



## **PRIME MINISTER**

**TRANSCRIPT OF THE PRIME MINISTER, THE HON P J KEATING, MP  
DOORSTOP, PARLIAMENT HOUSE  
1 NOVEMBER 1992**

### **E&OE PROOF COPY**

**PM:** I just want to make this point to you, that in a most revealing admission today Mr Reith has said that the Victorian Premier, Mr Kennett, and his Government, have broken their election promise and have no mandate for the industrial relations policies they are now implementing. He said this, I quote him, he said when asked about whether the promise was given that no worker would be worse off by \$1.00 Mr Reith said: 'Well it may arguably be put that they have brought down a policy which was different to what they said before the election'. And when pressed he went on to say, on the Sunday Program this morning: 'I think it is a fair argument that they' - Kennett and the Government - 'made a promise before the election and in some circumstances that promise will not be met'.

In other words, they followed a policy which deceives the Victorian electorate into believing that the industrial relations policy of the Kennett Government would be far more sympathetic than it is, and therefore in the full context of Mr Reith's remarks he has made it clear that there is no mandate for Mr Kennett and his Government for the industrial relations policies he is now following.

Now, Victoria is the Liberal Party's social laboratory. Victoria is the place where they are trying out their industrial relations tricks, where they are giving vent to all their ideological obsessions and they are now slipping and sliding and backing away from the kind of policies which we would see under John Hewson, John Howard and Peter Reith.

- J: Mr Keating does this justify, therefore, the Federal Government legislating to allow Victorians to leave the Victorian jurisdiction and move into Federal jurisdiction under Federal awards?
- PM: Well that could be a matter any Government could do in the normal course of events.
- J: How?
- PM: There is no problem, there is no reason in policy why if a union wants to be Federally registered that it shouldn't be able to be. But in the event that people are going to wear penalties that they didn't believe they were going to wear when this election was taken in Victoria, having that opportunity, at least gives the Victorian workforce some option to escape these .... policies.
- J: (inaudible)
- PM: Well that is a matter that is yet to be discussed.
- J: Are you confident that you have adequate constitutional power to do that?
- PM: Well again, that is a matter that has got to be properly heard by Cabinet.
- J: (inaudible)
- PM: Again, these are matters that Senator Cook would need to bring before the Cabinet. But the primary matter here is, the Liberal party have gone along as though they have just finished their port and cigars, their cognac and cigars down at the Melbourne Club, and decided that the workers are really all the problem, and they dashed out and hopped into them. In fact we have had a breakout of industrial peace in this country now for nearly a decade. We are now collecting data, we think probably our industrial scene has never been as peaceful from the time the statistics have been taken. We have got an inflation rate last week which puts us at the world's best, and on what basis do the laboratory workers of the Liberal party believe they can then run out into an electorate and engage in these sort of disruptive policies?
- J: (inaudible)
- PM: Well I will see what Mr Kennett has to say when he comes.
- J: Mr Keating ...
- PM: There are a couple of things in the conduct of public affairs that should be above the silliness of politics and the management of financial affairs between the Commonwealth of States and the management of financial assets ought to be one

of them. It ought to be one place where even Mr Reith knows that his silliness causes damage. Now the Commonwealth has acted here with total propriety and free of political favour. All that has happened here is that a matter akin to matters which I as Treasurer dealt with over the years, and other Treasurers have dealt with between States, and with the Commonwealth and States, has perhaps for the first time in a long time become a public matter, and there is a lot of interest in it. But States have been accommodated on all sorts of problems, or we have worked through all sorts of financial problems, not taking this sort of wrecking approach of throwing things into the public domain, which has just seen all the bond reels rise for the Commonwealth and the States making the whole carriage of public ... in this country much more expensive.

J: So you blame the Kennett Government?

PM: Let me just give you this example. How would it have been if I had said at the time when I knew the State Bank of Victoria was insolvent, for me to have said, 'well I must blurt this out, the public must know; despite the financial problems, which my making it public will reveal, I shall make it all a public matter'. Of course I didn't, I got it solved with Premier Kirner and the result was that the Victorian public were spared the greatest anguish that could have ever been visited upon them in a State which held a quarter of all savings banks deposits. Now that's what conscientious Ministers do, and I think the Victorian Government now realise that they have made a mistake in seeking to make any capital out of this, and that's probably why Mr Stockdale has now taken a back seat on the issue and wants to discuss it sensibly, I might say, reasonably.

J: ...

PM: The Treasurer is doing a press conference right this minute on all those matters and you are welcome anyone to look at his transcripts and he will take all the questions that matter.

J: Mr Keating how concerned are you that industrial disruption in Victoria might jeopardise national economic recovery?

PM: Very concerned. Who is going to invest in Victoria in this climate? And what is the point of it? In a place which was virtually brimming over with industrial cooperation, where we are seeing all sorts of enterprise agreements being written for all the flexibility in the world, to be talking about police, police on picket lines, about a non-negotiated legislating away of important components of wages and salaries and benefits: there is just no point to this. What I suggest to Mr Kennett is, that he sit down in a cooperative mode, as all of us in Australia have been obliged to do for a decade, and make Victoria work better.

J: What is your advice to workers about the proposed strike?

**PM:** That is up to Mr Kennett, any confrontation here is being generated by him, I can only advise him this, that he should sit down with representatives of the workforce and try and get his State back onto the road to recovery. Thank you.

**ENDS**