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PRIME MINISTER

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TRANSCRIPT OF PRIME MINISTER'S PRESS CONFERENCE -

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JOURNALIST: Prime Minister, on a domestic issue, has agreement been reached on the package of taxation reform?

PM: Well they were well on the way when I left them at 1050 this morning. It will be announced in due time.

JOURNALIST: Do you think it will be achieved this weekend?

PM: We will be able to announce it this week I believe.

JOURNALIST: Mr Hawke, you apparently sewed up a capital gains tax yesterday, at yesterday's meeting. Can you give any idea whether this is going to be at a marginal rate or a flat rate.

PM: I know you would expect me to announce the details of capital gains tax here in New Guinea before the package, and I am sure you expect me answer that question.

JOURNALIST: Mr Hawke, have you headed off the revolt over MP's fringe benefits?

PM: What revolt?

JOURNALIST: What appeared to be a potential revolt?

PM: You may have written it up as a revolt but the facts don't always correspond with your fervent imagination.

JOURNALIST: Does it have unanimous support Prime Minister? Are there objections to it?

PM: Well the decision is still to be taken. We hadn't dealt with that when I left. I have no worries about that area of the package

JOURNALIST: On that particular point Prime Minister. Are you confident that the principle will be maintained that politicians will make a similar sacrifice to what they ask the community to make.

PM: At least a similar one.

JOURNALIST: It could be more.

PM: Well, I am not going to depart from what I have said. I am not going into the details of a package which has not been finalised. And I know all our time is valuable. But you keep asking me the questions about the package if you like, I am not going to the details.

JOURNALIST: Are you confident that the package will be electorally acceptable? And how do you reconcile this with giving the income tax at the top end?

PM: It will beat the hell out of whatever the Liberals will be forced to come up with I can assure you of that. What about the local media. I hope you haven't been intimidated by my rough and ruthless colleagues from Australia.

JOURNALIST: Prime Minister, the patrol boat program. ... change his position.

PM: Well, they had a position in 1984. There seems to be some indication that they may have changed from that. Whether they have changed back to the 1984 position I am not sure. But they is a matter that I will be discussing with the Prime Minister while I am here.

JOURNALIST: Are you at all confident that there might be a change of view of this matter?

PM: Well I think it is presumptuous to advance speculation on that before I talk to Mr Somare. I hope that we can arrive at common ground on it.

JOURNALIST: Sir, the Papua New Guinea Cabinet has decided against it. Has this affected relations or the Australian stand on going ahead?

PM: No we had been proceeding on a certain assumption about a number of boats for Papua New Guinea. Now there does seem to have been some change there. Now, all I can say is that the Prime Minister has indicated that he wants to discuss this matter with me and I am more than prepared to discuss it with him.

JOURNALIST: So you will change your stand?

PM: I will change my stand?

JOURNALIST: The Australian Defence Minister said that Papua New Guinea didn't want these boats then they will forget it, that was the end of it.

PM: We conveyed our position to them. Subsequently to us conveying our position to them I had a communication from Mr Somare saying he would like to talk to me about it. I am always a model of decency and good behaviour and so on. And if someone wants to talk to me, indicates they want to talk to me, I will talk to them. And I intend to do that.

JOURNALIST: So there is a possibility that things could change both on your side and the Papua New Guinea side.

PM: Well, we are going ahead with our program.

JOURNALIST: And I take it we are not changing our program. We are not changing the specifications of our boats.

PM: No, there will be no change in the basic specifications of the boat.

JOURNALIST: If all the other Pacific Island countries who are party to the patrol boat program, if they had taken the same stance as Papua New Guinea did, would that make any difference to the Australia ...

PM: Well, that is like, if I may say so, if your aunt had a different anatomical construction she would be your uncle. It is no good asking questions like that. We are dealing with the position as it is.

JOURNALIST: Yes, but Papua New Guinea seems to be the only country that, apart from Fiji, seems to be the only country that dissented from the program. They want a specific specification.

PM: We have a clear arrangement with a number of countries of the South Pacific. We will be going ahead with the program in line with the arrangements we have made with them which were the same arrangements that we made with New Guinea last year.

JOURNALIST: AS well as talking to Mr Somare about patrol boats, will you be discussing matters of mutual interest such as the Irian Jayan refugees and Australian aid to Papua New Guinea?

PM: Yes we will be discussing those matters. And a number of others I would think.

JOURNALIST: Mr Hawke, have you any advice for Mr Somare on his domestic political problems, given your own experience?

PM: Given my own experience in being able to solve all my own problems ... advice.

JOURNALIST: ... facing a no confidence motion?

PM: Oh, look it would be quite improper for me to come in here and intrude myself in domestic politics. I believe the Prime Minister nor the Leader of the Opposition would welcome that. And I don't intend to do it.

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