



PRIME MINISTER

**TRANSCRIPT OF THE PRIME MINISTER, THE HON P J KEATING MP
INTERVIEW WITH RON EDWARDS, 6PR, PERTH, 10 OCTOBER 1995**

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RE: Welcome, Prime Minister

PM: Ron, thanks. Very good - I'm very glad to be back here.

RE: We've got some good weather. You have been out to Claisebrook for the opening of part of that Better Cities program down there.

PM: It's a very nice development, I think. And the thing I think is particularly good about it is that it brings the, if you like, the Eastern end of the the city, into contact again with the river.

RE: That was something that was lacking.

PM: Yes. Because the river sort of went around and sort of vanished anonymously.

RE: Yep.

PM: There's a Casino on the other side, so it sort of makes that link, doesn't it? You know, the new development makes the link down to the edge of the river, across the river onto the Casino - it gives the city a continuity.

RE: And importantly, I think, it expresses the role of Government in with the private sector in redeveloping our cities - Government's can actually provide the vision, and the structural things. It's very difficult to ask the private sector to carry that cost always, but Government's can do that.

PM: Well, I don't think an individual developer can do a thing like this. You know, cleaning up the old drains, and cleaning up a century of

rubbish and refuse, and pollution. But now it's done, obviously there will be more development, more housing built there, and the old factories around it will get offers they probably can't refuse and we'll see more housing. It will be a bit like, I suppose the best example is Darling Harbour in Sydney, where once the Government of NSW did a key part, they were able to do more. And that's what we thought we'd do with the Commonwealth Better Cities Program, which we have used here with Western Australia. And, of course, in Perth the other one that springs to mind is Fremantle. When I was Treasurer, we - the Commonwealth Government - invested about \$30 million in Fremantle in the middle 80s, and it was then the old port city, but a lot of industrial archaeology there. And now, Fremantle is a great place.

RE: All my friends who come to Perth, they always say you must go to Fremantle, because it's just got something to offer.

PM: It has. And it's a lovely outlook to the city here, and a sort of social place - and it really didn't exist like that before this Government put the money into it.

RE: I have to raise a question - Clarry Isaacs phoned me after Claisebrook and said that he'd hoped that Aboriginal people would have been invited to be part of that process. It's important, isn't it, that we involve Aboriginals in...

PM: But they were involved. I mean, Clarry's only a grandstander, I'm afraid, and you know, they were involved in it, but they're, sort of, he was going I've got to get his permission to cross the Bridge, and all this sort of stuff, I mean, it's just - basically - a bit of grandstanding.

RE: Yeah. So you don't take it any further than that - you think that they were effectively involved in the whole process?

PM: They were. Absolutely. And I mean, he had an identity problem - it wasn't me he should have been railing against, it was the Premier. I'm the one supporting the Native Title Legislation.

RE: Right. How are you getting on this time with your visit, in talking with the Premier?

PM: Okay. I mean, I don't like his policies, and I don't like his politics. I made that clear today about Carmen Lawrence - he defeated Carmen in an election, he didn't need to go after her and try to destroy her personally.

RE: Might he not say that he was entitled to find out whether or not she told the truth to the Parliament and the public?

PM: Not at all entitled. I mean, what...how would he go if I said well, listen, I'm entitled to know what went on in the Howard Cabinets - the Fraser/Howard Cabinets - you know, why John Howard let all those bottom of the harbour schemes go on for a few years, and we'll see what each Cabinet Minister said to one another. They would be screaming blue murder. And if he wanted to do that, why didn't he put in...the Liberals who represented Penny Easton's interests in the Parliament for 2 years, Masters and the other chap?

RE: Lightfoot.

PM: That's right - Lightfoot. I think it was Masters or Lightfoot who said on radio here a couple of weeks ago - a month ago - quite brazenly, oh no, we were representing Penny's interests, and we spoke to her and she said no, I want you to go on. But the Premier puts the Terms of Reference together, but only about when Brian Easton wanted to put his views. But I thought the Clerk of the Upper House said it all, Mr Marquet, he said it is his view - I don't think I'm mis-quoting - there was a question of propriety about whether the then Premier - Carmen Lawrence - should have intervened to stop Mr Haviland presenting the petition. In other words, Mr Easton had a right to put his views to the Parliament in a petition, and it would have been improper to have interrupted or intervened in that process. And that is essentially what I think the Clerk said, and that was a key point. I think it was the key point - I mean, these were the things also that were said by Mr Gyles yesterday in the summing up. So, it was a spiteful little exercise, I mean....

