



PRIME MINISTER

**TRANSCRIPT OF THE PRIME MINISTER, THE HON P J KEATING MP
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PM: Well, I'm speaking here about the Liberal's policy, about the Liberal's announcement today. Well, the first thing I would say about it is, we're probably seeing the last of the end of Mr Downer here. I don't think I've seen a more pathetic document in the last 20 years. After 11 years of policy reform which is now remarked upon, around the world in a common-place way - after all those budgets and major economic statements, to see this blancmange of nonsense, is to say that the Liberal Party is either institutionally had it, or Mr Downer has come to the end of the line. I mean, to publish a document which says they are "pro-families", "pro-Australia", "pro-communities", "pro-jobs", I mean, begs the obvious question, would they ever say they were anti-family, anti-Australia, anti-communities and anti-jobs?

Offered the chance to state the substance of his leadership, Mr Downer has offered us a catalogue of platitudes - an insult to the intelligence of our fellow Australians. I've never see, I think, a more fatuous document than this one. And just by merely publishing it, it puts down the quality of public debate in Australia. In fact, John Hewson must be wondering what his dismissal is all about because "Fightback" looks like a "War and Peace" document compared to this, which is a "Mills and Boon" economic and social guide. Mr Downer says that this is "a cornerstone, a building-block of coalition policy", in fact it will support nothing of weight because there is nothing of weight in it. And I think it will haunt him as long as he lasts, or as long as it lasts, whichever the case may be.

Now, he said of course that I would make a make a comment on this without reading it. Well, it's not exactly like getting across a major work on time or the theory of relativity - I was able to knock over most of this and then still finish of my sushi within 25 minutes.

The thing is, I just had a most interesting conversation with Mr Hata and Mr Watanabe about the politics of social change in Japan, and

economic change - imperative economic change - and we were relating our respective experiences. I mean if this were to be Australia's trip back down the time tunnel to the sort of policies of the sixties and seventies - the Rip Van Winkle years of the Liberal Party - then we would not only not keep up, but certainly not have a lead in change, as we have in Australia now over the last decade. I mean the document is sprinkled with nonsense, like this: "The coalition will implement a practical, common-sense" - how many time have we heard that - "a practical, common-sense approach to labour market reform". Well, what does that mean? Does it mean that the coalition can hold wages during a period of high growth? Does it mean that they would ever have reduced inflation to under 2%? And what does "practical, common-sense" mean when you have got economic growth and demand running - and pushed along by very high rates of economic growth? It goes on to things like this: "tax and family payments will ease family pressures". Well, what does that mean? Tax cuts? What does it mean? And if it is, what is the fiscal impact of these things? And that family payments?

And then it says in the document that so many of the costs will be cutting out waste. All of this will be met by dealing with waste and other changes to efficiency. Well, you can make all the efficiency changes you like in the public sector of Australia in the delivery of services, but it won't cover the costs of these sort of things. And then I thought the Bobby Dazzler of all of them was that, he says in his press statement; "Let me be equally clear what this statement is not", and he goes on to say what it isn't. Well never in all the statements that I have delivered - from memory, nine or eight budgets, and about ten economic statements - have I ever said what they were not. Because I thought - proudly - they said eloquently what they were.

I didn't expect much from Mr Downer, but what he has given us is even less than I expected he would.

J: One of the criticisms from Alexander Downer is that why should he play your game and be very specific about the policies?

PM: Well, I said that yesterday. Policies are the substance of politics. This is the place where they are the things that one attaches oneself to, and articulates to the public in seeking to provide a proper basis to our public life, and to advance our society. If they are not about policies, what are they about? See, the thing about Mr Downer is he has his policies, but he doesn't think the public will like them. So, he's going to keep them hidden so they can't come under scrutiny until the closing weeks of an election campaign.

