



## **PRIME MINISTER**

### **TRANSCRIPT OF THE PRIME MINISTER, THE HON P.J. KEATING MP INTERVIEW WITH JOHN LAWS, RADIO 2UE, SYDNEY, 3 NOVEMBER 1993**

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

JL: My guest is the Prime Minister of Australia Paul Keating, good morning and welcome.

PM: Good morning, John.

JL: How are you?

PM: Good, thank you, it's good to be here.

JL: Caught in the traffic?

PM: Just for a few minutes.

JL: What is your reaction to the polls showing Bronwyn Bishop at 2-1 winner over John Hewson as the Liberal leader?

PM: I think it is a matter of what John Hewson's reaction is, that's the more important one.

JL: No, I think yours would be much more interesting than his.

PM: This is a matter for the Liberal Party to worry about. There seems to be a lot of angst within the Liberal Party about Mrs Bishop. Their complaint seems to be that someone without any proven policy ability, without any ideas has come so far and is annoying so many of them.

JL: How do you think she has come so far?

PM: I think basically there is a vacuum in conservative politics and when there is a hole in this game, someone generally will try and fill it.

JL: How would you fancy lining up against her in the House. It would be tough wouldn't it, you couldn't call her 'scumbag' or 'vermin' or any of your favoured terms could you?

PM: No but I don't use those ... I've used 'scumbag' once in my life.

JL: Only once?

PM: Only once, and never heard the end of it.

JL: 'Vermin'? Well you never will.

PM: The thing about it is, Bronwyn's speed is to attack public servants under privilege. It is a bit different in the House of Representatives. In the House of Representatives we actually strike back - it is a little different.

JL: And you think it might be different for her?

PM: Look, the House of Representatives is like a big blotting paper. Senators mostly disappear whenever they arrive there.

JL: I see.

PM: You've seen that with Fred Chaney and a few others - big noises in the Senate, hardly a whimper out of them in the House of Representatives. I mean, State Premiers have disappeared in there, there are all sorts of people who have disappeared in there. So, I wouldn't be too concerned about that. I think this is a matter basically for the conservative side of politics and the issue is, I think, John Hewson lost the 1993 election and that means that all the policy issues he ran on ... that is, his abandoning of them have left him in a rather incredible position.

JL: Why do you think they found themselves in trouble? Do you think that the conservatives moved too far to the right and, as they moved to the right, you lot moved to the right and took the centre ground, and now I don't think there is any alternative but for them to head severely back to the left.

PM: The thing is John Hewson won't lead. On the republic he says you tell us why we have got to change, you explain to us why we have to change and if you explain well enough, we may follow. In other words, the onus is on you - the Labor government, you lead. The same on Mabo. We won't have a policy, we'll see what the government comes up with. So, it is a case of you lead, we don't provide any leadership and we'll obstruct wherever we get an opportunity. Now, I think that is engendering its own destruction within side the Coalition. I don't think they have mapped out ... (inaudible) they have for themselves and John Hewson has not mapped out a place for the conservative parties in Australia. They have no

ideological or policy bearings, whether it be in social policy, in economic policy or the greater issues - it just seems to me that they have lost their way.

JL: Yes, it seemed to me the only one who was prepared to talk out about Mabo on the conservative side was Sir John Gorton, how did you react to Sir John's statements?

PM: This is very much sort of old blue blood orthodoxy, you know - that blacks are inferior. Now, this is an old theme isn't it? Well, too old a theme for anyone with any sense of understanding of these issues or work better than that, just human understanding. He is not mainstream. The mainstream Liberal party has Peter Reith around talking about Aboriginal home lands ie trying to make the link with the South African home lands. Today, we have got Richard Court saying that he will line up the Coalition to support his West Australian legislation on Mabo. Now, does that mean he has spoken to John Hewson? Does it mean that he has his support in cutting across the High Court decision?

JL: Tell me, are you happy with the outcome of Mabo, you could hardly be totally happy because it really is a compromise isn't it?

PM: No, the good thing about the Mabo outcome to date John, is when you peel through it there are no ugly compromises sitting in it. Mostly a big national issue like this, as you leaf through it somewhere there is a horrible compromise sitting looking at you.

JL: But, there are a number of compromises in it.

