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**PRIME MINISTER**

TRANSCRIPT OF INTERVIEW WITH TRISH LAKE FOR THE 730 REPORT

17 April 1986

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This is an unedited transcript and should be checked against what goes to air.

LAKE: Prime Minister, thanks for joining us. First to Libya. What did you talk about with President Reagan.

PM: Well, we didn't talk a great deal of time talking about it, although apart from talking with President Reagan I did receive considerable briefing on the subject. I merely, in the discussion with President REagan, reflected what we had said publicly both in Canberra before I left Australia and what was said by Ambassador Woolcott on our behalf in the Security Council.

LAKE: How strongly did you put that view again to him?

PM: Well, we simply made the point that it is the future that is important and that we had taken the view that all available avenues that identified in Article 33 of the Charter 33 of the United Nations, should be looked to try and find a basis for a peaceful resolution to this matter. And as I said in Canberra before I left, and as Mr Hayden has said in Australia on behalf of the Government and as Ambassador Woolcott said, the essential conditions for achieving the peaceful resolution is that Libya must repudiate the use of terrorism as a tactic of policy.

LAKE: Was this as confined as the speeches that you had already made or were those conversations more loose, if you like, about Libya?

PM: I am never loose in conversations.

LAKE: But you know what I mean. Were you able to talk freely with him, as if you had really given him an idea of how Australia feels about this?

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PM: Yes. Not only to President REagan but I have obviously also had discussions with Secretary of State George Shultz, a friend of mine of long-standing, and our position is clearly understood.

LAKE: But did you give them the impression that Australia's solution or idea of a solution isn't necessarily bombing Libya?

PM: As I said, my conversation with President Reagan and Secretary of State Shultz reflected, both conversations reflected our public statements. We have said that force cannot resolve a situation of a conflict of positions. And particularly, we said in that terrorism must be repudiated and I believe that the United States accepts that there must be some other way ultimately. And I repeat that the United States has invoked Article 51 which gives the right of self-defence and that that article itself goes on to say until the processes of the Charter are invoked and that is what must be done. We have got to now try and say to Libya and the United States, let's get to the position where we can sit down and in some way talk through so that there will be recognition that terrorism is not acceptable and to the extent therefore that there are differences, let's try and work a way through. Because there is no other way which is not going to involved not only danger to those immediately concerned by ultimately grave risk for the whole of the world.

LAKE: But what did they say to you in terms of trying those parties, Israel, the Arab states, the PLO, together. I mean, did they ... to you that they would try to do that?

PM: ... conversations with George Shultz, he gave me a very detailed rundown of some of the work in which the United States is currently engaged in in trying to find a way through the central issue in the Middle East, that is a resolution of the problems between Israel and the Palestinians. And the United States, I believe, has been ceaseless in trying to find a way through, the President has taken initiatives, he has encouraged initiatives by King Hussein of Jordan by Prime Minister Peres. I don't believe anyone with any basis can accuse the United States of not consistently addressing itself to this central issue.

LAKE: But haven't they jeopardised that by their action in Libya?

PM: Well, they have taken the decision which they felt necessary in regard to protect their interests in circumstances of what they had of compelling proof of an intention by Libya to direct acts of terrorism against their citizens abroad. Now that, I believe, has not meant that the United States has ceased to address itself to the central issues that you have raised and properly raised. And I have no reason to believe that the United States will not continue to try and deal with what now for so many years has proved an intractable problem. And certainly I indicated on behalf of the Government and people of Australia that we will do whatever we can, we don't overstate our position, we will do whatever we can to play a part in trying

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PM cont: to deal with that central core problem.

LAKE: Does it concern you that White House officials now are trying to put a complexion on your departure speech when you left the White House that Australia supports what American in Libya.

PM: As I said in the Press Conference in the last hour, what I and Mr Hayden on behalf of the Government of Australia and we have a responsibility of expressing the positions from the very moment we became aware of this, what we have been about is to state the position as we see it, both in terms of what has happened and more particularly as to the future. Now, I have had a situation already where there is a range of interpretations about our position. Mr Howard has said we don't support the Americans. The Libyans said we support the Americans. And other people have different interpretations. I am not getting into the business, the auction, if you like, of interpretation. That can be for others. ... clear as to what we have said and particularly our concern for trying to find a way in the future to deal with this problem.

LAKE: You don't think you could have made it any clearer?

PM: I could have made what any clearer?

LAKE: Your attitude to what has happened in Libya as far as the American action is concerned. And where Australia stands on the issue. ... different conclusions from it perhaps it could have been clearer?

PM: No, I don't believe we could have stated any more explicitly our interpretation of what has happened and what the task of the future is. As far as what happened and that links to the future we have made it quite clear that the central issue must be the repudiation by Libya of the tactic of terrorism. And in those circumstances there is a possibility of using the processes envisaged by Article 33 of the United Nations Charter. And I must say I find somewhat annoying that I am a passive man, I find somewhat annoying, where do you put this statement on scale of support or non-support. What people should surely be concentrating upon is what is the process available, what are the processes available, into the future to try and resolve this.

