



# PRIME MINISTER

**TRANSCRIPT OF THE PRIME MINISTER, THE HON P J KEATING MP  
DOORSTOP AT INVERESK RAILYARD, LAUNCESTON, TASMANIA, 16  
JUNE 1995**

## **E&OE PROOF COPY**

**PM:** I'll just take questions, I think that's the best way isn't it?

**J:** Mr Keating, what's your reaction to the Democrat's decision that they are going to block the building industry sales tax from the Budget?

**PM:** I wasn't sure that they had made a decision about it. Well, it's a sensible extension of the base of the wholesale sales tax system, and it's a thing that Government's do, and the Government announced this in the Budget. And again, I think this is where the Senate needs to think about its position, and not overplay its hand to maintain its position as a House of review, but not to be there trying to knock out bits and pieces of the Government of the days Budget, which is not its function. The money function of the Commonwealth is with the House of Representatives and the Cabinet, and that's as it should be. That's the sensible measure, and I think that upon reflection, they will think it's sensible too.

**J:** What impact will it have on the Budget if they go ahead with this?

**PM:** I'm not sure of the numbers we have there - I think it's of the order of a couple of 100 million [dollars], from memory. In year 1...

**J:** Will it affect your surplus?

**PM:** No. Well, it will affect it to some extent, but it won't affect the fact that there is a surplus, no.

**J:** Can the Government afford to miss out on that revenue?

**PM:** The Government is there to support its Budget, and to get it through.

**J:** If it's not passed by July 1, will you still collect the money?

- PM: Well, I just haven't had any briefing about it, and I am not anticipating the fact that at this stage, that the Democrats will vote against the measure in the Senate.
- J: They have said today they will.
- PM: They have said today they will?
- J: Yes.
- PM: Well, if they do, it would be a very inadvisable thing to do. I have made these points about the Senate before - it's continually over-playing its hand irresponsibly and unreasonably. This sort of measure is just a bit of sort of populism at the expense of the national management of the country, and populists won't be rewarded, I don't believe.
- J: How can the Government make up the revenue?
- PM: We'll see what the impact of it is - how the Senate debate goes first, before we think about that.
- J: The French Ambassador held a press conference this morning and said that despite the delegation going, they won't change their minds - is it a pointless exercise?
- PM: I don't think so. I think that there is a very clear point to it, that is, to express our anger at all of this, the fact that we and the other the nations of the Pacific feel it [nuclear testing] is unnecessary, that it advances nobody's interests, and the best way of conveying that is directly. And, of course, the Foreign Minister will be with that delegation in Paris on Monday.
- J: Is it an arrogant attitude they have, though?
- PM: I think so - absolutely.
- J: Mr Keating, some Caucus members are reportedly preparing to put a motion on Tuesday that the Government broaden its response to the French decision and to do things like recall the Australian Ambassador in Paris and expel the Ambassador from here...
- PM: I don't know that anyone is proposing measures such as that. We can see, and we have these sorts of debates...we had a debate about nuclear testing in the Pacific for many years in the Caucus. But I think that by and large, the Caucus will do that which is rational and sensible.
- J: What about the protest action last night that saw a truckload of manure dumped at the French Embassy?

PM: I mean, people do these things, and it's an indication, I think, of the objection that the people of this region of the world take to a decision which is made, and is not really fundamental to the security of the French nation, but something which is at the whim and caprice of French defence planners, which have obviously got the agreement of the French Government and President. And, you know, taking an objection is...there's going to be many more of them, I am sure, around the world, and you can see that with the reaction which President Chirac has had in the United States.

J: You don't have a problem with that sort of protest?

PM: I'm not here to endorse each particular action or not. Do I encourage people to be dropping loads of manure around? No, I don't. But, by the same token, I can understand where this feeling has come from.

J: When will the delegation be going to Paris?

PM: Monday.

J: Will New Zealand be part of the delegation?

PM: The delegation is not settled yet - the composition.

J: Would you like to see New Zealand be a part?

PM: It's not settled - I said that to you.

J: The French Ambassador also this morning said that the French Polynesia, where they are testing, is part of France, so therefore they are doing it in their own backyard, and they have every right to do it?

