

# **The Great Debate: Paul Keating, Prime Minister (ALP) and John Howard, Opposition Leader (LP)**

***Moderator: Ray Martin, Sixty Minutes, February 11th, 1996***

RAY MARTIN: Welcome and thank you for joining us in the Channel Nine studios tonight, live, for what we hope will be a lively Great Debate. Gentlemen, thank you both for being with us tonight.

PAUL KEATING, PRIME MINISTER: My pleasure.

RAY MARTIN: Paul Keating and John Howard have agreed to the ground rules tonight. Equal time and a fair go of course. And I ask for this to be a free wheeling debate, ranging from a host of topics that both interest and trouble you, the voters, as you try to make up your minds this election year.

They have both agreed to keep their answers as brief as possible. Good luck on that one when we come down to it. John Howard has won the toss, to keep that cricket analogy going, and Paul Keating has been sent into bat.

So the first ball to you Paul.

As the Prime Minister, are you the servant of the people or the boss?

PAUL KEATING, PRIME MINISTER: Absolutely the servant. I have always taken the view that one thing about the Australian three year parliamentary term is that every three years you have got to come back and explain, explain yourself. Explain what you have done, and seek a fresh mandate. Because this is the one time, the one time in the parliamentary cycle where the men and women of Australia can find out what the party leaders think, where our policies are going, to enfranchise them to sign the party leaders up.

Now I have always been a very willing participant in that process. I think I have done more press conferences than anyone in Australian federal history over the years. I am happy to debate, anywhere, anytime. I handle all the door stops so if anyone asks me ...

RAY MARTIN: I'm not sure about that over the last two weeks.

PAUL KEATING, PRIME MINISTER: No, well, it was sure from me. But let me just say this. I believe in accountability. That all power flows from the people as it must and that real power can only come if a government has the support of the people. So I regard this as a very legitimate part of the process of going back, saying what I believe, what the government wants to do, seeking their support and in getting it having them sign the government up for three more years. And then we do it all over again the next time.

RAY MARTIN: Well John Howard, it seems that the street vibe is that you haven't served, neither of you have served the people very well. That in fact there is a distinct message that they don't like Paul Keating and they regard you as they are fed up with him, and they regard you as someone that has been cyc, recycled three times. How do you get over that cynicism.

JOHN HOWARD: Well I think we will know about that on the 2<sup>nd</sup> of March. But I get over that, if it exists by putting a very simple proposition, when you have had a government that's been in power for 13 years and is showing all the signs that this government is of being out of touch, of being arrogant, of taking people for granted.

The treaty with Indonesia a classic case. What the Prime Minister said when he was asked, why didn't you take the people into your confidence he said well if I had told them they mightn't have

liked it. I mean what a, what a mark of arrogance. In other words these high and mighty things are too important for we the leaders, we the governors of Australia to let the people in about them. And a moment ago he said he was the servant of the people. He wasn't the servant of the people when it came to the signing of that treaty which conceptually I agreed with but the process was all wrong. So you have this mark of arrogance.

And 13 years is a long time and all the signs of arrogance are there. All the signs of remoteness, all the signs of being out of touch. And when you look at the record, you have to acknowledge that there are fundamental weaknesses in Australia at the present time. We have a foreign debt which is now over \$180,000 million. We have a scandalous level of youth unemployment. We have this arrogant view in relation to small business from the Prime Minister that this is as good as it gets.

I mean, what an insult to the small business men and women of Australia for this man to say that this is as good as it ever gets when we have got some of the highest real interest rates in the world. When we have got an enormous amount of red tape. When we have got unfair dismissal laws that are actually discouraging small business from taking on more staff.

So you have really, I mean, I get over any cynicism by saying that after 13 years the arrogance, the taking for granted attitude is there and the failed record is there. And of course on top of that, ringing in everybody's ears in this election campaign is a verb called l-a-w, law.

RAY MARTIN: Well, we will come to that.

JOHN HOWARD, OPPOSITION LEADER: Which is a symbol of this government's deceit of the Australian people.

PAUL KEATING, PRIME MINISTER: Ray, let me take ...

RAY MARTIN: He has covered the waterfront there so I think we will come back to a lot of those.

PAUL KEATING, PRIME MINISTER: Let me take some of those things up.

RAY MARTIN: No, we will come back to some of those. But obviously I really just wanted an opening statement. But similarly, it's obviously about perceptions. Irrespective of what you say or what Paul Keating says it's what the public think.

A woman on talk back radio, just last week I heard say I agree that it's time for a change she said. But John Howard has got to offer something more exciting than a half dead version of the past. That's a perception John.

JOHN HOWARD, OPPOSITION LEADER: Well that, that may be the perception of some. But the perception of others is that I offer people a sense of optimism and a sense of change that I am addressing the problem of youth unemployment. People are responding to the fact that I have a practical vision to reduce unemployment by getting small business to go again.

You get a mixture of views on talk back radio. I have heard just as many people saying I admire the fact, John, that despite some of the adversity you have been through you have stuck there, you have survived. It shows that you have got a commitment to Australia's future, it shows that you have hung in over the long hall to implement the values and principles for which you have always stood.

RAY MARTIN: Right, on perceptions Paul, the other perception of course, Wayne Goss has said, your mate, has said, in Queensland, has said that in fact Queenslanders are waiting on the front porch with a baseball bat ready to clobber you when you get up there.

PAUL KEATING, PRIME MINISTER: See that was all, all that sort of, Ray, all that sort of stuff was around three years ago. And all this stuff that John goes on about about arrogance, honesty and credibility in public life starts with policies. The most arrogant thing you can do to the Australian community is not show them your policies.

John has been elected now leader of the Liberal Party for 13 months. We are now 20 days away from the election. He has no policy on health out there. I am the only party leader going to an election with funded policies. He has no funding for his policies and he has not been prepared today to say they are there.

RAY MARTIN: Well look, I am just ...

PAUL KEATING, PRIME MINISTER: Say, so, when one talks about arrogance I think arrogance is saying to the public, because when Mr. Howard says, when John says to me I won't show you my policies he is really saying I won't show the Australian people my policy. So to be 20 days away from an election that I think is high arrogance.

Can I also say, just correct a couple of things. With Indonesia, I never ever said the Australian community wouldn't like it. I was very proud of that work. But you would have to, you would have to be unreal to think that a country which has been largely governed by a government which has very strong links to a very large army which was part of the whole independence movement of the country. If anyone thinks that you can secure a treaty of substance with a public discussion before those people do not think about it or come to judgements about it. I mean, it would have been impossible for me to negotiate that without first developing that through the Indonesian armed forces, Indonesian government. And then saying, immediately to the Australian people, upon it being agreed, here it is.

Can I just take another point? John said now for a year, about the LAW tax cuts. This is one of the great mistruths in Australian politics. The first round was paid in full on the 1<sup>st</sup> of November 1993, in full. Brought forward a year early and paid in full. The second round was put back by 12 months to 1997 and in John's own policy document he says will be paying the earmarked, get the word, the earmarked tax cuts into superannuation accounts.

Well if he is paying the tax cuts into superannuation accounts that we have promised, how come he can say we broke our promise. If he is actually portending these documents he is going to pay them how can he, how can he say that they have not been paid when the first round have been paid in full and he intends to pay the second. I mean that's ...

RAY MARTIN: Well let's go to specifics, let's go to specifics. John, I mean today the Prime Minister pulled, Mr. Keating pulled a rabbit out of his hat by saying the government, his government, if he gets re elected will pay for it's election promises by collecting \$800 million from Australia's richest people who have been avoiding tax. Was this the killer punch that you feared?

JOHN HOWARD, OPPOSITION LEADER: No, I mean, 13 years, isn't it convenient that something turns up on your doorstep three weeks out from the election ...

PAUL KEATING, PRIME MINISTER: Last December, last December.

JOHN HOWARD, OPPOSITION LEADER: You have had 13 years and isn't it convenient that it lands on the doorstep. But look, I will, I will have a look at that. If there are any measures that are needed to stamp out rampant tax avoidance they will have our support.

But the real issue about costings Ray, is why won't Paul allow the head of the Treasury to brief me, and therefore the Australian public on the state of the budget outlook for the next year. That's the killer. That's the key issue about costing. I mean, it's good enough to send the commissioner of taxation down to Melbourne to brief Peter Costello about tax avoidance but it's not good enough to send the head of the Treasury ...

RAY MARTIN: That happened did it?

JOHN HOWARD, OPPOSITION LEADER: Yes, it happened this afternoon.

RAY MARTIN: Righto.

JOHN HOWARD, OPPOSITION LEADER: He saw him at 6.00. So he can put Carmody on the plane down to Melbourne to brief Costello about tax but you won't tell us, Paul, whether the estimate of, the forward estimates of the budget of last May, you won't tell us, you won't let the head of the Treasury tell us whether there has been any change or not.

PAUL KEATING, PRIME MINISTER: I will tell you all I can John.

