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PRIME MINISTER

**TRANSCRIPT OF THE PRIME MINISTER, THE HON P J KEATING MP
INTERVIEW WITH ELIZABETH JACKSON, RADIO 2CN
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EJ: Prime Minister, welcome back to 2CN.

PM: Good, Elizabeth. Glad to be here.

EJ: Now, I recall the memorable chat that you had with one of my predecessors the last time you made an appearance on 2CN, but I don't think time permits this morning to ask you about your pj's - perhaps we should go straight to the Saturday by-election. Now, John Howard yesterday morning was talking about a 5 per cent by-election swing to the Liberals - are you expecting that it will be decided on Green preferences?

PM: Well, I don't know. I mean, I never get too clever or prescriptive about elections or by-elections. I always give the public the right to make their own decisions about these things and to evaluate the Parties, but by-elections always do give electors a chance to send signals of some kind to the Government of the day and no doubt some opportunities will be taken here.

EJ: So how important will the Green preferences, in particular, be do you think?

PM: Well, I think, this is a 50 per cent plus 1 system - it's a preferential system. Therefore, the preferences add up and they matter, so all preferences which flow to the Labor candidate, of course, matter.

EJ: Now, internal Party polling, I understand, indicates that for the first time in 18 years, the result will go to preferences. The Party is in some trouble isn't it, if in a traditional Labor town like Canberra, it's the preferences that ultimately decide the outcome?

PM: Well, look, in the middle of Parliaments, and this is the middle of a Parliament, I don't think any Government ever gets to the point where it's travelling so well it can just tick up by-elections with ease. But in the ACT, I think, we are entitled to have our candidate returned. I mean, for a start, we've got a woman replacing Ros Kelly, who was a member of the Cabinet. Sue Robinson is a Labor person who is in touch with the community, she works with the community, she talks to people, she's a representative person, she would behave like this as a Member of Parliament, and if you look at the ACT, I mean, under this Government, it's essentially not even a carbon copy of what it was in the past. I mean, it's a stronger, much more privately oriented economy than it's ever been in the past and, as you know, we have always put a premium on the employment conditions of the people in the public sector here in Canberra. And I think, perhaps, one of the strongest things to say about the Government's stewardship of the ACT is that, right at the moment, the ACT unemployment rate is 6.9 per cent - it's the lowest of any of the States or Territories.

EJ: Prime Minister, let me ask you about Sue Robinson, seeing as you have mentioned her. She has called now for a moratorium on woodchipping. Do you support that?

PM: Well, I haven't seen exactly what she said. I mean, but if she is talking about a moratorium....

EJ: She wants to see an end to the exporting of woodchips.

PM: I think her view and mine is basically the same. That is, we are saying that we want to phase woodchipping out.

EJ: No, but she wants to stop it now.

PM: Well, what one wishes to stop now, I mean, I haven't seen her words, but the policy of the Party is, and the policy of the Government is, that we should phase woodchipping out. And you know that just in the early part of the year I said we would cut by 20 per cent a year woodchip volumes, which is the biggest single policy initiative that's been made to actually reduce the volume of woodchips to virtually nothing within five years, other than to see them used in some way which adds value. I think the more important point is, and I think this is where Sue and I are at a complete agreement, that is that we think what the public wants is these important stands of trees to be protected. That is, where there is heritage and old growth values.

EJ: But, Prime Minister, can I put it to you that she wants more than that. She wants to stop the export of woodchips and she wants to stop the logging of old growth and wilderness forests right now?

PM: Well, if that is her aspiration...

EJ: Will she get it?

PM: Many Australians will share her view and she is entitled to argue that...

EJ: Will you give it to her though?

PM: ...in the councils of the Party and the Caucus. But if you are asking me for an instant Cabinet decision, of course, you know I can't give you one.

EJ: Prime Minister, the Greens say that this looks very much like a last minute desperate ploy for Green preferences.

PM: Well, last year, before this matter became an issue, at this Government's initiative, and let me say at mine, we reserved for the nation forever Shoalwater Bay, Jervis Bay, and these are major areas of the Australian east coast. You can compare them with any areas of the US coast, or the European coast - I mean these are huge areas, important areas of the coast of Australia. And in the Budget of last year, at my initiative, we put in \$24 million to buy back the so-called "hole in the heart" of the Daintree Rainforest. Now, this didn't take any prodding from the Greens, as you call them, or anybody else. This was done by the Government. Now, we had the support of the Conservation Foundation on Shoalwater Bay, but what magnificent changes that that wonderful thing at Jervis Bay has preserved forever. The Shoalwater Bay, which has been in Defence hands for years, with all of its pristine quality is kept. And we keep one of the most important of the rainforests, certainly where it meets the sea, in the Daintree without the subdivisions Joh Bjelke-Petersen put through it ripping it apart. Now, this, I think, underlines the Government's credentials in terms of the environment. What we have been having a debate over is about the licence renewals for this year. But in the context of that debate I've also made the huge change of saying, well next year we'll be cutting the volumes by 20 per cent and then the following year after that by 20 per cent. I mean, no other Prime Minister has ever made those decisions.

