



# PRIME MINISTER

**TRANSCRIPT OF THE PRIME MINISTER, THE HON P J KEATING MP  
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PM: Well you might recall that in my speech on United Nations Day on 24 October - on the 50th anniversary of the birth of the United Nations and the adoption of its charter - I said that I didn't believe that the strategic framework which now exists in the world .... that first of all it would persist forever and that the strategic framework had changed substantially from that which obtained in the Cold War period. And I believed it was now possible to think about and develop a concrete program of making the world free of nuclear weapons because I think that the sort of world which now exists where you have nuclear powers committed to reducing their arsenals - as we have the Russians and the United States - and the unlikelihood of using their weapons defensively won't continue forever. I think the one thing we can be sure of is that this position will not obtain forever. There is a view amongst some of the nuclear powers that they have nuclear weapons and they will commit themselves to the non-proliferation treaty and not use them offensively. But this is not a static model. It is not going to be the half a dozen weapons states and the rest of the countries without weapons. Unless something is done about this, there will be many states with nuclear weapons. And now, I think, is the time to move. Unless we take action now, we won't make the appropriate steps to begin reducing that 50,000 warhead inventory which is now laying around the world and unless we address the issues of proliferation and the threshold states - that is those on the edge of getting nuclear weapons as well as nuclear terrorism - the nuclear competition which characterised much of the last half century will continue again after this pause. But one thing will be certain, it won't even have the stability of the bipolarity of the Cold War. It will be a multi-polar, unstable world where no one is certain what the policy of deterrence really means and no one would be able to guarantee what that action will really imply. And I think we are reminded powerfully of this by the French fourth test in the Pacific and also the claims of

nuclear terrorism in Russia with the Chechen rebels claiming to have placed nuclear materials and explosives in Moscow. We are just going to see more and more of this as these materials, the mechanisms, all of these devices and, of course, intellectual property start moving around the world. So this Government believes that this is a time to make a start and that is actually beyond the Comprehensive Test Ban Treaty to which we will be deeply involved, that is beyond the cut-off convention, beyond the conventional framework. But, rather, to actually start hoeing into the problem of the 50,000 warheads because we won't actually get the whole notion of non-proliferation moving unless we actually see the warhead numbers coming down and, of course, part of this will be enjoining the United States and Russia to move swiftly under their START obligations. Now I announced in my speech in October that we had decided to set up a Commission because there has got to be a starting point for all this - where do you begin on this very large task? And you might recall that Australia was very deeply involved in the Chemical Weapons Convention and therein we removed one whole category of weapons and, of course, the verification procedures with chemical weapons are even more difficult than nuclear weapons. So this is why we have decided to think about a beginning and the beginning is getting together a group of recognised specialists on this subject, getting a group of people who have had experience on this issue and try to come to terms with how we might begin to actually take the arsenals down. So we have decided to set up a Commission of eminent individuals who prepare a group which would try to work through the difficult and complex issues of how we get to a nuclear weapons free world and how to make practical recommendations towards it. And I am happy today to announce the names of the individuals who have agreed to participate in the Commission. I think they are an outstanding and authoritative group of thinkers, statesmen, scientists, disarmament experts, military strategists, people who have lived with and in the Cold War and who have a wide experience of international security and disarmament issues. They include: Mr Michel Rocard, the former Prime Minister of France; Mr Robert McNamara, the former United States Secretary of Defense; Professor Joseph Rotblat, the winner of the 1995 Nobel Prize for Peace and founder of the Pugwash Conference; Field Marshal the Lord Carver, the former Chief of the British Defence Staff; the distinguished Australian analyst, Professor Robert O'Neill, from Oxford University; Dr Maj-Britt Theorin, who is a Member of the European Parliament and former President of the International Peace Bureau; Ambassador Rolf Ekeus, who is Executive Chairman of UNSCOM which has worked to eliminate Iraq's weapons of mass destruction; Professor Roald Sagdeev, the Science Adviser to former President Gorbachev; and, General Lee Butler, who was formerly the head of the United States Strategic Air Command. Other members - Ambassador Celso Amorim, from Brazil; Ambassador Jayantha Dhanapala, from Sri Lanka; Ambassador Dr Nabil Elaraby, from Egypt; Professor Ryukichi Imai, from Japan; and, Datuk Dr Ronald McCoy, from Malaysia - have a distinguished record of achievement in arms

