



PRIME MINISTER

**TRANSCRIPT OF THE PRIME MINISTER, THE HON P J KEATING MP
DOORSTOP, BATHURST RUGBY LEAGUE FOOTBALL CLUB, BATHURST,
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J: Mr Keating, the Newspoll today shows that the Labor Party is closing the gap. Are you confident that you can pick up seats like Calare, or hold on to seats like Calare?

PM: I think so. We think the feeling in Calare is pretty good. That people, I think, are now starting to focus on the election campaign issues. They have had a look at the policy speeches, they have had a look at the leaders, they have seen the debate between John Howard and me, and they are starting now to make their minds up. And, I think, as they make their minds up, we are starting to see a shift of opinion.

J: Mr Keating, what do you know about the privatisation of the Information Technology Group within Telstra?

PM: I don't know much about it at all. But I got a question earlier today about whether some of these things amount to the de facto privatisation of Telstra and, of course, they don't. That is the same proposition that has been put to me about Foxtel. I mean Telstra is a telephone company, a communications company. It is not a news producer, it is not a movie producer, it is not an entertainment business. It has to do these things collaboratively and this is the way, I think, the business will grow.

It is one of the reasons why phone companies are now buying into entertainment companies and why, for instance, MCA has bought into British Telecom, which has bought into News Corporation, for the same reasons that entertainment, news and communications are all much part of the one business now.

J: But is it true that you asked for the privatisation of that particular unit to be put off until after the election?

PM: I don't know anything about it.

J: You didn't speak to the unions about it?

PM: I have not spoken to anyone about it.

J: You have never heard about that at all?

PM: I have never heard about it.

J: The Coalition is accusing the Government of politicising the Finance Department for costing their promises?

PM: Well that is just outrageous. John Howard, in fact, asked us, challenged Ralph Willis and Kim Beazley to actually have his policies costed in the course of this Parliament and when we do it, he then cries foul upon his own invitation. And, at any rate, this ought to be a matter of factual information. What has he got to fear about having the Departments that he says he wants to operate having them cost his promises? When, in fact, all Governments have done this right through the period, including his own back in the 1980s.

J: Can you give the Australian people a guarantee, when the election is finished and the books are opened, that the Budget will be in surplus?

PM: Well I have answered that question 20 times.

J: But can you give them a pledge?

PM: I have answered it 20 times. I mean we have put more data out there than anyone in Australian Federal history. But the key point is that either party will have to face the starting point. It is a matter of whether we are adding to the Budget task or subtracting from it.

Labor is subtracting from the Budget task because we have introduced measures which have, of course, already been costed by our Departments, which show that there will be a very big net contribution to the Budget.

John Howard will have a very big net deficiency and yesterday, when Ralph Willis and I articulated some commentary on Mr Howard's promises, what they showed is that there was a \$5.8 billion deficiency so far, without at this point dealing with some of their other things such as incentives for savings which we have not yet seen.


J: Mr Keating, Mr Howard says he will only have a deficiency if your Budget surplus doesn't emerge?

PM: Well he knows he is facing ... like, for instance, he never even costed his commitment to give the States a fixed share of income tax, which will cost about \$3 billion over three years. That was not even in his costings. I mean the Liberals have learned nothing and they have forgotten nothing. This is just Box Hill 1987 all over again. They think to win an election they have to win it on the basis of some sort of bribe, rather than on their own intrinsic merits or their philosophy and these sorts of bribes are expensive. And what they would do is derail a Budget process, they would derail a Budget's figuring.

J: But the Opposition says that they are not going to give the States any more money, that that is not going to cost anything.

PM: Well why make the promise? What does the promise mean? What does it mean? If it is not going to cost anything, what does it mean? Of course it is going to cost something.

J: Does New South Wales need a third international airport at Parkes?

 PM: We are not talking about a third international airport. I think what is being viewed here is whether, in time sensitive cargoes, perishable goods, there is the capacity to have some substantial, you know using the standard vehicles for freight, which are basically 747 freighters. An international airport is a horse of another colour - that is all of the facilities that go with it. But we are prepared here to look and see whether there is a viable option of essentially covering the cost of the extension of a strip and some of the ancillary support facilities you would need for freight and whether that can be paid for by the generation of the business.

J: ... costings ... [Inaudible]?

PM: There are airports built, I think, in this region. Some of the extensions have been put down to around \$20 million in some of the preliminary work that has been done.

J: Have you broached this with the airlines as to whether they are happy to move their freight operations to areas like Parkes?

PM: They wouldn't necessarily be airlines either. I mean, I think, you see quite a lot of charter operations as well as airlines. But if they could get some business, obviously, they would come here, getting caught in the congestion in Sydney is not really, I think, in their best interests.

J: On Sunday, will there be a debate?

PM: Of course there will.

J: Where?

PM: As we agreed last Sunday week. That was Channel Nine in Sydney next Sunday night.

J: The same format?

PM: The same format.

J: Mr Keating, Mr Button said today that whoever wins Government on March 2nd, is going to have to dishonour some of their election promises that they can't afford.

PM: No, that is not true of our case. We have got, as I said ... our spending commitments are half the Coalition's and they are funded twice over and it is not our claims. I mean all of our funding, of course, all of those figures that we have produced, are produced with Departments - they are Departmental figures. So our commitments are modest compared to the Opposition's and they are funded twice over. But it is a very real problem for John Howard. I mean the Liberals have made their classic mistake - they think they have got to buy peoples' votes, they have picked the mood wrong, they now have a set of grab bag promises they can't fund.

