



## PRIME MINISTER

TRANSCRIPT OF THE PRIME MINISTER, THE HON P J KEATING MP  
PRESS CONFERENCE, HILTON HOTEL, ADELAIDE, 7 OCTOBER 1994

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PM: Well as you know the Cabinet has been meeting outside of Canberra for the first time this year, and in quite a long time, to get the feel of some of the economies and the societies of the States and to consider particular State problems in the places where the Cabinet meets, and a chance - for my part - to see members of my own party this evening, and then to attend a fairly major dinner - does give you the feedback..you have the consciousness of the atmospherics, the ambience, of a particular State, and it reminds you of the problems and opportunities, and I think, this has a lot of value. At today,s Cabinet meeting, we also considered some South Australian related issues, but the main body of the meeting - the list of business - was on general national issues, as in all other Cabinet meetings. But let me just run through the issues for you today.

At the top of the list was the question of the clean-up of the Patawalonga area, and the transfer of funds under the Better Cities Program to it, and I'll be saying more about that tomorrow with the Deputy Prime minister, and I think there will be more details released tomorrow. We also had a discussion about the MFP, and had a fairly up-beat report from Senator Schacht on progress on the MFP. Of the peculiar South Australian issues, we renewed the Commonwealth Government's commitment to a target of 50% of women for government appointments to the Commonwealth Boards and Councils, and all Ministers will be looking at their own particular portfollo environments and taking concrete steps to improve the participation of women under that commitment at 50% up to the year 2000. On another matter, the Government also decided to increase funding for child care places in the JET program - the Jobs Education and Training for sole parents. You might remember this was introduced in the late '80's - it has been a very successful program, and it is of course, demand driven. It needs more funding for child care places

and we provided that funding today. But it has been a particularly successful program for finding employment training for sole parents.

The Cabinet also considered, had a long discussion, about the economic situation in Papua New Guinea - some of the particular problems of Papua New Guinea. That, I think, was the general resume of the Cabinet meeting, and I will be very glad to take questions.

J: Prime Minister, how do you get the ambience for a State like South Australia at a \$150 a head dinner - wouldn't you be better off perhaps getting out and meeting some of the wage earners of Adelaide?

PM: Well, I think when one goes to...let me tell you this, when you go to a Labor Party gathering, you see a good cross-section of the community, and you get an idea when people come up and talk to you about things. In terms of investment and employment, you get a chance to meet members of the business community. You see, I think, we have got the economy growing at 4 1/2%, and while South Australia isn't growing at that pace, it has every chance now to lock in to the national economy. And a lot of that is about confidence - a lot of it is about how the business community perceive themselves here, what their opportunities are, and so, you know, I find that in such circumstances, the chances of finding out what people think - getting a feel of the place - is a fairly easy thing to do. That is, people are quite forthcoming - they do tell you things.

J: What can you tell us about the discussion about Papua New Guinea? What was the upshot about the discussion about Papua New Guinea?

PM: Well, it was a concentration on Papua New Guinea's financial problems for the moment and, as you know, it's looking at a change of its exchange rate system, it has budgetary problems, and we had a general discussion about how we see those problems, how we relate to them, and that is, of course, over and above the more obvious ones like the peace conference of Bougainville, and the, you know, the volcanoes etc in Rabaul.

J: So was there any decision about Australian action or was it just a discussion?

PM: Well, it was a discussion about...a Government has to have an attitude of mind to these long run relationships, and longer running issues. And they change from time to time. So the cabinet, to organise its mind about these things, has a discussion from time to time. And it was one of those sort of discussions.

J: So you don't expect any action to be taken?

PM: Well, there is a lot of action being taken with Papua New Guinea all the time. We have just been involved - and are currently involved - with the training of the group that will assist with the peace negotiations on Bougainville. And in the last month when I saw Prime Minister Julius Chan recently, we advanced Commonwealth Australian Government budgetary payments to Papua New Guinea by a quarter to help them through a liquidity problem. So there's quite a bit happening in the relationship, but you need to re-focus every now and again, and find your bearings again, and then move on.

