



PRIME MINISTER

**TRANSCRIPT OF THE PRIME MINISTER, THE HON P.J. KEATING, MP
DOORSTOP, KAMORUNGA ENVIRONMENTAL PARK, CAIRNS,
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- J: Prime Minister can I ask you, first you were approached by the gentleman on the way in and he discussed Sky Rail with you, do you see that as a bit of a contradiction in terms to be planting trees on the one hand and, as they say, pulling them down on the other.
- PM: We are working on a bigger front than that. I mean, the declaration of the world heritage area was, I think, a huge leap forward for North Queensland and the Commonwealth, of course, committed, I was the Treasurer at the time, we committed the better part of \$90 million to it and established adjustment schemes for those who were formerly employed there. And what I am doing today is announcing the further development of those adjustment schemes where we've taken forestry workers and put them into re-establishment of forests and rehabilitation of forests. So I think, you know, one has got to look at the big gestures because they are the ones that matter and as far as the specific projects go, I think Senator Faulkner is coming up anyway in a week or two's time and he can debate that then.
- J: Mr Keating, can you tell us why so long between official visits here to Cairns?
- PM: I have been here three times this year.
- J: But they were private visits though ...
- PM: They are all the same when you drive through, whether it is public or private, they are all the same. I was here, I had a long inspection of the Daintree about a year ago and as a result of that the Commonwealth Government has now committed with Queensland \$20 million to buy back the hole in the heart on the other side of the Daintree river and to try and repair the damage done by the Bjelke

Petersen government in that disgraceful development on the other side of the river. So that came from my last unofficial visit. So I do things here officially and unofficially.

J: (John O'Farrell) Your concern about the development of Cairns the last time you were up here.

PM: I haven't seen you for years, how are you going?

JO'F: Long time.

J: You thought he was dead didn't you?

PM: No, he's too smart for that.

JO'F: Since then there have been major developments either started or announced, is this getting worse. Is Cairns getting as bad as the Gold Coast, is that the way it's headed?

PM: Well I don't think so. I think that I'm very encouraged by what I see as a renewed interest, you know, a more mature interest in the management of our heritage areas and the understanding that to preserve the heritage is not only intrinsically important, important in its own right, but because the region has such huge tourist potential that everything that then is done in the built environment as well as in the natural environment becomes important. There is a point of harmony between the two and I think people are getting to that and what we are seeing here today is a further example of that.

J: What about change to the city itself though, I mean you had some harsh words about development in Cairns, that it was looking like another Gold Coast.

PM: And I think people take some notice of those sorts of views and maybe change their attitudes a little. I'm optimistic that I think that Cairns can grow through another phase of economic growth. Just remember this, the Federal Government has got the economy growing at 5 per cent at the moment. The Australian economy is growing faster than any economy in the Western world. One per cent inflation, 5 per cent growth and 3 per cent employment growth. Now that sort of growth will bring its development pressures with it and, I think, you know, a municipal government has got to be alert to that and say right there is going to be another phase of development how do we handle it.

J: Those factors for growth, do they include low interest rates and loans for houses?

PM: Well they include the maintenance of low inflation principally, and the fact that the country is now immeasurably more competitive. I mean, Australians have done a lot to produce their own cornucopia of growth

and opportunity and one of the points I always make about my opponents, they are always trying to sort of cruel the pitch. They are now trying to say the recovery is too strong: "too good, too good, the recovery is too good. We might have to have higher interest rates in there shocking." What we have got to do is preserve the recovery and preserve low inflation and that is, I think, going to be important to all of us. And it is going to be no less important here in Cairns where I think there is tremendous potential. For a start, there is a shift of population to Queensland and beyond that, of course, the carriage of very large visiting communities of tourists. And we want to do that and do it well and still preserve the best of what we have.

J: Ralph Willis said this morning that the sale of the FAC is very important to the success of the Budget, do you agree with that?

PM: Well I got asked about that down in Townsville.

J: Does it worry you, the way, that the Coalition is targeting the seat of Leichhardt the number of senators and opposition spokesmen they are sending up here?

PM: Well they can do their best, but basically it is the Commonwealth Labor Government that put international tourism on the map. I mean, the growth in the prosperity of Northern Queensland was there because of the Commonwealth Labor Government. It was there from the early 1980s and it is now being helped by a sensible State Labor Government who we work together with very well. I mean, Mr Downer is out there in the Financial Review saying today: "I won't be giving detailed policies, they are saying we won't be giving detailed policies," where a month ago he was saying the public are entitled to some detail about policies. They want to be in the debate, these characters, without any policy. And, at the same time, trying to claim from you that which a real government has put into place over ten years. That is, you know, this area has been completely changed for the better because of the policies of the national government.

J: Rockhampton, Townsville and Cairns are all part of the itinerary, Prime Minister, everywhere that you have gone, protests, are you happy with the welcome you have received?

PM: Oh, absolutely. It's an amazing reception. I had 1,100 kids turned up to have a general talk down at one of the principal schools on the itinerary and I really enjoyed that, I mean, I think particularly year 11 and 12 students, they are as sharp as tacks, they are a tough audience. And I really enjoyed a chance to talk to them. I met another very large community group in Rockhampton, I got a wonderful reception. I had a tremendous civic reception last evening in Townsville and then a bumper party function in the evening and I have had the same sort of general goodwill here in Cairns. So I couldn't be happier. I mean, you will always get the odd person with a placard

about this or about that. You know, it will be Hinchbrook(?) Island or it will be something else. But I mean, look at the big mass of people, how they respond and the answer is very well.

J: Well the issues up here like this Sky Rail and the Hinchbrook issue you just mentioned there, environment issues. How important is the environment generally going to be at the next election?

PM: Well I think it is going to be important and I think the Labor Party is going to be the best at it. Because we are the only ones that care about it. I mean, here we are in the national Budget just a month or two ago, announcing the fact that we are going to buy back the land in the hole in the heart which was, I think, disgracefully developed and sold in the 1970s and 80s and these sort of, if you like, broad ticket issues in the environment are the ones that matter.

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