JOHN HOWARD, OPPOSITION LEADER: Hmm.

PAUL KEATING, PRIME MINISTER: I will tell you all I can.

JOHN HOWARD, OPPOSITION LEADER: No, no, what about letting the head of the Treasury tell us because he is the, he is the umpire ...

RAY MARTIN: Let me just, okay.

JOHN HOWARD, OPPOSITION LEADER: ... we all believe him.

PAUL KEATING, PRIME MINISTER: Get your point over and then ...

JOHN HOWARD, OPPOSITION LEADER: A lot of Australians don't believe you and a lot of Australians may not believe me but they all believe the independent umpire. Why won't you let Ted Evans tell us whether there has been any change in the forecast on the budget?

PAUL KEATING, PRIME MINISTER: The big issue in this election Ray with spending, is whether the spending adds to the budget task, is neutral to the budget task or actually relieves the budget task.

Today, when I stood up and announced that funding, our, our commitments amount to \$3.5 billion over four years and the measures I announced today will raise \$7 billion over four years. Twice as much. We would be, I think the only government in federal history that ever went to an election campaign and actually improved the budget in the course of the election.

RAY MARTIN: But what would, hang on, how about that question.

PAUL KEATING, PRIME MINISTER: No, no, actually improved the budget in the course of the election. So what we are doing, not only are our commitments, that is the big extension of Medicare into dentistry and ophthalmology and physiotherapy, announced, will be delivered and are now paid for, like the Pacific Highway, is announced by us and paid for. Like the ferries in Tasmania, paid for. Like the bus way in Brisbane, paid for. All paid for, all paid for ...

RAY MARTIN: Why isn't it possible, why isn't it possible for you, as Mr. Howard just said, to simply, as the Prime Minister, say to the head of treasury, get your computers out, tell us what the situation is right now?

PAUL KEATING, PRIME MINISTER: Let's understand this point. That is, the debate arose about the parties not showing where the money is coming from. I am the only person in this election, I am the only one in this room who has actually said where the money is coming from. And I put it all out there today.

And I would be very pleased to know whether John Howard is going to have, would he as a government, actually support the tax commissioner to follow down those people, 100 individuals avoiding \$800 million in tax.

RAY MARTIN: You keep avoiding the question that journalists have asked for the last week.

PAUL KEATING, PRIME MINISTER: Oh no, I will come to, righto.

RAY MARTIN: Is there a deficit, what's the latest, why can't you give Australian people, not John Howard, but the Australian people the latest figure?

PAUL KEATING, PRIME MINISTER: What we, what we have given is that, what John Howard never gave in office and that is the three out years of the budget balance. The three out years of the surplus.

Now John Howard is telling us we have to look at the books. You know what the forecast surplus for the coming year is? \$3.4 billion. What did he do with it? He cut \$2.5 billion out of it in the senate by knocking over the airport privatisations.

In other words he is so concerned about the budget surplus he actually put a \$2.5 billion hold and what for, to save his own seat at Benelong. Now I have told people, and I will tell you Ray, what we need to get the number for the budget surplus for the coming year is the December quarter national accounts, the March quarter, the June quarter, the full tax years base and when we get those things we will get a number. We will get that in the first week of August. The budget is not til August.

And if you are going around making this point now, and let me just say, in 1983 when I was sworn in as Treasurer, after John Howard, I am sure all Australia knows that he carried in his head that \$9.6 billion number which he kept secret all the way through the election campaign. 4½% of GDP. Do you know what that is in today's dollars Ray? A \$22 billion budget deficit in today's dollars.

RAY MARTIN: So because he did it it's okay ...

PAUL KEATING, PRIME MINISTER: No, no, no. He kept that a secret from the public and it was announced to me by the Secretary of the Treasury in the closed bar of the Lakeside Hotel with his colleagues saying here is the bad news. Ray ...

RAY MARTIN: So you won't show him the latest [Inaudible] is that what you are saying?

PAUL KEATING, PRIME MINISTER: No, I am just saying the latest, we have got a mid year review. We have just published a mid year review of the budget, just a few weeks ago. In other words we published three forward years of outlays.

RAY MARTIN: Right.

PAUL KEATING, PRIME MINISTER: Three forward years of receipts and three forward years of the budget balance plus a half year review.

RAY MARTIN: When you said that you have been treasurer, is that the latest information.

PAUL KEATING, PRIME MINISTER: What else can I do?

JOHN HOWARD, OPPOSITION LEADER: I think it's got to be understood that what the Prime Minister has just said is that he so holds the Australian people in contempt that he won't tell the 18 million shareholders of Australia the state of the national account. And they have got a very good reason you know Paul because you remember your One Nation tax cuts ...

PAUL KEATING, PRIME MINISTER: I remember yours actually.

JOHN HOWARD, OPPOSITION LEADER: The LAW Law tax cuts, you know, that they were based on estimates that were cooked up in your own office.

PAUL KEATING, PRIME MINISTER: Oh.

JOHN HOWARD, OPPOSITION LEADER: They were, I have the evidence. I have the evidence of the then Secretary of the Treasury.

PAUL KEATING, PRIME MINISTER: Put it in a book John, put it in a book.

JOHN HOWARD, OPPOSITION LEADER: Tony Cole on a Four Corners program, and you know this, said that unlike normal custom the estimates were in fact devised in your office.

PAUL KEATING, PRIME MINISTER: That was untrue, that was untrue.

JOHN HOWARD, OPPOSITION LEADER: Not by the treasury. So the Australian people are being told by you that they are not good enough to be told the true state of the national accounts. I mean you have just spent two minutes ignoring that fundamental question about costings all together.

PAUL KEATING, PRIME MINISTER: John, can I just, John how can you say that, how can you say that when you have today refused to reveal how you will fund your election commitments.

JOHN HOWARD, OPPOSITION LEADER: I will be revealing them in time.

PAUL KEATING, PRIME MINISTER: Look, you are becoming, you are becoming a specialist in this ...

JOHN HOWARD, OPPOSITION LEADER: I will be putting, I will be putting out the costings next Thursday.

RAY MARTIN: Hang on Paul, let me ask ...

PAUL KEATING, PRIME MINISTER: John, you won't tell us ...

JOHN HOWARD, OPPOSITION LEADER: I am the only one, Ray, I am the only one who has stood there and put the numbers out.

RAY MARTIN: You have had a fair go. Okay, well we will come to that.

JOHN HOWARD, OPPOSITION LEADER: I mean, you have just spent two minutes avoiding the central issue of the campaign.

PAUL KEATING, PRIME MINISTER: That's not the central issue at all.

JOHN HOWARD, OPPOSITION LEADER: You won't let the Treasury tell the public the truth about the books and you can go on about '83 ...

PAUL KEATING, PRIME MINISTER: It's about whether you believe the policies you now have, that's the central issue.

JOHN HOWARD, OPPOSITION LEADER: You can go on about '83, you can go on about policy but what are you hiding?

RAY MARTIN: Let me ask you.

JOHN HOWARD, OPPOSITION LEADER: What are you hiding?

RAY MARTIN: Let me ask you the question John. I mean, if in fact the big businessmen and the economists and the reserve bank are right. If in fact there is a sizeable deficit, whether Paul Keating knows about it or not, I mean he says he doesn't.

If there is a sizeable deficit, if you were to get into office, \$3 billion or \$9 billion or \$15 if you listen to your mate Jeff Kennett. Does that mean then that your policies are going to have to be savagely cut when you get there because ...?

JOHN HOWARD, OPPOSITION LEADER: Well I can tell you that the promises I am making to people won't be.

RAY MARTIN: Irrespective of what the deficit is?

JOHN HOWARD, OPPOSITION LEADER: Well they won't be. I mean, we have predicated our commitment.

RAY MARTIN: But you have said no tax increases.

JOHN HOWARD, OPPOSITION LEADER: No, no. No. Well, can I just finish. We have predicated our commitment about having an underlying surplus on the basis that the May figure remains good. But so far as, I mean that's the basis of that commitment. But if there are, if I make commitments to individuals I am not going to break those commitments.

RAY MARTIN: But if you are \$9 billion in debt, I am sorry to interrupt.

JOHN HOWARD, OPPOSITION LEADER: No, no, that's a fair question.

RAY MARTIN: If you are \$9 billion in debt and you find you are in government aren't you going to have to [Inaudible]?

JOHN HOWARD, OPPOSITION LEADER: I don't believe it's that. I, I actually have quite a high regard for the forecasting capacities of the Treasury and the Department of Finance. Both of them are very professional outfits. That's why we ought, for the purposes of illumination, in this whole campaign, we ought to have the benefit of their advice. I mean, it is, if you [Inaudible] one person ...

RAY MARTIN: If you trust them why do you need the truth, why are you making such an issue?

JOHN HOWARD, OPPOSITION LEADER: There is only one person. Well I mean, because [Inaudible] person ...

RAY MARTIN: But you won't give us his funding commitments, that's why.