PM: There are interests which are accommodated, but I don't think they are compromised. I think there is a difference between accommodation and compromise and the thing has got nice lines of logic in it from the point of view of the Aboriginal community and miners, industry, the states et cetera. There is no reason why the Coalition can't support it. The only reason is, that John Hewson is basically boxed in, he is boxed in every way he goes. He is boxed in principally in many respects, by John Howard - John Howard is in many respects the villain in the piece for him. He won't let Hewson move anywhere. If he wants to move anywhere on the republic, he says you change to the republic - I'll be against you. You shift your ground on Mabo, you'll deal with me.

JL: Surely, John Hewson is the leader, why doesn't John Hewson say to John Howard you better hang on a minute I'm the leader and this is what I intend to do?

PM: Well, that takes a little bit of guts, doesn't it?

JL: And you don't believe that John Hewson has got a little bit of guts?

PM: That takes a little bit of hitting power and that is what he lacks. In the end, he has been corralled by all these characters - so he has got Howard corraling him on the

right, he is afraid to move on any of these issues; his instincts on the republic are good, I think, but he won't say anything decent about it, he won't support any of the changes; I think no rational person could believe other than the High Court decision on Mabo is right, he is boxed in there; and then because he is boxed in and because he won't make a break for himself, then of course, the others are around - the Bishops of this world and the Costellos.

JL: What is the situation with Western Australia, I mean Richard Court unveils his legislation tomorrow, how will that affect your legislation?

PM: Commonwealth legislation will take precedence over that State legislation. What he wants to do is abolish native title, he wants to turn free hold land into some other kind of statutory title denying Aboriginal people the right to be able to apply for native title.

JL: Can you understand him wanting to do that?

PM: No.

JL: Don't you feel that his is the State that will be most affected?

PM: It will be most affected because it is so big - it is almost half the continent and there is still lots of unalienated crown land which can be subject to a native title claim. But again, it is not in the areas of, the built up areas which is where native title has already been extinguished by freehold title in the south eastern part of the state. Look, it is the old conservative line in some respects - Court says I don't mind giving Aboriginal people some land under a title I confer on them. In other words, if it is conferred it is OK, but if they have it as an inherent right it is not OK. In other words, if it is theirs by right, by the common law, but they have only got to establish who has the title, it is no good. If you can confer it on them, from a parliament, then it is OK.

JL: Well, if the High Court makes a decision, surely then Richard Court can't turn his back on it can he?

PM: This is the point about all these characters John. How often have we heard from the Liberal party about the rule of law? Over the years the Labor party has been lawless, it doesn't believe in the proper norms - we have heard all this stuff for years. The moment anything comes along which they don't like Reith says the High Court needs to be reformed, it is a social experimentation place, it needs to be kicked back into line. Court says there ought to be a referendum to knock over the High Court decision, so too does Bronwyn Bishop - these are the people who believe in the rule of law. I mean, these people believe in only their own interests and the interests of their constituency.

JL: What is the story with this wretched teak table?

PM: There is no story at all about it.

JL: Well, it is becoming a story. I heard Mrs Fraser expressing points of view on the subject this morning, crying the praises of Margaret Betteridge. Did she simply say don't buy it? What is the real story?

PM: Look, the real story is that for years the Lodge has lacked a decent dining table and Hazel Hawke wrote to the Australiana Fund and to the Prime Minister's Department saying in the final refurbishment of the house, at least we ought to have a table which can accommodate an official party of people. On that basis they all trotted off last year to try and find one.

JL: Who found one?

PM: Well, it was found by, I think in the first instance, the person you mentioned, Ms Betteridge.

JL: She found the table to begin with?

PM: Yes.

JL: And did she then suggest that that would be the table for the Lodge?

PM: Well, to find it and then to propose an offer to me and my wife, show photographs of it and invite us to go and look at it, would lead you to assume, would it not, that it was one that she approved of.

JL: Why did she then disapprove of it?

PM: Look, I think this is the revenge of the 'hyphenated names'.

JL: The what?

PM: They hyphenated names. It is all the people with their hyphens showing - didn't you see, there is more double names in this stunt than you have ever seen in your life - it is all the basically ... it is either the blue rinse set or the hyphenated names striking back. Whenever you read it there is Dawson-Damer - there is all these sort of, hyphenated names. Basically, it is the old Tory antique club who have got on the back of this and Tamie is holding the side the up with a plum in her mouth, doing her best for them too.

