



PRIME MINISTER

**TRANSCRIPT OF THE PRIME MINISTER, THE HON P.J. KEATING MP
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PM: Well, we have seen Mr Howard, the old Mr Howard. It took a while for us to take the layers of new political clothes from him, but there he is just as he always was: without ideas and without principle. He is now going to strike down, if he can, the largest change to the micro economy in the State of NSW and, for tourism and air transport, the largest change in Australia in the last 20 years, the third runway in Sydney. This is the runway that he enjoined this Government to build for years and for years. This is the runway he said was not being built because of political cynicism on the part of members of the Labor Party in seats around Sydney airport. It has now been built, he now wants to cut its capacity dramatically by again opening the cross wind east-west runway which would mean a dramatic increase in the risk factor of aircraft intersecting a downwind runway and at the same time dramatically cutting the capacity of the airport. This would have flow on effects to Melbourne and Brisbane and the whole east coast grid of airline connections.

It means that all of his rhetoric about micro economic reform which we have had ad nauseam, how he will be the tough guy, that will hop into the waterfront, he is the tough guy that is going to hop into the unions, he is the tough guy that is going to hop into the seafarers. When it comes to one micro economic change, and a big one, he starts to backslide on years of statements by himself for a handful of votes in his own seat of Bennelong. We hear these headland speeches, as the Minister for Transport said in the House this morning, the only headland he is interested in is the one between Lane Cove and Woolwich - the one that worries him about his three per cent margin in the seat of Bennelong.

So, here he is saying I am the new John Howard, I have been airbrushed, my old past has been airbrushed away, I am a new person but when it comes to the first test, even as Opposition Leader, I don't think I can pass it, I don't think I can support the Government in a policy I have supported for years.

To add insult to injury, bad enough that he puts asunder this micro economic reform, he wants to stamp his foot and abuse his powers in

the Senate by tugging away at \$2 billion of the budget by pulling the Kingsford-Smith airport sale out of the sale of the FAC airports. As the Minister for Transport made clear yesterday, there is no way that people are bid for the other smaller investments until the big one - Kingsford-Smith and Badgery's Creek - are settled first.

So, if Mr Howard refuses passage of the Bill before Christmas, it means that the budget will miss out on a \$2 billion change, \$2 billion which has produced the surplus and it will be all at the hands of John Howard.

I hope the business community are looking at all this because it is no accident that he left the likes of me and other ministers to do all the dirty work of the 1980s that he left behind. He wanted to float the Australian dollar, but he never got around to it. He wanted to deregulate the banking system, but he never got around to it. He wanted to free up the labour market, but he never got around to it. He wanted to remove the tariff wall, but he never got around to it. He wanted to improve the micro economy, but he never got around to it. And now, when we have got around to it and got around to it on this important feature of aviation he says "No, I'm not having it, I want the cross wind runway open", and even though he knows it will cut the traffic volumes by nearly half, he says, "that is all right providing I am safer in the seat of Bennelong."

This guy is not fit to be Prime Minister. He is not fit to lead a major party and you don't need my claims about that, you have got it right in front of your eyes over night.

J: You mentioned the business community, what about the local community which feels that your government has created an intolerable situation for them in their daily lives?

PM: We have got now the largest noise abatement program anywhere in the world. What we are seeking to do is to immunise those areas from the airport noise. But, as Mr Howard's own ... the Mayor of Hunters Hill said rather eloquently yesterday, if they were to put light aircraft even on the tail end of the east west runway they will take them out of the main parallel runways which will only then fill up with larger wide bodied aircraft which will only compound their noise.

PM: The other thing is the Government has made, I think, very important changes - now, all the aircraft do take off from the end of the seaward runway, if they are taking off to the north. And by the time they get over Hunters Hill and these other places, they have got 3000 or 4000 feet under them, and this has made a very great difference.

J: People are still very angry, though, do you accept that this is a dangerous political issue for you, and that John Howard could be just playing smart politics here?

PM: Well, if you think that tugging away at the largest micro-economic change, destroying the largest micro-economic in Civil Aviation in the last quarter century, and knocking \$2 billion out of the Budget is smart politics, I don't.

J: Is it a dangerous....

PM: ...I think it is a dangerous issue for him - so dangerous, I think, it has really painted him as he really is. I mean, Howard in policy terms has never amounted to a row of beans. I know that, because I have had to do - amongst others - most of the work in areas he had former responsibility. And what he is showing you again is that no matter how much he has been air-brushed by Andrew Robb and the Liberal Party, and how much the Liberal Party want to make him over as a New Age person, he is the same tired, old character - cynical character - that he always was.

J: Do you accept that this issue is hurting you, electorally?

PM: No. I think the Government...Governments that do things the nation needs are generally rewarded. The nation needed this change, and the Government put it into place.

J: Prime Minister, you say he has been air-brushed, too, on IR - what is your IR message to workers for the election?

PM: My IR message is that we're now in the lowest level of industrial disputes since we have been keeping the records - they are one-sixth of what they were in the late 80s, we have had a fair wages system which has made Australia competitive, but given Australia high employment and fair wage outcomes, and all the protection's that working people can only get under the award system. We have given them flexibility with protection, and this will go under a Coalition Government.

J: What about wages? Will they cut wages?

PM: The Coalition - the result of their policies - will be substantial cuts in wages for Australians as they lose, without compensation, penalty rates, overtime and other elements of the wage package. Because there will be no guarantee - and when pressed, Mr Reith, their spokesman, always falls back on the same expression: "We will be keeping Federal awards". But, that's not a choice that is going to be made available to the 1.7 million people a year who either join the workforce for the first time, or change their jobs. 43% of Australians changed their jobs in the last 3 years. That means that 43% of Australians will have no award protection under a Coalition Government.

J: But workers still see executive salary increases going through the roof - all the Government does is criticise them, what do you intend to do about that?

PM: The Government does criticise them, and executives who take these decisions know they they induce a problem in their own companies under an enterprise bargaining system. All of this is noticed by the workforce. But executive salaries are not set in any Industrial tribunal, and therefore, the Government has no option to appeal them when these remunerative packages are set.

J: Prime Minister, the temperature seems to be picking up around the place - are we still looking at a poll next year?

PM: That has always been my intention - to stretch the Parliament out, to give the public the value they like from them.

J: It still is, Prime Minister?

PM: It is, indeed. And, you know, we have had...when a very high hurdle was set for the Government with the Budget, and the Government jumped it - a surplus Budget without all these mooted increases in income tax and the rest - instead of saying good jump, generally it was said [that we were] "clearing the decks for an election". When the Government introduced Accord Mark VIII, pinning the inflation rate to 2%-3%, it was said "clearing the decks for the election". When the republic framework came down, it was said "clearing the decks for the election". That was months ago, and there has been no election. What the Government is going to do here, is keep on governing, and one thing is very clear - the more time we give John Howard, the more obvious we make our view known, and that is that he stands for nothing, and he represents nothing but cynicism and low principle.

J: Mr Keating, there is a poll out today on Carmen Lawrence - a 2-1 majority now of people who think that the Carmen Lawrence affair is a witchhunt - do you think that issue is now over as a political problem for the Government?

PM: I think it's over in respect of any damage that it is likely to be doing to Carmen Lawrence, and because what matters to her matters to us, it means that, I think, most Australians think the process has been unfair.

J: Is it true, Prime Minister, that you will be doing big hit policy statements?

PM: No. But I'm always considering policy statements.

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