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PRIME MINISTER

TRANSCRIPT OF THE PRIME MINISTER, THE HON P.J. KEATING MP INTERVIEW WITH ANGELA CATTERNS, TRIPLE J, 10 MAY 1995

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AC: Welcome to Triple J.

PM: Thank you Angela. I have been before, but not here.

AC: Not to Triple J central.

PM: Not to Triple J central.

AC: Are you pleased with the way this Budget has gone down.

PM: Exceptionally. I think what pleases me about it is that it confirms that we can continue growing through the 1990s. That is what the whole thing was about - sustaining the growth and sustaining the employment growth. We have had this amazingly high level of employment growth in the last year, four per cent, and we want to try to keep those sorts of levels running through the rest of the 1990s. But, we had to reduce the Government's call on what is called our savings. And that means we have got to take the Budget from deficit into surplus, so we are adding to savings, not subtracting from them to keep the growth going. That is what basically we did last night and the other thing we did was we put into it the first ever comprehensive savings plan for Australians. So, this will be the first generation, your audience will be the first generation of Australians in our history who will have security right through, that is economic security, right through their working lives and beyond.

AC: This audience would possibly say to you that why should they be forced to put money away for their old age when the oldies around today didn't have to do that.

PM: Well, the difference will be that they will have an income twice, as you put it, the oldies today have got. So, it means that they will be the first generation ever that won't have to say 'well, what will I do later?'

When you are in your teens or twenties, the last thing you think about is your retirement.

AC: Absolutely.

PM: But, that all changes by about your mid 30s and you start saying 'well, you know, I am 20 years away from retirement, what am I going to do?' Last night that was all pretty much decided that is, by this great change, as I say, for the first time ever you will have people, well if you take someone on average weekly earnings that is about now \$33,000. At the end of their working life they will have a lump sum of just on half a million which will give them \$30,000 a year for going out into the future. So, it is a very great change.

AC: Although, I wouldn't agree that necessarily young people see the advantage of that right now. I'm sure that they would rather enjoy the benefits of tax cuts now, for instance, rather than having to wait until they are 60 when they can finally kick up their heels.

PM: Well, again we had the tax cuts, the first round, at the end 1993, but the main thing to know is that this is a very lightly taxed country. This is the second lowest taxed country in the western world, but again the things that matter in this Budget for instance, in education which matters to your audience, we have got \$16 and a half billion over the period 1996 to 1998, we have got another 11,000 new places in universities in Queensland and NSW and Western Australia by 1998 and that is on top of the massive funding we have got in TAFE, technical and further education.

AC: Students do seem finally quite happy with you, would you agree their protests worked in spite of you telling them to go get a job?

PM: No, no because we were never going to put up-front fees for undergraduates. I mean John Howard, my opponent, he believes in up front fees. He says if you can't pay for it, you take the incentive out of things. You have got to give people the incentive so therefore you have full fees. Now, we have always said, I made that clear at the time, I mean, at the time I made the remark you just referred to I had someone walking beside me for about 500 metres yelling abuse at me about HECS. I said 'well, hang on, all the HECS money is going back into places. We have had a 37 per cent increase in places, we have gone from 360,000 to 550,000 university places all with the HECS money going back in and we only ask you to pay some of it back when you get to average weekly earnings'. So, that is why I was saying to somebody 'if you don't want to pay your HECS, give it to someone else who does.' But, the big beef was erroneously that the Government was about to introduce up front fees. So, the Budget has come and gone, there is no up front fees for undergraduates, there is no increase in the size of each students HECS debt and the repayment of HECS still doesn't begin until the student hits average weekly earnings. So,

I'm afraid it was a kaffuffle for nothing. That was the point I was trying to make at the time.

AC: Mr Keating, you mentioned unemployment, but there still seems to be an awful lot of people still unemployed. How can you cut Working Nation by more than \$1 billion?

PM: That was about \$200 million odd a year, we put in about \$1.6 billion, so we are cutting that money from \$1.6 billion a year. The answer very simply Angela is we have had such great success with employment. Last year long term unemployment which Working Nation is directed at, that is for people unemployed 12 months or more, dropped by 102,000. When we had the election just over two years ago we had 360,000 long term unemployed people, this year we have got 260,000 - a huge fall - and because that category of persons has changed so much we just don't need the funding we had there, but it doesn't reduce the target. The target is five per cent unemployment by the Year 2000 and you might remember at the election we had 10.5 per cent unemployment, we are now at 8.7 per cent and in the Budget we are forecasting 8 per cent. So, we are, if you like, half the way to 5 per cent in less than half the time.

AC: Mr Keating, how will you try and reduce youth suicide?

