



PRIME MINISTER

**TRANSCRIPT OF THE PRIME MINISTER, THE HON P J KEATING MP
INTERVIEW WITH JOHN LAWS, RADIO 2UE, 7 JUNE 1995**

E&OE PROOF ONLY

JL: And seeking a little democratic treatment, on the line from Canberra is our Prime Minister Paul Keating. Paul Keating good morning.

PM: How are you John?

JL: I wonder if Laurie (Brereton) knows what he has done with this unfair dismissal thing. Do you think he wakes up at night?

PM: What he is trying to do is protect most Australian workers from being preyed upon by unscrupulous employers.

JL: You don't really believe that most Australian workers are preyed upon by unscrupulous employers?

PM: Many are though, many are.

JL: Many are. But the majority aren't, are they?

PM: Well put it this way, if the unfair dismissal provisions weren't there, many more would be unfairly dismissed.

JL: Yes, but they weren't there before, were they?

PM: Yes I think they were.

JL: Well I mean they were there to a degree, but not to the extent that we have now got 6,000 cases, waiting to be heard, of unfair dismissal.

PM: Well I mean either people have their rights protected, or not. I mean these matters are arbitrated.

JL: But don't you have a responsibility in your life to protect your own rights?

PM: Well you can to some extent, but it is like you protecting yourself from somebody coming into your house, or protecting yourself on the road. You get protected by the laws of the State.

JL: And the laws of the State have always been in place to protect people.

PM: Exactly, but there wasn't any here.

JL: I mean how can we allow a situation to occur where we have got people wanting to employ other Australians, those people should be rewarded for wanting to employ other Australians, then you have a fellow who resigns of his own volition because he can't physically do the work and the company is taken to court for unfair dismissal when he resigned? I mean that is just crazy.

PM: Look I don't know the detail of that case. You will always, with some of these things, find all sorts of anomalies. The main thing is the principle and the principle is that there should be, you know, fairness in treatment of people when they have been put off.

JL: Yes, it seems to me it's very much in favour and it seems to the majority of Australians, incidentally, that it is very much in favour of the employee, not the employer, and the employer is the one who really should be rewarded for wanting to employ other Australians, I would have thought.

PM: Well they are rewarded by way of the fact that the economy is growing strongly and the profit share is at the highest it has ever been in history. I mean you have still got the workforce delivering a low inflation rate and high productivity. So, by and large, something good's happening out there.

JL: Oh, yes, a lot of good things are happening, no doubt about that, a lot of good things are happening. But we would probably have a bigger workforce if people were brave enough to employ others because many are frightened by this unfair dismissal thing and other requirements. Anyway we didn't want to talk about that in particular. What I wanted to talk about I know you didn't get a chance to listen to the Howard speech because it was delivered to a room full of the Party faithful at a private function, not in Parliament. But have you looked at a printed copy of it?

PM: Oh yes I read it. I mean he kept his word. He said there would be nothing in the speech and there wasn't. It was completely empty. I mean John Howard is the same person he was in the 1980s and the interesting thing is when he actually stood up on the election night of 1987 conceding defeat, he said "well there are more things that unite Australians than divide them". And that was a theme in his television

remarks interview last night and in his speech. I mean not even the cliches have changed in eight years.

JL: No, but to be fair to him, it wasn't his intention to deliver specific policies last night and he said so. Headland is, I suppose, a landmark in terms of dumping the past, several of the Liberal Party ideologies have gone and I suppose it is a shift back to middle ground. So I suppose it is a landmark to a degree.

PM: Well you can't tell what a person's policies are until you see what they say, you know, and what the Government is always required to do, under great scrutiny, is deliver every last policy change, and detail them, and fund them, and say what the trend lines are, and the expenditures. And to get up with this sort of waffle ... anyway, I think the commentators sort of basically I mean Michelle Grattan, in *The Age*, said "by including a bit of everything, but not too much of anything, the speech became a blancmange, lost impact and gave the Government greater scope for attack" and Mr Kitney, in *The Sydney Morning Herald*, said "it's substance could only be assessed when he explains precisely how he will achieve his goals, with a heading No policy is the best policy". So, you know, I think honesty and credibility in public life, John, can only start with policies. In only politics, honesty and credibility is all about policies. To be going around saying I haven't got any policies is both dishonest and incredible.

