



PRIME MINISTER

**TRANSCRIPT OF THE PRIME MINISTER, THE HON P.J. KEATING MP
INTERVIEW WITH RICHARD UTTING, RADIO 6WF, PERTH,
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RU: Prime Minister, how are you?

PM: I'm good Richard, thanks.

RU: Now, this poll in today's Age and I think all the polls are showing that the Coalition is enjoying a substantial lead over the Government.

PM: Some do, I mean the Morgan poll had us two party preferred yesterday, 52 for the Coalition and 48 for Labor. That is only four votes the difference, that is two to change - changes all that. The Newspoll today had us up two to 39, the thing about them is in quantitative terms they are pretty unreliable and they give you some hint of the directions really, only. I think governments are never in front during the life of a parliament or rarely.

RU: Now, the last election campaign was you went in trailing and everyone was writing you off then, were you trailing then as much as you are now and the same time?

PM: By a bigger margin, but I said the other day in an television interview, I mean the place I want to be and this is one out and one back. I couldn't think of anything worse than going into an election campaign in front because what happens is everybody wants to drag you back. I am happy to have Mr Howard in front, that's where I had Dr Hewson.

RU: Yes, well Dr Hewson had what they have termed the longest suicide note in history.

PM: He is now in a Merchant Bank somewhere.

RU: But, do you have the same advantage, I mean John Howard is as they say occupying the porcupine position - rolling himself up into a ball, making a very small target of himself.

PM: Gradually the policies are coming out. Andrew Robb their Federal Director said on the Sunday program on Channel Nine two Sundays ago, they had 98 per cent of their policies prepared. If they have got 98 per cent of their policies prepared, why aren't they showing them to the Australian people. They are saying 'oh look, we are hiding them from Mr Keating'. But, they are not hiding them from me, they are hiding them from you, they are hiding them from your listeners, they are hiding them from the public in general and what other basis of credibility or morality in their politics can there be without showing what your policies are. The public are entitled to expect from major political leaders the policy directions, where they would take the country. Mr Howard has got all these nasty views but he thinks that the public won't like them so he will slip them in three days before the election or a week before the election or if he can get away with it not at all. By contrast, everything the government does is explained and is in the public domain - the budgets, the accords, the republic structure, the native title act, you name it and it is all out there - but they are not.

Under pressure he is now letting a bit out to keep himself credible. A week ago on Mascot Airport in Sydney, which in a sense if you live in Perth you'd say 'well why does it matter'. What mattered about it was this, he has been saying 'the government has taken Australia so far, but we are the sort of tough cookies who will crack the tough nuts' - you know, waterfront, ports, airports - the biggest micro economic reform in the infrastructure of Australian airports is the third runway at Mascot. It is the gateway to Australia. He wants to cut its capacity by 35 per cent because it is affecting a few people in his own seat. He has got a margin of three per cent, he says he thinks he can beat me at an election and become Prime Minister, but he is actually worried about losing his own seat.

The other thing we squeezed him out on was industrial relations. On industrial relations he makes clear where he stands and last night he said 'changes to Australia's industrial relations system are the key to solving Australia's twin problems of high debt and high unemployment'. He said he was 'a believer in capitalism and the profit motive, we should be talking about reducing the costs of doing business.' Now, all that can only mean cuts in wages. He runs around saying he supports Australian families, but everytime he says it I think Australians should ask themselves how do you support Australian families on low wages without job security. So, he is getting a few things out and we are starting to see the same sort of line, he is running the same line that Mr Kierath is running here in Western Australia. Basically, hop into working people and rip their wages down while crying crocodile tears on television about them.

RU: Have you identified industrial relations as being one of the key areas leading up to this next election whenever it may be?

PM: I think it is because this sort of view about making capitalism affluent, to have people engage in a dog eat dog struggle in society which is, I think, the gist of it, in other words you rip and tear at the bottom end of the labour market for every dollar you can get. I don't think we want a dog eat dog society, I don't think we want Australians scrubbing around for low paid jobs without security, we don't want as the Americans have an army of working poor. And do you notice by the way, Richard, the Pope refused to see the republican leadership, Gingrich and Bob Dole and he refused to see them, I think, if we can believe the reports because he thinks that the gap between rich and poor in the United States is too great. You saw that member of the British Conservative Party resign to say he was going to support the Labour Party this week in Britain robbing Mr Major of a further vote in his slim margin in the House of Commons and he said there was no regard in the Party for the interests of working people.

Now, these are all the policies John Howard and Keirath and their ilk support. The Pope has made a strong statement, I think, saying I've not come to America to cuddle up to people who are trying to, essentially, push working people asunder, divide the country and have no compassion about them.