PM Well, I think, this is a big issue and I think we all understand and feel deeply about it. I think the best thing that government's can do, I'm not sure that government is the ultimate answer on youth suicide. I think it is a phenomenon of personal debilitation and despair. I think it needs families, it needs the support of friends, I think those things matter more than anything a government can do. But what governments can do is provide opportunities for training and employment, to give young people a very clear future, the fact that they have confidence, that they can get a job and an interesting job and be trained, we can provide support through the social safety net which, of course, this Government has championed. In things like Working Nation we can support people with labour market programs to get them trained and back into work. Through Creative Nations to see them do interesting things, through funding for TAFE to find these interesting programs being opened up to them. In the Youth Training Initiative in One Nation we are taking young people now in years 11 and 12 and streaming them already into TAFE courses, into accreditation in TAFE. In One Nation we said we won't let any young person between 15 and 19 slip through the system without case managing them, talking to them and getting them back into education or structured training or a job. So, I think that sort of Government support matters. I think case management, the thing we did in One Nation. Let me just tell you listeners about case management and what it means. It means that somebody like you would talk personally to 30 or 40 people, you get to know about their personalities, their aptitudes, their readiness for a job, their educational attainments, their previous work experience and

then you deliver to them the labour market program, the job subsidy or the training. In other words, they just don't turn up to a CES counter and get the brush off or a social security counter and get the brush off and go back in despair. They actually have somebody interested in them.

That is what Working Nation did and, I think, they are the sort of programs we can help with, but I don't think that is the full answer. I think it has to be as well, I mean opportunity, a brighter horizon, interest by government, the community saying you are important and we want to help you, that we are not going to let you slip through the system, but they must have families and friends. I think there is a lot of loneliness with many young people today that we are not getting this, if you like, clannishness and I still actually think the family and that environment is the best support system for any of us.

AC: And their radio station helps too, I might put in bit of a plug there. Mr Keating, can you understand the cynicism of young people towards politicians?

PM: Not really. No, I can't because the political system has in this country made changes you could never have dreamt of 10 years ago. Ten years ago, I mean look, let me just say this, we ran the risk of drifting into the 21st century with the hang overs from the 19th century. The Queen, the great lie about terra nullius - the land of no one - that Aboriginal people had no rights, had no property, the sort of values of the 1950s, John Howard's dead end jobs. 'You know, in my day' he said 'they could get a job at 15'. Well, yes, they could, but it was a dead end job with low pay. This was the sort of attitude we had in a closed country ringed by tariffs. Look at what we have got today. In 10 years we have seen such a dramatic change. It is now an externally orientated country, it is trading with Asia. Ten years ago only three young people in ten completed secondary school. This year it is nearly nine in ten. And 40 per cent of those are being streamed through universities where we have added 60 per cent of places. This Government has created the equivalent of 18 universities the size of Sydney and Melbourne university since 1985/86.

Now, that kind of change trained with interesting jobs, in a society which is confident about its culture, which is coming to terms with its indigenes, which is engaging Asia, the political system has done this. This Government has done this.

AC: And you think young people should be grateful rather than cynical?

PM: No, not grateful, but you asked me why should they be cynical and I said I can't understand it. I mean, in my day I started work at 15 years of age as a clerk and all I had to look forward to was night school for my higher school certificate and then if my parents could afford it to go through university. There was really no TAFE system. I mean, look at

the opportunities for young people today. As I say an 80 per cent retention rate in years 11 and 12 and when John Howard left the government to me it was three in ten. Only three young people in ten completed secondary school in 1983. That is now eight and a half in ten going on to nine. So, why should I accept the argument that people have got a right to be cynical about politics.

AC: Well, the youth suicide figures certainly speak for themselves.

PM: I know, but what about all the young people who have got interesting jobs, that are taking up these places in the labour market. I mean, I think this generation is fantastic, the young generation. The vitality, the verve, the vigour, the confidence, I think you are right, there is this sort of sliver or slice of concern alienation of what should we say, despair et cetera. But, look at the ones who are actually out there into it. I mean, the confidence of young people today in their teens, in their early 20s compared to my time is just not to be compared. I got into the House of Representatives when I was 25. I won the preselection for one of the safest seats in Australia at 24, it was just a purgatory. Where today the system is wide open for them.

AC: John Howard is taking young Australians very seriously, he has actually promised a youth ministry and a minister that is part of the Cabinet.

PM: Yes and he has also promised people \$3 an hour for work. I mean, that is John Howard for you.

AC: What do you think of his idea of a youth minister?