JOHN HOWARD, OPPOSITION LEADER: Why aren't you, I mean my funding commitments will all be explained ...

PAUL KEATING, PRIME MINISTER: You won't own up John.

JOHN HOWARD, OPPOSITION LEADER: They will all be explained next Thursday, right. Well if I explain my funding commitments next Thursday ...

PAUL KEATING, PRIME MINISTER: Are you going to take [Inaudible] are you?

JOHN HOWARD, OPPOSITION LEADER: Now don't interrupt.

PAUL KEATING, PRIME MINISTER: Are you going to take someone else I can trust?

JOHN HOWARD, OPPOSITION LEADER: No, no, come on, don't interrupt. You have had a good go. If I explain my funding commitments next Thursday will you let the Secretary of the Treasury brief the Australian people next Thursday about the state of the books.

PAUL KEATING, PRIME MINISTER: Ray, let's get this clear.

JOHN HOWARD, OPPOSITION LEADER: Will you?

PAUL KEATING, PRIME MINISTER: The budget is in surplus. Notwithstanding John Howard ...

JOHN HOWARD, OPPOSITION LEADER: But I want to hear that from the Treasury, not from you.

PAUL KEATING, PRIME MINISTER: Well just, don't, well please don't you interrupt John. The budget is in surplus. Next year it would have been \$3.4 billion in surplus but Mr. Howard wilfully knocked \$2.5 billion out of the service, out of the surplus by refusing the sale of the airport.

RAY MARTIN: Can I ask John, as an ordinary Aussie, where are the economists and bankers and, why are they wrong?

PAUL KEATING, PRIME MINISTER: But Ray look, John wants to get away from the central issue of the campaign, the really central issue and that is why, after 20 years of believing in a whole range of policies he now no longer believes them. Why he is trying to look like a Fabian socialist, a Labor leader when he has always described himself as the most conservative leader the Liberal Party has every had.

And I could ask you perhaps this question John. What if I were to say to you, look, I have believed in a republic all my life, I believe in a republican model for Australia. But because now there is quite a few people still have these traditional attachments to the monarchy I am now a monarchist. I am now a monarchist. Would I be entitled to be believed, would I be entitled to be believed if after all those years of support of belief in a republic I say at five minutes before an election I now believe in the monarchy?

And that's what I ask John. Why does he think he is entitled to be believed on Medicare, on industrial relations, on the environment when at every stage of his political career until just five, five sort of minutes ago, he was opposed to Medicare and wanted to destroy it, he was for basically moving to a radical change in industrial relations to push people on individual contracts which will see their wages and conditions cut. And why has he always attacked everything we have done in the environment to find, five minutes before an election, he wants to get out there and say he is an environmentalist?

I mean, I am not entitled Ray, to say I am a monarchist any more than John is entitled to say he has seen the light five minutes before polling.

JOHN HOWARD, OPPOSITION LEADER: There is a lot of things I know about you Paul and one thing I do know about you is that whenever you are in trouble on a mainstream political issue you always crank up on republic.

I mean there we were, we were talking about, we were talking about the state of the books. We were talking about whether you were willing to let the Australian people know.

PAUL KEATING, PRIME MINISTER: But I have done that today John.

JOHN HOWARD, OPPOSITION LEADER: No, no, just a moment.

PAUL KEATING, PRIME MINISTER: I have done that today.

JOHN HOWARD, OPPOSITION LEADER: No you haven't, no you haven't, no you haven't.

PAUL KEATING, PRIME MINISTER: It's on the news, you haven't seen it.

JOHN HOWARD, OPPOSITION LEADER: The starting point of any truthful debate about costings in this campaign is to know whether or not the forward estimates released by the Treasury last May are still valid and you have spent ten minutes dodging and weaving and avoiding that.

PAUL KEATING, PRIME MINISTER: Not at all.

JOHN HOWARD, OPPOSITION LEADER: And you can drag up the republic and, you know, accuse me no end of cranking up the good old republic.

PAUL KEATING, PRIME MINISTER: All I want to know is why did you change your mind ...

JOHN HOWARD, OPPOSITION LEADER: ... run the republic over the trail in front Howard, that will get him going.

PAUL KEATING, PRIME MINISTER: John, I just wanted to say.

JOHN HOWARD, OPPOSITION LEADER: Boy, I can pick you a mile away.

PAUL KEATING, PRIME MINISTER: Just a second. Why did you change your mind on Medicare after all these years? Why did you change your mind on industrial relations after all these years? Why did you change your mind? Isn't it that you like to just tippy toe into office and then we all get the bad news later.

RAY MARTIN: Alright, let's move on.

JOHN HOWARD, OPPOSITION LEADER: [Inaudible] into office and get bad news, that reminds me of 1993 when you said you ...

RAY MARTIN: One final thing on the matter. No you have had enough.

JOHN HOWARD, OPPOSITION LEADER: He has done very well thanks.

RAY MARTIN: Let me go into Medicare. Let's take that, that topic that Paul has raised. I mean, what's the best thing about Medicare?

JOHN HOWARD, OPPOSITION LEADER: I think the Medicare gives people a sense of security. Look, when Medicare was first introduced I was critical of it.

PAUL KEATING, PRIME MINISTER: Critical, critical.

JOHN HOWARD, OPPOSITION LEADER: I don't deny that and so were a lot of other Australians. But over the years people have grown to support it. It gives them a sense of security and it now has our total support. And there is no law of politics that says that you can't, over a period of time change your view about an issue.

I mean Paul you were once a passionate advocate of a goods and services tax. You went around the country and you said anybody who didn't support a goods and services tax was sort of a gutless wimp. And yet you changed your view over that. And I accept that when I, when Medicare was first introduced I was critical of it. And I won't deny that ...

PAUL KEATING, PRIME MINISTER: Critical, you have been critical all year.

JOHN HOWARD, OPPOSITION LEADER: But, and over the years I have seen the Australian people grow to like it. They, it gives them security. What they are now worried about is the fact that they can't afford health, private health insurance. The biggest complaint I hear about the health system is the number of people going out of private insurance and even Graeme Richardson, the former health commissioner said that once the number of people in private health insurance falls below 40% you have a big problem.

In 1983 when Mr. Keating's party came into power 61% of Australians had private health insurance. It's now down to 35% and the more people drift out of private health insurance the greater the strain you are putting on the public health system. So what we need to strengthen Medicare, to buffet it, to protect it, is to give people taxation incentives. And we will be announcing our policy on that tomorrow, to either remain in private health insurance.

RAY MARTIN: Like rebates.

JOHN HOWARD, OPPOSITION LEADER: Well tax rebates is a good way, like rebates, you know, rebates that were dreadful things until a week ago when the Prime Minister suddenly decided to give them.

PAUL KEATING, PRIME MINISTER: It's not a tax rebate, it's cash.

JOHN HOWARD, OPPOSITION LEADER: But can I just make it very clear, that I don't deny the criticism I made of Medicare ten or more years ago or eight or nine years go. I don't deny that.

People change their views on issues just as Paul Keating has changed his view on the GST so I have on Medicare. It is now root and branch part of our policy.

RAY MARTIN: But do you understand John why people would say that, cynics might well say well hang on this is clearly sees that they lost votes last time, there are votes there, let's jump on board?

JOHN HOWARD, OPPOSITION LEADER: Well I don't believe they will because I don't believe anybody says ...

RAY MARTIN: Do you believe in the principle or just the votes?

JOHN HOWARD, OPPOSITION LEADER: I believe in principles and I have, I have put forward policies even in this election campaign which opinion polls say the majority of Australians don't agree with. I mean, my proposal to sell one third of Telstra, opinion polls say that the majority of people don't agree with that. I mean, at least I am being honest.

RAY MARTIN: Alright, we will come to that.

JOHN HOWARD, OPPOSITION LEADER: He went to the last election saying he wouldn't sell the Commonwealth Bank and as soon as he got in he got rid of it.

RAY MARTIN: I will come to that. What about, let's stay with Medicare for a moment. I mean, you have come out the other day in Western Australia saying after you announced the \$500 million program and you said this is a good thing.

If it's such a good thing why didn't you do it 13 years ago?

PAUL KEATING, PRIME MINISTER: Well let me just, because we are building on the rock of Medicare. The principle characteristic of Medicare is universality of access for everyone in the country to a public hospital. The Labor Party believes we are all members of the Australian family and that the health of any one of us is as important to all of us, whether we are a billionaire or whether or not we are on low incomes. And that the principle of access to public hospitals and the 85% rebate is the rock upon which its built.

What we have done now Ray is extend it beyond medical services into orthodontics, into dentistry, into chiropractics, into physiotherapy and it's not a tax rebate, as Mr. Howard says, it's a cash rebate over the counter at a Medicare office.

Mr. Howard's tax rebate proposal would help 20% of families, our proposals help 80% of families and a tax rebate goes only to a taxpayer. There are plenty of people looking after children who are not tax payers. And you get it only at the end of the year.