J: Any further discussion about financial injection in Papua New Guinea?

PM: No, no.

J: Prime minister, there was a poll out this week which suggested South Australians were the most pessimistic about the future of the State. With the change of government, do you think the present administration is going in the right direction in terms of turning the structural problems that the economy has?

PM: Well look, as I said earlier, I think South Australia has every opportunity to pick up on things happening in the national economy, and to focus on the things which the national economy itself is focusing on - on exports, on added value, on product innovation, and that is gradually happening in South Australia. You are seeing the product base change towards exports, you are seeing the car companies focussing on exports, you can see it with specialised manufactures. And one of the things I think, or certainly one of the things I wanted to do, was to try to bring South Australia more into the Eastern States' economy, and that is one of the reasons why I proposed the building of the standard gauge railway out from Melbourne to Adelaide. Now, without that rail link, there has always been a rail link but of a different gauge, and that's always been a problem, and I think to do those sorts of things is, you know, going to be important. But in everything, the important thing is confidence and direction, and I think that as the business community here picks up the general confidence of an upswing in the economy, and also the linkages into Asia, the prospects for exports - I don't think South Australia is going to have any problem latching onto that.

J: Do you think, though, the fear of another round of interest rate rises would prevent South Australia from locking in?

PM: No. Why? Interest rates are only 0.7% off their base in the last 20 years or something.

J: Prime Minister, on female representation on boards and that, is it fair to say that some Departments aren't exactly getting anywhere near the target at the moment?

PM: Well, it's because it's the, I think, there are a number of reason for this. One is that a lot of some of the so-called "boards" (in inverted comma's) - particularly, say in Primary Industry where there are virtually dozens and dozens of marketing and statutory marketing boards - the producer representatives come to a notionally Commonwealth Board, but there is no Commonwealth Cabinet discretion about who comes. Now, we can encourage them, and we do encourage people to, particularly industry sectors of groups, to have a better gender balance in the representation, but often you will find these Boards send along the people that they think are most involved with their industry. And that may not be with a large complement of women. Then there is the discretionary commitments by the Commonwealth, or appointments by the Commonwealth to those Boards. So in a sense, if you look at the totality, it is very hard to move the representation up rapidly because a large part of the complement of these Boards are not there at the discretion of the Federal Cabinet or the Commonwealth Government. The other thing is, there are a lot of so-called Boards that are not Boards - they are essentially just Departmental meetings. You know, it can be the sort of, you know, the something...the Defence Procurement Advisory Board, and you have got a number of officers and Senior Public Servants sitting on it. I mean, in a sense, it shouldn't have the status of a Board. So all these things are changing - the weighting and complement - of what I think it is going to be, and what has already been, a substantial change by the Commonwealth in terms of the representation of women. Much greater than say the Private Sector, and I think we're trying to encourage both our own Departments and certainly, the view of ministries towards it's constituency in terms of the representation of women, and at the same time, encourage the Private Sector to do its bit.

J: Does that mean that the 50% target isn't really achievable in a lot of areas?

PM: Well, if you say that blanket 50% - only a relatively modest proportion of the total numbers involved are there at the discretion of the Commonwealth Government. So I think it's a case of objective measurement, you know.

J: But isn't it, I mean some Ministers have been arguing that perhaps we should be moving a bit quicker and perhaps that the target should become a definitive figure now?

PM: Oh, that's what - in a sense - we decided today; that we remain committed to this objective. What we are going to do now is to improve the options that ministers have for appointing women to particular Boards, and then say to the non-Government organisations, we want to see when you give us a clutch of nominees for a particular Board, or

where we have ex-officio members to a Board, we would like a bit of gender balance.

J: Would you be in favour of legislating that in the Private Sector as well?

