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PRIME MINISTER

**TRANSCRIPT OF THE PRIME MINISTER, THE HON P J KEATING MP
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J: What has been happening in the Forum this morning?

PM: Well this is the round up, basically, the presentation of the Chairman's report from yesterday and just general items on the agenda. But before I do that, why don't I just give you perhaps an overview. I think the important thing to say about the Pacific Forum, and this one, is I think it has proved its value.

We changed the format for the Forums last year in Brisbane and that change has been maintained by Prime Minister Chan and, as a consequence, we have been able to tackle matters which do materially affect, importantly affect, Pacific island nations. For many of the smaller Pacific island states, the Forum is the principal body they attend and their principal contact in terms of, you know, governance and issues of government. It's their principal place for advice and for taking another view.

Now, I think, in the last year we have been able to move forward substantially on a number of important things - turning around the airline deficits of the regional airlines of the Pacific, which is a cause of great concern to the national budgets of some Pacific island countries.

Secondly, proposing a logging code of conduct so that Forum states may say to logging companies, we subscribe to the Pacific logging code, to the Forum code, and there is then a Forum code. That having been unanimously adopted yesterday, I think, is a strong point for I hope better forestry practices and better prices, better returns from forestry products and this is part of the problem that countries are not getting adequate returns on a lot of the products they are selling. This is both for forestry and for fisheries.

Thirdly, of course, fisheries themselves. Fisheries are an important part of the economy of the Pacific and the decisions we took over the course of the year, I think, are going to improve the prices that people receive for fish stocks and also their organisation of fisheries.

Tourism remains an important area of income and is a growing source of income for many Pacific island countries and the initiatives we have taken in tourism, I think, will help there. Of course the airline rationalisation just helped by themselves. Getting a better scheduling of airlines is going to help and we just again announced a support package - that is Australia, today - for tourism for training and support of about \$600,000, which is aimed at trying to lift the core competencies of tourism agencies and tourist operators so as to be able to draw a little more of the Asia Pacific and North American tourism market.

As well as those things, there has been a clear message to the French Government about nuclear testing. The expression of extreme outrage on the part of Forum member states and the Forum in general, I think attests to the strength of feeling which countries have towards this issue. And I hope that the strength of these views will be noted by President Chirac and his Government.

We have had other useful discussions on a range of issues, most of them I have mentioned, aviation, trade and investment was another one, tourism of course. And, of course, I go on from here for the 20th anniversary celebrations of PNG's independence in Port Moresby. I think this is another important moment in the history of both of our countries, that Australia's relationship with Papua New Guinea and Papua New Guinea's own progress 20 years after independence. This is an auspicious occasion to be here and I have been very pleased with the visit.

J: Prime Minister, has there been any discussion about what the nations will say to the French Minister in the post-Forum talks besides the actual wording of the declaration?

PM: No, there hasn't because by and large, I mean, once a Forum is over, then as you know some of the states then stay and meet be they either heads of government, otherwise a head of mission, level - the dialogue partners. Well that will happen on this occasion and it may be that I think Gordon Bilney will be representing Australia on this occasion.

J: Carmen Lawrence, Prime Minister, and what did you think of her performance before the Royal Commission?

PM: Well I haven't got all the details. I have only seen a few press clippings. But I mean as she has consistently said throughout this, the point is you have Royal Commissions when there are complex issues, problems of illegality, government mismanagement, waste, fraud, all

these sorts of things. You don't have it for a political exercise, a sort of tawdry political exercise, of the kind that Richard Court had in mind. So it is just, you know, a \$5 or \$6 million waste of Western Australian taxpayers' money and a waste of our valuable time.

J: Do you believe the political problems are now behind her?

PM: Well, you know, I don't know whether she had deep political problems. I mean there was a bit of a feeding frenzy about this to begin with owing to the sequence of the appearances before the Commission. But I think as it has gone on the public are quite wise about these things, they know when there is a stew on and they know there is one on here.

J: [inaudible] memory recall do you think Cabinet Ministers should have, Prime Minister?

PM: Well probably better than Richard Court's and John Howard's when they were asked about the questions about what they said to each other about setting it up. Probably better than that, but who knows.

J: [inaudible] this week, she has appeared before the Royal Commission and she also did a bit of a media blitz last night. Do you think she has won the Australian public over?

PM: Well, I think, the public again are quite wise about the things that matter to them - employment, economic prosperity, the future of the nation, health, social security. They are the things that matter. These sort of political sideshows go on, which are interesting to all the players, the people in the political system, to the journalists. But I don't think they are that engaging for the public. I think they sort of say "oh well this is another, it'll go to the keeper and let's get on with life".

J: Prime Minister, have you and the other leaders been surprised at the less than happy response to the logging arrangements that were agreed to yesterday?

