



PRIME MINISTER

**TRANSCRIPT OF THE PRIME MINISTER, THE HON P J KEATING MP
DOORSTOP, BENDIGO ART GALLERY, BENDIGO, 12 DECEMBER 1995**

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J: Prime Minister, the Queensland by-election has been announced for February 3, how does that affect the timing of the federal election?

PM: It doesn't. They are just separate issues, completely separate issues. I think people know that.

J: Will you be going to Queensland to see if Wayne Goss is going to want some help with the election?

PM: It is a by-election. I can't remember one Prime Minister ever involved in a State by-election - not ever.

J: How do you think the Government will go?

PM: In the by-election, you mean?

J: Yes.

PM: Oh, I think the Government will win it because I think Wayne Goss has got in there, got on with the job. It has got a very good feel about it - Queensland. I think it has got tremendous potential, particularly with the Asia-Pacific growing the way it is and its links with it and the shift of population. It has got the wind behind its sails and he is driving it.

J: Mr Keating, did you have any talks with Mr Goss about the timing of it?

PM: No. I haven't spoken with him in the last two days either.

J: Will Joe Helper win the next election in Bendigo?

PM: Well I think he will and this city and this electorate needs someone like him to represent them in the national government and to do some more things like we have done today.

J: Do you think Bruce Reid is strong enough to win though?

PM: Well, to be honest with you, I hardly know their names of some of these Coalition fellows because you don't ever hear from them. And, today, we have said we will take the historic gallery of this city, you walk through that facade into the old galleries of it. It is one of the historic cities of Australia and the art gallery ought to be the place of recording some of its history. So we are going to join the city and bring it back to life. Now you know Joe was on my back about it. I saw the sense of it. We have gone and done it. Today we also announced the transfer of the tourist information centre down to the former post office, which is \$213,000. We are spending just on \$400,000 here in these things, on top of the \$2 million we will spend on the gallery. So these are, I think, for the core precinct of the city, all strong for its tourism, understanding the great heritage which is here and using it as well as the community facilities. I mean we have got a full office here of the Department of Employment, Education and Training. We have got very large labour market programs for the unemployed and the long term unemployed and that is growing. I think this year, I am relying on my memory, but in terms of support for Local Government, other Commonwealth payments to Bendigo, I think it is somewhere of the order of around \$55 million. And that is, of course, outside the Social Security system, outside of Medicare and outside all the mainframe programs.

So that is at the time when Victoria is pulling out money for education, pulling out money for health. The Kennett government is withdrawing funding from here. We are the ones interested in the place and so that is why we want him here.

J: Mr Keating, there was a handful of East Timorese demonstrators at the lunch in the park today. In an interview, the newly appointed Indonesian Ambassador has described the Dili massacre as merely an incident and wants Australia to get tough on flag burning.

PM: I have not seen the interview. I don't know what he said, Peter (Harvey). I have no idea. I have never seen anything he has said about issues affecting Australia and Indonesia, or Australia and Timor.

J: I realise that, but he said this in Paris.

PM: Well let's see what he said, Peter, and we will give a remark later.

J: Mr Keating, fuel prices, the difference between what city people are paying as compared to people here in Bendigo and other regional centres. What is being done at this stage?

PM: Well, petrol discounting comes and goes, I know. But you do get regional disparities in petrol prices. I mean, essentially, these things

are set in the market. We have a freight equalisation scheme which does affect beneficially many parts of Australia. But, I am just not sure to what extent it affects Bendigo.

J: Mr Keating, any response to Jeff Kennett calling you a jelly back?

PM: Poor old Jeffrey. I mean, I don't know what he puts on his rice crispies of a morning, the old Jeffrey. Some days he sprinkles them with Valium other days he sprinkles them with chilli.

J: Is *Community and Nation* federal Labor's backflip on City Link as Mr Kennett has claimed?