PM: No, I don't think so. No, I'm not in favour of legislating. I think this is something that has to change over time, because it's such a huge undertaking to get this change through business, but it's happening, I think. And it will happen better with the leadership of the Commonwealth.

J: Mr Keating, Dame Joan Sutherland yesterday took a spirited stand on the subject of the republic - were you impressed by her arguments?

PM: No, I wasn't impressed by her arguments. I mean, look, I think Dame Joan is a person - a most celebrated Australian - and a most appreciated one, but I think it is a long time since she has been part of the contemporary Australian debate, if ever. And it is probably a little unfair, I think, on her, to be asked to step into a debate which is shaped by contemporary circumstances, and ask her to give, if you like, a set of relevant and contemporary views. I mean, I just think that in her sort of expatriate position, she's not really able to do that.

J: But she volunteered to be involved in....

PM: Well, all sorts of people volunteer for things. It's a case of good intentions are not always good enough, and I think this is a case here - without detracting from the standing that she has earned for herself with the country.

J: Is the Cabinet Sub-Committee making much progress in relation to Government's response to the Turnbull Committee report?

PM: Well, I think the answer is that we have been thinking about it, and we have been thinking about it in the context of the public debate. I mean, we did say that we wanted a public debate - we've got one, quite a spirited one, and you know, you do pick up the threads of that debate. I mean, all of us in this room, all your views would have changed today from say, 6 months ago, about what elements of the debate are the most interesting than perhaps was the case 6 months ago. And this does help, I think, in forming your views. Now when we think our views are informed to the point where we can say something that is very concrete, then I think we will.

J: And do you know when that might be? Is there a timeframe?

- PM: No, I wouldn't want to commit us to a timeframe, but certainly we will say something about it in the life of this Parliament. I was hoping to do this before the end of the year, but I probably won't be able to.
- J: Prime Minister, on the MFP - do you think that South Australia was the right choice, in retrospect? It has been a long time getting off the ground.
- PM: Well, again I think you have got to look at the world economy. There are very great influences on Japan to change, I mean, and to look at other locations. I mean, Japan is going through a structural recession. Japanese savings are so strong, the exchange rate has been appreciated so much that large sectors of Japanese industry are now uncompetitive, and it is simply an imperative for them to put those industries and services off-shore. And you see this in car companies in Australia, and you're seeing it with other electronic plants around North America and Asia, and you'll see it with, I think, the MFP. I mean, that is the genesis of it. But also in any recession as Japan has been through, an uncharacteristically long one, it's not inexplicable that they have wound back somewhat, but then now started to say - as they can see their way more clearly - to see what sort of change Japan should have in terms of its industrial structure and industrial sectors, how the MFP opens up as an opportunity, and that's is why I think there is more interest, and more genuine interest.
- J: You don't think that the Japanese economy has become too wealthy for its own good?
- PM: Well, what Japan has got to do is lift domestic demand, and start consuming imports and running down savings. And it has been at the savings game for now, what, all the post-war years, and the savings are so enormous that obviously it has reflected now on the exchange rate, and the exchange rate is now rendering large slabs of Japanese industry uncompetitive.
- J: Just to go back to Dame Joan Sutherland - are you concerned that the comments she made about being served by Chinese and Indians in the Post Office are sort of fostering racial tensions?
- PM: Only concerned for her. I think that those sort of, you know, I don't want to see her in this period of her very distinguished and truly illustrious career, caught up in a political debate which she really isn't familiar with. And I think it's a reflection on the organisers of this, as much as it is on her.