EJ: Mr Keating, let me ask you about your now, I guess, infamous "so what" remark. Now, a lot of people who talk to me and I think....

PM: Just hang on Elizabeth, I'm just having a cup of tea and a lamington here.

EJ: Alright, well, I'll ask you this while you're having a munch.

PM: No, it's not lunch, it's afternoon tea.

EJ: A munch.

PM: Morning tea.

EJ: I think Bob McMullan pointed to this on my program during the week, you appeared to be very dismissive of the ACT election outcome.

PM: No, no, nothing to do with the ACT but dismissive of an argument that said, in what was exclusively a set of issues in a campaign in an election fought out on local issues, that we were to then read immediately into it huge national implications. Of course I dismissed it.

EJ: But, Prime Minister, it was perceived here in Canberra through letters to the Editor, through phone calls that we got, people took offence to that. They said that you were incredibly arrogant in the way you did that.

PM: It's not a matter of any arrogance. It's just that nobody should try and ascribe to me or the Federal Government a whole lot of national sentiment coming out of one local election. I mean, of its essence, it's unreasonable, is it not?

EJ: Well, even Bob McMullan, when he spoke to me said, "look, you know, had Paul Keating asked me for advice I probably would have told him I don't think it's a good idea to say that" - I mean it's the perception that counts isn't it? And this is the perception that people have been talking about for a long time now about you. They see you as being arrogant. Do you think that's a problem? Are you arrogant?

PM: But I get the mail through, don't I? I mean, I got the Native Title Bill through didn't I? I got the Land Fund Bill through didn't I? I mean, look at John Howard. He was on your program yesterday talking over the top of you, jittering away, jabbering away. What we saw from him was a complete lack of leadership and a backflip over the Land Fund Bill. We have now got his veiled threat that he will gut the Mabo Bill to make it workable, as he puts it. He has shown no leadership over the Racial Hatred legislation. There's that sordid affair with Mr McLachlan where he was party with Mr McLachlan in misleading the House of Representatives. McLachlan resigned but he wouldn't. And then the disgraceful push-polling exercise in the ACT. I mean, that's his form - what's my form been?

EJ: So you just don't think you are arrogant?

PM: Well, don't confuse arrogance with pride in one's craft, or an urge to see about getting things done. If I sat here and passed the parcel like a lot of Liberal Prime Ministers in the past, not taken on Native Title, not taken on the Land Fund, not taken on APEC, not taken on the inflation rate, if I had said, look I won't go too hard here, I mean, I won't take risks or show any urgency here, I'll make this very laid back so

nobody will say of me, oh he's arrogant. I mean, he actually wants to get something done. I mean, I think it's about time people understood that pride in one's work and a sense of urgency about the nation's progress and not dropping one's bundle is not arrogance.

EJ: Prime Minister, you spoke about push-polling and I would like to ask you something else about that. Now, some commentators have publicly stated their belief that by latching on to push-polling, you have effectively sacrificed Sue Robinson in return for having a go at John Howard's leadership abilities because, ultimately, inevitably, some of the mud that was thrown at her will stick.

PM: I think that's a contorted piece of logic. To defend her name, and to attack what was a most vicious tactic, that is spreading to 400 or 500 people at a time, severe defamations. If one doesn't rebuke that, what does one do? I reject out of hand any notion that we sacrificed Sue Robinson. I think that's your point and I don't think it's got any veracity to it.

EJ: But you were very keen on turning the whole thing on to John Howard weren't you, as an attack on his leadership?

PM: Well, we don't do those things. The Labor Party doesn't spread defamations of people. And when the Coalition does while he wants to parade himself around as Honest John, a decent guy and the rest, it is completely valid for me to say: (a) this is unAustralian, it's unacceptable and you the Liberal Party shouldn't do it.

EJ: But, Mr Keating, I bet some people would accuse you of playing dirty by making unsubstantiated claims about John Howard doing deals with Kerry Packer. I mean isn't that casting aspersions on his integrity?

PM: But that is in the public marketplace. I make my claims right up front. I mean, I'm not about getting some pollster to claim as true, because that's what the polls said, the following statements are true, and then list a series of defamations and then put them out to private people. I mean, that's what Andrew Robb did and you notice Andrew Robb took the responsibility. Howard had him up there over at the old Liberal Party headquarters taking the rap to give Howard a clean bill of health. But, of course, we caught up with him a week later, when he was at the tactics committee, agree that Mr McLachlan should try and frame the Minister for Aboriginal Affairs for photocopying and disseminating information, which Mr Howard knew, was done by him.

