



## PRIME MINISTER

TRANSCRIPT OF THE PRIME MINISTER, THE HON P.J. KEATING MP  
RADIO 6WF, RICHARD UTTING - 1 MARCH 1994

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UTTING: Will her resignation finish this affair do you think?

PM: I think so, it's essentially a Canberra political dust storm which I think Ros Kelly graciously hosed down yesterday and I think if there is any lesson to be learned out of this the House of Representatives Committee said in its report that in all future grants programs, this is a grant program, there ought to be a sort of schedule of applications that evaluates such projects and contains recommendations to guide the minister's decisions. Now I think that is probably right and that some good will come from it.

UTTING: But Paul that should have been obvious some weeks ago and it's been a running sore as far as the Government is concerned, hasn't it?

PM: Well except these things of course were all distributed last year and the year before that so what's distributed can't be undistributed but essentially these were relatively small grants to amateur sporting organisations and you know there has got to be some basis of evaluation. Now the evaluation was done by the minister herself, what the committee looking at this said, well she should do it may be but the administration should largely be with the department and well I think that's something we can take note of from this episode. The main thing is that there was no fraud involved in this, no impropriety because these monies had to be expended before they were reimbursed. See a lot of programs, monies are expended to the limit and they are not then fully spent, well spent. This one, the local people had to spend the money and only after it was spent were they reimbursed by the Commonwealth so therefore the occasion of fraud was very diminished. There is no indication, no hint of fraud or impropriety just in a sense dissatisfaction with the way in which, with the minister's choice.

UTTING: It does appear that Labor, marginal Labor electorates were favoured by the allocation of grants.

PM: Well mostly Labor marginal electorates have a dearth of these sort of facilities, netball courts and basketball courts and what have you whereas established areas, you know your sort of Peppermint Groves and Dalkeiths and these sort of areas have got these things and they don't need them.

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UTTING: It surely means that there should be proper guidelines for the allocation of these grants so that there is no perception of political bias..

PM: Yes well that's a point I think in a sense I was making a moment ago in referring to what the House of Representatives Committee said was this. In all future grants programs there ought to provide a schedule of application that evaluates the proposed projects and contains recommendations to guide the minister's decisions. In other words the minister is just not sitting there himself or herself saying yea or nay to this one or that one.

UTTING: But as Prime Minister Paul, you should have been aware of the problems in this program some time ago and done something to remedy it.

PM: Well the program has had great popular support Richard. You take any of the sporting clubs. I mean I said the other day the way the Liberal Party had beaten up this thing you would swear blind it was a terrible thing to give money to amateur sporting clubs. How does an amateur sporting club that is looking for a netball court or a basketball court or a bowling green or call it what you like, raise that sort of money, under what programs do they get it? Now as I said this thing has a lot of virtue this program, a tremendous amount of virtue. So it's really only with the process of evaluation and not the program of the essence. The Liberal Party put no money into sport, never, they put peanuts in the 70s, they had two and three million, we have got sort of sixty, eighty million dollars a year going into sport now, that's both into elite sport and into amateur sport. They have attacked all these programs as if there is something terrible about giving funds to amateur sporting themes which I think are the salt of the earth type organisations to give funds to and therefore they don't really care about areas which have been deprived or groups who are financially strapped who have had these programs made available to them. I think you have always got to keep an eye on what is basically a decent policy motivation.

UTTING: Now you stood by Ros Kelly for a long time over this. What was the straw that broke the camel's back?

PM: The likelihood is that she would have probably faced continuing questioning about this and the House of Representatives Committee came down and said there was administrative deficiencies in the way in which these were issued but they made it quite clear there was no fraud or no impropriety, so she would have had that to deal with and of course we had the Opposition with their hijinks in the Senate, so it may have gone on for much longer at her expense. I think that was her decision but Richard I think it's worth concentrating on this point. The real story in today's papers is the poll of The Australian and this is what is running the Liberal Party. I will just read you the first paragraph it says, despite the Coalition's political success in forcing the resignation of the cabinet minister over the so called sports rorts affair, voter dissatisfaction with the Leader of the Opposition Dr Hewson has reached an all time high.

UTTING: This is the whole point isn't it, you now can take the attack up to the Opposition rather than having the haemorrhaging of the sports rort thing distracting everything.

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PM: That's right I spent last Friday in Hobart with the Premiers putting together what was a landmark change in the adoption of competition policy within the great Government business enterprises of this country, that is the electricity authorities, the water authorities, the ports, all of these organisations. Now this is a huge change, they have always been cossetted these organisations. They charge mostly monopoly prices, you could see when the Commonwealth introduced competition into telecommunications West Australians would notice most particularly how STD prices have come down to the rest of Australia because of competition to Telecom. We in the Federal Government have been trying to get the States to agree to competition within these state authorities. This was agreed in principle last Friday in Hobart. Now it is these matters of substance Richard, like the other thing we are doing now, looking at the long term unemployed which matters and The Australian poll is basically right. While ever the Opposition wants to basically get involved in Canberra dust storms of this variety they have not been able to translate it into any political success and the poll published this morning basically would mean that if we went to an election this week the Government would win.

UTTING: Now talking about perhaps not long term unemployed but someone who is taking it a bit easy I guess, what's Ros Kelly's political future now?

PM: She will remain a member of the House of Representatives for Canberra which is the primary role a person in Parliament has and she can just make her own mind up then about what she thinks, what she wants her career prospects to be. But she has been a very significant Minister for the Environment, one of the core matters agreed upon last Friday was the adoption at the Council of Australian Government, that is the Commonwealth and the States of standards for air and water quality and noise pollution which are core environmental matters. The quality of water and the quality of air and national standards. This is one of the things that this country needed, this is something, a milestone thing she negotiated as environment minister so she has had a very important career in public life, had four years as Minister for the Environment in Cabinet and chalked up great successes and most particularly last Friday the very day she was under attack.

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