So there is a very great difference. But let me just make this point about Medicare. Mr. Howard said, oh he made some criticism ten years ago. This is what he said. Medicare is a total disaster. It's a national disgrace. These are his quotes. I will rip it apart. I will effectively dismantle it. Bulk billing is an absolute rort.

You would hardly call these mild criticisms. Three years ago, not ten years ago, at the last election he put his hand up for John Hewson to take 13 million Australians out of bulk billing, to cut \$1.3 billion out of public hospitals and to reduce the Medicare rebate to 75%. Now when I told him that three years ago he wanted to kill Medicare off he said oh, I wasn't going to kill it, I was only going to change it.

And that's why I have said, he didn't want to kill it, he only wanted to make it dead. That is one of the key things in Medicare is bulk billing. One of the key things is that 85% rebate and access to a decent public hospital system.

Medicare also has a private hospital component. We give an 85% rebate for all medical procedures in a private hospital. But we don't pay the accommodation. But in our policy Ray we are giving people a genuine choice. They can buy these services over the counter at a, with a doctor or a physiotherapist and go back to Medicare or they can spend some of the money on their private health if they wish. But we are not forcing them.

What John is about is forcing people into a two tier health system.

RAY MARTIN: Alright, okay. I think ...

PAUL KEATING, PRIME MINISTER: A rich gold plated system for the wealthy and a poorly resourced one for every one else.

JOHN HOWARD, OPPOSITION LEADER: Can we just ...

RAY MARTIN: Quick word.

JOHN HOWARD, OPPOSITION LEADER: ... end the discussion just so you make it very, very clear that Medicare stays under the Coalition, so does bulk billing.

PAUL KEATING, PRIME MINISTER: Sure.

JOHN HOWARD, OPPOSITION LEADER: So does community rating but we will build on that by giving all families, all people an opportunity to take out private health insurance.

PAUL KEATING, PRIME MINISTER: As you are now a believer.

JOHN HOWARD, OPPOSITION LEADER: And we will give them, we will give them, through the tax system and also, Paul, you will be sorry to hear, through the Medicare office as well a rebate to defray the cost of the health insurance ...

PAUL KEATING, PRIME MINISTER: You are copying our policies, you are copying our policies.

JOHN HOWARD, OPPOSITION LEADER: I will send you a signed, I will send you a signed copy of the policy tomorrow.

PAUL KEATING, PRIME MINISTER: Well, flattered.

JOHN HOWARD, OPPOSITION LEADER: With great pleasure.

RAY MARTIN: What's the budget figure on that? Can you give us tonight your figure of that, what it's going to cost?

JOHN HOWARD, OPPOSITION LEADER: Around \$500 million.

RAY MARTIN: So about the same as ...

JOHN HOWARD, OPPOSITION LEADER: Yes.

PAUL KEATING, PRIME MINISTER: Except ...

JOHN HOWARD, OPPOSITION LEADER: And it will be worth about \$450.00 for a family with children, that will be the value of the rebate. And \$250.00 for a couple and \$125.00 for a single.

RAY MARTIN: Can, can.

JOHN HOWARD, OPPOSITION LEADER: Under the Keating policy couples without children and singled don't get any help.

RAY MARTIN: Can you understand that someone wants to know, hang on, it sounds to me like bread and butter this one when it comes to ...

PAUL KEATING, PRIME MINISTER: No, it's not bread and butter.

RAY MARTIN: When it comes to roads in northern New South Wales, when it comes to ferries for Tasmania, when it comes to \$500 million for health, they are saying the same thing.

JOHN HOWARD, OPPOSITION LEADER: Well there may be some areas where there are similarities.

RAY MARTIN: Has he pinched your policy.

JOHN HOWARD, OPPOSITION LEADER: Well in the end the Australian people will make a decision on the totality of both our policies. I mean there is one, there is one policy he won't

pinch and that is our policy to reduce youth unemployment by getting small business going again because he won't get the government off the back of small business.

RAY MARTIN: Well let's go to unemployment. This time last year, at the debate last year between John Hewson and Paul Keating, Mr. Hewson ridiculed Paul Keating's promise that he would, he would add 500,000 extra jobs.

On the latest figures it's 650,000, are you prepared to congratulate him?

PAUL KEATING, PRIME MINISTER: 713,000. 713,000.

JOHN HOWARD, OPPOSITION LEADER: Well, I acknowledge the figures, well I acknowledge, will you also acknowledge that we have ...

PAUL KEATING, PRIME MINISTER: Well John, if you acknowledge it, can I just say this ...

JOHN HOWARD, OPPOSITION LEADER: ... Paul, well, you know, I was asked a question, would you mind not interrupting. Thank you, thank you very much.

PAUL KEATING, PRIME MINISTER: That's alright.

JOHN HOWARD, OPPOSITION LEADER: I acknowledge the figure, of course I do. But also you have to acknowledge that we have an unemployment rate now of 8.6%.

We have a youth unemployment rate of what, between 27% and 30%. That is not a joke. You have been in power now for 13 years, bar six months you have either been Treasurer or Prime Minister of this country for the last 13 years and you cannot by, you know, smug off the cuff remarks or anything else, avoid your personal responsibility for the fact that so many young Australians are out of work.

And you do not have a plan, a credible plan in this election campaign to do anything about youth unemployment. The only way you can seriously reduce youth unemployment in this country, the only way, is to get small business going again. Because only small business has the capacity to generate the jobs. There is no point in recycling people year after year through training programs unless at the end of the process there are jobs for those young people to take up. And unless you can develop a plan, Paul, to get small business going again that includes sacrificing things like the stupid unfair dismissal laws you haven't got a snowflake in hell's chance of reducing youth unemployment.

PAUL KEATING, PRIME MINISTER: Come on John, come on John.

JOHN HOWARD, OPPOSITION LEADER: And it's not, it's not a joking matter. It's the most serious social issue in this election campaign.

PAUL KEATING, PRIME MINISTER: Ray ...

JOHN HOWARD, OPPOSITION LEADER: You have been there 13 years.

PAUL KEATING, PRIME MINISTER: Ray, John said he acknowledged the 713,000. We had a target of 500,000, we were ridiculed for it. We are now at 713,000. 3.3% employment growth every year. Ten times the pace of western Europe, three times the pace every year on average under the Coalition government.

RAY MARTIN: But there is still 777,000 people out of work. That's the official figure.

PAUL KEATING, PRIME MINISTER: I know. But it's not good enough simply for John to say acknowledge it when he blaggards the government up hill and down dale every week on unemployment. Our record on employment growth has been as strong as it's ever been in Australia and can I just say on youth unemployment, on youth unemployment, when I introduced Working Nation, when I said we wouldn't leave the unemployed behind, the long term unemployed or young people behind, his predecessor in office said it was a waste of money. That is Mr. Downer. When he was speaking for the Opposition. Now Ray, can I just say that this ...

RAY MARTIN: Did you apologise for those young people you told to go get a job?

PAUL KEATING, PRIME MINISTER: No, I, that was, I didn't say go get a job, someone ..

JOHN HOWARD, OPPOSITION LEADER: Oh, you didn't. Somebody putting words in your mouth are they?

PAUL KEATING, PRIME MINISTER: No, no, get the context right. There were 158,000 15 to 19 year olds out of work when you were last in office John. This year there is 88,000, 40% less. And let me also tell you, when you were in office three young people out of ten completed secondary school. This year just under eight out of ten complete secondary school under a Labor Government.

In other words, we care about people 15 to 19. We regard this as a period of vocational preparation and we want them in school and structured training. But for those who are not in school and structured training, and of course in your day seven out of ten weren't in school, they left at 15 years of age. But those who are not in school and structured training and are out there in the Labor market, we are giving them case management and a job subsidy and we try and get them back into school and back into structured training. And there is 88,000 of them.

88,000 which is 8% of the group of 15 to 19 year olds. Not 30%, 8%. The people, young people looking for work in the group 15 to 19, that's 88,000 is 8% of the total of the group of 15 to 19 year olds.

JOHN HOWARD, OPPOSITION LEADER: Well don't try and, don't try and define the youth unemployment problem out of existence by statistical manipulation. Don't take my word for it, can I just rely on...

PAUL KEATING, PRIME MINISTER: That's 88,000.

JOHN HOWARD, OPPOSITION LEADER: Can I just rely on the words of Robert Fitzgerald, the former head of the St. Vincent De Paul Society, now the head of ACOS. When you last ran that 8% number he said that the cruellest thing that people can do with the youth unemployment problem is to manipulate the figures.

PAUL KEATING, PRIME MINISTER: I am not manipulating anything.

JOHN HOWARD, OPPOSITION LEADER: And pretend it doesn't, the real figure is 27% to 30%.

PAUL KEATING, PRIME MINISTER: Working Nation, we have got one point ...

JOHN HOWARD, OPPOSITION LEADER: And you know, it, don't try and run the figure at 8%.

