



## PRIME MINISTER

TRANSCRIPT OF THE PRIME MINISTER, THE HON P J KEATING, MP  
DOORSTOP, WORLD CONGRESS CENTRE, MELBOURNE, 15 JUNE 1992

E & OE PROOF COPY

J: Mr Keating, do you support the Democrats' idea of a code of conduct for Ministers?

PM: I don't know that it's the Democrats' idea. It's only at this stage as I understand it, floating around in discussion.

J: Do you support the principle?

PM: We've always supported the principle. It is the Senate which has voted against disclosure. Every House of Representatives Member discloses interests and the previous Prime Minister and myself have insisted that Ministers behave to a code, if not one chiselled in stone.

J: Mr Keating, on superannuation, the Democrats remain unconvinced that the superannuation guarantee levy won't cost jobs; what else can you do to persuade them otherwise?

PM: The thing is it is the Government which has taken over the years primary carriage of macro-economic policy. We started with superannuation to give workers a decent standard of living in retirement. We started with that in the middle 1980s. Today we are looking at an inflation rate of 1.7 per cent. We're the ones to best make the judgement, we're the ones most competently placed to make that judgement. And we assert, and I think assert without fear of contradiction, that we can afford payments by employers to superannuation without a macro-economic risk. That is, without the inflation rate rising.

J: The employers themselves, the ones who will be making the payments, they also insist that they will have to shed jobs.

You don't give their concern any credence?

PM: No because what the Government is asking of them would mean the devotion of even just about roughly 30 per cent of the productivity improvements which are likely to come through the economy. So it's a relatively small, affordable, manageable cost which will give Australian workers a decent standard of living in retirement and build a pool of national savings. That's what I think is important, but if we had taken the view that superannuation would upset the inflation rate and the future prospects of the economy we wouldn't have done it in the 1980s and we wouldn't be sitting now with an inflation rate of 1.7 per cent.

J: Mr Keating, do you support another interest rate cut?

PM: I'm not here to discuss interest rates.

J: What do you think of the Herald-Sun campaign Mr Keating?

PM: The Herald-Sun is obviously pamphleteering for the Liberal Party. Last week they editorialised against the Government and today they have as their front page lead a story which comes from the Liberal Party's policy of six months ago on a prediction about employment growth which Mr Hewson has himself disowned. He said it was only a guesstimate, Fightback wasn't a model, in fact he said in the House of Representatives, "repeat Fightback wasn't modelled". In other words and when asked on radio about the two million jobs, Dr Hewson said well it's not real world. So for a story which is six months old, not real world, denied in the House of Representatives, is the front page lead in the Herald-Sun. I think Victorians ought to reasonably assume that the Herald-Sun is no longer carrying news to them but carrying the political views of the Liberal Party of Australia and that this newspaper has decided to pamphleteer and editorialise for and on behalf of the Liberal Party of Australia.

J: Is this coming from the proprietor do you think?

PM: I don't think so. I think it's coming basically from the Editor and the editorial staff.

J: Mr Keating, if the Democrats push for a 4 per cent superannuation levy instead of a 5 per cent, will you accept that?

PM: I'm not here to discuss that. Now why would I respond to that in a stand up news conference in a hotel?

J: Would a ministerial code of conduct ... Marshall Island affair ...

PM: No, no we have had that, I've answered that before for you. Are there any others?

J: There are mixed signals about the economy and whether it's recovering, do you think it's time for a cut in interest rates?

PM: Well you asked me that a minute ago. Look the economy is recovering, we had the Business Council of Australia yesterday saying a recovery was on. That is the organisation which speaks for our largest companies, they said a recovery is on. We've had the national accounts show 2 per cent non-farm growth for the past three quarters. A recovery is definitely proceeding. While the recovery is not proceeding evenly around Australia and it is much to the lament that it is not proceeding as strongly in Victoria, the fact is that it is still proceeding and the Government will just make judgments as time goes by about what things it should do in the macro-economic settings to maintain that recovery and strengthen it.

ENDS