



PRIME MINISTER

**TRANSCRIPT OF THE PRIME MINISTER THE HON P.J. KEATING MP
DOORSTOP, THE VALLEY RESTAURANT, FAULCONBRIDGE,
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J: (growth figures?)

PM: Well, they are exceptionally encouraging. It has now given Australia 16 consecutive quarters of growth. Four straight years of growth with low inflation and as a consequence of that growth we have seen 680,000 jobs in the last two and a half years. I think what is particularly pleasing about the accounts is it shows the economy growing at 3.7 per cent - a strong but sustainable rate with low inflation. So, if you had to sit down and fill the numbers in the boxes, if we'd have had that privilege, they couldn't have been any better.

J: Foreign debt hit \$180 billion, that is a record high.

PM: But, what came down is the debt service capacity. That is, the debt service ratio, the capacity to service the debt is improving all the time. It is half of what it was 10 years ago. Only 11 per cent of our exports now service the debts. Ten years ago it was 22 per cent.

J: Are you happy with just 1 per cent for the June quarter, would you like to see it a little higher?

PM: It is the year to number that matters and the year at 3.7 per cent is just about where the Government would like it.

J: So, you don't think it is slowing down too much?

PM: I don't think it is slowing down too much. I think it is just at a nice clip.

J: On another matter, Indonesia, you are going there next month, will you be raising the report that has come out on the death of these 11 people.

- PM: I have heard the Indonesian Human Rights Commission will be investigating those and we will look to that investigation. They are in a position, I think, to follow these sorts of issues up and no doubt they will.
- J: What about Richard Court's memory, surely John Howard is forgettable anyway?
- PM: The whole basis of the Court royal commission is now unravelling before his eyes. Richard Court says he might have said something, may have, but can't remember and yet he has Carmen Lawrence before this commission, he has set up an elaborate \$5 million commission against one woman who has said pretty much as he has said. That is, remembering things from years ago, but even the statements she has made are fairly clear to the Parliament of Western Australia. And, of course, we have got Mr Wooldridge, the Liberal Party spokesperson who was conniving with the West Australian Government and with Mr Court in establishing terms of reference and a commission against an opponent. Now, of course, he won't come clean. Mr Howard is all about political honesty and we had all that cant and incantations from him about the importance of political honesty, but he won't say whether he and Mr Wooldridge were conniving with Richard Court to disadvantage Carmen Lawrence.
- J: Do you support Gareth Evans' mentioning of Anne Vanstone in the Parliament yesterday?
- PM: I think what Gareth was saying was that justice should appear to be done. That you have seen, do you remember in NSW here, Mr Temby was on some matter representing the police as a QC, he declined the position because at the time - he accepted the need that justice should appear to be done. Here you have got a Council associated with the Liberal Party in a commission set up against a Labor Party Minister.
- J: But, is it appropriate that he is attacking the validity of the Council?
- PM: Well, was it appropriate for John Howard to have his communications spokesman attack my wife for going on a tour with the Sydney Symphony Orchestra. I mean, in the annals of political cowardice, that wasn't a bad one.
- J: Mr Keating, when you visit President Soeharto this month, isn't it, what are you going to say to him about the breach of human rights that were documented today?
- PM: Well, I don't know whether it was documented today, that is the thing.
- J: Well, it is in the papers.

PM: But, I don't go there with a travelling slate of what I think are human rights breaches in his country. I mean, he could point to problems we have - prejudicial views about the Aboriginal community, denying them equal opportunity and access - what would you say about that?

J: Yes, but we haven't got reports saying that 19 people were killed while they were praying in a church.

PM: No, well, that will be investigated, I'm sure, by the Indonesian Human Rights Commission.

J: Given the worsening drought in NSW, should there be an increase in federal assistance?

PM: At the moment, there are 10,000 farm families - 10,000, I think now it is over 10,000 - on income support in those quite radical changes I made with Bob Collins last November. And, I think, the response ... you can see that from the Graingrowers in Queensland recently acknowledging that point. I notice Mr Howard this week saying me 'too, me too', again, 'we'll do the same as the Government'. It is the Government that has broken all the policy moulds here to try to help the farm community and the family farm in particular hold through this drought and all of those arrangements are in place. All those drought exceptional circumstance arrangements are in place now.

J: So, there will be no increased funding?

PM: The formulas are there. If there is more drought, there will be more support and there will be more funding.

J: Dame Pattie Menzies died this morning ...

PM: I hadn't heard that and if that is the case I am very sorry to hear it. She was a very great Australian.

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