When John Howard said last night that changes in the Australian industrial relations system were key to solving the problems of unemployment and debt, that he was believer in capitalism and the profit motive, let me quote him '... we should be talking about reducing the costs of doing business ...' Now, every business person you speak to Richard, you can talk to the major companies or the smaller ones, they'll say labour costs in Australia are not a problem. We are hugely competitive abroad, our labour costs are not really an issue. I was in a plant in Melbourne a week or so ago, in a business which is competing abroad and the Manager said to me "where we have got such a margin Mr Keating, he said, is that the labour costs here are so competitive with our competitors. The technology is about the same, but the labour costs are good" and he said "it really puts us in with a chance."

What Howard is talking about, in reducing the costs of doing business is just code for ripping wages down, yet at the same time he wants to disingenuously talk about Australian families. He says he believes in families as if, of course, the rest of don't, he believes in families but he doesn't believe in family support. This sort of hard hearted view that the strong take the wealth and the devil take the hind most, which is the Gingrich/Dole view of the world, the Pope said not for me, I'm not going to glorify this view by meeting you. But this is the view that Howard has.

RU: Perhaps you might need to get the Pope to Australia because I suppose one of the problems that you are facing is that you have been in power for 13 years now, don't you think that is your biggest handicap?

PM: Yes, but one problem we are not facing and that is an immoral position on society. A position about dividing society, I mean, this Party believes in a good social wage. Australia is a cohesive, good society, we have got high employment growth because the Government has focussed on employment. We have had strong growth in household disposable income - disposable income of Australian households, Richard, has risen by 40 per cent since 1983. Forty per cent in real terms since 1983. We have got Medicare sitting there, basically giving access and equity in health, you've got now massive participation rates in secondary school which we didn't have 10 years ago. These are the things that bind a society together, but this sort of snaky, rich view that the millionaires are not doing well enough and we have got to send the All Ordinaries Index not from 2150 but to 2500. You know in America I think I have got this number right, but if I haven't got it exactly right it is like this, in the last decade 70 per cent of the incremental wealth in the American economy has gone to three per cent of the population. How can they defend that? America is a tinderbox, you can see it in the O.J Simpson trial, you can see it in the riots in Los Angeles, it is a tinderbox because the poor are getting poorer and when the US Secretary of Labour Robert Reich, the Minister for Labour comes out and said 'look, yes we have had plenty of employment growth in America, but we have falling real wages, we've got an army of working poor'. This is the model that John Howard wants for Australia. What we say is that is why there has to be a no disadvantage test, you can have enterprise bargaining and flexibility but you can't reduce the package of the working person.

RU: Alright, now wouldn't the proper thing to do then rather than to speculate what John Howard may or may not be about.

PM: I'm not speculating, he said it last night. I just quoted you.

RU: You are drawing conclusions from it perhaps some uncharitable people, some cynics might say. If you called an election now to get rid of the uncertainty, to flush out his policies then we could all see what they are.

PM: Why doesn't he just do the moral thing that leaders, he says he believes he has a position such that he can lead Australia, let's have a look at them. Let's get the policies out there. This sort of sneaky stuff, wait until the last three weeks of the campaign and then try to put them out so that they don't get adequate scrutiny and we can sort of slip under the wire unnoticed. Haven't we got past that. Can I just

say also, did you see him the other day on foreign affairs and defence because you see, as we squeeze the tube a little bit of paste comes out the end. Sometimes he has to give a bit out to remain barely credible and what was he saying, he made a speech that Harold Holt could have made. Now, in the last decade, take HMAS Stirling here, we've given Australia an east and west coast defence base, we have now built Stirling into the major naval defence base, we have taken the tanks from Puckapunyal in Victoria where the Liberals had them. I don't know what they thought, we were going to be attacked from Antarctica? And we put them into northern Australia with the big airbases at Tindal and other places. He made a speech the other day that Harold Holt could have made, it basically said, and let me quote him, he said 'unresolved tensions between the Government's focus on the defence partnership - that is with Indonesia, Singapore, Malaysia et cetera and they are exercising in Australia - unresolved tensions between the Governments focus on the defence partnership with the region versus the region as a potential source of threats'. In other words, what he is saying is you've got these people down like Kingaroo 95 doing the exercises with them, but they might be the enemy. What we should do, he said, is rebalance our policy and move closer to the United States. In other words to say to the US well here we are, we can't defend ourselves, the neighbourhood we are suspicious of it. Basically, they are sort of enemies there. So, instead of going out in the 90s - as I am doing, engaging Indonesia, engaging Vietnam. When the leader of Vietnam came here 6 weeks ago, Do Moi, John Howard wouldn't meet him, refused to meet him. He went back 2 days later and sat down in a meeting in Hanoi with the US Secretary of State, Warren Christopher. He was good enough for Warren Christopher to meet, but not good enough for John Howard to meet. He won't engage them - he says let me have the stewardship of the Asian relationship, but you have got to say to yourself, well, how could we let you have it, John, you have still got a sort of 60s view of the world. I mean, he's still re-fighting the Vietnam War. I mean, he is suspicious of Indonesia, he's suspicious of Malaysia, he's suspicious of Vietnam, and you want to be cuddling up to the Yanks.

