



PRIME MINISTER

**TRANSCRIPT OF THE PRIME MINISTER, THE HON P J KEATING MP
INTERVIEW WITH ELLEN FANNING, "AM PROGRAM", ABC RADIO,
14 AUGUST 1995**

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EF: Prime Minister, thanks for joining the AM Program this morning.

PM: It is a pleasure, Ellen.

EF: What is the significance, in your view, of the celebrations for the nation and especially for those Australians who, like you, grew up after the Second World War?

PM: Oh, well I think what we are doing is celebrating the spirit of the generation as we are celebrating the fact that this generation of Australians gave us our peace and our freedom. They fought the war and they saved Australia. That is why we are remembering it. That is why we commemorate these events.

EF: And, indeed, over the next few days the focus will be on that remembrance and on that idea of commemoration, but what do those events of 50 years ago really tell us about the present and perhaps about the future?

PM: Oh, I think they tell us that the people who fought that war were proud of what was built here. That they loved Australia and they were prepared to fight for its values and to maintain it and I think that is the lesson for this generation of Australians that we can, in fact, very much take the cue from them. They gave us an example to live by and I think understanding that is to understand some of the lessons and the other thing is the great loss and suffering has to mean something - it has to mean something. It can't just happen and with the effluxion of time be forgotten and while it isn't in Australia, we tend not to forget each Anzac Day. To remember indeed this 50 year commemoration has brought poignantly back the events that happened then to perhaps a much more innocent generation of

Australians than we are ourselves today. That they had to cope with it and that they did.

EF: Well 50 years on, the anniversary does provide another opportunity for Japan, looking at the other side, to put the war behind it. In your view, has Japan been able to seize on that opportunity this year?

PM: I think Japan will only seize on the opportunity when the Japanese people face up to it.

EF: And have they done that this year?

PM: It is not a matter of doing it this year. It has to be done over time. Their children have to learn about it. The history has to be taught. I think that is the point. I think many people would believe that, for instance, the German nation have been more prepared to talk about the history, than has the Japanese nation. As that happens, and I have got no doubt that it will, as those lessons are understood, well then I think many people, including many Australians, will feel that that is as it should be.

EF: Well that isn't taught in schools in Japan at the moment and many did point to this year as a milestone for Japan to begin to come to terms with it, to put the war behind it. Do you think Japan has in that context really seized on that opportunity?

PM: Well I am quite sure that the 50 years are bringing up Nagasaki and Hiroshima for a lot of Japanese, brings home the message that they were the victims. Where, in fact, they were the perpetrators of the offence and that will only come with the history and over time. So I don't necessarily think this was the year when the Japanese nation said to themselves, or itself, that they had committed offences against the community of nations and, in a sense, were seeking to acknowledge that. I think with the bombing of Japan at the end of the war - a carpet bombing and the fire bombing and then, of course, the two atomic blasts. Much of the focus will be, no doubt it has been, on those. But I think like all great truths, these things will dawn on their younger generation as certainly as you and I are speaking here.

EF: Well the Japanese Prime Minister talks on Tuesday. That is exactly 50 years since the end the war. What do you want to hear from Mr Murayama during that speech?

PM: I think an acknowledgment of the fact that these militarist policies were pursued to great cost and detriment to the community of nations around Japan and an expression of regret on his behalf - on behalf of his nation. But I think I would also like to hear a commitment from him to tell this generation of Japanese people the full truth, the full history, of what happened.

EF: You use the word regret there. There is often great debate about the use of words in this particular debate. Is regret enough, is an apology necessary?

PM: Well I don't think the apology means anything without the truthfulness being shown. That is I don't think the apology necessarily matters without the nation of Japan knowing what happened and knowing that a bad thing was done and that this history shouldn't repeat itself. I mean that is, I think, what we want. I think the easiest thing to give is the apology.

EF: That is the easy way out.

PM: Well certainly the easiest thing, yes.

EF: There had been an anticipation here in Australia that in some quarters, at least, some people would indulge in anti-Japanese sentiment at that time. What do you think it says about Australians that, by and large, they haven't done that?

PM: Well I think Australia has a very great and deep sense of democracy. That is where our tolerance and sense of freedom comes from. That is why multiculturalism, I think, has worked in Australia. Why we are tolerant to people who are not of anglo-saxon origins and descent. How we have made this change in Australia work and those same sentiments, I think, tend to also accommodate attitudes towards the Japanese for that history.