PAUL KEATING, PRIME MINISTER: John, we have got 1.6 billion out there with Working Nation.

JOHN HOWARD, OPPOSITION LEADER: Don't you try and run that, it's manipulation.

PAUL KEATING, PRIME MINISTER: We are now, we are now taking young people in years 11 and 12 in school. We are starting to give them ...

RAY MARTIN: There is still 26%, give or take, of young people out of work.

PAUL KEATING, PRIME MINISTER: Of the group actually looking for work. But the point is this Ray. Eight in ten young people are now in school where they should be, educating themselves. When John Howard was around it was three in ten, they were, Liberal, look, Ray, the Liberal Party was quite happy to let, to let our youth, the bulk of our young people, seven out of ten of them, walk out of school at 15 years of age.

This government has put a fortune into higher completion rates in secondary schools and one of the great beneficiaries, of course, young women, who are now completing at such a rate ...

RAY MARTIN: Look, Paul, you can both talk about this but Australians out there know that around their neighbourhoods they see the crime going up.

PAUL KEATING, PRIME MINISTER: Yeah, sure.

RAY MARTIN: They see violence going up amongst young people. Your own health department issued a report yesterday saying that, that the incidence of heroin amongst young Australians, despite the 100 million drug campaign has risen 75%. These are the things that don't make words, you can't make words about. These are the things that are actually breaking our society apart.

PAUL KEATING, PRIME MINISTER: Of course. Of course it is Ray. And when a government focuses a massive closely targeted package like Working Nation at the problem and we now have 40% fewer young people looking for work than there was a decade ago, it ill behooves the Liberal Party to say it was a waste of money.

RAY MARTIN: Alright, can I ...

JOHN HOWARD, OPPOSITION LEADER: Paul, let's, I mean you have been there 13 years and you still have this huge youth unemployment problem. You have talked for two or three minutes about programs. You haven't addressed any words at all to what you are going to do to help small business generate the jobs. There is no good having all the training ...

RAY MARTIN: We want an answer for these young people, can you give them jobs?

JOHN HOWARD, OPPOSITION LEADER: Well I tell you what I can do a lot better than he has done.

RAY MARTIN: That's easy to say when are in opposition isn't it?

JOHN HOWARD, OPPOSITION LEADER: Yeah, well I have got a plan. I mean I have ...

PAUL KEATING, PRIME MINISTER: You didn't last time.

JOHN HOWARD, OPPOSITION LEADER: I have got a plan to get small business going again.

I mean, small business is the great hope of the side as far as job generation is concerned. I mean, we have got to get rid of the stupid unfair dismissal law we have at the moment. Every small business man and woman I talk to around Australia, they all complain about that. They don't mind a fair law.

RAY MARTIN: How many jobs do they create John?

JOHN HOWARD, OPPOSITION LEADER: I think that will create a lot of jobs.

RAY MARTIN: Wait a minute, in words, someone sitting at home watching this tonight says I haven't had a job for two years. All they are doing is giving me words. On both sides of the fence.

JOHN HOWARD, OPPOSITION LEADER: No, it is not giving people words to say that if, that if you have a law that actually intimidates small employers out of taking on your staff because they can't afford to pay the out of court settlements.

RAY MARTIN: 88,000 out of a job that Paul Keating said.

JOHN HOWARD, OPPOSITION LEADER: If they have an argument with somebody who is not performing well we are committed to reducing the red tape that small business has to grapple with by 50% in our first term. I have already committed a Coalition government to reduce the provisional tax up [Inaudible] factor to the tune of \$180 million a year.

We have policies of that kind and our industrial relations policy is tailor made to provide the right climate of flexibility within the work place of small business. I mean, it is only by getting the government off the back of small business.

RAY MARTIN: Right.

JOHN HOWARD, OPPOSITION LEADER: You will never hear that from the present government because they have no sensitivity ...

PAUL KEATING, PRIME MINISTER: John, let me say a word about it.

JOHN HOWARD, OPPOSITION LEADER: ... towards small business, no, don't interrupt.

PAUL KEATING, PRIME MINISTER: Let me ...

JOHN HOWARD, OPPOSITION LEADER: They don't have any understanding that the average small business operator in this country doesn't have the resources to handle much of the paper work that is thrust down their throat by this government and they have added to it in the 13 years that they have been in office.

RAY MARTIN: Let's come to your industrial relations policy. I mean, quite clearly it is one of the key issues for voters in Australia. Is there going to be a show down with the unions on March the 3<sup>rd</sup>, that's the image?

JOHN HOWARD, OPPOSITION LEADER: I don't believe so.

RAY MARTIN: Are you sure?

JOHN HOWARD, OPPOSITION LEADER: I am, I am. Look, Ray, it's part of, in a sense, the game plan. I mean, the unions and the Labor Party, they are all part of the one big family. I mean Gary Gray your National Secretary, told us that a few weeks ago. Gary said well what you have got to understand is this great historic link between the Labor Party and the trade union.

PAUL KEATING, PRIME MINISTER: You're a historian John, I didn't realise that.

JOHN HOWARD, OPPOSITION LEADER: And you will go through, you will go through, the unions will go through the business of saying oh you know, if Howard gets elected, you know, the world will come to an end.

I can remember that in New South Wales the union movement said that if Briemer got elected ...

PAUL KEATING, PRIME MINISTER: What about me having a say

JOHN HOWARD, OPPOSITION LEADER: ... the world would come to an end. And the fact is, if we win the election, they, the union, the leaders of the union movement, they are Australians before anything else and I respect that fact. They will respect the mandate of the Australian people. We won't agree on everything. They won't be part of our government but I do not believe that there will be confrontation. I really don't because ...

RAY MARTIN: But you are going to bring, the very moment that ...

JOHN HOWARD, OPPOSITION LEADER: ... at heart most of them ...

RAY MARTIN: ... the maritime workers union are warning that in fact there will be strife on the water front. So there are hundreds of thousands of dollars being spent by some unions to leaflet and campaign against you. They are obviously worried about you.

JOHN HOWARD, OPPOSITION LEADER: Well the maritime union have pushed this bloke around.

PAUL KEATING, PRIME MINISTER: But what about ...

JOHN HOWARD, OPPOSITION LEADER: I mean the maritime, hang on, I am answering the question.

PAUL KEATING, PRIME MINISTER: I am going to say something to that.

JOHN HOWARD, OPPOSITION LEADER: The maritime union told him ...

PAUL KEATING, PRIME MINISTER: You have been going for five minutes at this point.

JOHN HOWARD, OPPOSITION LEADER: ... that he couldn't privatise ANL. I mean it's not only us that the maritime unions have a row with. I mean, he just lost complete control of the industrial scene a few months ago over the CRA dispute, I mean you even had your erstwhile mate Bob Hawke take it up, take it out of your hands.

PAUL KEATING, PRIME MINISTER: Well that means...

JOHN HOWARD, OPPOSITION LEADER: Let's not talk about difficulties with union.

PAUL KEATING, PRIME MINISTER: Will I get a five minute reply?

RAY MARTIN: No, you have had a fair go.

JOHN HOWARD, OPPOSITION LEADER: You have had a very fair go. The fact of the matter is the union leaders in this country by and large are good Australians.

PAUL KEATING, PRIME MINISTER: Are you going to talk nonsense?

JOHN HOWARD, OPPOSITION LEADER: They are good Australians and they are not going to, in my view, defy the mandate, democratic mandate given to a government by the Australian people.

PAUL KEATING, PRIME MINISTER: Right, what John Howard has in mind is this. He won't, having said that industrial relations is the last frontier of change, that of all the things in his political life that he has an absolute commitment to it's radical Labor market reform. He is now trying to pretend he is some sort of Labor leader. He is a workers' friend.

What he has in mind is this. No more collective bargaining. Every new entrant to the work force, every person who changes a job within a three year parliament that's 40% of the whole work force, will have an individual contract, they will not be able to negotiate collectively. There will be no union allowed to be involved and there will be no arbitration commission to make sure it's fair.

He said he would stab the arbitration commission in the stomach, to use his own expression. The arbitration commission goes, as a consequence the wages of working Australians will be cut. They will have no recourse but to take the contract or not get the job. And he has been trying to pretend there is some sort of rights, he has been saying, we said well listen John, why don't you adopt the no disadvantage test and let the arbitration commission look at it.

He says I will have a no disadvantage test, not the no disadvantage test. One he has dreamed up and no arbitration commission. Now Ray, what all this means is within one parliament 40% of people would be essentially on an individual contract under the master and servant provisions of the 19<sup>th</sup> century common law and they would have no one to support them but their local solicitor. No help from their unions and no help from their other employees. And as a consequence, in a two, within six years, the life of two parliaments, basically you would see massive cuts in real wages in Australia.

See John Howard talks about families, he says he is for families but he is not for family support. The thing that matters most to Australian families is their wages. The income. He has opposed every wage increase bar two since 1978. Not a bad record. Every wage record bar two since 1978. And now he wants to push people to the mercy of employers onto individual contracts.