Now, he talks about honesty, that he's an honest politician. He actually goes on to make that statement that I recorded yesterday saying that "I'm the most honest person you will ever meet". You

have got to have a lot of front to say something like that. Now, having said it, he doesn't follow it through by honestly telling the public what he has in mind. So we have this sort of sham document which will then, in a sense, disguise the policies which he won't reveal until the closing days of an election campaign.

- J: But why should he reveal them now? It will only give you 12 months to knock them down.
- PM: Why should he reveal them now? Because if he wants to be in the business of the public debate - if he doesn't reveal them now, he's out of the public debate. I mean, if he doesn't have policies, he's not in the public debate. If he's not an agent of change, he's not in the public debate. He disqualifies himself by saying "I don't have policies" - in which case he's disqualified - or "I'm not prepared to reveal them" - in which case, he's deceitful.
- J: But isn't it fair to say that an opposition is there to scrutinise the Government - to criticize and analyze what the Government is..
- PM: No. The Opposition is there as the alternative government. It's there to become the alternative government. You see, Australia can't afford, now, if ever but certainly not now, to go back to this sort of period of policy paralysis that the Liberals had through most of the sixties and seventies. I mean, the Australian community now wants the common wheel advanced. They want change, and they know they've got to get it. And to be saying, "oh, just by the way, I don't think I'll give you any for the moment because that nasty government might take the mickey out of me", is not going to be tolerated by the public and nor it should be.
- J: I don't recollect the Labor Party putting its policies out twelve months in advance of a federal election.
- PM: We had, in the 1982 election, in the 1980 election, changes to fiscal policy. Quite specific - addition to the deficit in 1982 of \$1.5billion - a whole lot of other details. But whatever the then opposition did then, the whole national debate has moved on so much. I mean, you do get remarks from people in Japan, in Europe, how Australia is among the leading nations for change in the OECD - in the world. And it is.
- J: Is John Hewson right then in saying that what he did in "Fightback" last summer really lifted the benchmark in terms of oppositions and what they need to deliver in terms of policy development?
- PM: Well, it was a set of policies. Whether you liked them or not, it was a set of policies. As I said, it was a veritable tome compared to this lot - it was a "War and Peace" compared to this being on offer.

J: Mr Keating, references to the republic and the constitutional change - do they set in place now the coalitions positions?

PM: Well, I don't know. But you can always, I mean it's got things like this in it; "We'll restore a world-class education and training system". Restore. Now, as you remember, three students in ten completed secondary school in 1982 - it's now eight in ten. So he'll restore us back to three in ten. He'll restore us back to pathetic rates of tertiary places. He'll restore us back to the absolutely Cinderella status of technical and further education. He's going to help with savings and productivity, but he's going to "freeze the superannuation guarantee charge while working to provide effective superannuation care for retirement". In other words, he claims to be interested in families, the one bit of additional support for savings for a better standard of living in retirement for families has come from the Government's superannuation legislation. The only reason that Alexander Downer wants to freeze the superannuation guarantee charge is that they don't want to see the empowerment of trade unions sitting as trustees of hundreds of billions of super-fund monies, and also they don't want to see any shift from business to individuals by way of enhanced income in retirement. So, they're going to help savings but they have got a very snakey policy on ordinary people, who are getting for the first time ever, a bit of a benefit - a substantial benefit in fact - from superannuation. I mean, it's full of those sort of inconsistencies.

Look, let me just conclude my remarks on this point. It's the worst thing I've ever seen from them. Certainly, in the years I've been in office, and as I said the other day, they must be saying "we've done it again". They must be. They have to be saying, "we've done it again - we've picked a dud".

J: Tempted to go early, Mr Keating?

PM: No. No. But you notice that Mr Downer has released this in my absence. I did make the remark that I would try and ping him, even if it was from the foyer of the Imperial Hotel. But, he has released it in my absence - well, I'll just say this to Mr Downer, don't get too tricky with me. Mr Downer, we can all be tricky. Thank you.

ends.