerned about as well and it is another topic we could spend another hour on. But, the sorts of things that you are saying about the newspapers are the kinds of things that people are saying about Parliament and what goes in there too, is in fact that the issues are sometimes completely obscured by the ping-pong.

PM: By the ping-pong, that is right. That is why there is the difference between Parliament and the Government. The Government runs 24 hours a day regardless of whether the House of Representatives is in session or not. That is the serious work of running the business the nation carries on and that is why those of us who have both the responsibility and the burden and some of the job of doing that focus on the issues of depth and substance. You go to Parliament so you take the flim flam questions, but this is the value of what I was talking about earlier, about radio. At least we can say these things. This wouldn't be being said in Britain or the United States

CC: It certainly wouldn't be being said in some Asian countries either, we would all be in gaol now.

PM: Or getting a reprimand anyway.

CC: Thank you very much for your time.

PM: It is a pleasure, I have enjoyed meeting you. Thank you very much indeed.

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