

## INTERVIEW WITH DAVID JENSEN AND BRUCE JONES

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Question:

Prime Minister, southern African seem likely to dominate CHOGM. You're on record as saying you're advising caution against of Zimbabwe, and you have been in contact with Mrs Thatcher and Joe Clark on this. What progress have you made, or what has been your response?

Prime Minister:

The discussions with the United Kingdom really began on this before the election when Lord Carrington was out here, and we had extensive discussions at that time. Since then, I believed I think that a Conservative government would want to move cautiously, and not want to take any precipitative action. They've stated as an objective the bringing of Zimbabwe back to legality but clearly, that needs to be done if it is at all possible, in a way that's peaceful and in a way that's accepted by all the parties concerned. The British government is therefore set in train a very extensive series of consultations with all parties in Africa. The frontline states are involved, the Patriotic Front have got an interest, and if people can be brought to a negotiated settlement, then that's obviously a great advance. The Foreign Minister has said that the elections in Zimbabwe is a significant step forward, but not one which of itself would justify recognition. He has talked of the prospect of the Muzorewa government itself initiating discussions with the Patriotic Front in a way which might lead to the resolution of the issues. It's not possible to look at this particular issue in isolation. It is important to look at it in the context of what's happened in Africa against the wider context of the Commonwealth nad indeed the western influence in the African continent. The wrong decisions could obvioulsy make it the most devisive issue in the Commonwealth.

I happen to believe the Commonwealth is an instrument of great value. I've been surprised, and very pleasantly surprised on earlier occasions at the very real sense of moderation and reason with which people put views which they plainly hold very strongly. It's the kind of moderation and reasoned discussion amongst a large number of heads of government, about 40, which so often seems to be totally lacking in the United Nations - with all the differences or most of the differences you find in the United Nations, you find in the Commonwealth. It's an instrument which enables discussions to take place, progress to be made. You know, it mightn't be stretching it too far to say that if it weren't for the Commonwealth agreement on the common fund reached at UNCTAD would not have been reached. It is certainly very useful in bringing people of differing views to a reconciliation of those views so there is a very real role and it would be important that nothing be done that would prejudice that in the future.

And in addition to that you've got the question of western influence in Africa - if wrong or ill-considered decisions were taken, it could well dissipate western influence, and leave

the way open for increased Russian influence, for increased activity by Cuban surrogates.

Now, that's certainly not in our interests, that's not in the interests of the Commonwealth, and I'm very certain it's not something the great majority of African states would want to see happen. Their objective is an independent Africa, clearly, free from domination, but at the same time, there are issues in Africa of enormous sensitivity and I think many Australians find it difficult to understand that sensitivity. You know, they say, "What's so special about Africa? What about human rights in Russia?". But there is one thing that puts Africa aside: Problems in what was Rhodesia stem out of the policy of slavery and all the difficulties that flowed from that. It is only about 120 years since the United States fought one of the most horrible, devious and destructive civil wars in the history of man on that very issue. The policies I suppose theoretically within the living memory of the grandfathers of people presently alive in Africa.

I have stated on many occasions that apartheid is a repulsive regime. It is not widely known and understood that Sir Robert Menzies was the first Australian prime minister to express that view with great vehemence, which he did. He condemned the policy roundly as one which would not, and could not, work. The idea that people are superior because of the colour of their skin, or inferior because of the colour of their skin, must be one of the most repulsive policies known to man. Unless we can have some understanding of that, we'll never understand the African issues or the strength with which people hold their views, and if we don't understand that, we'll make wrong decisions and not be able to understand the motivation of people adequately, or properly.

Question:

You indicated that the Commonwealth could have more influence in Africa than the United Nations.

Prime Minister:

Well, I think that in some areas, the Commonwealth can have more influence. The problems in Zimbabwe flow through from the unilateral declaration of independence against the United Kingdom, and the Commonwealth has a very real role. The meeting in Lusaka is bound to discuss at great lengths the problems of Zimbabwe and I would imagine the problems of southern Africa.