JL: Yes well to me it seems that way and Mr Howard and I differ very strongly on this issue. I believe that the people want to know what his policies might be. As I said to him the other day somewhere, it is like having a fellow who has been pestering you to buy you a drink for years and finally you say okay you can buy me a drink, I'll have a beer and he says no, hang on I am not going to tell you what you are going to drink, you might get poisoned.

PM: Yes, that is exactly right. That is right. And for instance, can I just say this, just look he had one line in there which I think said it all and this is about foreign policy. Now you know how over the last couple of years we have made these much greater bilateral links with Japan, with Indonesia, how we put together APEC through an Asia Pacific rim trading body. He says "the next Coalition Government will continue the pattern". That is it. I mean a backbencher who has been in the Parliament a year would be ashamed to put a statement like that out.

JL: Well why do you believe the Liberal Party is loath to release any policies? They must surely have them.

PM: No they don't. You see there is nothing going on. You see, John, it is no accident when John Howard was Treasurer we ended up with double digit unemployment, double digit inflation, the biggest Budget deficit in our history and an appalling lack of international competitiveness. He didn't have any ideas and he never has had. And when he got the

leadership in the 1980s, it came to nothing. They tipped him out again for Andrew Peacock.

JL: Yes, anyway that aside, just quickly back to what occurred in this speech. I called it Cape Fear because he seemed to be terrified, rather than a headland speech, because he seemed to be terrified to give any policies. But in fairness I keep saying to myself he did say he wouldn't give any policies, but he did interestingly say that he wouldn't govern on behalf of vested interests. Is he having a go at you there, suggesting that you do?

PM: No he doesn't say who the vested interests are because if he did he would have to say they are the working men and women of Australia. I mean that is basically the vested interests that the Government looks after, the working men and women of Australia. Then he had that line, I mean it was unbelievable, he said that he had been, wait until I find it, "after a week of us fighting for the interests of the Australian battler". A week! The Australian Labor Party has been fighting them for 100 years. But I mean, John, he kept his word, he said there would be nothing in it and there wasn't.

JL: The shift to a Republic But, again, in fairness to him he did say he wouldn't give any policies.

PM: That is right because he represents nothing and he stands for nothing.

JL: The shift to a Republic is inevitable. I mean most people have come to that conclusion. Do you think you are rushing it?

PM: Oh no, well, you know, I have had Malcolm Turnbull and others criticising me for being too slow in responding to the Republican Advisory Committee Report, which was brought down 18 months ago. But can I just say, just before I leave Mr Howard understand this point - he wouldn't even say last night and I doubt very much whether he will say tomorrow night, whether he actually believes that Australia should have an Australian as head of state or not. I mean, it is a simple enough question. You could say 'look, just leave the modalities to one side, how we actually make the change'.

JL: Yes.

PM: Do you actually believe that an Australian should be our head of state? A reasonable enough question. He won't answer it because he doesn't believe that an Australian should be our head of state. He believes Queen Elizabeth the Second of Great Britain should be our head of state. But, he is now afraid to say it because he thinks too many people believe in a republic, and he'll get off side with them. So, his policy is to say 'we will have a constitutional convention to discuss the Constitution'. Frankly John, any silly mug can go and discuss the Constitution.