EF: How aware do you think Australians are 50 years on that Japan today really underpins Australia's standard of living and Australia's economy? Is there a general acceptance of that, an understanding of that?

PM: I think there probably is to some extent. But it goes beyond the economic point. It is true that Japan is our largest trading partner. But the greater imperative is for Australians to come to terms with the region, not simply to come to terms with Japan.

EF: Well still on the economy if we could, voters are insecure here in Australia about their economic future. Is it now becoming clear, do you think, that your Government is delivering them a style of economic recovery that they just don't like and they are not going to vote for?

PM: Oh, no, on the contrary. I think this Government is giving them something that nearly a generation hasn't had.

EF: But the private opinion polling does say ...

- PM: Well you asked the question, let me give you the answer. That is, this is not a boom, this is a low inflation recovery. There is a very great difference. Australia has always had booms and it has had busts. People are looking for the boom to see their asset prices rise and then they are hoping to be able to position themselves for the bust. This time it is not going to happen. We are not going to have the boom. We are going to have solid, low inflationary growth, accompanied so far by huge employment growth - 670,000 jobs since the last election. And I think it takes a bit of getting used to. I think it takes a while for Australians to understand that, you know, house prices won't be rising 10 per cent a year. Wages won't be rising 10 per cent or 8 per cent a year. But they will still have a more secure future and a better standard of living. I think that is what we are living with now. We are living with something that should have always been in these years, that is where we did have, if you like, much stronger growth on a sustainable basis.
- EF: You are saying that that will take a while for Australians to understand. Is it possible then that the political cost to this low inflation recovery, that you have put in place, could be a defeat for Labor at the next Federal election, if that understanding is not gained in time?
- PM: Well I mean governments can be defeated at all elections. But I mean at the last election, what was the principal undertaking I made? It was to restore growth and employment and we hoped we would get to 500,000 jobs in three years. Our opponents said we were pulling everybody's leg. In fact, we have got to 670,000 in two-thirds of the time. That is ... well let me put it to you this way. It took us 200 years to get to 6 million in the labour force by the early 1980s. We are now at 8 million and we have added 10 per cent of that figure, that is the 6 million, in 2 1/2 years. So in terms of the principal commitment that I gave - not to leave the unemployed behind, to restore the economy to growth and we have had 4, 5 and 6 per cent growth through this period and now back to a more sustainable level - the Government has honoured those commitments, the hardest commitments of all. Strong growth, strong employment growth and low inflation. So on what basis, therefore, would you believe that the Government might be defeated.
- EF: Just finally, very briefly if we could Prime Minister, today the High Court is expected to hand down its ruling on Carmen Lawrence's application for an injunction in relation to the Easton Royal Commission. Now against that background, there is a perception that support from within the Government, and indeed from yourself, for Carmen Lawrence could be dwindling. Is that the case?
- PM: That is completely untrue. I noticed I got asked some questions the other day, after I was asked about Martin Ferguson and I am quite happy to say that in that context, we have seen Martin's selection for

Batman now on an unopposed basis, which shows that at least the Federal Labor Party, the national organisation of the Labor Party, works - unlike our opponents. But at the same doorstep, I was asked about Carmen Lawrence, a series of questions, and I said look Carmen will have her day to put her view. That shouldn't have been taken by anybody as any diminution of my support for her. I mean what is happening here is a very nasty thing. You have got the Government of Western Australia, through the machinery of a Royal Commission, extending its arm back into the business of the former Government. Let me give you the example. What would people think if in 1983, Bob Hawke and I had a Royal Commission which went into why John Howard allowed the criminal tax avoidance industry to flourish for seven years? Why he ignored the telephone book of letters from the then Commissioner of Taxation, Bill O'Reilly? How would the Liberals have felt if we had of asked Mr O'Reilly to appear in a Royal Commission to say what did he say to the Treasurer, Mr Howard, on that particular day, what Mr Howard said in Cabinet meetings, what Mr Howard said to the former Prime Minister and what did he say in return? You would hear the cries and the wails going up, you know the hand wringing in the Conservative journals and the editorials. But this is a very nasty extension of the executive against a Member of Parliament and that is why the Commonwealth Government is supporting Carmen Lawrence in her High Court action.

EF: Prime Minister, thank you.

PM: Thank you indeed.

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