PM: Let me say, what John Howard would give you is the Queen, we would have none of the truth of Mabo, we would have none of our pulling our national culture together, our sense of ourselves, there would be no way we would engage Asia, he would have us with only three young people in ten completing secondary school, he would have full up front fees for universities, he would have \$3 an hour. That is what he would have and if he wants to hand out the sort of, what you may think the sop of a ministry, all we say is don't be so gullible.

AC: You think that is a folly, the idea of a youth ministry and a youth minister?

PM: No, because you are better to do the things that really matter. I mean, it is not the youth ministry that has created that massive participation rate in schools. It is not the youth ministry that has got for the first time young women taking the predominant number of places in Australian universities, it is the education policy of the Government. This, if you like, trying to tokenise things and particularly for people who have shown, I mean, how could you when you when Howard was the Federal Treasurer of Australia for five years and the leading member

of a government, leave office with only three young people in ten completing secondary school. Seven in ten essentially going out to a changing labour market untrained and then have the temerity to turn up and so 'oh, yes, I will give them a youth ministry.'

AC: Mr Keating, how do you think your vision for young Australians differs from that of the Liberals?

PM: I believe in the zing and zest and creativity of Australia. I believe in us having an independent culture, a destiny of our own. I said in the last election campaign it is always, with the Liberals, a contest between the enlargers of life and the straighteners. John Howard and the Liberals belong with the straighteners. You know, keep your head down, keep working, don't answer back. Whereas my Party, what we believe in is something bigger in life. Something better. If you give people a chance, if you give them the opportunity, if you believe in them, if you have faith in them, they will do better. Now, that is the essential difference and you can't have the sort of straighteners view of the world and believe in knighthoods and queens and European enclaves and all the rest of it and they say 'oh, just by the way, we are really the future'. I mean, as we always say in Canberra with John Howard it is back to the future.

AC: Mr Keating, do you think young Australians though are more concerned do you know about interest rates than they are about the big issues?

PM: No, I don't think so. I think they are concerned properly with the things that matter. They are concerned with the country's values. They are concerned with their own values. They are concerned with their creativity, with their education. They are concerned about the environment. They are concerned about the nature of society, whether we care for one another. I mean, one of the things I admire about young people is they don't take the half hearted view, they actually believe in inclusion. They believe in us going ahead together. They are not saying survival of the fittest and devil take the hind most. They actually believe in inclusion and so do I. I mean, we are standing up, Ralph Willis was standing up last night with a Budget which didn't rip the guts out of payments to schools, payments to universities, payments to TAFE, payments to families, payments to low income families because we don't believe in those things.

AC: Have you got time to take some calls, to talk to some listeners, would you mind putting the head phones on?

PM: I'd be delighted to.

C: Annita. Good morning Mr Keating, I would just like to ask you, you were talking about sustaining growth before and I was wondering how sustainable is the Australian economy going to be if governments keep

on selling off all our public utilities when it comes up to election time rather than cut spending?

PM: Well, Annita they are not the things that are sustained. What is sustained is the capacity of the country to invest. That is, when the business community go to the market to put Australian savings into investments which create jobs, those savings should not be there with a perpetual drain from the public sector. That is what makes the growth sustained. The growth comes from investment and only from investment. So, what we did last night was to stop the public sector drain or the public sector call on Australian savings by getting the Budget back into surplus.

C: It still seems to be a quick fix method.

PM: No, it is not a quick fix, no, no. This is a completely sustainable change so the Budget will now be back into surplus through the balance of the 1990s. Now, there are some asset sales in there, that is what you were talking about, I think, but the Commonwealth buys assets all the time and it also sells assets. That is not changing the fiscal or budget picture. The budget picture is one of a structural change which is seeing the budget back into surplus which means those investment funds are going to be there for the jobs that keep the growth going. And what the Treasury did in its forecast yesterday was say that we will have now sustainable growth over the next three years and we have already had it over the last three years. So, it does mean, I think, there is more than a lot of hope in these documents, there is a lot of concrete evidence that we are going to basically be a relatively high growth, high employment society through the balance of the 1990s.

C: Dave from Alice Springs. I am a registered nurse in Alice Springs here. Now, you have allocated in the Budget primary health care \$80 million. In my opinion that is still fairly low, it is less than \$5 per capita.

PM: Are you talking here for Aboriginal people are you?

C: Well, my wife is Aboriginal, but apart from that overall in Australia it still seems to me that we are still working towards treatment services in the health care system, tertiary and secondary treatment, rather than aiming at primary health care to try to reduce that further down the line.