control and international diplomacy. The convenor of the group will be Mr Richard Butler, who is Australia's Permanent Representative to the United Nations and many, of course, know him and remember him as our Ambassador for Disarmament from 1983 to 1988. I don't think we could have hoped for a more impressive and distinguished group and I am very grateful to all of them for agreeing to participate. That they have done so despite their busy schedules, I think is a reflection of the seriousness with which they regard the issues in the Commission which we will address. I think they bring a wide range of expertise, the experience and views to the task and while they won't be representing Governments, they include people from nuclear and non-nuclear powers and from a range of regions. So I am very confident that the Commission's report will make a substantive and serious contribution to the question of how we can rid the world of the threat of nuclear weapons. I might add that the first meeting of the Commission will be in Australia in January and we envisage two or three other meetings, some of which will be overseas. Its final report will be submitted to the 1996 session of the United Nations General Assembly and to the Committee on Disarmament. Could I record here my gratitude to the Foreign Minister, Gareth Evans, for his assistance in putting this group together. The Commission will be supported by a Secretariat drawn from the Arms Control and Disarmament area of the Department of Foreign Affairs and Trade, which you might know has got a very high international reputation and, of course, we will be liaising with Government and non-Government organisations as the work of the group progresses. So, in all, this is I hope the kind of beginning that, certainly in my generation, we could have only dreamt about through the Cold War years. And going beyond the actual commitments by the United States and by Russia, under their START obligations, to take this opportunity while we do have this strategic pause and to see if we can't stop the spread and proliferation of nuclear weapons and to make that believable and to make it stick we really have to start pulling the stockpiles down and Australia is a non-nuclear power but with reasonable credentials in disarmament. I mean as a medium-sized country we have, I think, fought beyond our weight in disarmament issues over the years and, I think, we can bring to the line again the sort of vitality and integrity which we have brought to the Chemical Weapons Convention and do something positive here.

J: Given the recent behaviour of the French though, Prime Minister, at the end of the day can you see a country like France agreeing with any recommendations to start pulling the stockpiles apart?

PM: Well I think the answer to that is yes for the obvious reasons. I mean you had former President Valery Giscard d'Estaing saying the greatest threat against France is really from the proliferators of nuclear weapons, from the states which now no longer have them or from terrorism. And having a nuclear stockpile is not going to deal with that. Now, you know, there is a clear understanding on this. Where there isn't a clear understanding amongst the nuclear powers, I believe, is

that they see some sort of static model that there are so many of them and that is all there will be. Of course this is just, in the end, not true. What will happen is that other states will gather nuclear weapons and there is no moral reason why one state should claim the right to have them - say Britain or France on the basis they say that they are democracies, or the United States, but other countries who say they shouldn't have them because they are not a democratic state, for instance. I mean there is no criteria for the possession of nuclear weapons and so they will continue to proliferate.

J: You put the argument about the possibility of proliferation of weapons amongst smaller states at CHOGM and it didn't really seem to me to get a lot of agreement from British Prime Minister Major. Do you think that he will come to see your point of view and why?

PM: Well I think it is just not our point of view, it will be in the end an international point of view. What we are seeking to do is to draw the threads together on the argument from people who have been involved with it and around it over a long period of time. And then produce this report to the United Nations and it will then be, in a sense, a wider body and certainly not just Australia sort of putting that view and I think anybody who then takes the view, well it is a static situation and there won't be anymore nuclear weapons than there currently are has a very naive view of the world.

J: What has been the international response so far to this initiative?

PM: Well I think the international response is the acceptances. I mean that is the best guide to the international response.

J: Wouldn't there still be a danger of nuclear warfare even if you got rid of all of the weapons given that many of these western countries actually have the technology to rebuild them quickly in a time of conflict?