RE: But it damaged Carmen Lawrence, though?

PM: Richard Court said today oh, we don't attack people personally over here, he said, responding to my comments today. No - he's only attacked her with a \$5 million Royal Commission.

RE: But he has damaged her politically?

PM: Well, he's attacked her personally by arraigning the State against her with a \$5 million Royal Commission - it's the worst personal attack in history, in this country, I think.

RE: So you will repudiate any of the findings from Commissioner Marks?

PM: Look, I think that if the Commissioner picks up the points Mr Gyles made yesterday, that it's immaterial whether Carmen Lawrence knew these things or not, the key question is did Mr Easton have a right to present a petition to Parliament? The answer is he did. Was the petition presented correctly - was it a breach of the privileges of Parliament? A Committee of the Parliament said no, it wasn't. And the Clerk has called in to question the rights of anybody to actually

interfere with the presentation of a petition. Now, I think that if the Royal Commissioner keeps on those points, he can't go wrong.

RE: Right. If you had to sum up your tactics in the Parliament in relation to the Royal Commission, do you think they were successful, because certainly you took a strong line, didn't you?

PM: I did. There was no....I mean, chit-chats in Cabinets or Cabinet ante-rooms about what Ministers say, and then opening up like with some sort of can-opener the whole question of Ministerial responsibility and Cabinet secrecy - once you throw those things out, you throw out the whole workings of a Westminster style Government. See, if now no Cabinet Minister in Western Australia can say well if I say this in the Cabinet Room, how do I know that I won't be called to account for these words in some Royal Commission in 3 years time? I mean, I had better shut up - I had better be quiet. And once that enters into our...into the free-flow of debate in the Cabinet, who is running the place, and how can it be run? And that's what Richard Court...see, the Liberals always do this - they break all the standards of Australian politics. They did it in 1975 by refusing supply in the Senate, he has done it now by breaching the confidentiality of the Cabinet with a Royal Commission, and he has done it by chasing out an opponent who has done nothing illegal, created no misdemeanour, but by arraigning a Royal Commission against them. In other words, they always...if they have a choice of doing what is right and wrong, they will take the wrong course.

RE: You have mentioned the question of conventions - do you think that when you began to debate the Royal Commission in the Parliament, you may have broken a convention, because at that stage that really was the case?

PM: No. No - Mr Howard...before I debated it, John Howard was asking me questions about things that Mr Kovaks had said. They were using all of the testimony in their questions. And how dare I refer to this. So what I did was read the transcript. I said well, listen, I want to get your point of objection clear about this - you don't want me to read the transcript of the Royal Commission, but the Royal Commissioner publishes the transcript on a disc every afternoon. And the media can read it, and the journalists can read - but what? The Parliament can't? Is that what you're saying? You know, their objections fell to nothing.

RE: Right. You mentioned John Howard - if I can paint this picture to you: you were at the Rugby League Grand Final - there following the Canterbury Bankstown Bulldogs, I still call them that, like to call them that....

PM: The Bulldogs.

RE: Yeah. And they weren't really the favourites at the time, they had a difficult year, and in fact, if anything you would say they were a bit behind Manly when it came to the game, but in the end they won.

PM: They did.

RE: Do you see yourself in that role, a bit like up against John Howard - that you have had a difficult year, you're not in front....

PM: Except...but I haven't got a champion to beat, have I? I mean, he's not a world-beater.

RE: Dogged?

PM: I mean, no - he's just stuck around. He's been around for 20-odd years, and that's about it. I mean, today on radio in Adelaide he said...he got asked by an interviewer, what do you think - will Industrial Relations be the big election issue, the big issue in this election? And Mr Howard said no, I think the big issue will be that the nation should be led by a new group of people. Not a group of people that have got ideas, or a group of people that have got policies that they will publish, not a group of people who understand that we live in Asia, but by a group of people presumably who don't want to know about Asia. And a new group - new people like John Howard, who was a Minister 20 years ago, and John Moore, who was a Minister 20 years ago. I mean, it is going to take more for John Howard to say I want my turn. You remember Ron, in the Parliament, I used to mock him and say in this perennial debate and contest he had with Andrew Peacock, I used to say John's view is Andrew got 2 turns, so he wanted 2 turns. Andrew got 2 turns at the leadership, he wanted 2 turns. Now he's saying, look, basically our policy is that it's our turn. Our policy is at the coming election, you should vote for us because it's our turn. This other lot have had 5 elections on the trot, and it's our turn. And we say hang on Mr Howard, what about your policies? [and he would say] oh well, I'm keeping those quiet until the last gasp of the election campaign". And can I say, what was said today by Cheryl Kernot, I endorse - and that is, she said the Democrats won't respect any mandate a Coalition Government will have unless the people could actually see the policies they are elected upon.