He wants to do exactly what Jeff Kennett said he wouldn't do and did, what Richard Court said he wouldn't do and did, and now what Mr. Howard is saying he wouldn't do and will do. Obviously will do.

RAY MARTIN: So you are [Inaudible].

JOHN HOWARD, OPPOSITION LEADER: Can I just, I really, now let's just tick them off one by one. I am not going to ...

PAUL KEATING, PRIME MINISTER: It's a scandal, it's a terrible scandal.

JOHN HOWARD, OPPOSITION LEADER: No, no. I am not going to get rid of the Industrial Relations Commission. Under my policy nobody ...

PAUL KEATING, PRIME MINISTER: You have no role for it.

JOHN HOWARD, OPPOSITION LEADER: I repeat, nobody can be forced out of an award, forced out of an award. Under my policy there is an absolute guarantee that anybody who goes into a workplace contract has the benefit of the award conditions. That is an absolute guarantee.

You talk about Richard Court. Do you know that real wages in Western Australia over the last 12 months have risen faster than in any, than in any of the Labor Government states? What you have just said over the last couple of minutes is a complete distortion of our industrial relations policy.

PAUL KEATING, PRIME MINISTER: It's a complete truth.

JOHN HOWARD, OPPOSITION LEADER: What I stand for is an industrial relations system where people have a choice. If they want the help of a union they can have it. If they want to negotiate on their own they can. If they want the help of somebody other than a union official they can.

I am going to get rid of compulsory unionism. Because I don't believe Australians should be forced to join any organisation against their will. I have never stood for lower wages. I do not believe the path to higher productivity in this country is through cutting people's wages. You don't bring people on by threatening to cut their wages. You bring people on by offering them more, you ... What I stand for is better pay for better work.

I stand for an industrial relations system where people have a full range of choice. I do not stand for an industrial relations system that allows people to be exploited. But I certainly stand for an industrial relations system where people have a free choice.

RAY MARTIN: Do you want to stab the Industrial Relations Commission in the stomach?

JOHN HOWARD, OPPOSITION LEADER: Well he stabbed it in the back. I made, I made ...

RAY MARTIN: So you want to balance it up do you?

JOHN HOWARD, OPPOSITION LEADER: I made, no, no, no. I made that comment, as he knows, I made that in the context of his rejection in April 1991 of a decision of the Industrial Relations Commission when you and Bill Kelty pulled the carpet under the feet of the Industrial Relations Commission and ...

RAY MARTIN: But you want to gut it?

JOHN HOWARD, OPPOSITION LEADER: ... I said, you want to at least have the guts to stab it in the stomach rather than in the back and you know ...

PAUL KEATING, PRIME MINISTER: No, that's not what you said.

JOHN HOWARD, OPPOSITION LEADER: .. the context, that's typical of you ...

PAUL KEATING, PRIME MINISTER: That's not what you said.

JOHN HOWARD, OPPOSITION LEADER: That you will take a bloke's comments right out of context.

PAUL KEATING, PRIME MINISTER: Well go and read it.

JOHN HOWARD, OPPOSITION LEADER: Your problem is that I remember the context in which those remarks were made and you know ...

PAUL KEATING, PRIME MINISTER: Ray can I pick up some of these points?

JOHN HOWARD, OPPOSITION LEADER: And you are embarrassed, response indicates it.

PAUL KEATING, PRIME MINISTER: John Howard said, you see he has these tricky words, like no one will be forced off an award. And you say well that sounds alright. Well what happens to all the young people who take a job for the first time, the hundreds of thousands ...

JOHN HOWARD, OPPOSITION LEADER: They have to be offered at least the award conditions. They have to be offered it.

PAUL KEATING, PRIME MINISTER: ... who leave school, well just hang on, don't interrupt either John thanks. The ones who leave school, the most vulnerable. Someone 18 years of age or 19 years of age, leaving school and taking work for the first time. Women rejoining the workforce, migrants, they will have to take an individual contract or they don't get the job.

And the other thing he glosses over is that 1.7 million Australians either take a job for the first time or change jobs. In fact, people, within five years 60% of people have changed jobs. The moment they do the award is gone. In other words so when he says he is not forcing them off the award he just has to wait until the young people start looking for work, or women rejoin the work force, or someone changes job and then snappo, he is in there, away goes the award, away goes the award protection.

Then he said also he will keep the arbitration commission but he won't let it look at the contracts. Whether he keeps it is immaterial. He will not let it do as it does now, vet every individual contract. He has got a recipe the same as Richard Court and the same as, ah, that's why they say in Western Australia, don't be caught twice.

RAY MARTIN: Do you want to cut the arbitration commission?

JOHN HOWARD, OPPOSITION LEADER: I do, can I just answer that. Under our policy anybody entering the workplace for the first time, if they go into a contract they have got to be offered the value of the award under that contract.

What you have just said you know is a ...

PAUL KEATING, PRIME MINISTER: That's nonsense, that's nonsense. That is a complete nonsense.

JOHN HOWARD, OPPOSITION LEADER: That is a complete distortion of our policy. Ray, under our policy anybody changing ...

PAUL KEATING, PRIME MINISTER: It's a complete nonsense.

JOHN HOWARD, OPPOSITION LEADER: ... jobs, if they go into a contract ...

PAUL KEATING, PRIME MINISTER: Well who enforces it?

JOHN HOWARD, OPPOSITION LEADER: No, let me finish. If they go into a contract, they have to be offered under that contract, the value of the award. The award, the value of the award is the starting point. I mean that is the explicit guarantee that we have given in our policy.

RAY MARTIN: Who is the policeman though John, in that case? Who polices that, who arbitrates on this particular matter?

JOHN HOWARD, OPPOSITION LEADER: Well if a person stays under an award the situation continues as it does now. If a person goes into a workplace agreement they must be paid at least the value of the award. And if the ...

PAUL KEATING, PRIME MINISTER: Now you are dodging it, who polices it?

JOHN HOWARD, OPPOSITION LEADER: Can I just, this is a very important question and I will answer it very carefully and without interruption. If they feel they have a grievance or a complaint we have established a new body called the Employment Advocate and a person can go to that employment advocate without any expense if that person has a grievance. The employment advocate will get in touch with the employer and say look, you have underpaid this person. If you

don't pay it we will chase you for it, we will get it and we will pay it to the person in question and all of that can happen without any expense. No expense at all to the individual.

RAY MARTIN: Alright.

JOHN HOWARD, OPPOSITION LEADER: Now there is absolute protection, what Paul has said ...

PAUL KEATING, PRIME MINISTER: There is no protection.

JOHN HOWARD, OPPOSITION LEADER: About people being at risk is a complete ...

PAUL KEATING, PRIME MINISTER: There is no protection.

JOHN HOWARD, OPPOSITION LEADER: Is a complete dishonest distortion of our policy.

RAY MARTIN: Alright, people want to know, we must move on, we must move on.

PAUL KEATING, PRIME MINISTER: One word on the advocate, the advocate has no statutory powers. Could you imagine an 18 year old person, an 18 year old going to an employer and the employer says he has an individual contract and then the 18 year old goes to some office called the advocate who has no statutory powers, no powers to intervene

JOHN HOWARD, OPPOSITION LEADER: The advocate will have all the statutory power in the world.

PAUL KEATING, PRIME MINISTER: No power to intervene, what chance would that young person have of getting the job.

JOHN HOWARD, OPPOSITION LEADER: That is the job.

PAUL KEATING, PRIME MINISTER: John, you are going from bad to worse.

JOHN HOWARD, OPPOSITION LEADER: Completely ...

RAY MARTIN: We must move on.

JOHN HOWARD, OPPOSITION LEADER: .. deliberately misrepresenting it and you know it. We are not going to leave young kids exposed to that kind of [Inaudible] and you ought to know it.

PAUL KEATING, PRIME MINISTER: We are going, we are going to see [Inaudible].

RAY MARTIN: Let's move on. Anyone watching here tonight has heard the two prospective Prime Ministers saying completely opposite and swearing that they both tell the truth. So let's leave it at that for the moment.

Paul Keating, the last election, you pulled off what you called a master stroke. You said the ALP would not oppose the GST if John Hewson was elected Prime Minister. You said basically, you laid it on the line, why don't you do the same thing with Telstra. Why don't you come here and say if this government is elected that you will support the Telstra sell off and give the Australians a choice?

PAUL KEATING, PRIME MINISTER: John Hewson is now looking rather wholesome and old fashioned I must say compared to John Howard. Because he took the view that if you want support you go and get a mandate. And he laid out Fightback in 1991 and he took it to an election in 1993.

He put his document out, he said this is what I believe in. This is, this is, the core of it is the goods and services tax, these are all the funding commitments and he put it into the market place. Exactly the same thing as Mr. Gingrich did with the contract with America.

RAY MARTIN: But with Telstra John Howard has already said that he wants to sell of 33 ...