JL: Why did Margaret Betteridge change her mind?

PM: I think that a bit of peer group pressure probably got to her. That is, some of the other hyphens on the committee suggested that it wasn't ideologically pure enough.

JL: Did you get rid of her?

- PM: No, I read about it the same as you John. I read about it in a newspaper.
- JL: You didn't call her and abuse her?
- PM: She was offered another job as I understand it, along with a group of other people, 80 or 90 other people in a review of departmental functions and she chose not to take it, but to take the alternative which was a package.
- JL: Was she offered the other job on your recommendation? What I'm asking is, did you want to get rid of her?
- PM: No, this is handled bureaucratically, it is not handled by me. Can I say though, just as ... because this is an aside, this would be the only country in the world ...
- JL: That would have an issue about a dining table.
- PM: Exactly.
- JL: But it has become an issue and you the Prime Minister.
- PM: It has only become an issue because of these bone-heads around the place who want to talk about something that takes their fancy.
- JL: Yes, so you didn't deliberately get rid of her?
- PM: Look, the fact is, there has been a restoration going on since about the middle 1980s of these official houses. It is just about complete and this was a full time job, but where the work was basically over. Now, I think, the department has said look, the job is basically coming to an end and it is redundant, would you like another position? Answer - no, I prefer to take a package.
- JL: OK, I have been lead to believe from people that have talked to me about it, that it was a pretty good table at a pretty good price and would have served the purpose pretty well, even though it might not have been ideologically pure. Was it a good table at a good price?
- PM: Yes, I think so, I think that is true ... but, I mean about the last thing I need is to spend any time worrying about dining room tables. So, I couldn't care less, it was only basically sent on approval and if it didn't suit, it didn't suit.
- JL: OK, so long as you get a feed, you don't mind where you get it?
- PM: The current one will do me.
- JL: OK, you finally got the Budget through after more than a little, again the word required is compromise because you did have to compromise didn't you?

PM: At the edges we did, but by and large the bulk was through and we will see the Budget deficit track down now to around 1 per cent of GDP by the middle '90s. The thing is John, we do have now substantial recovery on our hands, you can start to see that strengthening week by week, you can see it in the stock market, you can see it in our trade figures. What we need to accommodate the investment that must carry the jobs with it is a smaller budget deficit by the middle 1990s. That is largely what the Budget does, what it sought to do from the outset. Now, we did introduce some changes to secure its passage, but in terms of money they did not materially alter the Budget balance in the next three years.

JL: Does it mean that we can now look forward to this sort of messing around with every Budget while ever there is a hostile Senate?

PM: We have never had a majority in the Senate from 1983. What was different this time, is that John Hewson decided to vote against the government's money legislation - he took an unprincipled decision. Look John, it takes 38 votes to stop a Budget measure, the Greens have got two votes and the other 36 belong to John Hewson. So, everyone put the weight on the Greens whereas the villain in the piece was Hewson sitting back, smugly, giggling up his sleeve in his office while everyone ran around to recruit the Democrats and the Greens. You might remember saying, I think I said to you on your program, that were we to have lost the last election, a Labor opposition would have voted for the Coalition Government's money bills in the Senate.

JL: Yes.

PM: ... including the GST. Because I have always believed, perhaps old fashionedly, that is, that the government's money legislation shouldn't be held to ransom by an unrepresentative chamber like the Senate which was put there to protect states' interests, it was not there to muck around with the Government's financial legislation. Now, John Hewson ripped that convention up and threw it out the window. Why did he do that? Because basically, he has got no experience in the game, he has blown in out of the financial market and the first serious thing he really does is stand up the Government's Budget. So the, everyone says, how will it be carried? So, the focus is on then the ones who are likely to carry it - the Democrats and the Greens - who in the end did carry it, along with the Labor Party. The Coalition voted against all these measures right throughout.

JL: Yes, but they only carried it with a number of compromises. Do you still look upon the Senate as unrepresentative swill?