RE: Do you think that John Howard is being very smart, and not making the mistake of John Hewson laying it all out, and in fact, keeping it very quiet? And to that extent, it's making it more difficult for you? I mean, they think it's probably working.

PM: But I don't think it does, Ron. I don't think the public want sneaky behaviour. I mean, there's Andrew Robb two Sunday's ago on the

Sunday program saying we have our policies 98% prepared. Well, if that's the case, why not show the public? I mean, aren't the public entitled to see what the leader of a major party, the direction in which he will take the country? Now, he's saying no. On the other hand, the Government publishes budgets full of details. When I published the blueprint for the republic - full of structure and details, you know. Accord Mark VIII with the Unions, low inflation, full of structure and detail. And he thinks he can slide through - slip under the wire - on polling day saying "look, I'll give you 5 minutes glance at these policies, and away I'll go". But, as I squeeze him to actually put some out, you can see he doesn't represent much. He had one last week on defence policy. And what was he basically saying? That we should be very wary of South East Asia because they could still be enemies. We have got to cuddle up to the United States. Now, you have a look at Western Australia Ron, what we have done - we have made HMAS Stirling the major west coast base of Australia. Before that, it was all in Sydney. The Liberals used to have the tanks at Puckapunyal as if we were going to be attacked from Antarctica, or somewhere like that. We have now got them arraigned in Northern Australia - we have got these bases across the North - places like Tindal. And we have got Singapore doing its flying training here in Western Australia, its tank training in Queensland, we have had Kangaroo 95 exercises with the Indonesian Army, and the United States - but John Howard doesn't like any of that. So when he actually puts a policy out, the speech he made on foreign affairs and defence, could have been written by Harold Holt. It could have been spoken by Harold Holt in 1967 or 1966.

So, I think that I can see why he doesn't want the policies out there, because when he puts them out...a week ago, before that, he took a view about Mascot airport. And you might say well, in Perth what matters to us here about Mascot airport? Well, simply this - he says, Mr Howard says, I'm the leader to crack the last of the tough nuts: our waterfront, courts, industrial relations, but what happens? On Mascot he gets a bit of pressure in his own seat of Bennelong - which he holds by 3.5% - and he wants to cut Mascot's capacity back by 35%. This is the gateway to Australia - this is the port on which all the others work. You know, and what it reveals is the first bit of pressure, and down he goes. So, he doesn't want to publish policies, but it's very interesting - I thought today that it was very revealing when asked well, what do you think will be the big issue in the election campaign Mr Howard, he's saying I think it's time we were led by a new group of people. Essentially, he's saying...he's trying to run the "It's Time" theme of 1972. The difference was that Gough Whitlam was a real leader, and Bill McMahon wasn't. Here, I hope, the reverse is the case.

RE: We, incidentally, did ask John Howard to come on today - he's in Adelaide, and he said he's too busy. We've got the Prime Minister Paul Keating with us.

(ad break)

RE: Paul, industrial relations, do you support the trade union blockade of Western Australia that is foreshadowed?

PM: I got asked this question earlier Ron, and I made this point that this year we have got the lowest number of industrial disputes in Australia since 1940. That is seven working days lost per thousand workers. When John Howard was last the Treasurer it was 690 days lost per thousand worker. That is 70 compared to 690. It is an era of almost unprecedented industrial peace and the reason that is there is because we have a co-operative policy in place under the Accord with the trade unions, that we run Australia at about 4 per cent growth, strong employment growth and they do sensible things on wages. But, there is no reason for industrial disputation in Australia. The fact that it is on here is because of very unfair industrial relations policies by Mr Court and Mr Kierath and the Western Australian Government. They are going for peoples' throats and they are protesting.

RE: It does lead you to the ultimate difficulty though doesn't it, that they have got a tactic on which is to put on an economic blockade in Western Australia. The Opposition Leader Jim McGinty says he is pretty uncomfortable with that. Would you similarly be uncomfortable?

PM: I have spent 12 years being uncomfortable with those tactics, but you have got to be fair dinkum, you have got to be decent about these things. If there was decent policies here this tactic wouldn't be there. If there was decency being shown here by Mr Kierath and others these people would not be proposing these policies.