RU: For all of that, I mean, that's a marvellous election speech, isn't it?

PM: No. No.

RU: A marvellous election speech.

PM: No, it isn't - let me just correct you. It's about the first responsibility of any Australian Government, to the security of its people. And if Howard believes that he can't engage the region we live in, what hope would he have of leading Australia. That's what it's about. I mean, gradually...Richard, you're right in your comments - he hasn't got the policies into place, but the little bits he has got out there - his

gutlessness on Mascot airport, you know, that weakness, the sabre-rattling Harold Holt type speech of last week, last night again about trying to hop into working people, but not saying - you know, in a sneaky - not saying exactly that he will cut their wages. This sort of weak and sneaky stuff, I think, has got nothing going for it.

RU: You use words like weak, sneaky, gutless and so on - don't you really think you are bringing political debate down to the gutter?

PM: No. They call me a liar, he calls me a liar every day of the week - every day of the week. I have got his party president running around saying I am one of the richest people in Australia - that I have entered public life for my own personal benefit. I mean, the stuff - I have got Senator Baume in the Senate attacking me every day. I mean, I get questioned about what's being spent at The Lodge every day of the week - I mean, it's just outrageous what they do. I mean, I'm talking about his policies, I'm not talking about his personal life, as he does about me. I'm talking about his policies - defence and foreign affairs, wages - these are all legitimate issues. I mean, it is gutless to say that we will cut the capacity of Mascot airport by 35% in the gateway to the country, which affects then the ongoing flights to Perth, Melbourne, Brisbane etc, because he thinks he might lose his margin of 3.5% in the seat of Bennelong. Because in 1989 he supported building the runway. So, the first bit of pressure he gets - he gets a little bit of pressure - and what does he do? He caves in. They're about legitimate public issues.

RU: Well, let's talk about a public issue that has been winding down in Perth, I suppose, and that's the Easton Royal Commission. If you're a betting person, you might think that could well come down with an adverse finding against Dr Carmen Lawrence, your Health Minister. Would that make any difference to your support for Dr Lawrence?

PM: No. The Commission is completely discredited. I mean, I think Mr Marquet hit the nail on the head - the Clerk of the Upper house - when he said in his evidence - I don't know if it was well publicised here - that what he said was it would have been improper for Carmen Lawrence to have required on a Party basis Mr Haviland not to present Mr Easton's petition. That any person has the right to petition the Houses of Parliament. I mean, any one of your listeners that has a grievance can put a petition to that House of Parliament, and it's the duty of MP's to put those petitions. Whether they agree with its content, or act upon, it's their duty to put them. But, what was argued implicitly in the Terms of Reference drafted by Mr Court, was that, you know, she should have stopped this. Of course, after Mr Masters and Mr Lightfoot raised - on her behalf - for 2 years earlier, all these issues in the West Australian Parliament. In fact, Mr Masters quite - I think it was Mr Masters - said on Perth radio about 4 weeks ago, quite brazenly, oh yes he said, I said to penny, look I

raised these issues, and do you really think I should do more? And she said oh yes, I'm sure I'm right on this, so you get back in there. They did this for 2 years, and then drafted the Terms of Reference only around Haviland's presentation of the other side of the family's interests. So, you know, what can you make of it?

And here we have the *West Australian* today talking about Wanneroo, and here's Richard Court - who wants a full, public \$5 million extravaganza on Carmen Lawrence, trying to cover up this Wanneroo Inc issue - and the *West Australian*, let me quote from this, this is from the editorial, and I don't normally quote from *West Australian* editorials, it's not my favourite paper, but it says this: "People will not be satisfied that the inquiry has got to the bottom of the allegations of corruption in the city of Wanneroo in the 1980s, unless it is covered by privilege and open to the public. The longer Mr Court procrastinates over giving the Kyle Inquiry the powers of a Royal Commission, the more he will fuel the perception he has something to hide". And I also notice the...is it the Chancellor of the University saying..

RU: I think it's Murdoch.