PAUL KEATING, PRIME MINISTER: No, no.

RAY MARTIN: You know the details on that you don't need any more information.

PAUL KEATING, PRIME MINISTER: The thing is, the thing is, the thing is this. There is, there are many issues here. He has not laid out, he has not laid out his proposal. He has not, look here we are 20 days, 20 days before an election and we don't have his funding. We don't have a lot of the major policies.

He is now saying he is doing health tomorrow. The fact is this Ray ...

RAY MARTIN: But Telstra, you know, Telstra, let's stay on that subject, not go back, you know the details on that.

PAUL KEATING, PRIME MINISTER: On Telstra, when I say I know the details, what details? I mean, this is something 20 times the size of Qantas. Kim Beazley was flat out getting Qantas sold at a decent price for the Commonwealth. And who is going to be protecting the public purse with the sale of Telstra 20 times its size, Bronwyn Bishop.

Now, and where would the power go? Would it be a joint stock company, are there articles of association, does the Commonwealth have any role? Because if the Commonwealth does not have any role there will be timed local calls across the country. If it's a business they will run it as a business. When farms get connected it will cost \$4,000 to \$5,000 sometimes to get a line out to them and not the subsidised prices now.

These are all the issues why Labor Senators will have a mandate to preserve Telstra in public ownership. The very same point being made by the Democrats.

RAY MARTIN: Well, if it's such a worry why don't you say, which is what I asked you a moment ago, why don't you say okay, if you vote for liberals you are going to get Telstra. We are going to sell Telstra off, why don't you say that?

PAUL KEATING, PRIME MINISTER: No, because they are not entitled to just drop, just before an election, a half baked proposal for the sale of Telstra and then basically go and grab the money and use it on election commitments.

RAY MARTIN: Well can I ask you this ...

JOHN HOWARD, OPPOSITION LEADER: Look, can I just say ...

PAUL KEATING, PRIME MINISTER: It's a tactic, it's a tactic for an environment policy.

JOHN HOWARD, OPPOSITION LEADER: Can I just say that we are not selling off all of Telstra, we are selling a third. And there is a difference between Paul ...

RAY MARTIN: Why sell a third, this is very profitable [Inaudible].

JOHN HOWARD, OPPOSITION LEADER: Well, well, no because we believe that the right policy mix is to sell a third and to retain as we have two thirds ...

RAY MARTIN: It's not about just getting the cash in hand then is it John?

JOHN HOWARD, OPPOSITION LEADER: No, we are retaining two thirds government ownership and there can't be more than 12% foreign ownership under our policy. And there is one big difference between Paul and me on this is that I am telling the Australian public before the election what I am going to do in Telstra.

Everyone knows that before the last election he put his hand on his heart and he said I won't sell the Commonwealth Bank.

PAUL KEATING, PRIME MINISTER: I said I won't touch Telstra, it's not sold.

JOHN HOWARD, OPPOSITION LEADER: You put your hand on your heart and you said you wouldn't sell Qantas. You put your hand on your heart and you said you wouldn't sell Australian Airlines.

PAUL KEATING, PRIME MINISTER: No, I didn't.

JOHN HOWARD, OPPOSITION LEADER: Every last one of them you have sold and I know you will do ...

PAUL KEATING, PRIME MINISTER: Telstra is not sold.

JOHN HOWARD, OPPOSITION LEADER: If you get back into office you will do the same thing. Graeme Richardson told us he wanted to sell the lot five years ago, remember, remember.

PAUL KEATING, PRIME MINISTER: That's untrue, untrue, absolutely untrue.

JOHN HOWARD, OPPOSITION LEADER: He told Kerry O'Brien 12 months ago it didn't matter if Telstra ...

PAUL KEATING, PRIME MINISTER: At the last election, John ...

JOHN HOWARD, OPPOSITION LEADER: ... it wasn't in government hands.

PAUL KEATING, PRIME MINISTER: John, at the last election I was asked would we sell Telstra in that term. I said no and it's not sold, it's not sold.

JOHN HOWARD, OPPOSITION LEADER: Like the Commonwealth Bank.

PAUL KEATING, PRIME MINISTER: You had it as an environment policy. You said the environment is important but it's only important to the extent that we can force Senators to pass the sale of Telstra.

In other words the environment wasn't a policy, it was just a tactic to sell Telstra.

And you know as I know, once you have private owners in there for a third of it then the fiduciary responsibility of those directors are such that the Commonwealth role goes back simply to a private company, to a public company.

JOHN HOWARD, OPPOSITION LEADER: You wanted to break it up.

PAUL KEATING, PRIME MINISTER: And all the protections for timed calls, out the window. All the spaghetti bowl of subsidies, out the window.

RAY MARTIN: Alright.

PAUL KEATING, PRIME MINISTER: That's the reality of Telstra.

JOHN HOWARD, OPPOSITION LEADER: That's not been the experience, Ray on that ...

RAY MARTIN: Let's, well let's move along, okay but ...

JOHN HOWARD, OPPOSITION LEADER: But the experience with Telcos overseas is that even those that have been a hundred percent privately owned you can retain the price caps ...

RAY MARTIN: Are you sure you have the National Party behind you on this?

JOHN HOWARD, OPPOSITION LEADER: ... and I can guarantee, I am guaranteeing ...

RAY MARTIN: Do you have the National Party behind you on this?

JOHN HOWARD, OPPOSITION LEADER: Beg your pardon?

RAY MARTIN: Do you have the National Party behind you and the Queensland Nationals?

JOHN HOWARD, OPPOSITION LEADER: Absolutely and we even have the National Farmers Federation behind us ...

RAY MARTIN: Bob Katter?

JOHN HOWARD, OPPOSITION LEADER: Which is the peak farmer organisation. They think our policy on Telstra is terrific. And I also ...

RAY MARTIN: You have got til tomorrow though for the Australian Conservation Foundation and you have got to either get rid of that link or else lose them.

JOHN HOWARD, OPPOSITION LEADER: Well the link remains.

RAY MARTIN: So you are not changing that?

JOHN HOWARD, OPPOSITION LEADER: No, no, the link does remain. And can I make it clear that I think Australians who care about the environment will expect the new parliament, if we are the government, to give a greater priority to our environmental package which is the most comprehensive environmental package any government has produced in 50 years.

RAY MARTIN: But John, you know that he is against it and his party is against it, the Greens are against it, the Democrats are against it. Perhaps the Conservation Foundation tomorrow. If you don't get that through, if you become government, you don't have environmental policy do you?

JOHN HOWARD, OPPOSITION LEADER: I, I believe I will get it through.

RAY MARTIN: But you don't have an environmental policy if you don't get it through.

PAUL KEATING, PRIME MINISTER: On what basis?

JOHN HOWARD, OPPOSITION LEADER: Ray, I have no doubt that if we win the election and if we don't get control of the Senate, I have no doubt at all that when it comes to a choice between the best environmental package in 50 years or an ideological commitment to a 100% government ownership of Telstra most people who care about the environment will want our environmental policy.

RAY MARTIN: But I mean obviously there is no point having a fantastic environmental policy if you can't pay for it.

JOHN HOWARD, OPPOSITION LEADER: But Ray, I am sure, in the end ...

RAY MARTIN: Alright, what ...

JOHN HOWARD, OPPOSITION LEADER: I am sure we will get it through the Senate.

RAY MARTIN: We are down to the last couple of minutes and I would like to, let's move on ...

PAUL KEATING, PRIME MINISTER: If John Howard had been Prime Minister there would have been no Daintree, there would have been no Gordon below Franklin, there would have been no Shellburn Bay, there would have been no Shoalwater Bay, there would have been no Jarvis Bay, there would be no 6 million hectares of trees put away, there would be none of the great wilderness declarations because he has opposed the external affairs power ...

RAY MARTIN: We won't, we have not time Paul ...

PAUL KEATING, PRIME MINISTER: The notion that he supported ...

RAY MARTIN: ... if I don't stop you here. If I don't stop. Let me stay in North Queensland for a moment. We just need a couple of topics I want to get onto. The National Party again, Bob Burgess who is running for Leichhardt up there, a member of the National Party, called our naturalisation ceremony a dewogging ceremony. He also said he thought ethnic groups have too much power in Australia. He called for homosexuals to stop calling themselves gay. Will you kick him out the way he keep [Inaudible].

JOHN HOWARD, OPPOSITION LEADER: He is not in my party, he is in the National Party.

RAY MARTIN: He is in the Coalition.

JOHN HOWARD, OPPOSITION LEADER: He is in the National Party but from time to time you have some candidates saying ...

PAUL KEATING, PRIME MINISTER: Why don't you throw him out John.

JOHN HOWARD, OPPOSITION LEADER: Anyway there is a Liberal candidate in Leichhardt and I reckon he will win the seat. But I think it's an academic question.

PAUL KEATING, PRIME MINISTER: Why don't you kick him out like I did with Campbell. We won't cop racism, we will not cop it. But you are prepared to be soft about it because this ...

