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PRIME MINISTER

19 June 1997

**TRANSCRIPT OF THE PRIME MINISTER
THE HON JOHN HOWARD MP
DOORSTOP INTERVIEW - NO. 10 DOWNING STREET - LONDON**

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JOURNALIST:

How did it go Mr Howard?

PRIME MINISTER:

It was a very enjoyable meeting and I am very happy to have established a good start to what I hope will be a good personal relationship. Both of us are very much interested in the future of the relationship between Britain and Australia. There's always a danger with a relationship like ours that because there is so much history to it, you allow the history to weigh it down and you don't focus on the future. It is a very close economic relationship and I made the point to Mr Blair that there are no two countries in the respective Asian and European regions that have more in common and trust each other more than Britain and Australia and I think it is a very good basis. We had a very extensive discussion about the Asia-Pacific region and about Australian perspectives towards Indonesia and China in particular and I touched on a number of bilateral issues such as the indexation of pensions paid to United Kingdom residents in Australia and I also put very strongly our concerns about climate change matters and I think the Prime Minister understood where we were coming from on that issue. It is a matter of very great concern to Australia.

JOURNALIST:

Inaudible...

PRIME MINISTER:

Well, I said that we had a strong view and I understood that they had a different view

and that I thought the most intelligent thing to do for openers as far as he and I were concerned was to get our officials to agree on what the facts were and then we could have another discussion down the line. I mean, we are obviously not happy with the position that's been taken by successive British governments but I didn't spend the whole time debating that issue, but it is an important issue both from an economic point of view and also from a fairness point of view.

JOURNALIST:

What was his reaction - what did he say?

PRIME MINISTER:

Well, he agreed to that and then I said that we would be returning to the issue after we had the agreed facts but I'm not representing that there's been at this stage any change in their position, but there's equally been no indication from me that we've lost interest in the subject and we are going to get our officials to agree all of the facts and then it will obviously come up in another discussion. I also invited him to visit Australia at an early date and there was some discussion about the possibility of that towards the end of the year but he obviously has to worry about his programme and parliamentary commitments. But he certainly is a great fan of Australia. He has a lot of friends in Australia, he lived there for a while. He has some political friends in Australia, and I think he's got political friends on both sides of the Australian political divide after today.

JOURNALIST:

Inaudible...

PRIME MINISTER:

No, I think we've established a good start to a personal relationship. The fact that we come from different sides of the political fence is not in anyway going to get in the way of both of us focusing on common experiences and contributing something towards a better relationship, well, an even stronger relationship between the two countries into the future.

JOURNALIST:

Was the discussion about Indonesia and China focused on economic issues or on how we handle human rights issues?

PRIME MINISTER:

I think the whole... the amplitude of the relationship, that's how I would put it. I mean, we take a view that, I mean, Indonesia is a very important country to Australia and whilst we don't play down human rights issues it is important that we use the tactics for a country of our size and position that is most likely to get results. There are obviously human rights deficiencies in Indonesia - significant ones. It is also the

case, though, that the cohesion and stability of the entire country is very important to the region and very important to Australia.

JOURNALIST:

Did they raise the human rights issue?

PRIME MINISTER:

No, no, he didn't specifically raise them. But it's not possible to have a discussion about relationships with countries in the region without that issue being part of the discussion.

JOURNALIST:

Did you make any progress on the pensions issue Mr Howard?

PRIME MINISTER:

What was agreed was that our officials would, before we discuss the matter again, would agree the facts - because there has been a lot of disagreement on those in the past.

JOURNALIST:

Your first remarks we thought, I think, you were referring to the matter of greenhouse - you were referring instead to the ...

PRIME MINISTER:

No, no, the earlier remarks I made about the pension were referring to the pension.

JOURNALIST:

Prime Minister was there any discussion on the Constitutional Convention at all?

PRIME MINISTER:

No.

JOURNALIST:

What about the handling of the hand over in Hong Kong? Do you agree to differ on the respective positions there?

PRIME MINISTER:

I don't think we really, I mean we talked about it in a very general character. I explained our position and I think he understood it. It certainly wasn't in any sense a point of disagreement, no.