PM: Murdoch University saying - that's Peter Boyce - saying there were already too many Royal Commissions in Australia, but the serious allegations surrounding Wanneroo Inc warranted some form of full an public inquiry. So, Mr Court's rancid duplicity on this - I mean, he is always up there speaking in pious tones, but, you know, this was put on basically to cover the stink that was going on in the Western Australian Liberal Party. Here's Noel Crichton-Browne trying to get in, here's Withers saying that he was expelled in terms which were dubious, you have got Fred Chaney talking about funding the thugs, the political thuggery in the Party, "rather greasy and sleazy", he says, "I would say the circumstance where the Liberal Party can't conduct its affairs honestly and in a principled way, why should people want to contribute to it?". The Lawrence inquiry was put on to smother that fight. Now, I mean, I think he is going to be hoisted on his own petard, Premier Court. That is, he can't continue with the Wanneroo Inquiry without it giving appropriate protection to the witnesses. So, you know, I mean - one bad act begets another. And it was a bad thing to do - the Easton Inquiry was a bad act, essentially, by a Premier who wanted to inflict personal damage on an opponent he had already beaten. I mean, not content to have won the election against Carmen Lawrence, he wanted to destroy her personally. He's a very nasty person, Court.

RU: All right. Now, can I move on - ... I have been saying these questions from some of our listeners, but one other question - if we've got time for just a couple of other quick ones - when we, can we expect the

emu and kangaroo to grace our Coat of Arms instead of the lion and the unicorn? That's not a bad question.

PM: In Western Australia?

RU: Anywhere.

PM: Well, there's an emu and a kangaroo on the national crest, which is rather appropriate. I'm not sure about Western Australia - it's got a swan somewhere there, I think. There are swans around here.

RU: I suppose implicit in that is the whole idea of the republican debate, which seems to have gone to the backburner. Now, you raise this...

PM: Can I just say from my point, not at all, but go on - sorry.

PM: But this is something you ran on very strongly some time ago - do you see, at the next election, whenever it may be, that the republican issue will be one that needs to be thoroughly addressed by both parties?

PM: Oh, absolutely. And what I have done is laid down a blueprint for an Australian republic. You see, again - let me just take the chance on this to reinforce a point I made earlier - I didn't say wink, wink, nudge, nudge I think we need a republic, But I won't give you the details. I put down a speech in the House of Representatives, you know, the people's House, on television, the whole framework for an Australian republic. What did Mr Howard do? He slipped and slid for 3 days, and then said oh look, I don't believe in a republic myself - but if I were elected, I would put a republic referendum if people wanted me to, but at that referendum, I would vote for the monarchy. Well Richard, you know this - to get any Constitutional change through in Australia, the Government has got to be going flat out for it. So, effectively, there is only one Party that will give Australia a republic, and that's the Labor Party. because for a Coalition Government to say look, we promised you that we would put a referendum on the republic, but you know - this would be Mr Howard - I'm in favour of keeping the monarchy, so, have a vote on it. You have got a majority of electors in a majority of States to pass it, so effectively, what he said is there will be no republic under the Coalition. And what I'm saying is there will be a republic under the Labor Party - we will put the referendums, and we have already put the structure down.

But how can we make our way - I mean, this goes back to his whole view of the world - how can we make our way with these old societies like Indonesia, 190 million people, South East Asia, Malaysia, Thailand, Vietnam, the Philippines, these sort of countries, and at the same time saying here is Australia, a unique and important nation, a country with a unique culture, that is a partner in the region, but by

the way, our Head of State is the Queen of Great Britain. I mean, the Queen - I have a great regard for the Queen, and the monarchy works fine in Britain, this is not about the Queen - it's about the ability of Australia to express its sovereignty in full. That's what it's about. And, you see, but John Howard isn't interested in the region - he thinks, essentially, Indonesia is still a threat. He thinks the Vietnamese are still a threat. And he would head straight for the White House. If I was an American President, if another Leader turned up as a mendicant, you would have to say oh God, not another one. Not another one coming asking us to defend them. Not another one. You see, what the Americans know with a Labor Government - you can see it with Stirling, you can see it with Tindal, you can see it with bases in the North, you can see it in engagement with Asia, you can see it with APEC - they know we are out there doing a job, and its one that they can identify with, and support. That's the sort of ally they want.

RU: Right. Well, Paul Keating, we have to leave it there. You're not going to tell us - give us any hint - about this election, and....

PM: Richard, can I say about a year after the last election, John Hewson was saying the Prime Minister is going to take us to an early election, and that went on for months. And then Mr Downer got the job, and in the first flush of his victory over others, when he came up in the polls, he said the Prime Minister is going to take us to an early election - he was hoping he would get an early election. Then Mr Howard got it and said the same. When the Government produced a surplus Budget in the middle of the year, many of the newspapers said [I was] clearing the decks for an election - that was May. This is October - there still hasn't been an election, because I think the public do want value for from these Parliaments. That is, they don't want tricky Governments, trying to trick them at a poll, called at a time when they think the Government should be doing the nation's work. So, I know it would help your ratings if I announced the election on your program, and I would like to do you the favour, but I can't.

RU: Nah, I don't need help in ratings, Paul.

PM: How are you going - you're going well? Well, good on you. That sort of right-wing adventure down the road - your friend and mine, Mr Sattler - I mean, all power to you.

RU: Paul, we'll leave it there.

ends.