JOHN HOWARD, OPPOSITION LEADER: I am not soft about racism.

PAUL KEATING, PRIME MINISTER: No, this fellow told Fischer, he said, I won't use it in public, of course the newspapers get onto me but I will continue to use it in private. You should have said to Tim Fischer outsky, out he goes. But instead of that he is still there.

RAY MARTIN: Can I ask you on that one, let's move on. Women, at the Hobart conference, the national conference of the ABC you pushed, you talked a lot about, the party talked about the number of candidates increasing to 35%.

The safe seats, if you look at your candidates this time have all gone to men. So when you lose, when you [Inaudible] goes it goes to a man, when Ros Kelly goes last time it went to a man, Janet McKew. Tell me, where are these women you are going to promote?

PAUL KEATING, PRIME MINISTER: Well our commitments is laid down there in our party decisions there Ray and ...

RAY MARTIN: But where are the women in safe seats Paul?

PAUL KEATING, PRIME MINISTER: Well it's a matter of whether they are in the Parliament I think, that's the important thing. And there are women in safe seats but the fact is, the fact is in the Parliament...

RAY MARTIN: But Gareth Evans shifts across he gets a safe, he gets a seat.

PAUL KEATING, PRIME MINISTER: But the key thing is ...

RAY MARTIN: Where are the women?

PAUL KEATING, PRIME MINISTER: The key thing is, is whether the government has responded to the needs of Australian women. That's the key thing and whether it's the sex discrimination act now or a quarter of a million child care places, or the home child care allowance, or the generalised child care rebate, or the parenting allowance. Three things that we have just spent, the maternity allowance, four things we have just put in the last three years.

RAY MARTIN: But don't put them in parliament?

PAUL KEATING, PRIME MINISTER: Absolutely, Ray ...

RAY MARTIN: Don't put them into parliament.

PAUL KEATING, PRIME MINISTER: Ray, let's make this clear. When more women are in the Australian Parliament, when half the population is better represented we will be all stronger, much stronger.

RAY MARTIN: Alright, quickly where, have you got Bronwyn Bishop in a cupboard somewhere, where is she in the campaign?

JOHN HOWARD, OPPOSITION LEADER: She is doing a good job.

RAY MARTIN: We haven't seen her, she hasn't ...

JOHN HOWARD, OPPOSITION LEADER: Well there is a natural ...

RAY MARTIN: You are not worried?

JOHN HOWARD, OPPOSITION LEADER: No, no, certainly. She is doing a very good job.

RAY MARTIN: Can I ask you with, the pork barrel [Inaudible], every newspaper every day has a list of the latest promise that you make or the promise you make. Spending, I mean how many Tassie ferries can we actually have, how many railways to Darwin can we actually have? How many movies houses can we have, we have now got a new one, production houses and so on. Can you understand why people are cynical about these promises?

PAUL KEATING, PRIME MINISTER: Well Ray, if they were unfunded yes, but as I said at the beginning of the program I am, of the two of us, I am the only one standing here with funded commitments. As always. At each election the Labor Party funds its commitments. In other words we do the things, we think it's important for Tasmanians to be able to get to the mainland at a reasonable price and quickly.

We think it's important that the Pacific Highway is rebuilt and that the hundreds of deaths we see are diminished by a decent, a decent road. It's important for instance, Ray, that you mention films, that this country builds on its great strengths as an English language country.

RAY MARTIN: Do we need three studios. We have got one on the Gold Coast and Sydney, now Melbourne?

PAUL KEATING, PRIME MINISTER: Well I don't think the Americans are worrying about how many studios they have got, why should we?

JOHN HOWARD, OPPOSITION LEADER: Can I just say on the question of funding. I mean, we will be providing the details of our costings next Thursday.

PAUL KEATING, PRIME MINISTER: Well why didn't you do it today?

JOHN HOWARD, OPPOSITION LEADER: Our funding, our promises to date are a lot less lavish than his. We have after all, in relation to the environment, explained where our most expensive commitment is going to be funded and the key issue about funding is whether we can rely on the forward estimates of next year's budget and you have spent this whole debate avoiding that fundamental question and why won't ...

PAUL KEATING, PRIME MINISTER: It's all written down, it's all written down ...

JOHN HOWARD, OPPOSITION LEADER: ... let the head of the Treasury challenge the state of the books ...

PAUL KEATING, PRIME MINISTER: John, it's all written down.

JOHN HOWARD, OPPOSITION LEADER: Until you do that you can't be taken seriously.

PAUL KEATING, PRIME MINISTER: Ray can I say ...

RAY MARTIN: Can I ask you is this, would you agree, would you both agree this is the last hoorah for one of you? Whoever loses this is out of politics, John, are you out of politics if you lose?

JOHN HOWARD, OPPOSITION LEADER: Oh, I think it's fair of me to say that I won't be Leader of the Opposition after the next election.

PAUL KEATING, PRIME MINISTER: And ditto for me.

RAY MARTIN: And Paul, are you out of politics if you lose this one?

PAUL KEATING, PRIME MINISTER: Well let's say I wouldn't be leader of the Labor Party either.

RAY MARTIN: Alright, well we have got, I think we are down to the last four minutes or so and we had promised to give each of you a minute and a half to tell why, I guess in this one, why you shouldn't be kicked out? Paul?

PAUL KEATING, PRIME MINISTER: Well Ray, Australia is now a modern industrial country. It's grown at twice the pace that it grew under the Coalition. It's been growing, we have got a strong economy growing at twice the western world average. We have got low inflation. We have got huge employment growth. We have got a lot of innovation in our products. We have got a big edu, a very strong education and tertiary education system. We are exporting our heads off and we are making the leap into Asia.

The risk in this election, I think for Australia, is that the fire will go out. The crucible that that Cabinet has provided to generate this country to take its place in the world as a modern industrial country will go.

If people believe they can go three years to the Opposition to a party trying to copy cat the government, to adopt the government's policies and think they can go back I assure them that the fire will go out. What's kept Australia changing in this decade is a government prepared to take the hard decisions and to make a change.

The other thing is ...

RAY MARTIN: You are almost out of time.

PAUL KEATING, PRIME MINISTER: ... a team to what, who is the alternative team. John Howard, Tim Fischer, Mr. Costello and Mr. Downer. You compare that to Mr. Beazley and Mr Evans and Mr Willis

RAY MARTIN: Okay, we have got the point John, your last word.

JOHN HOWARD, OPPOSITION LEADER: Ray, I think the Liberal Party should be elected because I think this present government has now been in power for 13 years and it's developed all the signs of arrogance, of being out of touch, of taking people for granted. And it can't boast to the great record. When you have almost 30% of young people out of work, when you, in 1995 had the worst current account deficit in the western world, including Mexico, when you owe the rest of the world \$180,000 million dollars, when you have widening gaps between rich and poor, when you have growing evidence of social division, you can't really claim to have set the place on fire and really lit it effectively.

I mean, my opponent has this idea that you can separate leadership from what the leader does with his or her responsibility. You judge a leader by what happens during his leadership. And this man's leadership has produced all of those things.

By contrast we do have a plan. We do have a plan to do something about reducing youth unemployment by getting small business going again but importantly one big difference is that we will lead a government whose word can be trusted. I won't be making any LAW law tax commitments to be repudiated immediately I get into office and for good measure to rub the ...

RAY MARTIN: Okay.

JOHN HOWARD, OPPOSITION LEADER: ... nose of people with additional tax ...

RAY MARTIN: We must finish there. In a word, you may not like this bloke, but do you respect him in a word?

JOHN HOWARD, OPPOSITION LEADER: I don't, I don't ...

RAY MARTIN: In a word.

JOHN HOWARD, OPPOSITION LEADER: In a word I don't think he has been a good Prime Minister I don't have anything ...

PAUL KEATING, PRIME MINISTER: He really doesn't ...

JOHN HOWARD, OPPOSITION LEADER: ... against him as an individual.

RAY MARTIN: Alright.

JOHN HOWARD, OPPOSITION LEADER: But I think he has been a very poor Prime Minister.

RAY MARTIN: Alright, we will leave it there. Paul Keating, we thank you for your time, John Howard we thank you for your time.

PAUL KEATING, PRIME MINISTER: Pleasure.

RAY MARTIN: We might talk about foreign debt and things like that the next time round. Would you be prepared to come next time.

PAUL KEATING, PRIME MINISTER: That's if my friend here will be in it.

JOHN HOWARD, OPPOSITION LEADER: I am always in it.

PAUL KEATING, PRIME MINISTER: If it's this format Ray I will be there.

JOHN HOWARD, OPPOSITION LEADER: I am always in it mate, I am always in it.

RAY MARTIN: Right. So you are quite agreeable to do this format again.

JOHN HOWARD, OPPOSITION LEADER: I am always in it.

RAY MARTIN: John we thank you, Paul we thank you and we thank you Australia very much indeed. Good night and good luck.

Source: Transcribed from original footage.