



PRIME MINISTER

STATEMENT BY THE PRIME MINISTER, THE HON. P.J. KEATING

LODGE TABLE

Given the current interest in the matter of the replacement dining table for the Lodge the following facts may be of interest to the media.

The need for a replacement dining table for the Lodge was first raised by Mrs Hazel Hawke in 1991. She indicated at the time that a replacement table was the last major outstanding item to be settled under the Lodge's refurbishment program. It was widely acknowledged that the existing table was unsuitable for the many large official functions held at the Lodge.

The matter was raised again in early 1992 but it was not until November 20 of that year that I discussed the need for a replacement table with members of the Australiana Fund.

At that meeting it was agreed that a suitable period dining table, probably from London, could cost up to \$150,000 and that this expense could not be justified.

I suggested it may be possible to commission a less expensive reproduction table through a local manufacturer or supplier, and mentioned Mr Paul Kenny as one possibility. Mr Kenny is acknowledged as one of the few leading suppliers of tables of this type and his expertise and standing is widely recognised within the industry and by Ms Betteridge herself.

It was agreed at the meeting that Ms Betteridge approach suitable people or firms, including Mr Kenny, to undertake some preliminary investigation and costing.

Ms Betteridge's investigations revealed that Mr Kenny had a table under construction which might be suitable at a cost of \$25,000. Contemporary Australian furniture makers and individual craftsmen were also approached but

their quotes ranged from \$40,000 to \$60,000 for a table of equivalent size.

Ms Betteridge subsequently inspected the table and provided me with a photograph. Preliminary arrangements were also made for members of the Australiana Fund to inspect the table. The table was delivered to the Lodge "on approval" on or about June 9.

While this sequence of events was unfolding, the Australiana Fund was also considering whether the Fund itself was the appropriate vehicle for purchase of the table, or whether it would be preferable to procure it through the annual budget for official establishments.

I did receive a preliminary indication that some members of the Acquisitions Committee of the Fund might consider that the table fell outside its purchasing guidelines.

But when I met the chairman of the Australiana Fund, Mr Walton, at an official function he told me there was still a possibility of the Fund buying the table given the difficulty of obtaining an alternative at reasonable cost. He told me the matter would be discussed at the next meeting of the Fund, to be held within weeks.

Against this background my office advised the Department not to settle the account with Mr Kenny until the matter was finally decided by the Australiana Fund.

When it became clear the Fund would not purchase the table I decided against paying for the table from the annual departmental budget for the Lodge, and arranged for the table to be returned to Mr Kenny and had the old table re-installed.

I then telephoned Ms Betteridge to tell her the table had been returned and to express my disappointment that the matter was still unresolved, a full two years after Mrs Hawke had first raised it and to express my disquiet about the serious inaccuracies and reflections on my role in the many notes for file she had written.

Two months later I learnt of Ms Betteridge's decision to accept a redundancy package via a television news report.

The secretary of the Prime Minister's department has advised that to date 19 offers of voluntary redundancy have been accepted by PM&C officers and that the Department expects eventually to abolish 25 positions.

In the two years since this was first raised there have been conflicting accounts of events.

At the heart of this confusion so far as I was concerned was continuing doubt about the eligibility of the proposed table for purchase by the Australiana Fund.

In any event, I have always believed that a new table for the Lodge was desirable but not at taxpayers' expense.

If a suitable table could be found at reasonable cost and that cost borne by the Fund which is financed by donations and events such as 'open days' at official establishments well and good. If not, then there should be no new table.

Needless to say, I do not intend to reopen the matter and the old table will remain in use for the foreseeable future.

Attached is a letter sent by the chairman of the Australiana Fund to its members and copied to me which may provide further useful background.

CANBERRA

November 4, 1993

THE AUSTRALIANA FUND

G.P.O. BOX 4931, SYDNEY N.S.W. 2001
Telephone 251 5711

September 13, 1993

Dear Member,

The recent spate of publicity regarding the possibility of the Australiana Fund acquiring a Dining Room Table for The Lodge has prompted me as your Chairman to write this letter.

Following a request from Mrs Hawke in October 1991, the Fund has recognised the need to replace the table that was purchased for The Lodge in 1981 following the extension of the dining room to create more seating capacity. In fact I responded to Mrs Hawke's letter indicating that the Fund would be delighted to work with her in acquiring a table which not only captured the spirit of the 1920's, thereby enhancing the Lodge, but which would also offer a pleasing and practical solution to the then present problems.