RE: Did it worry you what Mick Young had to say to the backbench, that is that the blue collar vote, the workers of Australia were deserting the Government. That in fact after some time of enterprise bargaining there was a feeling that no matter what happened their conditions were going to be worse and that they responded to that.

PM: I think they did in Queensland, but I certainly don't think that is a view shared nationally. Yesterday I spoke to the CFMEU - the Construction, Forestry, Mining, Energy workers union in NSW - the bluest of blue collar type unions, I don't find anything but generally warm support. Basically because the Government has delivered on the key commitments it made. At the last election, the most solemn commitment I made was to restore the economy back to growth and to employment. We have had since then 16 consecutive quarters of growth when in the quarter we are now living in, Ron, when those

numbers are published in November we will have the longest growth phase since the Second World War. The longest continuous growth phase since the Second World War. That was the key commitment I gave. The other commitment was employment, to not leave the unemployed behind. We have 680,000 job growth and the other thing we committed ourselves to was a fair industrial relations act which we introduced and we have now got enterprise bargaining and under that the safety net. If you can't get an enterprise bargain you get an \$8 increase or a \$10 increase under the safety net.

Now, in the enterprise bargains we had a thing called the no disadvantage test. A group of employees in a union can sit down with the business and say 'look, we will dispense with certain conditions providing it is compensated in the pay.' So, the test is applied so that there is no disadvantage. In other words, the working person doesn't come away from an enterprise bargain less well off. They can come away better off, but not less well off. Now, of course, Mr Howard wants none of this. Mr Court wants none of it. Mr Kierath none of it. As a consequence I think that we have got a lively debate, but I certainly don't accept the view that blue collar workers are leaving the Labor Party.

Can I just make this point, I don't think blue collar workers are any different from white collar workers or any other worker. They want the policies be implemented that they believe are actually best for Australia. The idea that you can segment them out is so manipulative, that we can segment you out and say 'well, you are a blue collarie, so you have only got these interests' and if they get fixed up you will be right. Blue collar people have the interest of the country at heart in the broadest sense - its identity, its ethos, its values, its place in the world - and they look at all of those things, not just industrial relations.

RE: Is industrial relations going to be for you this time what the GST was last time. That is the clear dividing line between yourself and the Opposition?

PM: Again, there is a lot of rewriting of policy here, Ron. Not by you but by commentators. The last election was won by the Government because we believed in a broad, inclusive Australian society. The GST was just an example of the unfairness. It wasn't won on the GST. It was won across the board and across the board it will be won again. You see, I think that when people say that industrial relations will be the major issue in an election campaign, in fact they understate the case because what we think about industrial relations defines our ideas of Australia. That is, what sort of people we are, what sort of society we should become. It is not just about pay rates. It is the values we have. I think they measure how much we actually believe in the ties that bind us as Australians. In other words, the right to a job, the right to decent rates of pay, the relationship between employers and employees is

part of the bindings of Australia. It is not just a narrow thing about money and wages. This the Coalition do not understand.

Can I say, at the moment the profit share in the economy - that is, the proportion of national income going to profits - is right up against the historic precedent - having no historic precedent. So, what is Mr Kierath and Mr Court saying? That they want to cut the wages of working people? I just visited the nurses today. They can't get a safety net increase of \$8. There is nothing rational about that, it is just spiteful.

RE: Graeme Kierath says he wants to debate you about industrial relations.

PM: Yes, but when I get down to debating State Ministers, Ron, I'd have them hanging around my legs wouldn't I, from one end of the country to the other.

RE: He says his dispute is not with workers, it is with only union officials.

PM: He says that, but he is quite happy to take a group of nurses, nurses of all people, and firstly oppose them getting a safety net increase of \$8 which is now a year late and secondly remove from them penalty rates, overtime rates. I gave the figures today, most nurses work weekends, part of a weekend or work at times out of normal working times. If you take them back to ordinary rates, they lose about 20-25 per cent of their income. It is just vindictive and mean spirited.

RE: If I can take us for a moment on the question of refugees. It has been said that the Government has been mean spirited towards East Timorese refugees, that we should be taking them because we have a responsibility - the Indonesian Government has not behaved well in that occupied territory - and that we should have a special role in dealing with them. What is your response to that?

