

78/12

Transcript of Interview between Prime Minister Malcolm Fraser and Reporter Richard Colville for CHANNEL TEN "SUNDAY REPORT" to go to air at 6.00 p.m. on Sunday, 29th October, 1978. We would appreciate acknowledgements of any excerpts used. Questions posed by Richard Colville and answered by the Prime Minister.

Q.; What's the purpose behind the new policy which requires Government approval for mineral export contracts?

A.: For many years there has been a policy in Australia of trying to protect Australian exporters, especially when there is a unified buying system in a country which often tries to pick off one Australian exporter after another and bear down on the price. Now, under the present circumstances there is plainly a buyers' market for a number of our minerals. There is a downward pressure on prices and a number of the companies have wanted the Government to do what it could to strengthen the arm of the Australian negotiators.

Q.: Well, how will that help a company that might have thousands of tonnes of unsold minerals, for instance coal, if you go and block off its possible avenues of sale?

A.: Right, the Government is not going to block off anything. The Government is not going to enter into any negotiations with customers .. that's a job for companies. But what we want to do is try and prevent the circumstance happening in which one Australian company offers lower prices and then destroys the prospects of others, and you can imagine the difficulty of one company negotiating .. is then fearful that the company next in the list will be prepared to offer much lower prices than they'd want to accept, but that fear causes them to accept lower prices themselves. But the price limits are going to be set

after discussions with the Industries concerned, and therefore the Government is certainly going to be reasonable in relation to these matters, and I think it is much better to approach it from this way than to take the action of past Governments that people negotiate, they come to an agreement, but the Government says 'No, that's not good enough, go back and negotiate again'. That obviously creates great difficulties and we didn't want to approach it that way.

Q.: Can you convince Sir Charles Court and Mr. Bjelke Petersen of that, do you think?

A.: Well, there might be some difficulty in that, but I do know that a number of the major Australian companies are convinced that Australia's negotiating arm - their negotiating arm - needs strengthening, and it can't be strengthened unless the Government has some kind of involvement.

Q.: A couple of months ago on this programme you said you expected major uranium developments to start work within a couple of weeks. Circumstances have intervened since then. What's the situation now ... what's going to happen?

A.: Well, Ian Viner will be going to the Northern Territory for discussions with the Northern Land Council and there's not very much I can say until that discussion has taken place. But he has been very closely in touch with the Chairman and with other members in the Northern Territory. I think some of the intervening events are quite unfortunate because it has become quite plain that some people have been not so concerned about Aboriginal interests but concerned merely to block uranium mining for their own

particular purposes, and we have sought, and gone to great lengths to protect the interests of the Aboriginal people and of the environment. But there is a national interest also to see that uranium is exported.

Q.: There is a meeting of the Loan Council coming up in about a week. Now I understand the Government regards this as being particularly important to Australia's future?

A.: I think it will help to take Australia forward into the 1980's, with a great deal of confidence. About 18 months ago at the Premiers' Conference we agreed to have discussions between Commonwealth and State officials to see whether or not it would be possible to allow some State instrumentalities to borrow overseas to supplement funds to bring forward development projects or to assist in getting development projects off the ground by providing infrastructure which earlier the companies themselves might have had to provide. Now we are in a more competitive world, the Trading situation is tougher, world markets aren't growing as much, and, you know, one of the purposes of this examination was to see if we could sharpen Australia's competitive edge as against other countries.

Now Commonwealth and State officials have quite exhaustively examined these matters .. we have agreed on the broad guidelines, the principals, at the last Premiers' Conference, and since then Commonwealth and State officials have been examining detailed projects which have been put forward by the States, which they would like to finance in these ways.

Now, I can't say what the result of that's going to be. The majority of the Loan Council is needed for the

approval of support for any particular project, but I do believe that the purpose of the meeting is a very sound one, and that in a sense it will be a historic meeting because I think it will help to move some developments in Australia forward at a faster rate, and that will be good for the Nation.

.... oOo