Despite widespread inquiries and searching it proved impossible to find an appropriate original replacement table. It seemed that the only solution would be to commission the required piece. This was in fact discussed with members of the Fund Council when they met with Mr and Mrs Keating at The Lodge in November of last year. Although my unexpected hospitalization prevented me attending, I understand the question of commissioning a dining room table, possibly made of Thai mahogany, was canvassed at that meeting.

Subsequently a number of discussions took place involving various people, including our fine arts adviser, Margaret Betteridge. The matter of the purchase of the Thai table was considered by the Acquisitions Committee who recommended rejection. It was never put to a vote of the Council or of the Official Establishments Trust.

When the request to consider this acquisition was recently made, I indicated that the Council was scheduled to meet at the end of August and the matter would be decided at that meeting. Before this scheduled meeting took place there was some unexpected, unfortunate and uninformed press comments regarding the possible purchase of the table. Concurrently I was advised by certain members of the Acquisitions Committee of their strong views in the matter. We were subsequently informed that the Prime Minister had decided not to proceed with the acquisition of the table and that it had been returned to the dealer who had commissioned the work.

There have been a number of previous occasions where the incumbents of the Official Establishments have been of a different view to the Acquisitions Committee. The Rojo bookcase, the Devlin silver candlesticks, the De Maestre murals are a few cases in point. In each instance the feelings of the occupants have been given considerable weight in the final decision of Council, notwithstanding the recommendations of the Acquisitions Committee.

It is after all Their Excellencies and the Prime Minister and his wife (who has in every instance been President of the Fund) who make the success, perhaps even existence, of the Fund possible. They allow the Open Days and other fund raising events, provide generous hospitality to our members and donors, occupy the houses that are used for the display of our collection, financially contribute to any necessary restoration work through their departments, and generally provide considerable assistance and support for our endeavours. Without this spirit of mutual co-operation, with communication and understanding on both sides, the Fund would almost certainly wither and gradually die.

We have received the fullest support from the present occupants of the Houses, and I was very pleased to announce Mrs Keating's acceptance of the Presidency of the Fund at our 1992 Annual Meeting. Fortunately my concern for working in close co-operation with the Governor General and Prime Minister and their wives is shared by my fellow members of the Council. This is not to say that where there may be different views, these should not be resolved in a spirit of sensible negotiation wherever possible.

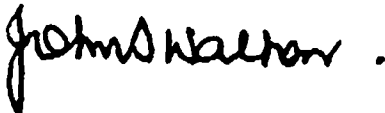
I do reiterate that the question of the purchase of the particular table was not formally considered by the Council as when Council met there was no longer any decision to be made. You will however be pleased to know that Council has unanimously resolved to have the Fund participate in the acquisition or commissioning of an appropriate dining room table for The Lodge, to be selected with the acquiescence and approval of the Prime Minister and Mrs Keating. Already we have had approaches from a number of craftsmen wishing to become involved in such a project.

Further, in view of a recent inaccurate article in the Australian Financial Review regarding the whole sorry episode, I must set the record straight on the acquisition of the Geoffrey Hannah cabinet which proudly adorns the hall of Government House. We are fortunate that Mrs Hayden spotted this unique contemporary piece in an exhibition at the State library of NSW and referred it to the Fund. The Acquisitions Committee, with one person dissenting, recommended its purchase, a recommendation which was unanimously endorsed by the Council and The Official Establishments Trust. The piece was paid for in two instalments, was sponsored to the extent of \$25,000 by World Book Encyclopaedia, and is probably worth double its \$92,000 price tag today. The public reaction to the piece has been overwhelmingly favourable and in the opinion of almost all Fund members who have enjoyed the hospitality of Their Excellencies, it is a most appropriate item for the collection.

Finally, since its inception in 1978 the Australiana Fund has prided itself on being an apolitical organisation. This also is obviously critical to its future. Regrettably, whilst most members who have been recently approached by the Press have declined to comment, some statements have been made and stories leaked, which on the surface appear to be politically motivated. Clearly it is crucial that we maintain an apolitical stance to ensure the continued support of the public, our corporate donors, the occupants, and thus the viability of the Fund. This is especially so with the possibility of a Republic just around the corner.

Please don't hesitate to contact me if you have any questions or comments on the above rather lengthy diatribe. Meanwhile, let us get on with the job of mending fences, regaining our momentum, and working together to enhance the Fund.

With warm regards,

A handwritten signature in black ink that reads "John Walton". The signature is written in a cursive, slightly slanted style.

JOHN WALTON