



PRIME MINISTER

**TRANSCRIPT OF THE PRIME MINISTER, THE HON P J KEATING, MP
DOORSTOP, OVERSEAS PASSENGER TERMINAL, CIRCULAR QUAY
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PM: National Accounts. Well, I think this is a very encouraging result for the whole country. That is, that we are now growing faster than any western country at around 4 per cent. We have had very significant growth in the December quarter. Happily the National Accounts again recording very low inflation for Australia. That is, complementing the CPI and this I think is a terribly encouraging result for the whole country.

J: You must be worried about the low investment figures though?

PM: No. Investment is picking up. What the Accounts also record is the highest profit share in our history, that is the highest share of profits to GDP in our history. So, the Government said at the time of the last election it was going to restart the economy, it has done so. We said we would like to see 500,000 jobs created in three years, what the Accounts show is 200,000 in the last year. And that mandate we secured to get the place moving again is, I think, pretty obviously being satisfied.

J: But why are those investment figures taking so long to come through.

PM: Well because companies have been re-balancing their balance sheets. They have been starting to get their confidence back, find their mark and opportunities, build their profits up, and now I think they will start hunting.

J: What message do you think today's result will send to the markets?

PM: One of a growing economy with strong exports, good employment and low inflation. I mean it is a very good message.

J: Any need to change the budget figures at all ..?

PM: No, I don't think so. I think these are the kind of growth rates that we expected to see, and the thing is they are now in evidence.

J: What ramifications do these figures have on interest rates?

PM: Well, I answered that the other day. We have still got a lot of underemployed resources. I mean, I have just had questions here about business investment. We have still got a way to go to see business investment pick up to levels which would lift those underemployed resources up and see them used in this country. We are not about to choke that off by any misplaced, utterly misplaced sort of caution.

J: Mr Keating on the Macedonian issue?

PM: Well, I think the Australian public is entitled to be entirely disinterested in this argument, entirely disinterested. And an argument by two ethnic groups over an ancient territory, essentially abuses the traditions of this country of tolerance and understanding, and injects into this society episodes of the kind we have seen in the last week or two which this country could well do without. Now, while it may be a matter to Greeks and Yugoslav Macedonians, a matter of great moment, how the ancient State of Macedonia is represented today in contemporary terms. It is not a matter of great political interest to the Australian community, nor need it be. So, I will just say to these communities that this is their adopted country, they should respect its mores and traditions of tolerance and fairplay and non-violent resolution of political and community conflict.

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