



PRIME MINISTER

TRANSCRIPT OF INTERVIEW WITH PAUL LYNEHAM, 7.30 REPORT,
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E & O E - PROOF ONLY

LYNEHAM intro

PM: As a nation it's becoming increasingly clear that we do have to examine, in much more detail and with much more commitment, the nature of the Federal-State relationship. Not with a view to the Commonwealth scoring off the States or vice versa, but to try and address the issue of how we best deliver services to people and to look at how best we co-operate to create a competitive, efficient economy.

LYNEHAM: It was an intriguing comment that passed without any follow-up as the news conference focussed on immigration and other issues. But later, in the Prime Minister's office, I discussed his ideas with him in more detail.

PM: Immediately after my re-election I started to think about well, we've now been given the great responsibility and honour of governing this country at the start of the final decade of this century. We're coming up to the centenary of federation, January the first, 2001 and I am a student of history ... constitutional development of this country and I remembered and understood that it took the decade of the 90s in the last century, the full decade of those colonies talking to one another to work out what was the institutional and constitutional framework for the new Australia. It seemed to me that I had the responsibility now to address this issue in this last decade of this century as we come up to the centenary to try and see how best together we can look at what needs to be done to get Australia in the best institutional and constitutional shape for the beginning of that next century. So I've been talking with my colleagues about it, some ministerial colleagues and with people on my staff and what I'm planning to do is, relatively soon, after the Premiers Conference is to make a major speech which will be an attempt to launch that process.

LYNEHAM: Structural change in the relationship?

PM: Well, it will address the issues, without being exhaustive and I mean I don't want to give the whole

speech now, but, but it's a sensible question and it warrants an answer. It will address these issues, as I say, without being exhaustive, Paul. The, the processes that exist for the delivery of services by Commonwealth and States and local government and the degree of duplication and overlapping that exists, how can we look at more efficiencies there, it will look at the question of micro economic reform because, by definition in this country, it's not just a matter for the Commonwealth. I mean, what struck me as I've been thinking, the thing that really struck me as much as anything as I started to think about this, Paul, was that I looked at Europe, I see what's happening there, the movement to Europe 1992 and what do I see? I see 1992; a Europe of 12 nations which will have less inhibitions, less barriers to the free movement of trade and services, to the effective functioning of that great unit than will exist in this one nation of Australia. And so I want to look at those things, but the major concern I have is that the States shall see this initiative of mine, not as point scoring for the Commonwealth, there may well indeed be the conclusion that in some areas it's best for the States to do more.

LYNEHAM: So you're prepared to shuffle the deck of powers not only dealing yourself the best hand, but -

PM: It's not dealing, there's no question of looking at the - I mean, you know I've historically had this view which, that talk about States' rights and someone else's rights and federal rights, that's never appealed to me.

LYNEHAM: You've also suggested though that you think - you said once in a series of lectures you thought we might be better off without State Governments at all.

PM: Well that's, I mean, if you - what I said then, if you were now, that was in 1979 in the Boyer Lectures, I said if as you move towards the end of the 20th century, you were looking at the institutional and constitutional framework for the Australia of today - it wouldn't be the same as it was then. But the reality is, as I accept, is that in my lifetime and quite beyond that we have to work within a federal framework where there's a Commonwealth Government and States. The intelligent challenge to me, to my Government, to the State Premiers and their Governments, irrespective, I hope, of political persuasions, the challenge and the responsibility for us is to say now, let's look at the distribution of functions not just in a constitutional sense, but the way, institutionally, it's developed and the way in which we have responsibilities for transport between us. Now one of the things that we need to do cooperatively and it may involve some financial adjustments, I accept that, but what are the things that together we need to do to put this country in the best possible shape as we come up and it will be very quick, as we come up towards that centenary of federation. It took our predecessors, as I

say, a decade. The last decade of the 19th century to prepare for Australian federation. I think intelligently and sensibly we can use this last decade of the 20th century to get Australia into better shape for what's going to be a very, very tough and competitive 21st century.

LYNEHAM: Well, you can only wish him luck. Being the Balkans of the South Pacific seems like a very inefficient way to shape up to the next century. The other big issue today of course is immigration - following last night's marathon Cabinet meeting Mr Hawke announced that Chinese nationals who were here on June 20 last year - just after the Beijing massacre will be able to stay for four years under a special category of temporary residence permit. After that time their permanent residence here will depend on the political climate in China, although ultimately none of them will be sent home against their will. Now, isn't that a bit contradictory - not according to Bob Hawke.