PM: Yes, that is going to be there. But I just don't think that the impetus to non-proliferation is going to be as successful if the world takes the view that we will keep the absurd 50,000 stockpile. In other words, are you to be believed by these states when you say there shouldn't be any further proliferation, but we will hang on to this absurd stockpile with all of the attendant risks that that brings. Now no doubt, one of the major issues in this discussion will be where the deterrent policy goes as the stockpile comes down. But, as you know, you still have an effective set of deterrents with 200 weapons, let alone 50,000.

J: Have you spoken directly to any of the participants in the group to encourage their involvement?

PM: I have. I spoke to a number. But, by and large, what has happened here is the Foreign Minister and I have talked about the nature of the

group, some of the potential candidates and tried to, you know, get down to a choice of people who we think can reflect all of the various views - strategic; political; that come to it with a scientific background; a moral, philosophical background; a technical background; experience in disarmament - and we have narrowed it down to a choice of people and between us we have spoken to them. The Foreign Minister has spoken to most of them.

J: Will there be a Canberra-based secretariat to support this and will we be financing that?

PM: Yes, it will be supported by the group who have traditionally, in the Department of Foreign Affairs and Trade, focussed on this issue and we will be carrying the cost of it.

J: At the end of the day, what do you expect this group to produce? Is it a report that will simply be a focus for discussion, or will it contain within it concrete recommendations for further pragmatic steps?

PM: Well if the United Nations itself were to commission such a study, it would probably go to - if not the same people - similar people. But then, of course, to get such a study going would require, you know, the general political difficulties that are required to be encountered by the United Nations in any such initiative. In a sense, we have - by taking our initiative - we can take this initiative in a unilateral sense and then present this report to the United Nations and to the Conference on Disarmament.

J: Mr Keating, just on another matter. This final week of Parliament, how crucial is that in terms of setting the scene for next year's election?

PM: Not very crucial I don't think. I think, you know, people in this country will decide what they want to do, who they want to govern them on what the parties have done, how credible they are, how effective they are and how effectively they are led.

J: On the forest debate in Cabinet tomorrow, it seems that the environment movement isn't happy with the process that has been set up and that the outcomes under that process are not going to satisfy them. Does that concern you in the lead up to an election?

PM: Well let's wait and see how we go at it first.

J: Mr Keating, on Meet the Press Peter Reith has said today that the Coalition will not guarantee necessarily equal pay for equal work?

PM: Well that is the issue. You see, in that sense, nothing in the CRA dispute changed the Coalition's position. They don't believe in equal pay for equal work. They won't ever have the no disadvantage test for enterprise bargaining that the Government has. In short, they are

committed to cutting the wages of working Australians. That is their business, it has always been their business, it will remain their business and what you will see is, as Mr Reith refused to give the commitment on the no disadvantage test on ABC Radio about three or four weeks ago .... you have seen him today refuse to give the same commitment on equal pay for equal work. You have got Mr Howard slipping and sliding on the Commission saying he will keep it. Yet he said he will "stab it in the stomach", to use his own words and then he tried to get out of that by saying the Government was in fact ....talking about coming at it from the rear or something. In fact, he was just asked directly, if I remember it, "so you are going to abolish it?". "As I have said before, we will stab it in the stomach." I mean, basically, they have been opposed to the Commission being in the system and it is the Commission which guaranteed the equal work for equal pay. The Commission would go. But whether the Commission went or not, they don't believe in the principle of equal work for equal pay.

J: Mr Howard says that prospective buyers of the Sydney Airport aren't worried by [inaudible]?

PM: I mean on what basis did he make that claim. I mean it is just nonsense. But I noticed he did say, it was not *just* about my seat. So he has admitted that the view from the Headland of Bennelong has been completely central to this process for him and I noticed that some reporting of the Senate Committee, of course which was chaired by the Coalition, and the report didn't make reference to the fact that, of course, Sydney Airport's capacity would be cut by about 40 per cent. I mean what Mr Howard has done here is just for the most base political motives, saving his own skin and his own seat, he has decided not only to press his view about opening up the cross-wind runway at Sydney and dramatically reduce Sydney's capacity. But, in doing it, actually do something which knocks around the budget, delays the process and, more than that, I think calls into the question the efficiency of Sydney as the hub for airline operations in Australia and particularly as we approach the Olympics.

