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PRIME MINISTER

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STATEMENT BY THE PRIME MINISTER, THE HON P J KEATING MP

I was surprised and disappointed to read remarks attributed to Mr Dick Warburton in today's *Australian Financial Review*.

Mr Warburton is quoted accusing me of making vitriolic attacks on corporate critics, and of victimising companies.

This accusation is unfortunate and untrue. It is also regrettable that the *Financial Review* chose to give Mr Warburton's remarks such uncritical prominence without seeking comment on them from my office, and without requiring Mr Warburton to illustrate his case with any facts or concrete examples.

Indeed, given the opportunity to substantiate his case on the radio program AM, Mr Warburton said he personally hadn't had such an attack, and that his experience "has been very good." When asked to give examples of companies which had been victimised, he could not name any.

I prefer to be judged by what I have done for the business community, rather than by what one of its members might say of me. Low inflation, high growth, record profits and a sharply reduced corporate tax rate are, I think, more substantial and verifiable measures of the relationship between my Government and the private sector.

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Revealed:

led: how Keating bullies business

By PAMELA WILLIAMS
National Correspondent

THE Prime Minister, Mr Keating, has silenced influential critics in the business community by practising the politics of hate and victimising those who disagree with him, according to a prominent member of the Business Council and chairman of Du Pont, Mr Dick Warburton.

In an interview with *The Australian Financial Review*, Mr Warburton, who is also a member of the board of the Reserve Bank, says the vitriolic attacks by the Prime Minister on his corporate critics have resulted in a "Cold War" since the last Federal election that has only recently begun to thaw, with senior businessmen still recoiling from serious debate with the Government over public policy issues.

"We have been getting in much closer to the politics of hate," Mr Warburton said. "In other words: 'If you don't agree with me, I'll not only hate you, but destroy you.'"

"So one of the problems business has is that while an individual is prepared to stand up and say what he means, you have to run a business. And you can't afford to have your business destroyed. So you have got to be very circumspect."

The president of the BCA, Mr Ian Salmon, said yesterday that the organisation had refused to buckle to attacks from the Government: "At the end of the day, if Paul Keating can't have a relationship with business which is based on reasoned argument, then the country will be poorer for it."

Mr Warburton said the tactics had stifled debate because of the concerns of corporate leaders that their own businesses could be targeted for retaliation by the Government.

There had been a thawing in the "Cold War", "but it's been because of the strength of individuals like John Prescott and Bob Joss".

Mr Warburton's comments will come as a shock to the Government, because he is widely regarded as a moderate and supportive business leader and has been appointed to a string of government boards and advisory bodies. He is a director of

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“After the election, Keating slammed us. He just lumped everybody in and had a go. [If you had] dared to criticise, you were attacked.

They can't take criticism. We have been getting much closer to the politics of hate: "If you don't agree with me, I'll not only hate you, but destroy you."

If you can't get up and have a debate without being pilloried vindictively, then you just can't have a debate."

Du Pont's Mr Dick Warburton

Shock IRC ruling any forced to deal with unions

DAVIS

relations Commission a controversial unionised company forced to agree with

Industry Association decision yesterday of union power, deal.

the IRC decision small non-unionising firm, Asahi - will become a central Government's bargaining legislation.

control Hodder yesterday to bargain in main metal industry 10 per cent wage claim, company's employment member



“My anger over this is almost uncontrollable. If this decision stands, then this is one of the blackest days in the history of industrial relations.”

Mr Bert Evans

The chief executive of the MTIA, Mr Bert Evans, said that if the law required a company to enter negotiations with unions that did not represent any of its employees "then we ought to burn the act".

"My anger over this is almost uncontrollable," Mr Evans said. "If

this decision stands then this is one of the blackest days in the history of Australian industrial relations."

He said that Asahi, an MTIA member, had about 60 employees, who had been approached by the Automotive Food Metals and Engineering Union but had said they were not interested in joining the union.

"Now the company is supposed to sit down and negotiate with the union officials on a wage rise for people who have refused to join the union."

The Asahi case arose out of moves by the AFMEU earlier this year to use the new bargaining provisions under the act as part of a strategy for recruiting members in non-unionised factories in the manufacturing sector.

The AFMEU served a 14.5 per cent wage claim on about 3,000 manufacturing companies that had

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I thought elections were

and I would have liked to heard the squeals from press gallery, the World Council of Churches and a lot of others in the event that Hewson had won that on and systematically ridiculed and punished the ones who had poured millions of dollars and countless hours of work into Labor's campaign.

The ACTU would probably run off to the United Nations complaining of human rights abuses. And in view it would have been led to do so.