PM: The Senate is an unrepresentative chamber. You get a dozen Senators elected for NSW with a population of 4-5 million and you get a dozen Senators elected for Tasmania with a population of around 400,000 - obviously, it takes many more votes to elect a Senator from NSW than it does from Western Australia or say Tasmania.

JL: OK, the two from Western Australia, where they a nuisance?

PM: The fact is the Budget succeeded and it passed and the Hewson tactic failed. In fact he had to admit that it failed. What sort of an Opposition are they? They won't lead on any matter and all they want to do now is vote everything down in the Senate, to use their numbers. You see John, what happened - the Senate is elected ... you know this, that at each election half the Senate comes out for election. In the current Senate half of it was elected not in 1993, but in 1990. Now in 1990, we didn't do particularly well in certain states, so it means when you put the 1990 result and the 1993 result together for the current Senate, the Liberal party has 36 Senators, the Labor party has 30 Senators and the balance is made up by Democrats and Greens. So you can make a decision, the public of Australia made a decision on 13 March 1993 to elect this Government, but what is sitting in the Senate is half the Senate which was elected three years earlier, which has not been elected on these contemporary issues, there was no contemporary decision made in March 1993 and yet these characters hold the government in the House of Representatives to ransom. That is my point about it being neither representative nor contemporary. Now, all right it has always been thus, but it hasn't always taken on to itself the job of knocking down Budgets. That is the point. Yes, it is a states' house; yes, it is unrepresentative and yes, it is not contemporaneously elected - that has always been true, but it has always kept its place as a house of review. It is not doing that now.

JL: No. Do you believe that those two Senators from WA were doing what they were elected to do?

PM: They are both new Senators. One has been there a year, and one has just arrived. These are very large issues to have laid upon them, and a lot of public weight, which in the normal course of events, if the 36 Coalition Senators were voting for the Government's financial legislation, say look , we lost the election. The whole thing here is, John, that John Hewson won't accept that he lost the last election. He is carrying on in Canberra as though he won the election and he is entitled to behave in the Senate on the basis that in some way the Government has acted dishonourably. Let me just make this point, we have had this debate running around about how they were too honest. I mean, they were too honest when John Hewson was telling everybody in January and February this year there was a double-dip recession coming along. We were going to drop back into a depression, and here we are with the economy growing quite strongly now, and the stock market back to its 1987 levels. I mean, he knew that was untrue when he said, he frightened the hell out of everybody right through the campaign. Then they had the ads with the gun shots, the people in the gun shot sightes, and people falling through trap doors. I mean, he was too honest, my god, if that is honesty. Now, by contrast, the Government is going to pay the tax cuts in the middle of November, it's introduced the legislation.

JL: Can we really afford those tax cuts, though, really?



PM: Yes, sure. And to not afford them means that the real incidence of tax rises. It means that even modest inflation on the tax system just takes the tax take up on ordinary people.

Now, as well as that we have put in the home child care allowance, which is a payment mainly to supporting parents at home, which is mainly women, which will be about \$30.00 per child, per fortnight, no, sorry \$60.00 a fortnight, and the generalised child care rebate, and a whole lot of other things. All the things the Government said it would do in the election campaign, it has in fact done.

JL: What are you going to do about making it easier for Australians to employ other Australians?

PM: To give you a quick answer, that is, the changes in industrial relations, which Laurie Brereton is now piloting through the Parliament which will allow tremendous flexibility for smaller businesses in the economy. Now, we have two streams of changes in our industrial legislation, one is enterprise agreements which largely the large companies are involved with, that is your BHPs and your Fords etc, where they make an enterprise arrangement for the whole company with a group of constituent unions and their employees', and then you have got the smaller areas, you know, the smaller manufacturing businesses, your stationery shops, your cake shops, or whatever it might be, and what we just succeeded in negotiating is a change to the industrial relations legislation which will allow the employer and employees of a small business to come to an enterprise agreement ...

JL: But only with the approval of the union.

PM: No, no. The union doesn't have to approve it, only if there are unionised employees in employment, in other words let's say we are talking about ...

JL: Well it would be very hard to find any business that wouldn't have some unionised ...

PM: Well that's not true. I think you would find that most small businesses ...

JL: Well you just mentioned a cake shop, surely the person baking the cake is going to belong to some bakers union, more than likely, which would mean that the shop assistant who wanted to work on Saturday for no penalty rates would have to get the approval of the union before that could be done.