J: Mr Keating have you spoken to Bill Kelty since you returned home?

PM: Well, Russell, I have got no intention at these press conferences of telling you who I have spoken to in the last day or two, or week or two. I speak to Bill Kelty quite often. But, you know, you can put your glasses down on asking me questions about that. I will tell you one thing I would like to say, though. I noticed that John Howard, today, made very clear that he would basically walk away from the Government's 25 per cent commitment to the aged pension, 25 per cent of average weekly earnings relativity to the aged pension. He was asked repeatedly and all he would say is that he would go for the indexation and you might have seen a press release by my colleague, Peter Baldwin, today and he said the fact is that Labor has

increased pensions by 14 per cent in real terms when measured against the Consumer Price Index. Mr Howard says he will only maintain pensions in line with the Consumer Price Index. If this is all we had done, then single pensions would now be \$20 a week worse off and couples would be about \$30 a week worse off. And even this promise is suspect given that pensions fell by 2 per cent in real terms during Mr Howard's tenure as Treasurer. So he was pressed a number of times and he wouldn't give the commitment. He finally said, weakly, "well that is the Government's policy". Yes, that is this Government's policy, but that made no reference to what any Government he might lead, to its policies. In other words, he has effectively refused - not effectively, blatantly refused - to say that he would maintain the aged pension at 25 per cent of average weekly earnings.

J Mr Keating, on another contentious privatisation ... the Government has got a week to resolve the sale of ANL. Do you hold out much hope of the MUA [inaudible]?

PM: Well I have got to go through those issues. I have been out of them for a couple of weeks being abroad unfortunately. But I will get back to it this week. Can I just say on a couple of other points, Mr Howard said he wouldn't be dismantling Medicare. He said precisely that. He said "we will effectively dismantle Medicare". He said this when he was Leader of the Opposition heading for an election. He has made similar references in the run up to the 1993 election. They have opposed Medicare always and when John Howard says he will keep Medicare, he is just simply not to be believed. It is just, basically, a political lie. He will tear Medicare apart and junk it at the first opportunity. On the cross-media rules he was asked a question about Mr Black and he said that "any increase in equity for Mr Black would need to be considered in the future". But when asked what the criteria would be to give Mr Black extra equity in the Sydney Morning Herald, The Age and the Financial Review, he said "he wasn't there to put Mr Black's case." But it was not there putting Mr Black's case, if he was the Government it would be the approving authority. He was quite reasonably asked what would be the criteria for increased equity in the Sydney Morning Herald, The Age and the Financial Review and he wouldn't say. He is trying to have the best of all worlds. To tell Black he will give him more, but not tell the public on what basis he will give him more. And he also, when asked about the cross-media rules, talked about .... again, he wouldn't come clean there having voted against the 15 per cent cross-media rule in the Senate, he wouldn't come clean other than to say that he believed in Australian ownership - which is code for giving Mr Packer, I am sure, more equity in the Sydney Morning Herald. So, essentially, what he is telling us is under a Coalition Government, somebody could own a major television network and capital city newspaper in the same city. Now I don't know whether Mr Howard thinks that that sort of slipping and sliding is going to get him around the real issues. But he was slipping and sliding all

over the place today and making it very clear that he is going to be as duplicitous and as tricky as he possibly can be.

J: Just to be clear on that, Mr Keating, are you saying that Mr Howard would approve Mr Packer getting Fairfax?

PM: Well don't take any notice of what I say. Take notice of what he has done. This week he has voted against the proposition that there be a 15 per cent upper limit on newspaper proprietors holding interests in television and vice versa. He has voted against it. So he has made it very clear where he stands.

J: But that is what you think?

PM: What?

J: You think he would approve of Mr Packer owning Fairfax and the television station?

PM: Absolutely. I said that earlier in the year and all that happened this week is that it was borne out.

ends.