JOURNALIST:

On greenhouse, did you get any sense of movement on the British side towards our position or accommodation of our position?

PRIME MINISTER:

I put our position in some detail and he indicated that he understood it. The point that I made to him and I will be making it to President Clinton next week and also I've made to the Japanese and German leaders is that Australia is in an atypical situation because as a developed country that is a net exporter of energy we would like differentiation which is a privilege accorded to member countries of the European Union. And this is a real national interest issue for us and he certainly said he understood that and I specifically asked that there not be any, too much cement set at the Group of Eight meeting in Denver in advance of the Kyoto Summit.

JOURNALIST:

Is there scope for us to compromise as well on that issue?

PRIME MINISTER:

Well, I think you can't even begin to talk about an Australian compromise until there is some sort of acceptance of the principle of differentiation. If there were some acceptance of that principle being extended to countries like Australia well that would represent a very significant improvement. But we have a threshold problem with binding emission targets related to 1990 outputs because it is going to strike directly at our GDP and do us immense damage and we just couldn't accept them.

JOURNALIST:

... did you make any progress on the pensions or is Mr Blair treated this pretty much the same as all of his predecessors?

PRIME MINISTER:

Well, my going in understanding was that the present, the new British Government's, position was essentially the same as that of the former Government and it was not something that occupied the whole meeting. But I reiterated our concern about it and for openers between Mr Blair and myself we are going to sort of agree the fact and we'll obviously talk again I hope fairly soon and have an opportunity of discussing it then.

JOURNALIST:

Did unemployment come up?

PRIME MINISTER:

Yes, we had quite a lengthy discussion about the problem of unemployment and the impact of changes in labour markets on the level of unemployment. He talked to me about his welfare to work proposals. I explained to him the changes that had been implemented in Australia in relation of the common youth allowance which were announced only a few days ago by Senator Newman.

JOURNALIST:

...(inaudible)..

PRIME MINISTER:

He understood the reasons for that. He has very strong views about changing the attitude of modern societies towards welfare and there is not an enormous gap between his views on things like that in conceptually speaking and my views. I think the reality is that all western governments are faced with many similar challenges and many similar problems and its important that we just, at particularly a Prime Minister to Prime Minister level, you put aside any ideological encumbrances and try and focus on the common responses to common problems.

JOURNALIST:

...is he a work for the dole man?

PRIME MINISTER:

Well, I didn't specially ask him, Laurie. But he did use expressions like 'carrot and stick' in discussion, but I didn't specially ask him that. I didn't feel any need to.

JOURNALIST:

Did you get any ideas from him?

PRIME MINISTER:

I think that many views that I had before about his understandings of modern economic problems I think they were confirmed. I don't know that I got new ideas. I think I did get the confirmation of the view that I expressed a moment ago and that is there are a range of common problems in societies such as Britain and Australia and the United States and it helps a lot to pool the experiences that you have. Now, he's a new Prime Minister with a very big majority. I'm a still relatively new Prime Minister with a very big majority but I don't have a House of Lords - I've got a Senate. I'm not suggesting we should trade them.

JOURNALIST:

Did he ask you at all about the stolen generation?

PRIME MINISTER:

No.

JOURNALIST:

...questions from him about Pauline Hanson?

PRIME MINISTER:

No.

JOURNALIST:

...any better news on the cricket for the rest of the week?

PRIME MINISTER:

No he didn't and we talked a little bit about soccer too.

JOURNALIST:

On jobs, when Mr Clinton was here they entered a formal agreement to share their experience and pool their knowledge. Is that something that you'll be doing with Mr Blair?

PRIME MINISTER:

Well, we didn't reach any formal agreement but I think the nature of the relationship the two governments will have will result in that occurring automatically and I'm certainly not going to allow any political differences to prevent a full exchange of information on things like unemployment. I mean, the reality is that Britain has a lower rate of unemployment than the rest of Europe and obviously it has to be related in some way to the policies that have been followed in this country over a number of years and I don't think Mr Blair would dispute that.

JOURNALIST:

Did he say anything about the Tory's choice of Mr Hague?

PRIME MINISTER:

No, it was just briefly alluded to. I think he remarked upon the age difference between the two of them.

Thank you.