PM: Well the first thing I would say is most of these places aren't unionised, I mean, mainly because it is simply too arduous to get round and unionise very small places. You find that a great bulk of unions are in the bigger businesses. And in the event that the owner of the cake shop wants actually to create a new agreement, they can do it without any reference to the union. Now if a union person is employed there and a union gets a chance to be involved, the business

and the employees, there has got to be consent which is 50 per cent plus one. So, if there is 50 per cent plus one of the people ...

JL: But it is not 50 per cent plus one. Some unions say it is 75 per cent plus one. We have had discussions on that subject, that it is not 50 per cent plus one.

PM: Well I can assure you that the legislation will make it a simple majority, and that will mean that if the employees of a place organise themselves to make a better arrangement you will find that unions won't be stopping the (inaudible) ... provided that there is not a diminution in benefits. In other words if the package of employment benefits is reconfigured to suit the employer and the employee in a way which improves the productivity of the business and the wages and salaries of the employees, I don't think anybody is going to stop it.

JL: You don't think, but you don't know? I mean, the militant unions are a bit of a handful.

PM: But there is not that many militant ones left. You have got an inflation rate, John, at 2 per cent. There is not that much militancy out there now.

JL: No. But there are militant unions. I mean, we had discussions the other day to somebody I can't quite remember.

PM: You will always find one. But if you look at Australian trade unions at the moment, if they were too militant you wouldn't have an inflation rate bobbing around at 2 per cent.

JL: Yeah, well some of the nice ladies who listen to us at Lithgow worked in the Berlie factory there, 70 per cent of them wanted an alteration made to the structure, and they couldn't get it through because that wasn't a majority. Now the union in that case said that 70 per cent wasn't a majority. Now, how in the world can anybody get anything done if 70 per cent isn't a majority?

PM: Well, what they could do there is actually go through what is called a section 134 agreement. That is a full enterprise bargain, a full enterprise workplace bargain, as the larger companies do. I mean this new stream we are putting in is for the small businesses. But look, how it will work, in the main, in the main, if someone wants to vary the coverage of a federal award they will be able to do it without reference to anybody.

JL: Ok, well why couldn't the people at the Berlie factory at Lithgow do it? 70 per cent wanted it, but that wasn't the majority. They wanted 75 per cent plus one.

PM: Well, the answer is I don't understand that. If the majority of employees wanted change I can't see why any union would want to sort of spike it.

JL: Well they have, and they did in that instance.

PM: Providing it is not about a reduced set of benefits, that is, taking their actual overall package down.

JL: Well, if 70 per cent say that that is fine, that's nobody's business.

PM: You will find that 70 per cent, I'm sure, never said that. I mean they are not about going there to take less.

JL: No, but it was a new arrangement and 70 per cent wanted it, and the union said, no, it has got to be 75 per cent plus one to be a majority. I mean, the union can't even add up.

PM: Look, what we have done, we have got away from the centralised industrial structure where the arbitration commission decided every wage and salary in the economy, largely. And we basically left it to enterprise agreements for large companies and then enterprise award flexibility arrangements for the smaller ones. The good managers will actually exploit all these things and so will the good union. You will always find there will be managers who don't take the options up, and there will be some unions that can't see the benefits. But by and large we think these much more flexible arrangements are a huge leap forward on anything Australians had over the last ninety years.

JL: So, can we have our daily guaranteed that a majority is 50 per cent plus one.

PM: Well, you certainly will in the legislation.

JL: 50 per cent plus one, not 75 per cent plus one.

PM: Yes. A simple majority.

JL: A simple majority which would be 50 per cent plus one. Ok, well we will get back onto the union involved with the Berlie activity in Lithgow.

There are very loud rumbles coming from Canberra that you are considering a Cabinet reshuffle, true or false?

PM: False.

JL: False.

PM: Yes.

JL: Everything is going to stay.

PM: Well, the Government was elected in March, it is October now, it is not that long ago.