PM: We have very clear laws in this country about refugees. Refugees are treated well here. There is a whole legal process that has been negotiated, in a sense, between the government and the courts. As various pieces of legislation have been tested in the federal court we now have a regime where people are assessed for refugee status. Timorese people have Portuguese citizenship. So, they have no refugee status though the Government has taken the view that Timor is part of Indonesia, is a province of Indonesia, those people still have Portuguese citizenship status.

RE: Isn't that effectively saying what the Indonesians could therefore do is deport them all to Portugal then if we were to follow that line?

PM: Some people in Australia will still have, for instance, citizenship in other countries - in Great Britain - many people in Perth would have an

Australian passport and a British passport. They would have Australian citizenship and they would have British citizenship - they would have dual citizenship. These people have dual citizenship therefore they cannot argue that they are refugees.

RE: I have never felt comfortable about East Timor though since the invasion period, I think Australia probably owed Timor a bit more and we should have given them a bit more and this maybe is one of those tests.

PM: But what happened, 20 years ago there was a civil war going on in Timor. The Portuguese did nothing with the place, they left it undeveloped and had it gone to a free vote, it is often argued, that the people there would have voted for incorporation of Timor into Indonesia. As it was Indonesia annexed Timor. Here is an island in the archipelago in a state of civil war with the Portuguese, just about the worst colonial power, and people were surprised in the final analysis that it was annexed and incorporated into Indonesia. It may have gone that way in a free vote, but Australia has a relationship with Indonesia which is built on many foundations. It is a nation of 190 million people. It is a nation of great diversity, of great diversity in the cultures and there is, I think, a substantial tolerance that exists between the interaction of those cultures in that very complex country.

RE: Would you hope to get relations with Malaysia onto as good a level as we have with Indonesia?

PM: Can I just say this about Indonesia, we can't throw it up the flue and say well look, because we don't like all the things that are going on in Timor we will rupture the relationship with you across the board. I have never believed that was in Australia's interests. But what we have ... because we have a stronger relationship with Indonesia we do push the case very solidly about Timor. When ever I get the opportunity to speak to President Soeharto I raise these issues and I am quite happy too. But we can't have a phoney campaign about refugee status for people who enjoy the citizenship of Portugal.

RE: So, would you like to have the relationship with Dr Mahithir in Malaysia that you have got with President Soeharto?

PM: I haven't got a bad relationship with Dr Mahithir. It is a co-operative one, Australia is doing a lot with Malaysia and I think doing it co-operatively and reasonably well. They are all important to us. A few moments ago I made reference to what Mr Howard said, but I would just like to get this point across to people. He said that there were '... unresolved tensions between the Government's focus on defence partnerships - for instance, flying training by the Singaporeans, Indonesians coming to Kangaroo 95 - tensions between the Government's focus on defence partnerships with the region versus

the region as a potential source of threats. This is simply code language for fear of south-east Asia.

Why should Australians not have a good relationship with our largest nearest neighbour - Indonesia? It is imperative we have it, with Malaysia, with Singapore, with Vietnam. John Howard wouldn't see the leader of Vietnam when he came here two months ago, but that person - Do Muoi - went home to meet the US Secretary of State.

This idea that we reject the community around us, we live in an isolation and then we run off to Washington and say 'please look after our interests', I mean, is a dreadful way to protect the security of Australians and to lose that engagement.

RE: Final quickly, employment for over 50s, there is a problem of unemployment for over 50s. Can we make a special effort to do something about that, we were talking about that earlier today?

PM: This is what we introduced *Working Nation* for and that we are now starting to get very large effects from it. This year we have had about 400,000 job growth, of that 400,000, 100,000 has gone to the longer term unemployed because we are now case managing these people. We can now get to find out about their aptitudes, their work experience, what they are doing, give them a job subsidy and get them moving. In that huge employment growth we have had in the last two or three years, we are starting to make inroads into both the younger and the older unemployed groups as we have never done before.

RE: Paul, it is good to see you, earlier I mentioned the grand final involving Canterbury-Bankstown and Manly, are we getting to the finals time in terms of elections. Are we building towards that and how far off in the future is it?

PM: Ron, I have had three Opposition Leaders now in this Parliament - Dr Hewson, Mr Downer and Mr Howard - all saying we are going to an early election. Well, here we are in October 1995 and the Parliament expires about March or April of 1996 and we still haven't had an election because I don't think the public appreciate governments being tricky with them. They don't want Prime Minister's who are tricky with them trying to call polls, to slip past the Opposition in a bad phase or something like that. I have always thought the Parliament should run its full term.

RE: OK, Paul Keating, thanks for joining us. Good to see you in Perth.

PM: Good, Ron.

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