Question:

Has your government been in contact with the Patriotic Front - Nkomo or Mugabwe?

Prime Minister:

Not in direct terms. An officer in the Department of Foreign Affairs and my own Department, Alan Griffiths, have had very extensive discussions with a wide number of people in Britain - Alan Griffiths is not back yet but I'll be getting a wide report from him on a wide range of official and unofficial discussions which he has been involved in and as he is returning through the United States and Canada,

Canada, we'll have a fairly good conspectus of views and how these particular matters are moving.

Question:

What is the initiative that you appear to be trying to play in Africa?

Prime Minister:

Well, I don't think we're really trying to play any. Our objective is obviously to make sure that the Commonwealth itself is not damaged as a result of issues that will be raised at Lusaka, and also of course to assist in getting to a situation in which there can be a reconciliation of different views, a consensus, and even agreement. Now, the suggestion that the Zimbabwe issue has got to be resolved by fighting, I think is a very sad suggestion and it is also defeatist, because nobody will be winners in that. Therefore, while there are different parties whose views which at the moment are sharply opposed, the objective of our diplomacy, and I'm quite certain is the objective of British diplomacy, ought to be to try to achieve some reconciliation. How that can be done, or achieved, is too early to tell.

Question:

Do you think that fighting is inevitable, if recognition of the Zimbabwe regime is inevitable?

Prime Minister:

I think that if there were immediate recognition of the regime in Zimbabwe that it would be very difficult for the Commonwealth and very, very, difficult for that particular regime. I believe there would be increasing Russian influence and Russian involvement, arming guerillas, use of Cuban troops and a destruction of British and United States influence in Africa. All of that would be very much against the interests of Africa itself - certainly against Commonwealth interests.

Question:

Does President Carter share this view? Have you had any contact with him?

Prime Minister:

Not directly. When Ambassador Young was here we had extensive discussions. After that, there were extensive discussions between Vance and Carrington, and I think there is general consensus that these matters do need to be approached with a very real degree of caution. An advance has been made but in our view not one that would merit recognition of the regime and it depends on what happens from here on as to whether that advance has consolidated and broadened in a way that can become acceptable to all parties. That's the objective we must work for. Hopefully out of the discussions that will be taking place with a wide number of people, the Secretary General of the Commonwealth is very much involved and many others. I had some discussions in Manila on this subject with one or two members of the Commonwealth. Hopefully out of all of that will emerge reasonable and rational

solutions. I'm not making any predictions about that because I think it is very difficult and I know views are held with great strength, and as I believe, with great sincerity. We need to understand that and we certainly must not underestimate the difficulties.

Question:

You are going to Nigeria before Lusaka. Will you be talking to Nigeria about the possibility of importing oil?

Prime Minister:

The details of the discussion and the matters which we will be looking at have not yet been raised but it is certainly a possibility we will not be overlooking. I don't know to what extent their supplies are dedicated in other directions but we are obviously looking for diversification of our sources of oil as well as trying to increase our own levels of exploration.

Question:

Did the suggestion on the oil from Nigeria, come from Nigeria or was it an Australian initiative?

Prime Minister:

In terms of the visit, that was a Nigerian initiative flowing out of a meeting in Jamaica, but there's no particular agenda for discussions at the moment. There'll probably be a wide range of issues, obviously, that we'll be discussing at the Commonwealth Heads of Government Meeting - north-south issues, some bilateral issues into which the purchase of oil would be one

Question:

You are aware that Vorster has resigned as President. Do you think this will have any effect on the whole southern African issue - particularly Namibia?

Prime Minister:

I would have suspected that South Africa's policies are fairly well set - I mean, I don't really see those policies as being altered significantly by change of personalities at this point, policies that are really embraced by at least the ruling hierarchy.

Question:

Prime Minister, inflation. You stated at a press conference just under two weeks ago that you couldn't see an improvement in the next 12 months, and that it would be around 10 or 11%.

