



PRIME MINISTER

**TRANSCRIPT OF THE PRIME MINISTER, THE HON P J KEATING MP
INTERVIEW WITH RANALD MACDONALD, RADIO 3LO, MELBOURNE,
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RM: The Prime Minister of Australia, Paul Keating. Good morning to you Prime Minister.

PM: Ranald good morning on this your last day.

RM: Yes it is and thank you for fitting me in to your very busy schedule. I would like to steer clear of the news events of the day if I can and concentrate on, as you like to refer to it as, the bigger picture. However, I was struck by the banner headline in The Australian "Evans to spearhead Sth Pacific assault on Paris". What will our assault consist of?

PM: I think it will be a representative group of South Pacific nations, representing the whole of the forum island countries, the forum countries of the South Pacific, expressing our condemnation at this decision by the Government of France and to let them know that it is in their best interests as well as ours, for them not to proceed with this decision and to leave the Government with no misapprehension about the strength of feeling in this region of the world.

RM: Is there anything else that you are going to do on top of that? I mean, obviously trade boycotts have been talked about.

PM: Well I am meant to have a long talk to Senator Evans about it. I have had a discussion with him, but I think he will consult with our colleagues in the South Pacific and probably after that consultation we ourselves will have a conversation and we will discuss what approach he takes on Australia's part in these discussions.

RM: But how seriously do you take what the French are doing and that is in our part of the world, eight nuclear tests?

PM: Well again I don't think it is going to do the Government of France or their interests any good at all. I think that the best way France, the Government, can protect its people is not by some Gaullist weapon or similar such approach, but rather engagement with the rest of the world and to play an active international role because the bomb - in the post-Cold War environment - is the 1990s version of the Maginot line. It didn't work for them between the wars and it won't work now and I think all it is doing is basically rupturing relations around the region and continuing to put pressure on the ecology of this region.

RM: I want to talk about your vision for Australia and obviously that incorporates the Republic, so we will start with the Republic. Is your decision to embrace the minimalist position recognition of the political reality. The fact that, if you look through the history, it proved really difficult to get referenda up and particularly if there is opposition to it?

PM: Well look, not that. That is an issue I think Ranald. The main issue for me is not to disturb the system of Government we have. I think that which is broader, or broadest, is best. And in the representative Parliamentary system we have, you have got 150 people who represent the nation's aspirations by each constituency, they are in touch with their electors, their voters, over the course of each Parliament. You have got the Senate there representing the States at large because they are elected at large. And, I think, what is healthy about our Parliamentary democracy is that it is broad and no one person has elected office across the country. No-one has a mandate in their own right. You see at the last election, for instance, on election night - though the Government had won the election - I was not elected Prime Minister, I was elected Member for Blaxland. And the Party then chose me again to be the leader and on that basis I was appointed by the Governor General to be Prime Minister and I could be unappointed tomorrow morning for all sorts of reasons, at the whim of my Caucus, and I think that is the way it should be. People need to be relevant and maintain their position. So the general cast, the proposal Ranald, is about preserving that broad representative, diffuse, basis of Parliamentary democracy in Australia and not have some single person sitting above it.

RM: Why are you not actually codifying the reserve powers, you are not detailing them? You are in this, as I understand anyway, effective job description of the new President saying that you have got to consider the conventions of the President's power?

PM: Yes and I think that given the fact ... let's look at the history, we are five years short of a century, and only once were these powers ever used controversially. That was in 1975 and even then it was resolved at an election. So what I am saying is rather than delineate the powers, or codify them, or reduce them, the function to purely a ceremonial role, let's leave the powers with the head of state, but

make certain that the head of state's source of power comes from the representative chambers of the House of Representatives and from the proportional powers of the Senate. In other words, let that person - whoever he or she may be - know that the source of their power is one given them by the democratic system of Australia, the representative system, and that therefore the powers they have can only be as powerful as their source.

RM: But the issue is that you are ensuring that it is really just a ceremonial position, the President, aren't you because by establishing in the basis under which the person is put there, the fact that they have to take consideration of what has taken place in the past, that there are conventions? You are actually adding to his power, or her power, aren't you?

