



PRIME MINISTER

TRANSCRIPT OF THE PRIME MINISTER, THE HON P.J. KEATING, MP
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PM: I just had a discussion with a very representative group about the labour market and the Green Paper proposals that the Government has published to deal with the problems of the long-term unemployed. I had a chance there to listen to what particular sectors involved in this - this is the technical and further and education, TAFE; the Salvation Army; SkillShare; the Labour Council; the employers; Chambers of Manufactures - so one does get a fairly, I think, representative view. I regard this as valuable because picking up some of the texture and text of this discussion is very important in thinking about how such changes ought to be made. That is, how do we make the long-term unemployed jobs ready again? How do we train them and give them confidence and give them the prospects of getting employment? And do we make a national commitment to them? I think, the answer is those questions have all got to be answered in the affirmative and, I think, the group I have just seen are suggesting ways where we can make the labour market programs work better; how they are better understood by business; how they are more readily taken up; and I regarded that as a very valuable and helpful discussion.

J: Prime Minister, on Medicare, is there room for a change in the way that the levy is applied at all?

PM: This debate seems to be running around the columns. Look, the Government has had a look at the health system every year it has been in office from the day Medicare was first set up. But there is nothing around at the moment to promote major changes, that warrant an increase in the levy.

J: Mr Keating, can you categorically rule out any increase in the Medicare levy?

PM: I was saying, there is just nothing around that warrants a change to the levy of the kind described.

J: What about a phased increase similar to the tax rates?

PM: Yes, but you can ask me about every other tax in the system too. I mean, there is just no point in me trying to give you answers to them.

J: You said earlier today that it was undecided ...

PM: No, no, no, not undecided about the Medicare levy. What the Expenditure Review Committee does every year is look at the health system because things change all the time and every year we look at the changes. I have seen in the last ten years the mechanical costs of pathology and diagnostic imaging drop enormously as we've seen miniaturisation and computerisation and medical science change the productivity of those tests so therefore we pay less. All those sorts of things are always under review.

JL: So, can you rule out any rise?

PM: You would like me to rule out every tax change and everything else. No, I don't make statements like that. There is nothing to rule it in, that is the point.

J: Can you rule out an incremental change - just 1.4 per cent for higher income; 1.8 per cent ...

PM: This has been tried on me before by people who have suggested that higher income earners should pay a higher levy - I don't believe that and I have said that plenty of times.

J: In Fremantle the Liberals are saying that Carmen Lawrence is going to be your puppet in Canberra rather than representing the people of Fremantle. What do you say to that?

PM: That is the sort of partisan, biased nonsense you would expect from the Liberal party. That is what I say to that. Carmen Lawrence was Premier of this State, she has made a contribution to public life, as a woman in public life, which stands the test of any in the country and she will be a great Western Australian representative in the national Parliament. Bear in mind that you already have the Minister for Finance from Western Australia in the Cabinet; you have got the Minister for Industry in the Cabinet; you have got the Assistant Treasurer and until recently you had the Treasurer - Western Australia is well represented in the Cabinet of the Commonwealth. Dr Lawrence will join the caucus of the Government and may, of course, at some point join the Ministry. In which case she will end up an absolutely tip-top representative of this State. The Liberals can eat their tiny hearts out. The fact is, she will better represent West Australian interest than

the sort of carping that goes on now by the Liberals under the claim of parochial interests.

J: Mr Court seems to want to talk to you about Mabo. Perhaps he has painted himself into a corner and is looking for a way out, shouldn't you offer him that?

PM: You can ask him - is he going to drop his challenge to the High Court case. The answer is no, he is not. The fact is, if I see Mr Court any more than I've seen him then I will offer him bed and breakfast at the Lodge. Honestly, I keep bumping into him at lunch, at breakfast and everything else. I am a pretty reasonable person. I'm sitting for lunch, I can always take time off to discuss Mabo or anything else.

J: If he drops the challenge will you talk to him?

PM: But he has never raised these questions with me. But if he drops the challenge he can then be part of the co-operative scheme. Remember this, this is a Commonwealth law carried by the House of Representatives and the Senate. It has been complied with by all other States bar Western Australia. If Western Australia complies the structure is set up for certainty, sense and a decency and the management of the native title issue.

J: So the conditions are that you will talk to him if he drops the High Court challenge?

PM: Just remember this, that I offered his government and his bureaucracy access to all of the Mabo discussions all last year and he would not participate. They would not send their bureaucrats to the multi-state/commonwealth meetings.

J: Prime Minister, by coincidence there has been, as of yesterday, as native title claim, a very nice stretch of the river front in the Fremantle electorate. Have you been briefed on that all?

PM: Howard Sattler asked me about it this morning. Who owns the land at this stage?

J: I think it is public open space, but your view on that is quite coincidental, there seems to be ...

PM: Look, if there is any grant of interest by the State or dedication of the land that means that any native title claim is subordinate to that. That is what it means. But the thing is, this can be all decided in the Western Australian Supreme Court, if the Court government complies with the Commonwealth legislation. Otherwise it will be decided in the Federal Court of Australia. Again, the Federal Court of Australia will hear it here in Perth.

J: ... spending a lot of time with Carmen Lawrence on this particular campaign. Is that because you are worried about your low popularity or the Labor party is worried about your low popularity in WA?

PM: We have got to get past the point where the Liberals feed you dunce lines and you all repeat them. You are paid to think, to be jolly, to be looking at the big scene and to pick the right things out, not to be parrots for the Liberal party. The fact is, I am seeing Carmen at a car plant later. I saw her yesterday. She and I have had a good discussion about the issues here. In campaigning for her today I have dealt with Commonwealth issues on a large rating and popular radio program. Last night she and I shared our campaigning responsibilities and she went to one function and I went to another at the Notre Dame University Graduation and we are doing the things which have to be done in a campaign. We don't have to be walking side by side everywhere to put the Commonwealth interests. This is nonsense stuff from the Liberals. Where are the Liberals today? Here is Peter Reith saying, look, we have had a gut full of all of this he said about the Liberal party leadership and we have got this what you might call play ground rules. Andrew has had two goes, so I want two goes says John Howard. Andrew has had two goes, so little Johnny Howard gets two goes. Hewson is saying no, no, no it is still my go. Reith is saying, look, we have had a gut full of the whole lot.

The truth is the Liberal party doesn't know where it stands in policy; where it stands philosophically; Malcolm Fraser said a week ago in a national newspaper none of us know a year after Fightback was dropped any policies that the Liberal party stands for. The Liberal party today has leadership troubles because it has no policies. Now, here we are in a by-election - four by-elections in fact - with the other major party, Coalition parties, having no policy and a dispute about the leadership and they are worried about whether I am here walking shoulder to shoulder with Carmen. They have major troubles.

J: Would you be expecting then a swing on Saturday?

PM: I think Dr Lawrence has a huge standing in Western Australia. I think the Labor party is very privileged to have her as a federal candidate. I think the people of Fremantle will be well served by her as the Member for Fremantle and I expect her to be returned well. Now, Dr Hewson has just taken a punch on the nose in the Werriwa by-election and now we will see what will happen in Fremantle, but I bet you pounds to peanuts, it will lift the debate within the Liberal party about how much longer Dr Hewson stays.

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