Prime Minister:

I didn't say that. I said that it would be a significant success if we could hold it at around current levels.

Question:

Yes, I think people took it at 10 or 11 because they were quoting - it's 8% at the moment. When can you see some

improvement in that, or aren't you looking for an improvement in the next ....

Prime Minister:

Obviously we'll look for an improvement and we'll be looking at the final budget result that bears down significantly on inflation. The next wage case is going to be significant, obviously. The last wage in economic terms was, to put it as gently as I can, not a helpful one, and it's time there was greater assistance in the general economic recovery from the wages front. It is not possible to predict what is going to happen about beef prices, oil prices and OPEC countries, and these things of course have a significant effect on our economy. Wages are a domestic event. We had a number of particular circumstances through the course of the course of the last 8 months which have affected inflation, a number of them good for sections of the Australian community but bad for inflation. The wheat crop which was double the year before was good for the farmers but bad for inflation. Beef prices I've mentioned, oil prices and wages - higher mineral prices - good for the industries concerned, good for the balance of payments which has strengthened markedly in recent months, but again, not so good for inflation. So we have to counteract all that which was one of the reasons for the mini budget and I think it will depend on how much these particular forces continue their thrust upwards, whether they peter out.

The prospects of Australian inflation remaining below that of a number of our senior major trading partners is very real, because in North America and in many countries of Europe, inflation is 10% or higher. So long as we keep our inflation below North America, below Britain, below France, below Italy, below a number of other countries, then our industries will be getting more competitive and not less. In the past one of the great damages was done because our inflation was much worse than in many others so our industries lost markets here and overseas. We are certainly not complacent about it, but at the same time, we've got to face the reality of the situation and obviously our principle objective will be to keep Australia's rate below that of other major trading countries.

Question:

To what extent does foreign investment play in inflation?

Prime Minister:

Well, if there's too much inflation, there will be much less foreign investment. They'll just get disturbed and they will lose confidence. If we can keep inflation below that of countries such as the United States, I think then that will continue to attract a marked degree of foreign investment. Private capital inflow in recent weeks has run quite well and let me take the example of one industry - aluminium. There is very nearly \$2 000 million been firmly announced in that industry alone. That's an enormous industrial development, and it's one of the things that indicates if Australia plays her cards right, we will get a reasonable degree of economic activity. That's very largely because we've got significant mineral resour

we've got significant mineral resources and that does attract investment.

Question:

The oil company representatives on the radio this morning were suggesting that your moratorium on the Great Barrier Reef would deter companies from coming into Australia.

Prime Minister:

I think that's nonsense. There were companies there that had leases available and I don't know any country that would have wanted to get caught up in the environmental problems with drilling on the Reef, and I don't think they would have been the slightest bit interested. They wouldn't want to get caught in the row, and certainly none of countries with exploration areas were showing any keenness. There was no pressure from them to say, "Let us go and drill". Anyway, there has been the moratorium up to now and oil search is gathering pace again as we'd want it to, as a result of other oil pricing policies to encourage exploration.

Question:

When did you plan to make the moratorium announcement. It seemed that the Opposition was making the most of the past few weeks, attacking Mr Newman .....

Prime Minister:

It was a question of getting a submission forward from Mr Newman and Senator Webster on how to handle the royal commission findings.

Question:

You don't feel that Mr Newman or the government has been embarrassed in any way . . .

Prime Minister:

We would have been better off without the debate, but I don't think there is any embarrassment really on what occurred. The issues are quite plain. I'm not surprised that the Opposition trying to make something of it but as I only heard it yesterday, I think this government's record in environmental matters stands so high that it really wasn't carrying much weight.

Question:

The Santos ruling in South Australia - could that effect investment?

Prime Minister:

It won't be helpful, but there are other things which are deterring investment in South Australia and the South Australian government is well aware of that. They are going to have to set about developing policies which will attract

investment or else there is going to be a slow and gradual decline in South Australia, quite inevitably .