Because that's the whole point about the really important inalienable rights — freedom of speech, freedom of assembly and the right to moral justice. They are supposed to be universal and indivisible; not subject to the whims of a government that excels at dishing out praise and punishment but has remarkably thin skin itself.

Paul Keating's hero, Thomas Jefferson, thought all this was self-evident. Given the presence of commentators and writers about the HIA experience, very few people in Australian public life seem to see.

There is much I admire about Keating. He has passion and vision. But his major contribution is an apparent inability to outgrow the plastic nature of persons that everyone in NSW Right affects get behind. His best period of leadership awaits him if he can restore the tolerance that he expects everyone will be a hallmark of the Australian public.

In his Placido Domingo speech, Keating reflected on the nature of true leadership. The name that he invoked was that of Abraham Lincoln.

Well, the American Civil War was a wee bit nastier than the Federal election of 1993. Yet in his second inaugural address Abraham Lincoln magnanimously pledged to "bind up the nation's wounds" and to govern "with malice toward none".

After a war in which nearly one million people perished, what took a big man. Paul Keating is right. We still haven't produced a leader that big.



Revealed: how Keating bullies business world

From page 1
the Reserve Bank of Australia, chairman of Wool International, chairman of the National Occupational Health and Safety Commission, chairman of AusIndustry, and chairman of the Australian Best Practice Demonstration Program.

Mr Salmon said the BCA intended to continue its role of pushing for reform. "Our task is unchanging — which is to bring to the attention of Government changes we believe are needed for good government and the long-term success of Australia. And that includes being critical of its CEO, who in this case is Paul Keating."

The origins of the "cold war" lie in the immediate aftermath of the last Federal election, when the Prime Minister, Mr Keating, and the Treasurer, Mr Dawkins, made it known there would be "payback" for organisations they believed had backed the Liberals in the election campaign.

According to Mr Warburton, the BCA and other industry lobby groups were "pretty shattered after the election by the politics of hate, when

Keating and Dawkins came out and said, 'Well, that's the end of those organisations'."

The Business Council found the going particularly tough during the election campaign — caught between its non-party political objectives and the political use made by the then Opposition leader, Mr John Hewson, of the organisation's long-term support for a broadly based consumption tax.

There were also pointed attempts to rough up then BCA president and CRA chief executive, Mr John Ralph, after he agreed to serve on two Coalition committees if the Coalition won government.

"The BCA, going into the election, as a totality, would more openly have supported the Liberals," Mr Warburton said.

"But this was because of the overriding issue of tax reform. Not the GST, but broad tax reform. Many individuals were saying, like me, that we still support a tax reform package as we did in 1985.

"On the other hand, John Hewson got very cross because the BCA was not standing up overtly support-

ing the GST. Hewson's reactions in the end started to alienate the very people he was needing support from.

"And then it was after the election that Keating slammed us. He just lumped everybody in and had a go. After the election, there was a mixture of response in the BCA. It was felt as unfair that because you dared to criticise, you were attacked. Keating ends up stifling debate because most people dislike being personally attacked, and they also decline to get caught up in the counter attack.

"If you can't get up and have a debate without being pilloried vindictively, then you just can't have debate. It stops people coming forward to enter the debate."

The Federal Government's negative response to the BCA's recent "scorecard" criticising the pace of reform in Australia had also bitten within the business community, Mr Warburton said.

"There again, they can't take criticism. The Government doesn't mind the ticks, but boy, they sure get upset about the crosses."

Limited access angers Harris

THE NSW Auditor-General, Mr Harris, has renewed his attack on restrictions on his access to Cabinet documents, saying that his office was "severely curtailed" by provisions of the Public Finance and Audit Act.

Mr Harris has warned that all audit opinions in the NSW public sector may have to be qualified because of restrictions on access to legal docu-

By IAN ROGERS
The "unfettered ability" of the NSW Auditor-General was curtailed by the provisions, he said.

The restriction "means that entities can hide matters, including suspected illegalities, that they do not wish disclosed to the Government or to Parliament by refusing access", Mr Harris said.
In two cases, he was granted

reaffirm its "right to know", he said "the legal right to access documents relevant to audit is so basic to the audit task that lack of access represents a real impediment to my acquitting the responsibilities that ... Parliament expect[s]."

The third volume of his report for 1994 notes major qualifications in the accounts of numerous government sector agencies, including:
□ The exclusion by the Home

do not "adequately represent" the authority's interest in the Sydney Harbour Tunnel, on the basis that the RTA carries the risks and benefits and is therefore an asset of the authority.

□ Uncertainty in the Sydney Water Board's accounting treatment for assets constructed by private sector entities, which could be in the nature of financing arrangements.
Mr Harris said the Water

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