PM: Well, as they say - tell it to the Marines. Tell that one to the Marines.

J: Mr Howard has been critical of the Government's response - he has accused Senator Evans of being an "old pussycat"?

PM: Hasn't he become an old tart, John Howard, these days. Isn't he a dreadful old tart? I mean, two days ago he was saying that the Government's response is entirely appropriate, and after Mr Downer has emerged from the bathtub with his battleships, he is now saying that the Government needs to be tougher and stronger. This is somebody who believes that we should have the Queen of Great Britain as our Head of State - who still believes in all those Colonial vestiges. Who is now telling us today that we should stand up to this power, France. This is someone who will be so obsequious in the presence of the French Minister, or a French President. I mean, he has been told this by his advertising agency. He's a shocking old tart.

J: With the green issue being very important to the Bass electorate, so you think you have lost your seat already?

PM: Cut it out - I have got such strength beside me here. No. I think - as always...I mean, I was talking a moment ago about imagination, about support for regions - who's supporting regions in this country? Who is supporting regional development? Who's rehabilitating the inner-cities of this country - urban renewal? Only the Federal Labor Government. And also in the labour market programs - support for those less advantaged. I made a point yesterday - take the Commonwealth programs out of Tasmania, and Tasmanian employment has actually shrunk. So, on that basis, why would we believe that any of the seats that we hold are at risk? They're not, I'm sure.

J: Would you say that this is a tough seat?

PM: They are all tough, so what?

J: Bass is only held by 42 or 43 votes - it's quite likely to go the other way?

PM: Well, after Sylvia's incumbency here, we will hold it by a bigger margin at the next election.

J: How will your visit here today impact on the next allocation of Better Cities funding?

PM: You get a minds eye picture of things when you move around Australia. I mean, I have been to most of the Better Cities programs - seen them - and then, I mean, as these things are actually discussed in the Cabinet room, as we talk about allocations, you see where the energy is, you know, where the imagination is, and you get a chance to make subsequent decisions. And often the things you think are going to be the goers are not, and the ones that may not, become the ones that work, for this reason. So, I think the job of Ministers and the Prime Minister - particularly in these sort of things - are to get around, see them, talk to people, get an idea of what is happening, and then you can make a better decision the next time around.

J: But will there necessarily be any additional funding for this area?

PM: Well, I have just announced some dollars today for Northern Tasmania, and you know, I think this will develop much the same way the others have. Look at Darling Harbour in Sydney - the amount of private commitment to that now, is profound, but it wasn't true when it started. But then as it gets to critical mass, people felt that something is happening, and they are prepared to do more.

J: Prime Minister, back to Paris - who will the delegation be seeing?

PM: That is yet to be determined, but certainly the Foreign Minister - certainly the Foreign Minister. Probably the Prime Minister.

- J: Carrying a message from you?
- PM: No. It will be a message from the delegation, obviously.
- J: The international condemnation of the decision to resume the testing - do you see it strengthening with that protest here at all?
- PM: You mean here in Australia?
- J: Yes.
- PM: I think so. I think that has happened already, and it is happening in these other countries, too.
- J: Just on a local issue, there is a billion dollar pulp mill proposal that the developers are saying won't go ahead until the Federal Government releases its pulp mill guidelines - those were apparently going to be released when the Wesley Vale was up. They were going to be this month, but it has apparently been delayed - what is happening with those?
- PM: They will be released - I don't know exactly when they will be released, but they will be released because the Government does want to see the logical development of a forest products industry, and that means a concentration on regrowth and plantations, and to see the value-adding. I mean, our objection to woodchipping is that there is not the value adding, so the policy is about value adding, and therefore we won't be value adding without these mills, and we won't have the mills without the guidelines. So the guidelines will be there.
- J: Given this proposal could be in doubt because the guidelines have been delayed, would you be moving on it?
- PM: Journalists say "the project's in doubt" - you are not entitled to say things like that, because I am somebody who has heard all those sorts of claims over the years from journalists, and I know that they are empty.
- J: Do we know when these guidelines are going to be released?
- PM: We probably do, if I had any notice of the question. But I haven't, but let me say that I will take it on notice.

ends.