PM: The answer is that yes, but at the same time we are keeping those conventions. I think the conventions matter. But the way in which our system of Government has evolved, those who say to you let's keep an interest in our traditions and our history, well this does that. It keeps that continuity and link with those powers and there is a tension in a system between the Government and the head of the Government, the Prime Minister and the head of state. When I say tension, I mean by that, I think, most of the time - all of the time I hope - a creative tension. That is it is not simply a ceremonial post to be ignored. It is truly somebody representing the whole nation as the head of state. But in the Government's model they are not by popular election. He or she will not walk around hearing voices saying "I've been invested by the country, I am the embodiment of the nation and I will deal with this Government, Prime Minister, or Parliament as I choose." I mean I think this would be a very unhealthy approach. Whereas the approach of the person being elected by the Senate and the House of Representatives is a far more healthy approach if the powers remain with the head of state to be used in the event of any national emergency in the next couple of centuries.

RM: The Constitutional Centenary Foundation, under Sir Ninian Stephen has put up many areas for discussion. I am just wondering where you hope the debate will go? It ought to go surely, if we do embrace a Republic, far beyond the question of President and how the President is put there?

PM: Well you are probably right about that, Ranald, and maybe it should. But in the first instance, as I said in my speech, let's make sure the head of state is one of us. Let's make sure that the complete independent expression of Australian sovereignty is just that - completely independent - by having not the Monarch of another country as our head of state, but one of our own. I mean I think when people see the President in the place and know that that person represents them, that the sense of nation that will come from that, the

sense of us being one and together, represented by one person who is one of us, will have a profound effect on the country.

RM: Let's just talk about, if we may, because I am discussing things with the Premier of Victoria a little later in the program, the way in which you work through the Premiers and also the question of local Government? In Victoria, we moved from what 210 councils to 78. Huge restructure of local Government. What is the role you see of the third tier of Government? Do you think this will change the relationship?

PM: Oh yes, I think this is a healthy development. I think that we have picked up the sort of British borough system of local Government, which has been largely inefficient and you don't get the continuity of policies and I don't think that residents or ratepayers get the value they would otherwise get from a system which is, again, more diffuse, more representative, broader. So I think that is going in the right way and I think local Government does play a significant role as a tier Government which affects people's lives in a very close way, that is the way in which they live, the services they have and that is why we provide, the Commonwealth provides, grants direct - financial assistance grants - to local Government, to complement the only source of revenue they have which is an inefficient one and that is municipal rating, property rating.

RM: It is true that Gough Whitlam, your predecessor (sic), supported the concept of a healthy local Government. What about State Governments, obviously a different political complexion, of course, with different baggage? But there are similarities between Jeff Kennett and yourself on things, even though you both criticise each other. Can you do business with them?

PM: Well I do and we have done quite a lot of things together and I think what you find in this business is you are always looking past the Party labels and the titles to the people who actually do things - somebody who can go and do something and agree to something and is interested in doing things. And I have joined with the Premier and his colleagues in terms of the quite historic decisions of the Council of Australian Governments in respect of competition policy. We have now, as you know, got a working party together on health. I think that is going to be important and I think it is entirely critical that the Commonwealth and the States are able to work together across these otherwise distinct boundaries which we have for most of our history. I think we are getting there now with that and at the last Premiers' Conference, the Treasurer and I put together with the States, a financial deal certainly which the States have never had. Certainly not in the last 20 years or so and I think all of those things mean that you can do things that are worthwhile and good, but it has got to be by decisions and I mean this is my beef with Mr Howard, you know obfuscation and indecision. This is the antithesis of the sort of thing

the country needs at this point in its history. It actually has embraced change right through the 80s and it wants change and I think it expects Governments, both Federal and State, to continue those changes.

RM: Well I know you are rushing for a plane, so a very last question and that is this, I am going away for a year, I am wondering by how much I will miss the election? Is the election going to be pre-Christmas or after Christmas?

PM: Well for your sake I would like to tell you for the news value, but I don't even know myself. So I think the honest answer to that is to say that I have always taken the view we ought to wring as much out of these Parliaments as we can. For a start they are too - from our point of view - hard to win without giving time away and I think the public appreciate us getting on with the job and getting things into place and I made the point just in the last month, we have turned the Budget into surplus; we have introduced this huge superannuation scheme for the nation, 15 per cent for everybody putting their savings away and a big outcome at the end; we have seen, you know, the Republic announcement; bilateral arrangements with Japan. All of that has happened in a month and I think these are the things the public want to see, rather than us getting sort of obsessed about elections and our own survival.

RM: Alright Prime Minister, many thanks for talking to us.

PM: Well thank you, Ranald, and good luck to you with the change in your life and I hope it's both rewarding and pleasing for you.

RM: It's very much appreciated, thank you again.

PM: Thank you indeed.

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