



PRIME MINISTER

Transcript - Press briefing with John Bowan - 7 August 1984

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BOWAN: The two Prime Ministers met for an hour altogether this morning, of which about three quarters was just a private meeting between themselves and about twenty minutes or so with officials. They did discuss the issue of ANZUS and allied ship visits and in the course of the discussion the Prime Minister outlined the Australian Government's position which you are all familiar with. He made it quite clear in doing that that he was expressing the Australian view and he was not acting as an emissary of the United States. And then they had a useful exchange on the issue.

Turning to economic issues they discussed CER and they reaffirmed the commitment of both Governments to the CER process and in that context they discussed a number of investment and trade problems which had emerged under the previous conservative New Zealand administration.

On motor vehicles the New Zealanders acknowledged that the arrangements announced by Mr Muldoon during the election would have reduced preferences to Australian vehicles in the New Zealand market to a very significantly damaging point and he acknowledged that this was not viable in the CER context and Mr Lange undertook to review the arrangements at ministerial level and within one month to be in a position to come back and talk to us about it with rather a more satisfactory position.

On steel the two Prime Ministers reviewed the recent history of relations on steel and agreed that they would initiate discussion by officials and Ministers to find an acceptable formula for equitable reciprocal access to each other's markets for rolled steel from the time the new New Zealand rolling mill comes into production. Now that's planned for 1986 until 1991 when the CER free trade provisions come into force.

On investment Mr Hawke expressed appreciation of the new New Zealand's Labor Government's decision to lift an embargo on Australian investment in New Zealand. The two Prime Ministers agreed that despite Muldoon propaganda there was really no real current investment impediment to New Zealand in Australia. And the P.M. indicated that for its part Australia was determining its arrangements to ensure that problems did not arise in the future. In that context the question of the well-known application by the Bank

BOWAN cont...: of New Zealand to open in Australia was raised.

JOURNALIST: The Bank of New Zealand?

BOWAN: The National Bank of New Zealand. The P.M. indicated that in the months following the Budget the Treasurer would bring forward a submission on the entry of foreign banks and in that context the New Zealand application would be examined sympathetically.

JOURNALIST: Is that month or months?

BOWAN: Months. So that's it ladies and gentlemen.

JOURNALIST: On the ANZUS talks would Mr Hawke have got an impression from Mr Lange that in fact their position wouldn't change on the nuclear ships.

BOWAN: Well Barrie I can't go beyond what I've said which is basically they had a useful exchange on the issue.

JOURNALIST: What was useful about the exchange?

JOURNALIST: How long did they devote to that discussion?

BOWAN: I don't know Greg, I wasn't there.

JOURNALIST: So this all occurred in the private meeting, none outside it?

BOWAN: Yes.

JOURNALIST: Can you say what Hawke said expressing the Australian view?

BOWAN: Well the Australian view as you know is that we accept visits by allied warships and we will continue to do so.

JOURNALIST: ... consequence for the future of the alliance?

BOWAN: I don't know about that.

JOURNALIST: Do you know if they agreed to have future talks with us about it.

BOWAN: I don't know what they agreed. I presume that there will be continued discussion on the subject.

JOURNALIST: Were you there for the last twenty minutes?

BOWAN: Yes I was there for the ... I think it was a very friendly meeting. They know each other as you know from Mr Lange's visit to Australia last July and they have a good rapport.

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JOURNALIST: Are they planning to meet again while they're here?

BOWAN: Not for a specific bilateral occasion like this. They'll no doubt be running into each other at different social events.

JOURNALIST: Have you got any more detail on the cars, what the preferences, what the effect would be. Would we sell them more cars, will they be cheaper ther?

BOWAN: Well I presume that's obviously our concern. With the proposal that Muldoon put forward it would then have been very to our position. And the fact that the New Zealanders have acknowledged that certainly leads us to be hopeful that we'll come up with a better ...

JOURNALIST: I don't know exactly what it was Muldoon did in any particular detail.