- J: South Australia has been described as Labor's black hole - how do you rate Labor's chances of winning back much support by the next Federal election?
- PM: Well, the way we're going, pretty well. I mean, and I think also, I mean no party in an election - there's always, you know, we're always out there with the binoculars looking for the silver lining. They are bouncing around the clouds finding the lining. Because in some elections you do poorly - you know at the next one there's a chance to do better, and I think this is true for the Australian Labor Party in a number of States - it's true in South Australia, I think.
- J: Prime Minister, given that you have one woman out of 8 federal reps from South Australia - Senator Rosemary Crowley - you would obviously see South Australia as very fertile ground for fast-tracking women in the next round of pre-selections - is that correct? Do you think South Australia needs more work than other States?
- PM: No. I think the commitment by the Federal Conference of the Labor Party is pretty clear, and State branches are now going to exercise their mind about meeting that commitment. And this is going to be just as true in South Australia as any other place.
- J: Mr Keating, what is your attitude to widows of Vietnam Vets following the Government's decision today to accept the links between cancer and Agent Orange?
- PM: Well, there will be a process about the claims and their relativity to exposure to these particular agents and defoliants, and you know, they will be handled in the way in which other claims - war-related claims - are handled.
- J: But earlier today Con Sciacca said he wasn't sure if people would be able to even make claims?
- PM: Well, I haven't seen that detail yet, no. I haven't seen what he said about that yet.
- J: Prime Minister, what happened to make you to defer your assesment to the Turnbull Report from this year to next year?
- PM: Basically just pressure of work. I mean, I have been running that long - so hard for so long, you know up to Japan and Indonesia and we have had Parliamentary sitting weeks, and the visits I did in relation to putting together the drought package, and then Cabinet consideration of these sort of things, and the National Conference. It's very hard to get the collective mind of Ministers and sit down on a subject as esoteric as this and say now where are we - dragging all these threads

together - where are all the bits, how can you tie the bits up? You know, we'll get around to it.

J: How important is the Committee's decision to respond to the various recommendations or suggestions that ....

PM: Look, I think that the Turnbull Report was a first class report - it did go, as it was asked to go - to the real issues in the debate, and put views down. Now often you don't quite get that from some reports, but this really did address them, and I think it is a valuable document for the public debate, but it is also valuable for the Government - it's one of those reports that you don't have to just take, look through and put on the shelf - it's one you go back to, and I think we will go back to it in consideration of this.

J: Prime Minister, you mention the Patwalanga...(inaudible)...?

PM: Well, just to say that I think that this has the reputation of being one of the worst polluted waterways in the country - it obviously has very large influences on this region of Adelaide, and I think that if we can do something to remove pollution and improve water quality, the area will again be used for recreational uses - for leisure - and I think it will probably have other spin-offs as well, in terms of a demonstration effect of being able to show people what we can do with water technology in Australia.

J: And you are confident that the package you announce tomorrow will be able to....(inaudible)?

PM: I think so, and there are other elements of it which I think I will leave until tomorrow.

J: Is there anything more we can be doing for Cambodia in the light of the developments over the last 48 hours?

PM: No, I think they require some mature reflection Peter. There are, there has been a great opportunity for Cambodia with the democratic elections, but the system has got, the country has got to be made to work, the system of government must be made to work, and you know, I think any government - certainly a government like Australia - would be at first looking to see how that political system might work better before one embraces some of the other solutions being bandied about.

J: Prime Minister, the worst river you talked about flows past the worst airport in Australia - (Inaudible) some detail about the Conference decision last week - while you are in town this weekend....



PM: Well, I thought, can I say that for a new man in the job, Mike Rann did very well at the Conference for South Australia with the Airport, and as a consequence, Adelaide will have in the course of these arrangements, an extension of its runway, and that will be part of the scoping study. We can't at this point know who the lessee's of the airport will be. The arrangements will be such that the extension goes there. Now, that's the commitment that I think matters to South Australia. The detail will get worked out over time. Thank you.

ends.

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MESSAGE

Following PM Keating's Press Conference  
7<sup>th</sup> Oct. 1994 P.B. re: Adelaide  
& Melb. railway.

This is the only item about  
that came up with Keating's: Keating  
railway, Melbourne Adelaide.

Cheats for 7

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