Question:

Does that apply to other States also?

Prime Minister:

It applies to the policies in South Australia. It's the only State I know at the moment which has developed that sort of reputation.

Question:

Have you decided yet on a replacement for Sir Arthur Tange?

Prime Minister:

No.

Question:

Is it likely that he will be asked to stay on, or has he been asked to stay on?

Prime Minister:

I'd want to speculate about what's going to happen, and no decision has been made.

Question:

It has been suggested that in the Pacific, Australia is not giving the type of aid which the South Pacific nations want, particularly the Solomon Islands. Their Foreign Minister was through here about 2 or 3 months ago.

Prime Minister:

Well, if that's so, I'd be surprised because the Foreign Minister has a very substantial aid programme in the South Pacific, and generally the projects are worked out in co-operation with the countries concerned. We don't try to say to them, "Look, you've got to have tractors", if they want something else. They put in their requests, then there is some discussion about it, but in aid projects, it's certainly not a question of Australia telling people what's good for them. We are seeking to respond to their own wishes and development plans.

Question:

The suggestion that he was making - he was saying that they have been offered Russian aid and they might have to look more closely at it. He cited examples of South Pacific nations being given hospitals when they didn't want hospitals because they didn't have the staff or the equipment to run them

Prime Minister:

If there were any particular suggestions made, I'd like to have them followed up, because it would seem to me to be quite

against the general approach we've adopted in aid to try and deliver it in forms which are unacceptable to the people concerned. That's not what we're about.

Question:

You have been increasing aid to the South Pacific and playing a greater role. Will yourself be going to Honiara.

Prime Minister

Present plans are, yes.

Question

Using the 707 for the first time?

Prime Minister

No, I doubt it. We'll be going in the BAC I think.

Question

But it is possible with the airstrip, isn't -- long enough to take 707s.

Prime Minister

I think a BAC can get there quite happily.

Question

Why the reluctance to initiate it?

Prime Minister

For short trips the BAC-111 is an adequate aircraft. Anyway, I doubt if a 707 can land at Honiara. It might be able to.

Question

Are you surprised at the continuing criticism of the Government purchase of these two jets coming from the Opposition which itself wanted to purchase these aircraft anyway.

Prime Minister

I am surprised at Mr. Hayden's suggestion that we should charter a 747 from Qantas. I will get you to check the figures afterwards. I think a charter from the United Kingdom would be \$360,000 with a \$150,000 a week waiting time. Really, the idea of flying around in a 747 seems to me slightly ludicrous. But that was Mr. Hayden's suggestion in the Parliament the other day. That suggestion was also



misleading because if it was correct it means he has accepted the security argument which of course is what this is all about. Look, I'm not surprised at anything the opposition does. If they want to tag these aircraft as a personal possession of Malcolm Fraser, so they say there's no security argument and all the rest, and they also can't say there's no defence use, which is quite untrue, there'll be 40 flights a year to Butterworth alone. They're going to be used for refugees, for bringing refugees to this country and you'll notice it's much too late to apologise to the families of 300-400 people who might go down on the aircraft that could be sabotaged or hijacked because a head of Government's on it. Security assessment is that the risks Mal, are too great. He's not just talking about the risks for Fraser, I'm more concerned in that context but the risks for the other passengers who are on the aircraft, who booked, thinking they are booking on a normal commercial passenger flight but then you suddenly find that because a Head of Government is on board that they are involved in risks to they themselves and I regard it as quite unacceptable and sort of thing the Labor Party would or ought to be very red-faced and there have been security concerns on a number of occasions which at the very least cause very great inconvenience to all the other passengers.