PM: I think we are doing both. I think early diagnosis, understanding better health and better well being, less reliance upon, if you like pharmaceuticals, less reliance upon expensive diagnosis, diagnostic imaging and pathology and these things. I mean, I think Australians have generally taken this message on board. I mean, there is much more today healthier lifestyles, you can see that in the change in cardiac disease, I mean that lesson has been picked up and I think we

are generally supporting that. And, also part of these programs we have basically tried to inculcate the medical profession and GPs in looking at, if you like, better practice in their own practices is about meeting your point.

C: I quite agree with that, but certainly I still feel we are not really attacking the issue of primary health care especially in line of agreements we have signed with the UN and also in line with things such as the food and nutrition policy which your government developed in August 1992 which is up for review this year which aims at making healthy food choices easier. Now a lot of the communities that I go out to, that is not happening because of the problems with transport costs and so on because of particular store keepers, those sorts of issues are not being addressed and certainly vegetables are not an alternative out there because they can't afford them.

PM: They can't get them. I know that and the other thing is that we do have to, I think, when I was up recently at Hopevale and Cape York, one of the lessons from the Cape York Health Council was that the Aboriginal communities themselves need to be part of the strategy. There is no way a government can wave a magic wand and decide what an Aboriginal person will feed to their children that morning or feed herself or her family. They have to be involved in it to. I think we want to approach Aboriginal health care on that basis. That is, environmental health, better water, better sewerage, better drainage, better housing and direct health, primary health, better services, pharmaceuticals, better diagnosis and, as you say better diet, better hygiene. It is a group thing, it is not something the government can do, it is something we have got to do with Aboriginal communities.

C: Renee. I'd like to raise a question about HECS. I was really glad to see that there has been some attention to the private students with something like 72 per cent still living below the poverty line. But, I'd also like to point out that within universities if you get out there and talk to the students you will find that many of them are radically dissatisfied with the quality of the education they are receiving and I'd like to know why it is that our HECS can't be spent directly on education.

PM: Well, it is. All the HECS revenue, that is every dollar of it is ploughed straight back into higher education. As a consequence HECS revenue has allowed for a 37 per cent increase in places since 1988. So, we have got roughly 600,000 people in universities - 240,000 of those people are there only because of HECS. So, in other words, if we want the bigger participation, can I just make this point to you, there is not much point the Government saying to young people 'stay in year 11 and 12 and when you qualify, sorry, there isn't a place for you'. So, we have added this enormous number of places to the system - 60 per cent - but 37 per cent since 1988. The reason we have been able to keep up the high growth in university places is through HECS. All of the HECS proceeds go back. I mean, there is this sort of notion

around that it goes to the Government. It doesn't. It all goes back into higher education and as I say, we only ask people to repay it when they join the workforce, after they have graduated and their income goes up to average weekly earnings. It is only then that in the tax system that it starts to be repaid. So, it is the fairest thing you can imagine and that is why a lot of other countries are now coming to Australia to look at it, to think about adopting it themselves. Remember this, I think this is also important to know, that HECS only covers 20 per cent of the cost of the education, roughly 20 per cent of a university degree is covered by HECS.

C: And so you are saying that all of our HECS goes directly into the education budget?

PM: The lot, every dollar. Nothing goes to the budget.

AC: Mr Keating a fax came this morning, it has an interesting question for you. You were quoted in The Age on the second of March as saying access to the national information infrastructure should be no less a right than water, public transport or electricity. Is there any money in the Budget to fund access for everyone to the Internet through the public library system?

PM: Well, we are extending through Creative Nation, we are extending access to multi media including through the Internet and we are looking in the first instance at schools and such institutions as public libraries. But, of course, the great access will come with the roll out of the cable, that is the fibre optic cable. You know this Telecom/Newslimited venture is rolling out the cable which will be largely paid for by pay television, but it will then be the telephony revenues that will also help to pay for it. Now, once you have that piece of glass under your front door you are then connected to the rest of the world and that is basically going to be the great liberator. And, that we are trying to do in a sensible way and you have got Optus Vision which is also there and it will be competing with Telecom to get your attention and for you to pick their piece of glass rather than some one else's. So, I think that is how it is going to happen, but you are asking me a question about the priority. The priority in our view has to be for the educational institutions and for the dissemination of information, but that is going to go way beyond that to everyone's personal computer.

AC: Are you on the Internet?

PM: No, my office is on Internet.

AC: Have you got an Email address? Bill Clinton does.