GARNAUT: ... a new car industry plan in the course of the election campaign. One feature of that was to reduce the margin of preference that Australian vehicles had in the past. Another feature was that it didn't move towards a great deal of free access for Australian vehicles ... And the combination of those two effects was going to reduce what had been an historically important market for Australia. Australia would prefer arrangements that increase rather than reduce markets overseas.

JOURNALIST: How much was it going to reduce the market. What sort of estimates did we have on that?

GARNAUT: There hasn't been any detailed assessment but it did look as if it was going to be substantial and Mr Lange ...

JOURNALIST: What's substantial - 20%, 30%, 10%, 50%?

GARNAUT: I haven't seen a quantitative estimate but I would think it would be more like the largest than the smallest.

JOURNALIST: How much is the market preference at this stage?

GARNAUT: Well it's different for different sections of the industry.

JOURNALIST: ... of our P.M. going to New Zealand at some stage?

BOWAN: Not that I'm aware of Peter.

JOURNALIST: Did Lange tell him he might be raising this ANZUS thing at the South Pacific Forum on nuclear ships?

BOWAN: I don't know.

JOURNALIST: Can you give a bit more detail on the nuclear ships maybe later?

BOWAN: I'm not sure that we really want to go beyond what I've said really.

JOURNALIST: What was the point of the meeting. I mean can Mr Hawke get some indication of any change in the New Zealand attitude between when Mr Hayden was there and now.

BOWAN: Well he wanted to discuss the issue and hear from Mr Lange his views on it and to take the opportunity to put across our own views.

JOURNALIST: Did he go beyond our own views in terms of trying to put together some sort of forum to resolve the problem or ideas?

BOWAN: I don't know about that Greg.

JOURNALIST: Why is the Government being so reticent?

BOWAN: I think this was a private discussion between the two Prime Ministers. It's obviously a fairly sensitive issue.

JOURNALIST: When our Prime Minister says that we accept visits by allied nuclear ships as part of the pact did he indicate the we believe that we do this because we believe it's necessary for the continuation of the pact as a workable pact.

BOWAN: I believe that's part of our position.

JOURNALIST: He would have spelt that out as well I take it?

BOWAN: Well I imagine.

JOURNALIST: So is this sort of reticence about something that's going to be ... because of our concern or New Zealand's concern for their position.

BOWAN: No I think it's just appropriate that the issue be handled with sensitiveness.

JOURNALIST: Would it be too strong to say that Mr Hawke said to Mr Lange today if the visits didn't go ahead that ANZUS could break down.

BOWAN: I don't know whether he put that to him?

JOURNALIST: Well there must have been a determined position before he went in though?

BOWAN: Well I don't really want to go basically beyond the position that I set out in the beginning.

JOURNALIST: Did Mr Hawke give Mr Lange any hints on his experience in handling the economy, on the National Economic Summit?

BOWAN: There was a separate meeting of some officials at which there was some discussion of the Summit and the New Zealanders plans were certainly raised. I don't know what it was like in the discussions between them.

JOURNALIST: What was that separate officials' meeting about besides the Summit.

BOWAN: Well it was really the officials who were basically in readiness to take part in with the Prime Ministers. There was a bit of a social gathering first and then there was some discussion.

JOURNALIST: Was there a discussion on the nuclear ships ...

BOWAN: No. No formal discussions.

JOURNALIST: Did they talk about the future of CHOGRM.

BOWAN: Not as far as I know Peter.

JOURNALIST: Did they discuss the gold medal tally ...

BOWAN: That would almost certainly have been a ... subject. Just as a matter of interest the Prime Minister this evening after the conclusion of the day's festivities will be receiving a call by the Indonesian Minister for Home Affairs, Mr Soedardjo Rustan, who is representing President Suharto here at the opening of the PNG Parliament.

JOURNALIST: Has he got any plans to see Rajaratnam while he's here?

BOWAN: No, no Bruce.

JOURNALIST: What's the purpose of this call tonight?

BOWAN: Well the Indonesians have indicated that they would like Mr Soedardjo to pay a courtesy call on the Prime Minister.

JOURNALIST: Did they mention any specific ...

BOWAN: No specific topics, no.
