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PRIME MINISTER

22 October 1997

**TRANSCRIPT OF THE PRIME MINISTER
THE HON JOHN HOWARD MP
DOORSTOP - CLARIDGES HOTEL, LONDON**

E&OE

JOURNALIST:

Prime Minister, how confident are you on getting Tony Blair on side on greenhouse gases?

PRIME MINISTER:

Well, I'm very confident that Australia will go to the Kyoto Conference offering in a very constructive way to play its part but putting forward a proposition that protects the Australian national interest. My job is to look after Australia. Mr Blair's job is to look after Britain. Obviously, we come from somewhat different points of view on this issue and there is no point in pretending otherwise because Britain's circumstances are different from Australia's but I'll be seeing him this afternoon and I'm quite certain that, consistent with the capacity of our two countries to work things through, I'm quite certain that although we have different vantage points where appropriate we will agree to disagree.

JOURNALIST:

Do you think you'll be out on your own at CHOGM on the issue?

PRIME MINISTER:

I wouldn't expect so, but at the end of the day it's not a question of whether you're out on your own or not, it's whether you're doing the right thing by Australia, and there is no doubt in the world that the stance that I am taking is in Australia's national

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's on that criteria and according to that benchmark that I choose to be
interestly nothing else.

JOURNALIST:

countries might support Australia's position?

PRIME MINISTER:

I don't have the faintest idea. I don't think it's a question of lining up one supporting the
other. I don't think that's the issue at all. The issue is what is in the best interests of
Australia and I can just say to the Australian public that as Prime Minister I'll be
advocating Australia's interest. I'll naturally be doing it in a co-operative way and
my position includes making a very significant contribution to the reduction of
greenhouse gases but judge me by what I do for Australia, not according to anything
else.

JOURNALIST:

Prime Minister, negative inflation. A good result. Any implications for interest rates,
do you think?

PRIME MINISTER:

Oh, it was a magnificent result. I mean this is astonishingly good economic news.
This is the lowest inflation rate in 35 years. Australia has a government which has got
the fundamentals in the Australian economy right in a way that we haven't seen for 20
or more years. You have the best convergence of economic fundamentals now. It
bodes well for very strong economic growth and that's important for employment
because if we can bust through the 4 per cent growth figure, and this lays the
foundation for it, then we can start to see unemployment come down because the
passport to lower unemployment is strong growth and you can't have strong growth if
you have inflationary pressures and we don't have them. This is a tremendous
outcome for Australia and sends a very positive signal to the business community ...

JOURNALIST:

On interest rates?

PRIME MINISTER:

... on all fronts. I'm not going to speculate about interest rates, you know that, I
won't do it. But you couldn't have a better inflationary situation. You have got a
strong budget situation and our budget position is very strong indeed. The decisions
we took in the first two budgets have made the ground work for a strongly growing
Australian economy and I'm absolutely delighted. We took the hard decisions early.
We've been criticised. We've been derided but we are now starting to see the fruits of

that fiscal rectitude and it is going to be seen in higher growth, falling unemployment and a much better output next year.

Thank you.

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