J: So why would Mr Button be making that sort of comment?

PM: John has always been noted for his philosophical approach to public life.

J: On super - what is wrong with older workers taking money ... [inaudible] ...?

PM: Lower income workers? I think there is a lot wrong with it. It is, essentially, playing them off a break. It is saying that they can choose to lose their retirement benefit - some choice - taking them out of a scheme that has universality, it busts the principle of universality, it busts the principle of compulsion and, of course, it removes the obligation of a Howard Government to pay the tax cuts to match their contributions. All in all it is a very miserable view and one that, I think, in the senior echelons of Australian business, would be a very worrying one. And, I think, in the financial institutions and for anyone who is interested in seeing a pool of savings in this country and a set of retirement savings, to watch the Coalition willfully dismembering and dismantling a universal superannuation system is, I think, a very silly thing to be doing.

J: Mr Howard appears to have backed away from his promise of an underlying surplus in 1996/97. Do you still think you can get an underlying surplus in 1996/97?

PM: Well I got asked that question earlier. Mr Howard is backing away because he has made commitments he can't keep. So he gets given a choice, doesn't he - either keep the commitments or back away from the underlying surplus. So he has backed away from the underlying surplus and, I think, economic journalists and those who write about these things should take note - this is the choice he has made.

J: So, yes, you can get an underlying surplus in 1996/97?

PM: I have made it clear before. We have published three years forward estimates of outlays and receipts, and three years forward estimates of the Budget balance in surplus.

J: Mr Howard has released his youth policy today and he has taken a substantial amount of money out of traineeships and put it towards apprenticeships saying that that is the only way to create real jobs.

PM: Oh, what would he know. Really, what would he know. I mean when he left office only three young people in ten completed secondary school - three in ten. Seven in ten were not even there left to complete years 11 and 12. That is John Howard's regard for our young Australians.

We have now got nearly eight in ten, we have just about doubled tertiary places, and we have already put, now - since One Nation - \$1.5 billion into ANTA, into TAFE, for vocational education. And we have developed a system of traineeships for people and you can see those traineeships today with McDonalds in Orange, and with Email in Orange. That is the sort of support. We regard 15 to 19 years of age is a period of vocational preparation and we don't want young people dropping out of school. If we do, we try and get them back into school or back into structured training and a subsidised job place.

So, you know, we have got that comprehension and we have got that very large commitment. And I might remind people, again, that when we introduced Working Nation - a \$1.5 billion program - Mr Howard's predecessor in office, the man who would be his Foreign Minister, Mr Downer, said it was a waste of money.

J: But that is not real jobs, that is training, that is not employing people?

PM: No, they are real jobs. Those jobs are one year jobs. It is one year traineeship for people

J: But an apprenticeship is a real job too, isn't it?

PM: Oh, there are apprenticeships too. But we have apprenticeships and we have traineeships.

J: He has offered \$18 million for youth suicide. What are you offering except more of the same.

PM: What, more of the same of what?

J: In that area, you haven't exactly been a success.

PM: Well you are a gloomy person, you are. I mean, what, did you take a gloom tablet this morning?

J: Well Australia does have one of the highest rates of youth suicide in the world.

PM: Look, what we are offering is young Australians a place in the scheme of arrangements of this country - a full place in education, a big investment by the nation, a big investment in their secondary education, a big investment in tertiary education, a big investment in vocational education, and support for them in such areas as traineeships, apprenticeships and structured training, where they actually walk away with an accreditation.

In other words, we are trying to give young people - not just hope, but prospects and also for those who, for some reason, drop right out of the system - in terms of homelessness, we have got a large package of funding to support them; and in terms of counselling, we have with the States a program to deal with some of these problems of morale which do lead to these environments.

J: Are you doing anything specifically to address though the teenage suicide rate?

PM: Well, I mean, we have ...

J: \$18 million is quite a lot of money to address to a specific issue?

PM: But this is not a static picture. We have got programs already out there and we are already doing those things. The truth is the Liberal Party has never invested in our young people - never. They didn't invest in them when they were in office and what was their attitude at the last election -

put them on \$3 an hour wages - \$3 an hour. Now, in Western Australia, it is \$3.77. They have taken the last three years inflation and topped it up to \$3.77. I mean that is where they stand.

J: You said in your campaign launch that there would be an unprecedented effort on Aboriginal health were you to be re-elected. What would that involve?

PM: Well we have already made very large commitments, we are transferring funds from ATSIC to the Commonwealth Department of Health and the Commonwealth Department of Health will be setting up and managing direct health programs in Aboriginal communities across the country. We will be winding that program up over the course of the next three years.

But we will also be looking to talking with the States about environmental health in such things as water, sewerage, housing, etc, because this is not just a problem of the incidence of disease. But, rather, as well, is that the environment in which all of this is created with over-crowding in housing, poor sanitation, and that requires a commitment with the States. This cannot be done without the States being involved and that is why I said the other day at the regional agreement signed in Cape York in respect of land that has the prospect of going to a full regional agreement under ATSIC, which would then have commitments by the State of Queensland - in that case - for say roads, housing, sewerage, etc.

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