EJ: Prime Minister, just briefly on another matter. The Liberal Senator for South Australia, Nick Minchin, has issued a statement claiming that at least 41 Australians have served prison sentences for failing to vote in the 1993 election. Now, in his view this is offensive and undemocratic

and an inevitable outcome of compulsory voting. Should we be locking people up for failing to vote?

PM: I know nothing about it, and while you've got me on here Elizabeth, stay on the main game. I mean, chasing madcap South Australian Coalition Senators down every rabbit hole with every claim they make, has got no interest to me.

EJ: But, I mean, Prime Minister, if 41 people have served gaol terms for not voting, is that acceptable?

PM: I have no idea whether that's true - none.

EJ: And you don't wish to comment any further presumably?

PM: No, I'd have to find out about it.

EJ: Alright. Can I finish up then by asking you about the Governor-General. Now, I noticed you didn't like Sir David Smith's suggestion of allowing the Parliament to elect what could be Australia's last Governor-General, but you in fact want to advise the Queen on who it should be. Who do you have in mind?

PM: Well, I'm not telling you.

EJ: Go on.

PM: Go on?

EJ: No clues?

PM: Not any. But, I do like talking about my opponents though, and I've still got a few minutes on them if you want to keep cracking.

EJ: Well, Bill hasn't been in touch with you has he seeking an extension before he goes farming?

PM: No, the Governor-General is entirely proper about his future and I was delighted that he was able to serve or extend his term and I was very grateful on behalf of the country that he so did.

EJ: Prime Minister, just before I let you go, did you ever end up wearing those silk pyjamas you were given on the Midday Show?

PM: I don't think so. I think the silk is a bit too cold on the old skin, isn't it? In the ACT, I mean, you put the silk on it, and one thing about every Canberra night, of course, you open that window and after the sun comes down and the cool breeze comes in, which I always find a delight, but I don't want a little dose of pneumonia out of it either. So, I

keep rugged up in the Canberra winters, I can tell you. And in the summer, well the summer is a bit different, but there we are. But you know, let me say this, I've lived now in the ACT for 12 years and one of the things of great pride to me is that the ACT, the national capital, looks like the national capital, growing like the national capital.

EJ: You like the way it looks? Because you spoke of course about architecture in Germany not so long ago. Do you think we've got it right here?

PM: I think the work of the old NCDC and the successful bodies in the interests of the Government and the community in the ACT has, I think, made it a good place to live and it's had a lot of growth and a lot of employment. Let me just take you back. When we are talking about a by-election coming from a seat which was part of the election of 1993, in that election, the Government was essentially re-elected to restart growth and employment. And we've had, since the peak of unemployment in the ACT, employment here has grown by 11,600. So there's 11,600 people in work, or that's just under 8 per cent employment growth in three years, which is a tremendous number. In fact, in the last seven months, we've had 5,500 jobs in the ACT.

EJ: Didn't do Rosemary Follett much good though did it?

PM: But it was the Federal Government that made these changes. So, when Mr Howard goes around saying we've had five minutes of sunshine, let him go and tell that to the 11,500 who have got jobs. Let him tell it to the 590,000 in the nation who have had jobs since the election, or the 36 months of growth we've had since the recession - that's three years of growth - with very low inflation. I mean, the one thing the people of the ACT have got to know about the Liberals - they'll cut Canberra to ribbons. I mean, just yesterday, Mr Costello was talking about, you know, Canberra and Canberra-bashing and how much money is being spent, and the fact of the matter is, the Liberals would rip Canberra to pieces. They would cut the Federal appropriations to this part of the world. They would cut back in areas which would be very meaningful to the community of the ACT. So that 6.5 per cent unemployment rate, you know, really corresponds with just about the best performance around the world in OECD-type countries.

EJ: And, Prime Minister, Ralph Willis then, you're saying, won't make those cuts?

PM: Well, no, we will not rip the public sector to pieces as these people propose to do, and particularly, show the contempt they had for the ACT in Malcolm Fraser's day. I mean, you need to be around here a while. This place was like a graveyard in the 1970s, under Malcolm Fraser. You know the only building that was going when Fraser left

office was Parliament House. The only one. There were no private buildings. There were no private developments. There was no other public development. There was just Parliament House. Now, you compare that to the city we see today, and the capital we see today, that's what's at risk in putting Liberal Government - Liberal MPs - into Parliament.

EJ: Prime Minister, thanks for your time.

PM: Thanks very much Elizabeth.

ends.