



PRIME MINISTER

**TRANSCRIPT OF THE PRIME MINISTER, THE HON P J KEATING MP,
DOORSTOP, REGENT HOTEL, SYDNEY, 15 JULY 1992**

E&OE PROOF COPY

PM: The first thing I'd like to say to you is – this argument inside the Liberal Party is a real blue. It's a genuine dinky-di fight. And the reason it's there is because most people in the Liberal Party doubt John Hewson's commitment to the Liberal Party. Some of you should inquire, but I don't think he joined the Liberal Party until about the early to mid 1980s. It's not a life-long commitment to the Liberal Party, it's a transitory commitment. And people like Mr Fife, who gave Dr Hewson loyalty and support when he became leader, and in the process of him becoming leader, had none of that returned to them when these challenges came up for these seats in New South Wales. You heard much about the Labor Party Conference and about pre-selection wrangles. None of ours are like this. This is a real one. And at the heart of it, the reason why Mr King has thumbed his nose to Dr Hewson, and to some extent Mr Fahey, is because the Liberal Party organisation is asserting its prerogatives, particularly to a Federal leader, it doubts it has commitments to it, and where the old guard faithful members of the Party, whose commitment has been long shown, people like Mr Fife, have given loyalty and yet not had it returned, they are saying – well we have Party prerogatives here which we're going to insist upon and we're not going to have the National Party push and decide, even if it is with the support of our leader who himself only has a transitory commitment to us. That's what this is about. It's about old guard faithful committed Liberals and their interests, and the interests of the professional careerists like Dr Hewson, who want to use the Liberal Party for their own purposes.

That is point one. The second point is this. This is about policy on the run. We've now seen today the third variation of Dr Hewson's youth wage scheme. Two weeks ago he had the shocking temerity of accusing me of making policy on the run in relation to television. He had announced a youth wage out of nowhere. Within a week he has now varied it and tried to stick on a training voucher. As I pointed out, if you take these kids on \$3 an hour, or \$120 a week, and then take them out for two days for training, they actually end up on a wage lower than the dole. So, that bit of policy on the run is now again up this morning for review.

This Party has no serious policy structure for employment, for the employment of young people, or older Australians alike. It's basically in their sort of policy one the run, trying to make the day fit the moment, as their gab-fest a week or so ago was supposed to be about the GST and then became a discussion on youth policy. And that was very clearly dealt with this morning by Archbishop Hollingworth, who said that the whole Liberal Party approach to youth and youth wages was inadequate, and that we didn't need to prey upon people, and all that Dr Hewson would do, and Mr Howard with him, is not only to press youth wages but also to press the wages of older Australians, so for the first time ever we end up with a different class of people in this country. That is, those that are kicked off unemployment benefits after 9 months are left to be begging, so we have a begging class we've never had, and people are pushed into depressed levels of wages while other Australians can enjoy the fruits of this country.

That sort of break with the past, that break in not pulling Australians along, that is giving people at the bottom end of the income ranges a share of the national cake, and giving them a piece of this country, that notion, that putting asunder of that egalitarian quality of fairness is a peculiar mark of Dr Hewson's leadership. And they would create for the first time in Australian a genuinely and true underclass, which can only do to this country what similar policies have done to other countries.

J: Mr Keating, are you expecting something of a blue yourself with the unions, the ACTU, over the employment prospects?

PM: No. We had a very good discussion last night with the ACTU. I've said all I want to say to you today, I don't want you to ask me any more questions so I'm leaving.

ends.