- JL: Fairly loud rumbles that Laurie Brereton wants out of industrial relations, right or wrong? I mean you wouldn't blame him.
- PM: I have never seen a fellow enjoy himself so much getting this legislation through, I mean, he is absolutely thrilled to bits.
- JL: The union movement isn't all that happy with him, are they?
- PM: Well, look, he is a tough customer, Laurie, and he stood the unions up and said these are the core things that the Government needs, and in the end he negotiated himself a package which delivered the goods.
- JL: You have been taking a bit of a belting in the press of late. Have you got the press gallery offside? What has happened there?
- PM: Well, I have been there for a long time as you know, John.
- JL: Yes, but you had a good relationship with them.
- PM: 24 years and 11 years as a Minister, and it waxes and wanes a bit, but they are not too bad at the minute.
- JL: Kerry-Ann Walsh gave you a good work out in the Bulletin last week, and I think Laurie Oakes is at you again this week.
- PM: Well he runs hot and cold, old Laurie.
- JL: What about Kerry-Ann?
- PM: Well she has only just returned to the scene after a few years away. So, we have got to see her put in a bit more form yet.
- JL: I see. Do you keep an eye on all of them?
- PM: Yes. I keep a good close check on what they all say and do.
- JL: Do you believe that they are accurate in their criticism of late? The criticism has been fairly strong.
- PM: The problem the press gallery has at the moment is it is a proprietorial problem. There is basically very little investment in, well someone put it to them yesterday, human capital. People are not there long enough, they are mostly very young, they are arriving in there early twenties and they are leaving in their later twenties. And we are not seeing the development of the political personalities, I think, we need to, and this does give, I think, it means that instead of having experience in yard sticks to measure events by, the gallery is more prone these days to ebb and flow

on particular issues or personalities without the experience of having been around a while.

JL: I must say, as much as I would like to, we couldn't by any stretch of the imagination say that Laurie Oakes was in his late twenties.

PM: No, no. Laurie is one of the stayers.

JL: And Michelle Grattan.

PM: And Michelle.

JL: Julie Flynn.

PM: There is a couple of hundred up there though. I mean Alan Ramsey, you could put people like that in it. But by and large it has changed enormously, and I don't think that the newspapers in particular, or even the television stations are doing the right thing by the nation in not developing people and leaving them there long enough to develop a mature, and to see, and to get some experience of election campaigns, of changes in the economic cycles. Not to leave them there for three or four years. Three or four years is no where in a place like Canberra.

JL: A few weeks back we were talking about the Olympic Games, when I first came back from overseas. And there were suggestions made to me that I thought were good suggestions concerning the Olympics and the merchandising of souvenirs at Olympic Games time. Now, the Olympic Games are going to be a hell of a thing for Australia, I believe people are going to arrive here in Sydney and say it has been the best kept secret in the world, I think it is going to wonders for our tourism.

PM: I think that is right too.

JL: A lawyer in Forbes in NSW who listens to us through 2PK in Parkes, he feels that legislation should be passed to make it law that every souvenir and piece of merchandise sold in relation to the Olympics be made in Australia. Apparently Korea had similar laws in place and it was a great success and they made a fortune according to him. In contrast Spain lost millions because their Barcelona t-shirts were made in China, this man says. Now would you introduce legislation to say that all the souvenir goods for the Olympics would have to be made in Australia?

PM: Well that's something I would need to speak to our Olympic Committee, but one thing we will be doing is probably introducing legislation to protect the Olympic logo, which will become part and parcel of the Sydney Olympics. That is, Sydney having succeeded, and the Australian Olympic Committee being the relevant authority in the management of the Games and the advertising and merchandising associated with it. They would be the ones who need to protect the logo and would be the ones who would have a view about whether things are made here. I

think it is very hard to say that things should be made here, because often things are not made here, or they are made competitively somewhere else. But the logo requires core protection and it gets it generally by national legislation.

JL: I don't quite understand why it would be very hard to pass legislation that things had to be made here? I mean, you just pass legislation.

PM: If that was true we could just say that, if you take that argument you could apply for the whole economy and say, well everything needs to be made here, but you are not going to get your video recorders made here, or your compact disc players made here.

JL: But we are not talking about that. We are talking about souvenirs and things that we are capable of.