Question

When you say security concerns have they been on defence er

Prime Minister

On Singapore, no on Singapore on one occasion, a member of a Terrorist gang was found in the Airport and I was meant to be flying out. They said there was a technical problem and took me off and gave me dinner somewhere but everyone was unloaded from the aircraft, all the luggage was unloaded from the aircraft and everything was checked and put back. The delay was very considerable but that was the kind of precaution that people felt they had to take and you know it's not uncommon, the same sort of thing occurred in the United States on the way from Jamaica and you know in the United States they always blame it on loading delays but get very uneasy about the need for security and I find it increasingly hard to guarantee the sort of security that they think is necessary. Not just for the Head of Government but for the other passengers who are involved. I think it would be grossly wrong to continue to put at risk an international flight and large numbers of private citizens.

Question

Prime Minister, could be just take an embargo case for  
Do you have the information on the

Prime Minister

No.

Question

Mrs Thatcher will be visiting Australia immediately after the

Prime Minister

Immediately after the Summit Conference.

Question

I'm sorry yes.

Prime Minister

Yes, she'll be coming here and the United Kingdom authorities raise the possibility with us a few days ago and obviously I responded to that very willingly. Mrs Thatcher when first British Prime Minister to be using, Sir Harold MacMillan after 1953. The British Prime Ministers haven't make a habit of coming to Australia and it's very pleasing so soon after assuming Office that Mrs Thatcher has thought it useful to come here for discussions on a wide range of issues in which both Britain and Australia have a concern.

Question

Those issues will include of course, the matters to be raised at CHOGRM.

Prime Minister

Obviously we will be talking about the forthcoming meeting at Lusaka. But there are many other issues I'll be looking forward to a report on the Tokyo Summit itself. We'll be discussing the conclusion of the general trade round, Australia's relationship with the community and there are a large number of issues in which the opportunity for closer discussions with Mrs Thatcher will be vastly useful certainly to Australia and I think they must to Britain also or they wouldn't be making the effort to come here.

Question

Are any of the other leaders attending the Summit, expected to visit Australia also.

Prime Minister

Not at this stage, no. Secretary of State Vance will be here for the ANZUS talks and we'll be obviously having discussions with him on a wide range of issues I saw Prime Minister Ohiro before the Tokyo Summit.

Question

President Carter, being president twice, what's the likelihood of him

Prime Minister

I think President Carter is obviously starting to get geared up for next year's Presidential Election. It's unlikely that he'll be doing much international visiting.

Question

Talking about overseas visitors. You've had no more approaches indirectly or directly by the Shah to seek refuge out here.

Prime Minister

I've only had one very, very indirect approach. He wasn't seeking refuge here. I think he might have been seeking to visit here for a short while, but I think it is unlikely that that will occur.

Question

He would not have been welcome.

Prime Minister

I wouldn't want to put it in those terms I think it is unlikely that he'll in fact be coming here. There would be great problems if it were to eventuate.

Question

There's just one, on the record. With spending cuts many people would say that education should be the last area that cuts should be made and I was wondering if you as a former Education Minister were concerned about this rigour of spending

Prime Minister

Well, there are many other people who believe that there has been a great expenditure in education over the last 10 or so years and that some restraint in that expenditure is now required. Now if you're looking for building programmes and the general programmes and the way the cost of education has escalated, it's almost getting to a stage where more attention is being paid to the facilities than to the quality of education which depend on the teacher's relationships with the pupils. Facilities doesn't necessarily lead to good education, there's still some backlog to be overcome but enormous progress has been made.

Question

Just one other thing. The decision with Gordon Barton and the DC 3's still puzzle a lot of people. Gordon Barton said that he might approach you directly. Has he done so.

Prime Minister

No. It hasn't got on to my desk. I thought he was doing fairly well.

Question

He has done fairly well out of the Government too as he has authority to take those aircraft across and I think its operation has expanded under the authority you've given him. I've got no doubt he'll always like more.

Question

On the background, I suppose. Are you confident that the British will hold off on a decision on Zimbabwe until after Lusaka.

Prime Minister

Well, on a background basis, totally.

Question

Totally. Thank you very much Prime Minister. -