PM: *Community and Nation* is a very great reform of Australia's public housing system, that's what it is principally. Getting support for tenants in both public and private housing, to kick on the private housing sector in the rental market and to kick on the development of the community housing sector as well, that is, the public housing sector. It is a very great reform and I am very glad it was greeted as such by most newspaper editorials and by the industry. But, how it affects Victoria and these various projects is just a matter of how we do see a value in international linkages to cities like Melbourne and Sydney. In Sydney we are reserving land and a transport system to Sydney west airport from Kingsford Smith Airport. We have just spent \$250 million on Brisbane International Terminal and in the same way we are looking at what linkages there can be from Tullamarine to the city of Melbourne. I don't see this being in any way at odds with anything the Premier wants to do in his traffic policies.

J: Mr Keating, do you intend going to Singapore and Malaysia next month?

PM: I have been invited to give the Singapore Lecture in Singapore which I am prone to do and currently we are seeking to put into place, we are talking to Malaysia about arrangements. I might be able to go firm about that in the next day or two.

J: Mr Keating, I wonder if you would care to comment on Andrew Olle who remains in a critical condition in Sydney this afternoon?

PM: Only to say as a relatively young man I am desperately sorry to see the condition he is in and I am desperately sad for his family and as someone who is well known to the community I am sure there are many Australians who think the same.

J: Prime Minister, I have been talking to Aboriginal leaders in this region and they were saying that the Mabo legislation has been watered down to the extent that it will lose many of the benefits for them.

- PM: No, it is not going to be watered down. It is going to take a while to get the claims moving and to get them up, but in the end if one can establish a custom or traditional association with the land, that is the criteria for the legislation. I don't doubt that in any of these processes, various groups will get frustrated with them, but the strength of the legislation is there and the Government is not going to be changing it.
- J: Prime Minister, the State Housing Ministers met in Melbourne today ... (inaudible) ... does that place it in jeopardy?
- PM: I haven't heard what they have said, but I know Brian Howe came to the Cabinet with some very strong support from State Housing Ministers about it. They have been looking for a reform of this kind for many years and the Commonwealth State Housing Agreement hasn't changed really that much since 1945. It really needs this sort of change now.
- J: The State Housing Minister for Victoria says that the Victorian government is not prepared to pay any money because the Federal government isn't going to put in any money.
- PM: Well, the whole thing is that it is revenue neutral. You see, the money that Victoria would now spend on rental subsidies in public housing, they wouldn't need to spend, we would spend it. That is where the adjustment comes in. In other words, it wouldn't affect Victoria's budget and, I think, these things need to be understood. But, there would be a little bit of politics being played here by Jeffrey and the boys as well. So, you can put a big discount through most of what they say for a while.
- J: Mr Keating, John Howard has nominated small business incentives as the main electoral issue in Bendigo.
- PM: That is why he was out supporting our incentives package, our innovation package last week saying it was his own. He called it the imitation package. Of course, it was about supporting innovation in Australian business and one of the great reforms we have in there is bringing the banks into the equity position, rather than debt. That banks can actually invest in companies. You saw the company I visited here in Bendigo this morning with Joe, we went to see AUSVAC producing vaccines. Now it may be that that company through its own retained earnings has got enough capital, but if it hasn't, it would be the sort of company that the banks would actually take equity in rather than debt. That is a very novel change as is all the extension services like TradeBlazer, the reaffirmation of the 150 per cent R&D concession, all these things are very much supportive of the small to medium business.
- J: Will the superannuation funds be invested into the housing industry?

PM: Well, they are now.

J: More so through your program announced last week?

PM: Well, we are seeking in our program the other day, to teach super fund trustees to educate them about opportunities for investment in the market and how better to get a result from their investment fund managers and there is no doubt that as we see more competition in the housing market we will see more mortgages bound up and sold into the bond market and Australian super funds will be buying them.

J: Mr Keating, your forest agreement prompted quite a bit of interest in and around Bendigo, but the Box Ironbark forests which surround Bendigo weren't included in the reserve system.

PM: Our view was that there is in the Box Ironbark forests which are part of the national forest estate and those on private land, that they are of sufficient size to represent a representative reserve system and that is the key point. What the government is seeking to do here in forestry is develop representative reserve systems and we are seeking these Deferred Forest Agreements, deferred forest areas and as well as that putting areas away for regional forest agreements which we'll then enter into at some couple of years down the track. Our forest statement is the biggest reservation, I'm sure, the biggest reservation of trees in Australian history. Over six million hectares of important forest and that is why, I think, it was greeted so well by serious people interested in conservation.

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