- PM: Yes, we have an Email address. We are just getting a bank of stuff to go on. I mean, Bill Clinton has something on there about his cat or his dog or something.
- AC: Well, you have got a dog haven't you?
- PM: We have a dog, but we haven't got him on the Internet.
- AC: Mr Keating, can I throw you a few hypotheticals?
- PM: Sure.
- AC: Apart from yourself, obviously, who would you like to see as next PM of Australia?
- PM: Well, someone who has faith in the country's identity and culture. That is, someone who is a believer. Someone who believes in Australians and can take the nourishment they all provide to make the country stronger and greater and not somebody who is harking back to the 1950s and someone, if you like, excepting the leadership of any other society. So, that is who I believe should be next Prime Minister of Australia - somebody who has those core believes. That is, faith in Australians, faith in what we have become, confident about what we have become as a nation and able to advance it at home and abroad and not to be, sort of, picking up any derivative culture.
- AC: Do any names spring to mind?
- PM: Well, in my Party, there is a clutch of people. There is and I have mentioned them before and I am happy to mention again, Gareth Evans, Kim Beazley, Carmen Lawrence, Simon Crean, Michael Lee, Michael Lavarch, Laurie Brereton. You can look at all these contributors to our Cabinet, all of them in various ways could handle that leadership role. And, of course, some of them have, you see Simon has done it with the ACTU. Gareth has done it with his great stewardship of foreign policy. Kim has done it in major policy areas and now as Minister for Finance. Ralph Willis who has been an outstanding Minister and Treasurer.
- AC: Which other country of the world would you like to be Prime Minister of given the chance?
- PM: None. I mean, I think this is the only nation in the world that has a continent to itself. We don't share a border with anybody. We have got this great old country, this is one of the oldest parts of the world's crust and the age of Australia and the colour of Australia and the light of Australia and the flora and fauna of Australia are something, I think, if you are born with you get to love and to appreciate and once one has picked up the resonances of Australia, to go back to the old societies of Europe, the old tribal wars, the old problems of Bosnia's et

cetera, or even the difficulties of North America, I mean Australia is now such a country of opportunity and such a great spirit of inclusion. You know, this is still a kind society, this is not a winner take all society. This is not a dog eat dog society. So, it is the values, the landscape and this great opportunity. For the first time ever we are living near the fastest growing markets in the world. Always they were in Europe or North America. Now they are in Asia, right on our doorstep so Australia picks itself out. I mean, I happen to be the Prime Minister of Australia, but if I had had a choice it would have been this country because, in a sense, it picks itself out.

AC: Who do you look up to, everybody looks up to somebody, who do you look up to Mr Keating?

PM: Well, I think, there are people I admire and I look up to, but they are all, in a sense, they are not public names, they are all unremarkable in that sense, but they are quite remarkably personally.

AC: Who?

PM: Well, they are just people I know. Friends of mine, people who I think have got good values, have shown great fidelity to, if you like I think, core values, good principles. In my political life the two people in my younger political life that I was interested in were Franklin Roosevelt and Winston Churchill. One was a great builder, the other a great adventurer and both great leaders. But, as life goes on and your set of problems become complex and overwhelming the role models tend to drop away because all of a sudden the role has changed and it keeps on changing. So, I think, it is not a case of looking to people, but looking to experiences, but being sustained by the joy of knowing people who have got value and substance. I think that is the point, I mean, all my friends, people if you like who nourish me, are names that most people wouldn't know.

AC: Could you, given that this is radio after all, describe to the listeners what you are wearing? Is it an Armani suit?

PM: No, I'm not sure what it is. I think it is a Zegna suit, what I normally wear, they cut, but I'm sure of this. I know one thing for sure, the wool came from Yass.

AC: Did it now?

PM: Yass, because this is where the superfine wool comes from and this again is another point. Here we are with this tremendous industry where we are almost alone, we have a monopoly on this particular fibre and I just hope that fashion, we have got to be selling creativity, I think, all the things that we need to do are to sell. Whether it is film and television or clothing or fashion. I mean this is the thing to be in - selling our brains.

AC: Ironic though that we probably export the wool to be ...

PM: But we are doing better now. We are now starting to make the fabrics here, we are changing.

AC: Mr Keating, we have got 50 seconds. What finally made you come on Triple J today?

PM: I think it is important, I mean, we had a debate, for instance, we had a few questions, a debate about HECS and up front student fees, it is important to say we were never going to do those, there is no change to the size of each students HECS debt et cetera. It is important, I think, to say what the Budget means for young Australians and to make the point I made right at the opening. This will be the first generation of young Australians who won't have to worry about the security in the latter part of their lives. They might say 'oh yes' but they'll know that this is something of value to them. So, I've got the chance to come and say this and to talk to you so why not take it.

AC: Good on you and you had better come again or else! Mr Keating, it has been lovely to meet you, lovely to have you on Triple J.

PM: Thank you.

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