PM: The first thing which goes to the question of the four year term, Paul, is this that it would be quite improper, it would not be a discharge of our humanitarian responsibilities if we imposed upon these people an obligation now to make a choice as to whether they claim to become permanent residents of Australia and repudiate their Chinese citizenship because, obviously, it is our belief and on the evidence that the great majority of these will want to go back to their homeland, but not make a decision in that respect while the conditions in China as they are, uncertain. So they have a four year period now where their time in Australia is secure. You've got your four years, you needn't commit yourself to making a decision about cutting ... or anything like that. Now it is our hope that at the end of that four year period, that conditions in China will have improved and I think it will be their hope so that they can go back as it was their intention when they came here, to go back to their country. And we're saying that if conditions have returned to a position where it's the judgement of the Government of the day, that the returnees would be at no risk, then that's what should happen. But we are saying that you just don't lightly give this precious thing of Australian permanent residence, which is the key to citizenship, you just don't lightly give that and if there's no reason why they shouldn't go back, then they go. But if a person at that time says no, we're not going back, we're frightened. We'll say alright you can do that but you don't then get the grant of permanent residence which is the key to citizenship. We'll let you stay here by rolling over temporary extensions.

LYNEHAM: Stay here forever by rolling over temporary extensions?

PM: Yes because it's our commitment. We've made the commitment and it goes right back. We've made the commitment - no-one will be forced back against their will in this group because there was this cataclysmic event -

LYNEHAM: But these things are good if there's a benign regime in China. Why do we have people then sitting here for decades after on these rolled over temporary permits?

PM: Well, because you've got to face the situation that some could say and you ... they can say well, look, I come from a part of China, it's all very well for you to say that generally speaking things are alright and so on, but I say to you that as a result of people who are in a position of influence where I come from and because of something that happened that time, I would be at risk. Now we are not prepared to take that risk, but we are not going, as I say, lightly and automatically to give permanent residence which is the key to citizenship to this country ... in circumstances where we think it's not justified.

LYNEHAM: And if they do stay on under these rolled over temporary permits -

PM: Yes.

LYNEHAM: What rights would they have, would they be sort of second class citizens?

PM: Well, they wouldn't have all the rights of permanent citizens, but you will notice in the decision that because there are some complications in just determining what rights are going to go into this period of the four year term and the Ministers still have to sort that out. I can't give you the final answers precisely because that's got to be determined, that'll come back to Cabinet very, very soon. But clearly they won't attract all the rights of full citizenship, full permanent resident.

LYNEHAM: And those who had overstayed their visas here by the time of the massacre of Beijing -

PM: Yes.

LYNEHAM: Some of them, let's face it, have fallen on their feet haven't they?

PM: Well ... that can be put, but what we're - I mean, there's two things about that. In a sense, conceptually, it's fairly difficult to distinguish between those and those who hadn't overstayed. I mean, here this cataclysmic event occurred in China at the beginning of June of last year. In a sense the ramifications of that and the implications for the people in Australia and in terms of their reactions, didn't distinguish between those who were overstayers and who weren't. So there's

that point of view and what the Minister is told also by his Department that it's also administratively difficult to sort them out. So for two reasons, I mean, the distinction isn't made.

LYNEHAM: Of course, in four years Dr Hewson might be Prime Minister.

PM: Well, depending whether the Liberals have continued their process of changing leaders pretty regularly, but I can't bind future Governments, but I would think, and I say this in respect to the Opposition whether it's led by Dr Hewson or not, in a hypothetical position they were in power, I don't believe they will be, but in that hypothetical position, I would think that they would regard as reasonable, the balance that we've tried to strike between our compassionate humanitarian responsibilities to these people and also the responsibility we have as a Government to have control of our migration program. I think we've, I think we've struck the balance fairly. I'm certain that Australia, being a country which has per capita more of these people than any other, I know from what's happened elsewhere, we've been more generous than anyone else.

LYNEHAM: Thanks for joining us.

PM: It's been a pleasure, Paul, thank you very much.

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