- JL: Well, it happens around dinner tables almost every night.
- PM: Exactly. But I mean, as a political leader, at least in response to a speech where tonight I am saying we should have an Australian republic, an Australian person should be our head of state and saying how we will get there. He gets a reply on the ABC tomorrow night, but I bet pounds to peanuts he fudges the issue about whether he actually believes in a republic or not. You see, because in the end, this man is completely indecisive.
- JL: It seems to me that one of the problems that you confront, not you as an individual, but is confronted by republicans is that there is a very strong desire by the public to have a say in choosing the figure head leader of this yet to be determined republic. How do you get around that?
- PM: Well, I think, tonight we'll explain where we are coming from on the issue. I think the main thing is that the Government is not interested in a major change to our system of government. The Australian system of government works very well, in my opinion. If you look at the policy changes of the last 12 years, there would not be a country in the OECD that has gone through greater policy changes or a community which has so willingly participated in and accepted them. So, whatever we do, we don't want to in any way alter that. But, what we do want, we can't, I don't think, summon the sense of ourselves or our role in the world by saying 'oh, just by the way our head of state is the Monarch of Great Britain'.
- JL: Yes, incidentally, when was the last time the Queen countermanded any decision made by any Australian Prime Minister, do you know?
- PM: I think, probably, I don't know whether I could tell you what that is, but I think, the issue is worse than that. And that is, by having a deputy - the Governor-General - who the Queen makes very clear, she will not remove or chastise, you have got somebody taking liberties that even she wouldn't take. I think that was very obvious with Sir John Kerr in 1975. After he did what he did, she didn't remove him. So, where one could rely upon, if you like, the common sense, the reserve, the judgement of the Queen in relating to a constitutional issue, say as she does in Britain, as she would do here if she was the direct head of state, by having a deputy who takes all responsibility and if they choose, no care, it seems to me we end up with the worst of both of worlds. You lose the experience and reserve that the Queen herself has and you pick up whatever is the whim and caprice of the incumbent Governor-General.
- JL: You can understand the general public being a little reticent to allow politicians to elect their head of state can't you. I suppose you can, I'm assuming that?

PM: Let me just say this. Tonight all will be revealed. But, let me just say this John, what you have got in Australia is a representative democracy. You have got each MP coming from their constituency to Parliament and you can see how the Parliamentary system responds to public opinion. It is a diffuse parliamentary system in which no person is elected (at large). For instance, I was not elected Prime Minister. I was elected a member of my Party. My Party appointed me as Leader and the Governor-General appointed me as Prime Minister. I am not standing here speaking to you as the elected Prime Minister. Nor are any Ministers elected. The obvious point in that is if one doesn't remain relevant, one changes. The same with Opposition Leaders. Just take the Opposition. They have had now three leaders in this term of Parliament because the other two were no longer relevant or they thought useful. The same goes for the Government. You saw in the last Parliament, Mr Hawke removed by the Caucus where I was installed. I could be removed myself.

In other words, there is a healthy assessment by a large group representing the community in a representative way from each constituency which gives a real living feel to our democracy day in and day out.

JL: Yes, but the general public and you can't blame them, I suppose, for the cynicism, tend to feel that there is room for manipulation within the Parliament.

PM: Well John, just take for instance a couple of issues of the recent past. Take the woodchip decision of last Christmas. A lot of people thought it was unjustified. The Government was subject to pressure over it. Public opinion changed over it. So, the Government remedied the policy. In other words, the Parliamentary system of government responds. Take an issue like Aboriginal health. People think it is appalling to find Aborigines having a shorter life span than non-Aboriginal Australians. That seeps into public opinion. It then comes into the Parliament. But if one person is sitting in a position of popular election for a long period of time, then they are impervious to opinion.

JL: Yes, I agree with what you are saying and I understand the theory of it and the examples that you have given are very clear, but you can still understand right or wrong it is all about perception. We have talked about it often, it is perceived that there is room for manipulation if it is going to be politicians who don't rate very highly in the minds of the populous are going to have a say in who is going to be this figure head leader.

PM: But John, just have a look at the effort in the last dozen years. I mean, a 40 per cent improvement in national competitiveness. An inflation rate of 2 to 3 per cent.

JL: Yes, all this is terrific, I was talking about ...

PM: But I'm making this point ...

JL: I don't quite know what it has got to do with the figure head leader of a republic.

PM: What I'm saying, is the system is responsive. It actually works. Here is a country which needed a major remedial surgery on its economy and got it out of its system. I mean, I don't think anyone should have any doubt, should be cynical about the system. The system works and the other thing about it, can I say, and I'd say this for the Coalition and the National Party and the Labor Party, I don't know of one corrupt person in 25 years in public life of the Federal Parliament. That is a remark John Howard made the other day too. I don't.

JL: Yes, well I suppose all those things are to be taken into account. Prime Minister I have got to leave you and I know you have got a commitment as well. Thank you very much for spending some time with us.

PM: It is a pleasure, John.

JL: Good to talk to you.

ends