



PRIME MINISTER

**TRANSCRIPT OF THE PRIME MINISTER, THE HON P J KEATING, MP
DOORSTOP, FREMANTLE PORT AUTHORITY, PERTH
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- J: What about Federal Opposition claims that the One Nation policy is a flop because of the larger deficit, you don't have the necessary money?
- PM: Well that is just rubbish, because every dollar this Government has spent now over a decade has been accounted for. The Federal Liberal Party when they were in Government didn't even publish forward estimates. All of our Budgets are, the figuring's there, the reconciliation tables. And the One Nation spending, which has started, but in the main starts tomorrow, it starts in the new financial year, and it was never intended to be spent before the new financial year. That's the first point, the second point is, the one area where we have had a difficult negotiation is in putting together a new greenfields agreements on the rail system. But I mean there was never one for a hundred years, so of course it had taken us a few months to do it. That is, to try and build a national rail highway, which the lazy Liberals never bothered with for most of the 40 post-war years. We expect that we will have that greenfields industrial relations agreement to build a new national rail highway, we should have that in place hopefully by the middle of July. And that will mean then that all of the One Nation spending on the national rail network, the national rail highway can begin then feeding money into a new system where we can lay new track, lift the bridges, straighten the rail lines, and give Australia the kind of rail system it should have always had.
- J: Prime Minister your criticism of the Hogan image overseas, you don't withdraw from that?

PM: No, it's not a criticism of the Hogan image, I am just saying it is just one of the images. I think people should understand what I am saying. Australia is a subtle country with lots of varying appeals for overseas visitors. That image appeals to one group of visitors, but there are other images, and I am just saying that we need to let people know about Australia, our successes, and the subtlety of Australia, and not to be just encapsulated in one image. It is certainly no criticism of the Hogan image, or its campaign which was eminently successful.

J: Mr Keating, Mr Dawkins is seeking a meeting with you because he is concerned One Nation is not spending enough, quickly enough, or enough to get the economy going.

PM: That is not true. The Treasurer does not have to seek meetings with me, and I don't need silly questions like that put to me by journalists, frankly. The spending is all provided for and it will go ahead but we are not pouring money into rail systems where we don't have greenfields industrial agreements in place, but the rest of the spending, the roads, the main arterial roads around the capital cities have already started, as you know the airline part of One Nation has already been enacted, that is, a new airline system for Australia, Qantas flying in and the other airlines flying out. We are setting up the Commission to provide those routes in the next week or two. The payment to families was paid in April and that is already behind us. And the tax changes to depreciation, and all of those things are already enacted. So a lot of the One Nation policy is in place, but while they are difficult nuts to crack, with a new industrial relations framework for a new rail highway, and of course it is difficult to crack, it has been laying there with different gauge systems for a hundred years. I mean the Liberal Party which governed Australia for most of the post-war year were just happy to leave it lay as an industrial museum. which we have had to bring back to a modern rail system.

J: If you can't get that agreement will you reallocate that railway money?

PM: If we don't get the agreement of course we would reallocate the funds to road or something else but I am pretty confident the agreement is coming through. Can I just say while we are talking about packages that yesterday the Anglican Church came out and attacked Dr Hewson spiteful policy of knocking people off unemployment benefits after nine months and sending them down to voluntary agencies. And I noticed Mr Gerard Menzies, of the Anglican Church, said it was an abuse, that was the word he used, an abuse of the voluntary agencies for Dr Hewson to offer them a paltry \$50 million, and then load upon them the unemployed after nine months, hundreds and thousands of people and their families on a system that couldn't possibly cope with it. And as Mr Menzies himself made clear the Anglican Church already spends \$100 million in its own right, let alone the Catholic Church and the Brotherhood of St Laurence and the Salvation Army, to add \$50 million is an insult, but I agree it is an abuse of the voluntary agencies to turn people off benefits after nine months and say well you are on your own, go down there and see

the Anglican and Catholic church if they can help you good on them, if they can't too bad, you lay in the street, or look after yourself, or go to your extended family, or do what they do in the United States: huddle over railway grates to keep warm, or lie under cartons of a night. This is the sort of world that John Hewson wants to build. These are the spiteful policies he has championed and the Anglican Church has thrown it right back at him saying that the views of the Federal Director of the Liberal Party, Mr Robb, and articulating Dr Hewsons Fightback package is an abuse of the work which is voluntary carried out by the voluntary agencies.

J: It has been reported that Senator Button wants the measures in One Nation fast tracked, do you agree?

PM: Well look, we are going to fast track all we can, the main thing is most of the spending is to be spent in the financial year 92-93, if you read the document that is what you will find, 92-93 starts tomorrow, and will be spent over the 12 months from tomorrow. It was never intended to be spent between February and July, only a part of it and the parts that will be spent this financial year, I believe, we'll spend, we'll spend the \$1.8 billion we said we'll spend over the course of the financial year.

J: Given the Budget deficit situation is there any extra money around for more targeting coming up to the Budget?

PM: Well they are all just Budget matters to be considered.

J: Is there any extra money though?

PM: Well to be considered, that's what a Budget Cabinet is for, to sit down look at priorities, look at policy.

J: Mr Keating just getting back to your comments about Australia's image overseas, what sort of image would you like to see the country portraying to overseas visitors?

PM: Well I would like to see it first of all as a place with interesting tourist destinations, but a country which has got a unique identity and culture. That has flourishing arts, that excels in dance, and theatre, that has a developed society, a country with a good education system, a country that has made much provision for women, and advanced the cause of women. I mean this is a place that I think many Americans for instance, the Japanese people, would find aspects of Australia most interesting. But I think it is a multifaceted country, and the multi-faces of Australia need to be shown to the rest of the world, not just one face.

J: Are you critical of that so-called Yobbo image?

PM: I am not critical of it, it just needs to be complemented by the other images which we all know exist.

J: Mr Prescott, the head of BHP, said the \$2.3 billion in One Nation wasn't enough to get the economy moving, it is far more sluggish than forecast and he actually suggested that there was room for another \$2 billion, do you agree?

PM: Well that's a view. At the time I think Mr Prescott thought, and so did Mr Bailey and others that \$2 billion was about the ticket and we spent \$2.3 billion, but a great bulk of that spending is yet to happen as it was planned to happen in 92-93 and we will make a judgement about that as we go through the Budget processes. But one thing is clear the economy is going to grow reasonably strongly over the course of 92-93 it may not grow uniformly across Australia but there is a patchiness about it, but overall it is going to grow quite strongly through 92-93. The issue is how quickly will employment respond to that growth, in other words will productivity depress the growth and employment as growth in the economy proceeds, well that is a matter for judgement and we will make judgements about that in the course of the Budget.

J: So it is becoming more efficient as a two-edged sword as you see it?

PM: Of course it is, productivity growth means a given level of output from fewer people, that just simply means you have got to have more output, that means the economy has got to grow faster and the only policy framework which allows the economy to grow faster is the accord structure between the trade unions and the Government. Under the Liberals policy the start would grow faster and when inflation and wages started to grow they would just simply raise interest rates.

J: So do you stand by your employment growth figures in One Nation? By stating this concern do you think there is some question mark about the?

PM: Well employment has been slower, there is no doubt about that. But the growth will still be pretty much as we forecast.

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