PM: What do you mean?

J: Demonstrations have been planned here in New Guinea, also demonstrations I understand have been planned in the Solomon Islands. It doesn't seem that the public has embraced the decision with a great deal of enthusiasm.

PM: Well you would hardly expect them to, would you? I mean a year ago, we proposed this idea so that Forum countries could say look, rather than simply relying upon what we believe is a competent logging regime, we will have a Forum logging regime. In other words, there is a reference point. So when governments are pressured by logging

companies, or operators, they can go back to the frame of reference that comes from the code of conduct. Now they will adopt the code of conduct and this will, I think, provide a much better regime for sustainability of forest management. We have invested, ourselves, a very big effort in this over the last twelve months. And, also, into places like Papua New Guinea where we have Australian forestry expertise and have had over the course of the year. And, more broadly, in those countries where forestry is an issue - Vanuatu, the Solomon Islands. I think as a result of all this we will have something which is coherent and countries can adopt it. For instance take Papua New Guinea, it endorsed the code and will adopt it. This is a large country, with large forestry areas.

J: When will they adopt it?

PM: Well I think they will adopt it over the course of the next six months.

J: Will you be pulling Australian forestry officials, that have been funded through Australian aid, out of the Solomon Islands?

PM: No, I don't think so. No. Not unless the Solomons they feel they want to go their own way.

J: I understand that they have made that clear to the government already in the previous ...

PM: Not that I know of. But I mean, again, we help where we can and we don't press our bureaucratic people on governments, unless they wish to have them.

J: Prime Minister, you are heading to Indonesia tomorrow afternoon, there is a poll out today in the newspapers in Australia, an AGB McNair poll, showing that most Australians would like the government to protest more strongly over East Timor. Will you be raising human rights?

PM: When I am asked these questions I always give the same answer, that I don't give notice of what I will raise with President Soeharto or any other head of government because (a) I think it is inappropriate and rude and (b) I think it is counter-productive. But I have very strongly raised in the past human rights issues and I have had never a problem in raising them. The last time I raised them, of course, was with Mr Do Muoi from Vietnam, where we had a discussion on the human rights aspect for probably a couple of hours.

J: Are you concerned with reports that are coming out of East Timor of riots this week and people are under detention?

PM: I haven't seen any reports about East Timor this week.

- J: What about the recent reports on Irian Jaya, then?
- PM: Well, I mean, these are issues that I think concern all of us. But, again, the charge of these matters is in the hands of Indonesia. We can talk about them and we do and have and we have talked about them very clearly. I think Indonesia is under no misapprehensions about the difficulty these sort of instances cause its reputation around the world. I think it feels the natural pressure there.
- J: Mr Keating, how do you feel about your investiture tomorrow as the Chief of the Kokoda people?
- PM: Well I take that as a great compliment to Australia that there is such good feeling in the new region of Kokoda to Australians and fond memories of our associations during the war and since. And, you might recall, I went there in 1992 and proposed to the Papua New Guinea Prime Minister, Rabbie Namilau, at the time that we would perhaps make it a memorial village. In some way recognise the fact that it is a place of significance and meaning to Australians and to Papua New Guineans. As I think you will see tomorrow, we are going to be opening a regional hospital there and some other civic facilities which, of course, the village itself wouldn't be likely to receive in any other way but this. So perhaps it is just a way of saying thank you and to preserving the memory of those young Australians, boys most of them, who fought the strongest combat force the Japanese army could put together. And, of course, did it with great strength and heroism.
- J: How do you characterise after 20 years of independence our relationship with our former colony, now?
- PM: Pretty good I say. We are doing things with them that I am sure ... I think we are a very good neighbour for Papua New Guinea, we invest a lot of money here every year, we take a lot of pride in the relationship. But underpinning it is a great interest in the people of Papua New Guinea and what I found whenever I have come to Papua New Guinea, and this is borne out during the 1992 visit - when we went out to Eia, to the cemetery there, there were 20,000 or 30,000 people there - and the warmth towards Australia is always so profound. And it is that relationship, it is the people to people relationship I think that really matters. Governments come and go, you know the bureaucracy changes, programs come and go. It is that people to people relationship that I think is the foundation stone of the Papua New Guinea/Australia relationship. But I think, as well as that, the government relationships have been good, they have been constructive and I am sure they are going to be endearing.
- J: [inaudible] shift towards tied aid, or are you willing to slow that down a bit?

PM: No, we have taken the view that Papua New Guinea's strength as an economy, as such, so that it will be able to maintain the growth of its budgets and carry a shift from Australian budget aid to program aid and it means that we get, in a sense, out of their way with the budgets. But we can go and do some of these other things which are useful to the community.

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