

TRANSCRIPT - PRESS CONFERENCE WITH PRIME MINISTER - SUVA,
4.00 P.M., 29 August 1984

E & O E - PROOF ONLY

P.M.: Well ladies and gentlemen I've just had talks with Prime Minister of Fiji, Ratu Mara, and members of the Cabinet and I'm pleased to say that in the view of both the Prime Minister of Fiji and myself that the bilateral relations between our two countries are in excellent shape and I believe that they will become even stronger. Not only are our bilateral relations in good shape but we share perceptions in regard to matters effecting the region, both in economic co-operation and regional security terms. So this has been a very cordial, productive meeting.

JOURNALIST: Mr Prime Minister could you refer to some specific issues that you may have taken up with the Prime Minister, our Prime Minister or some issues that our Prime Minister may have raised with you.

P.M.: The only matter that the Prime Minister alluded to and which he indicated didn't need any spelling out between us was the area of trade under the SPARTECA arrangements, and they have some concerns in regard to apparel and the content and origin. But that matter has already been discussed in a recent meeting with our officials and we have an understanding that we'll continue those discussions and I believe those matters will be sorted out. It's not a matter of problem between us.

JOURNALIST: Prime Minister you said you discussed regional security with matters. Did the Prime Minister express any concern that New Zealand's decision not to allow U.S. nuclear ships into its ports might weaken ANZUS and therefore weaken the position of Fiji.

P.M.: I think the question of discussions between leaders of two Governments involving other Governments, it's not appropriate to go into those matters. But I can make the general comment that the strength and viability of ANZUS is a matter of interest to the Government of Fiji and so they are interested in current developments, but I don't go to the question of discussions between us involving other countries.

JOURNALIST: Did he ask for more aid from Australia?

P.M.: No.

JOURNALIST: Prime Minister, the Australian High Commissioner in Suva is to have an Australian Defence official attached to it. Does that mean that Australia is going to somehow increase its very small military involvement in Fiji.

P.M.: No, I believe that there is satisfaction here and in Australia at the nature of the defence co-operation that exists. There has been no indication of any unhappiness about that. It seems to be working well, not only directly in the co-operation which includes technical assistance, it includes training in Australia. I think as of the last year there are 49 members of the Fijian defence forces who have been undergoing some form of training courses in Australia. So in the direct force to force co-operation and the training co-operation, and also in particular the co-operation which historically and currently taking place in the Middle East - I think in all aspects of the relationship it is satisfactory.

JOURNALIST: Prime Minister has the decision by New Zealand to ban nuclear ships lead to a need to reassure this region that the security arrangements under ANZUS are still in place.

P.M.: I don't think it's the right way to put that there's been a need to reassure. The only partners of the relationship, as you know, are the three countries - Australia, New Zealand and the United States. But nevertheless you're right in the assumption that other countries, including Fiji, do have an interest in the effective operation of that Treaty. I think that they have been reassured by the strength of the Australian recommitment to the relationship. And I think they, like Australia, are taking the sensible view that the issues that currently exist between the new New Zealand Government and the United States are in the process of being talked about at a number of levels to look through. And that's the way it's got to be and I remain optimistic, I am optimistic that those processes of discussion will work through in a satisfactory way. But to go into and try and analyse the stage that those discussions have reached could be counterproductive, so I'm not going to enter into it.

JOURNALIST: Mr Prime Minister the unemployment is a major problem in this part of the world and in your (country) too. Do you think your Government will consider bringing in some schemes to take workers from this part of the world, from the island states of the Pacific, for short periods.

P.M.: The concept of guest workers has not been accepted by any Australian Government. It is not a concept which is accepted currently across the political spectrum in Australia. So my Government continues what has been a traditional view. We have opened up Australia in the post war period in an historically unprecedented way to people from overseas. That has not on a guest worker basis or temporary basis, but on the basis of permanent citizenship. The contribution that we are making in current terms and into the future consists of these elements. We still have an immigration component in the order of 70,000. We make contributions to the capacity of other countries, not merely in general aid programs which are calculated to try and assist economic growth in those countries and therefore to create more employment opportunities but also in terms of specific educational opportunities. These are the ways in which meaningfully, Australia tries to do something for those countries around us which don't have the same economic advantages that we do. We will continue to do that as I said

P.M. cont.: today we have a program of \$300 million aid in the period up to 1987/88, that five year period. And that aid is not aid which we determine ourselves and say this is what should happen, but we have sought to get the views of the recipient countries as to what forms of aid are most likely to strengthen the infrastructure of the recipient countries so that there will be, as a result of the use of that aid, the creation of more employment opportunities within the countries. These are the ways, the specific concrete ways, in which we think we can be of most assistance.

JOURNALIST: One criticism has been that Australia and other countries which take people from this part of the world take skilled workers, professional people, which may be scarce in this island country. Has this concern been expressed to you by any of the island people?