LAKE: Prime Minister, slightly away from that subject but in defence matters, what other talks did you have today which touched on other areas of defence?

PM: Well, we talked about ANZUS. And I confirmed to the President that if, in the event of New Zealand ... legislation of its current position, that there is an end then to ... the commitments by the United States under ANZUS as far as New Zealand is concerned. And we have said that the treaty should be left in existence, there should be an interchange of letters between the President and myself to ensure that the treaty remains operative as far as Australia and

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PM cont: the United States is concerned. And we got a positive response from the President to that.

LAKE: ... putting pressure on New Zealand ...

PM: ... not from day one sought that and I believe that they have not sought that for two reasons. One, they don't believe that it would be appropriate and secondly they wouldn't insult my integrity and intelligence by asking to be a messenger boy in that sense, they know that that would be repugnant to me. But we both take the view that New Zealand is a sovereign independent nation. We disagree with their position. But they are entitled to work that through themselves. The other area which I did talk about was the South Pacific Nuclear Free Zone. And I stressed upon the President the fact that the signing and ratification of that treaty is totally consistent with the continuation of our obligations under the ANZUS treaty. And I pressed the view upon the President that it was in our interests and I believe the interests of the United States that they should adhere to the three protocols of that treaty.

LAKE: Star Wars, American Bases, were they topics?

PM: No, there has been an indication, I didn't specifically go to that with the President. There has been ... efforts ... George Shultz as there was with Secretary of Defence Weinberger in Canberra last week, they know precisely our position on the issues of Star Wars. As far as the bases are concerned, I indicated in the discussion with the President that we remain committed to our joint involvement in the bases which I emphasise again, are there for the purposes of verification and mutual deterrence. And not there for offensive purposes.

LAKE: Now for your real reason for being here, agriculture. Tell me, what do you know about it, about the farm deal, what is happening, that you didn't know before you came here.

PM: Well, I don't know any more about the farm deal now because I think I knew all there was to know about the farm deal before I got here. What I do know now that is that I have enlarged and strengthened commitment from the President and right through the administration and importantly on the Hill, to a process of discussion and preparedness on the part of the United States to take into account our concerns. Now, that doesn't mean that we won't perhaps at times be heard, but we have a complete preparedness on their part to let our concerns be put into their system and we will be doing that. And secondly, I now have an unqualified undertaking from the President that the United States will take a leading role in trying to ensure that in the multi-lateral trade negotiations that commence later this year, that they with us, will be trying to ensure that international trade in agricultural products is right up there on the agenda. And not pushed aside as a subsidiary issue.

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LAKE: Your specific talks have been able to elevate that?

PM: Let me pay to the preliminary work that was by Mr Dawkins here earlier in the year. I have been able substantially to build upon that.

LAKE: ... and yet a spokesman, a senior White House official, said as far as the White House was concerned there was not, or he couldn't tell us one single new outcome or agreement that came out of today's talks. Would that be fair?

PM: No, I believe not. You have a position where the President of the United States has given a commitment to the Prime Minister of Australia that the process of access to Australia for discussions with the United States on these issues as far as Australians is concerned is there. That is new.

LAKE: What would it mean though for farmers. The trade talks that go on, and they are often not necessarily inter-government anyway are they.

PM: Elements of the decisions that concern trade are necessarily always involving governments. But the essential framework is created by governmental decisions. We will continue and our putting of the interests of Australian farmers in the United States as the decisions are taken about how they implement their program, we will be continuing to discuss these issues and involve the farmers organisations in Australia so that when we are putting the case of our farmers we will be doing it on the basis of full consultation with them.

LAKE: But if a farmer or farmers who are involved in trying open up a trade avenue or protecting an existing trade avenue and an American organisation decides no they want that market, is it going to help just because you have spoken to Reagan about it?

PM: Not only because I have spoken to Mr Reagan. But let me answer your hypothetical in a hypothetical way. If we were to find a situation where an Australian interest had been ignored in the implementation of part of the United States farm program, I believe we would be in a very much stronger position now to go to the President and to the Secretary of Agriculture and look you have taken that decision, you didn't take account of our interests, that is not consistent with the undertakings that we have received from you. Now, I think the fact that we have that capacity now makes it more likely that sort of thing is not going to happen.

LAKE: Finally, what are the prospects of a Reagan visit to Australia in '88?

PM: I have renewed the invitation, and he has expressed a very real interest. I hope it comes out. Because if you look at the 200 years of Australia's history, the relationship between our two countries has been extraordinarily close in peace, importantly,

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PM cont: extraordinarily close in the second World War. Australians and Americans owe a great deal to one another. We at times are dependent a great deal on one another. There is a commitment by both countries to certain basic democratic values and it would be appropriate that in the year of our bicentennial celebrations that the leader of the United States should at some part of that great year be with us.

LAKE: Mr Hawke, thank you very much.

PM: Thank you.

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