PM: I think, well, this again gets back to Australian entrepreneurship, John, I think a lot of people will see, as you say, the opportunity and take the view that Sydney has been a very well kept secret and they will exploit it and sensibly, and they will make things which are attractive. I mean, we are getting our act together, if you look at now just the catering of the tourism industries in major cities and provincial areas of Australia compared to three or four years ago it has changed enormously, as Australian merchandises are now picking up the opportunities that tourism offers.

JL: But would you make it easy? Would you offer some kind of concession to people to make souvenirs available that are made in Australia, or would you make it tough for the?

PM: I think before I answer any of that I wouldn't mind a talk to the Olympic Committee about it.

JL: I am sure they would agree.

PM: They have obviously got a perspective on this after having been through so many Olympic Games themselves, and also the challenges, or the competitions for Sydney and for Brisbane and Melbourne and Sydney. So, I don't know that I would say more than at least referring the matter to them.

JL: While I am on the subject of tourism this coming Friday, I think, the Crown Monarch, of Cunard line arrives to become a resident here in Sydney. It will be doing tours from Sydney to Cairns looking at the Barrier Reef and then back again. It will be the first big tourist liner to make its base here. One slight problem it has because of maritime laws, they have to take a jaunt out into the middle of the Pacific Ocean because they have to go offshore. So, I think a day and a half, or two days are wasted going out into the middle of the ocean turning round and coming back again, because they might upset those people who have vessels going up and down the Coast. Now, nobody has vessels going up and down the Coast,

so we are making it very hard for the Cunard people, and probably any other people that want to bring tourist vessels here to Australia. Don't you think it is time we had a look at antiquated Maritime laws that restrict tourism?

PM: I do. And I think, I am relying on my memory now, but I think we have a thing called continuous voyage permits which can be taken where there is a new trade or business been established, a foreign ship can be brought onto the Coast and operate in the way in which you described.

JL: Well obviously there are difficulties, because the same difficulty, I think, existed in the Caribbean and they had the sense to alter the laws there, there was one tourist vessel there, now I think there are 22 fulltime in the Caribbean. Now, that's the sort of thing, this leaves the Mediterranean for dead, the Whitsunday's.

PM: Absolutely. This is something we should be in. I will check this up for you John.

JL: Because I think it is pretty important, it would be great for Australia.

PM: Well it is one of our great growth industries, tourism. It has happened largely in the 1980s and we are seeing a greater sophistication of tourism services in the last few years, particularly as the going got a bit tougher, we got a bit better at it. And those services will proliferate and it doesn't surprise me at all that you will see major shipping lines operating.

JL: Well, you see, you take this Cunard vessel, I think, it accommodates something like 600 people. Probably 60 per cent would come from the United States, so we would be getting American money in. But we shouldn't just have one tourist vessel, I mean, we should have 22 full time going up and down the Coast.

PM: Absolutely.

JL: So, will you have a look at that?

PM: I will indeed. I will get back to you about it.

JL: Because in the area of tourism we are way in front of the rest of the world in what we have got to offer, it just that sometimes funny old fashioned laws that have been in place for a long time are a bit restrictive.

PM: Basically all the coastal shipping all about, largely it is not even about passengers, it is basically about freight. It is not about tourism.

JL: Ok, well thank you for your time. I hope the press sees the charming side of you soon.

PM: Well we are getting the big things into place. Governments are either there to do the big and right things or they are there to mark time. Now, basically I was hired

to re-start the economy. That's why I was, I think, chosen as leader of the Labor Party, it's probably why we were re-elected. The economy is now growing again and growing quite markedly. Big social issues are coming along like unemployment, we have got this white paper on unemployment coming down at the end of the year, which will probably be, I think, we are ahead of the world again in trying to deal with a long-term problem there. In big social issues like Mabo we are moving a very large solution into place which would confound most countries similar to us. And as well as that we are also making a place for Australia in Asia with the development of APEC, and I will be going to Seattle in November for that. And all the big things the Government is doing, not just what it said it would do, but giving Australia the leadership and the capacity the country needs from a Government prepared to take risks and do things. Now that's why I am there, that's why the Government is there. And we have all got to put up with a bit of criticism from the press from time to time, or problems with Budgets. Providing the big core things are going into place, it is all worth it.

JL: Thanks for your time, let's hope we can talk to each other soon.

PM: Good John.

JL: Prime Minister of Australia, Paul Keating.

ends