



PRIME MINISTER

**TRANSCRIPT OF THE PRIME MINISTER, THE HON P. J. KEATING MP
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J: ... (inaudible) ... What do you think the significant strategy is for other areas in western NSW and Sunraysia?

PM: Well, let me say I was disappointed about the NSW Premier who didn't join us in this. We thought that NSW would join us in this strategy and they didn't. They said they have left it up to the market, but as we know the market doesn't work in this way, it does need this assistance and that is why, I think, the enlightened approach from Queensland and, I hope, the Commonwealth is going to make the strategy work. But, this has important implications, I think, for the Murray-Darling system as a co-operative approach. So, some good, I think, will come of it beyond here.

J: ... (inaudible) ...

PM: I think that these drought conditions lead to such financial hardship that it is often better for people to leave because they will not be able to recover. But, they need some financial assistance to leave and they need support after they do leave, but then they leave behind a property which may then be viable in the hands of another owner, as an amalgamation. So, that's in part what it is about - that is giving people the counselling, giving them the support, giving them some financial assistance and caring about them as they make the transition.

J: ... (inaudible)

PM: Well, that is all central to it, I think.

J: ... (inaudible) ...

PM: Exactly, people won't leave unless of their own free will.

J: Prime Minister, the package that goes before Cabinet next week is critical for the long term, are you confident that it will get through?

PM: It is a matter of what we want to get through, that is, how we think these measures ought best be designed to fulfil their purpose and we are speaking of, certainly from the Commonwealth's point of view, in terms of the tax system and these other things, how we can do things which help in the long run. In other words we put into place a system of policy, a background in policy that will be there in the good times, in the bad times and the in between times and these are some of the matters we discussed with the peak farm organisations in the course of the development of the drought relief policy.

J: There is no point in only half doing it right with these sorts of changes to the tax system.

PM: Well, when you say half doing it right, there is some sort of implied implication that the Commonwealth is only half doing it right. I mean, we have had all of this century to get it right and the irony is that this will be up to a couple of Labor governments to try to get it right for rural Australia. But, we will be getting it more right than anyone else because, I think, we are concerned for the people and we are prepared to put our heart into it.

J: How long ago was Treasury and Finance ...

PM: I've worked pretty well to the Treasury for nearly a decade, so I think we can handle them.

J: ... (inaudible) ...

PM: Well, if the Opposition has said it is a stunt, well it is an awfully time consuming and expensive stunt, but they are now so out of the general game of the Australian community to be, essentially, a political rump. I mean, if Bob Menzies didn't vote for them in 1972 and 1975 what would he think of them now?

GOSS Can I just supplement that. The Queensland Primary Industry Minister and the Government have been working on this for a couple of years. There has been a lot of work go into it. Anybody who says that it is a stunt is not having a go just at the Government, they are having a go at also a lot of industry people who have worked very hard to get this together and to get it up today and the other thing that has brought it together is our approach to the Federal Government which has been positively received in terms of their support, their financial support. So, you have got a lot of work by two Governments to try to deal with a long term problem and you have got a lot of work by local producers and industry groups and a lot of money. That is not a stunt. It is a lot of work.

J: ... (inaudible) ...

PM: It is just that the conditions are so harsh and the financial problems that come with them focus peoples minds about longer term approaches and solutions. I think, this is probably as the Premier said, this strategy was being put together well before the drought started, but it is probably the fact that the drought has been with us has

accelerated the thinking of governments and communities about how these things will be done. This wouldn't be the first time that difficult or catastrophic conditions have created a large community change or a change in government thinking.

J: Prime Minister, are you looking for other communities to give similar packages and work out similar strategies?

PM: We think that wherever ... I mean the comprehensive study we have of regional Australia, wherever you see regional leadership you see progress - economic and social progress. What would give us heart from this is that there has been regional and community leadership here and if that happens governments have got something to work with and you can work with people who want to refashion their lives and refashion their communities. So, I think, the message from this is regional progress is all about regional leadership and that is what we are seeing here.

J: ... (inaudible) ...

PM: Providing they work, we have had these IED schemes, variations of them, over the years and for some people they have been attractive, they have probably been more attractive for the higher income earners, that is farmers and graziers with larger properties. The main thing with any of these income averaging instruments is to get them right and I think we will try to do that.

J: Prime Minister, we have got the threat of double dissolution ...

PM: I get asked that question at every press conference and I always give them the stock answer and that is that we are not intending to have an election, but nor will we see our important legislation trodden into the ground by ideological nonsense. But, as I have said, the Government is working and working productively and we don't want to see that interrupted at this stage by a poll.

J: So, no election before 1996?

PM: Well, Prime Ministers would be complete fools to tell journalists about their options about elections or to give them away. Now, I am not a complete fool and so I am not giving you anything.

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