P.M.: No it hasn't been put to me. Obviously, if you are talking about real assistance both ways there is no point, from Australia's point of view, in taking components of immigration for which there is already a surplus of that sort of labour in Australia. That doesn't do anyone any good. As far as the areas of skilled shortage, the facts are that there has been a drastic reduction in Australia in those components. We had a category of immigration which was called the skilled shortage component now, that had a very very large number of components, that has been drastically reduced in recent times so that the number of people who would be eligible to come into Australia on the basis of a shortage of that skill in Australia is now very restricted. So I don't believe that either from our point of view what makes sense to us internally or what maybe seen as some sort of potential problem surrounding countries is an issue at the moment, it certainly hasn't been put to me by anyone.

JOURNALIST: That leads us Prime Minister to the Jackson Report which recommends that the Tuvalu and Kiribati islanders have no economic future, virtually no economic future and they should be resettled in Australia and New Zealand. What are your views on that report and the recommendations?

P.M.: Well there are two things I would say about that. Firstly, that the Government has received the Jackson Report and there is one area of the Jackson Report concerning students, overseas students, which has also been covered by another report received at the same time, the Goldring Report. Those two reports are with the Government and particularly in the hands of the relevant Ministers and we will be receiving submissions on those reports and coming to conclusions about them in the future, in the relatively near future. But we haven't as a Government officially considered our position on the reports. The first thing I would say, I can't therefore add any second point I would make in regard to your reference to Tuvalu is that having just had the pleasure of being there, I am not sure that if I were a Tuvaluan that I would see a net balance of advantage in leaving that idealic situation and coming to Australia.

JOURNALIST: Prime Minister, you are familiar with Papua New Guinea and I think to the residents of this country. Has your perception of the Pacific been changed by what you saw in Tuvalu and perhaps also your attitude to the Forum as an institution by what you saw in Tuvalu?

P.M.: Well, let me say again, two things about that. I believe that it was an extremely useful exercise to have the Forum meeting in Tuvalu. I think it is right to say that there was perhaps some not apprehension is not the right word, some sort of scepticism about having it there, but I believe that anyone who went there would not have remained with that feeling. It was the most direct way in which others of us who are more fortunate by traditional economic criteria if you say fortune, can see the problems confronting the smaller Pacific island states. And I certainly, speaking for myself, have a much clearer perception now of the issues confronting those states than I did before I went there, so that's useful. Secondly, I would say in regard to that part of your question about the Forum, it confirmed my view that the Forum is a useful mechanism, it's, I guess if you look at the whole range of international institutions and gatherings, it's not one which ranks high in terms of international recognition, but I believe that it operates sensibly, its not a high budget organisation, a million dollars in respect of the actual organisation, of course there are other economic cooperation elements which occur within that structure. Now it seems to me to operate in a non-formalised way. The discussions that are held are not bogged down by the where-as's and recognising's and all that perambular nonsense of United Nations Agencies. It tends to get down to issues and fairly practical issues. It certainly gives Australia, as the richest, most developed nation within the Forum, a direct opportunity to talk with the leaders of these countries to get a direct understanding of the sorts of problems they have got and to see for ourselves, as political leaders, what are the sorts of ways in which our aid is most likely to be useful. Now I regard the Forum as very useful practical institution and I am very glad that this meeting was held in Tuvalu.

JOURNALIST: Prime Minister, what value do you think the Ministerial grouping that the Forum decided upon to approach the Independence Front and the French authorities would have on New Caledonia on the issue of independence in New Caledonia. And is Australia going to be a member of that group and if not, why not.

P.M.: We're not going to be a member of it. Again basically because it's more appropriate that the countries immediately involved or directly involved should be part of it. We have our capacity to talk with France. What will come of it I don't know. You would have to say that on the experience of last year, France wasn't particularly forthcoming when we sought to get agreement to a delegation from Forum countries to go to New Caledonia. So I just don't know what their reaction will be. Let me, however, make this point in regard to their contact of this group with the independence front. I hope that the existence of this group of five to have continuing contact with the Independence Front may be useful in diverting the Front from those developments that I alluded to in Tuvalu.

P.M. cont .. That the influence of these five countries of the Pacific will be such as to persuade the Independence Front not to go outside the region and seek resort to the processes of force and terrorism. So I have that hope, some good may come out of that group.

JOURNALIST: Do you think once a year is enough for Forum meetings, is it sufficient or should the Forum leaders should meet more regularly.

P.M.: No, once a year is enough. We've all got a range of responsibilities but what is clear is that there should continue to be what is already happened and will happen more I think - a meeting of officials. The role of political leaders is to review events of the past year, see how they've been operating, see whether there are some new mechanisms that need to be put in place and to maintain an interest, to have reports coming through to you on what's happening. And then meeting once a year is adequate in those circumstances provided you have the commitment through at your official level, which we do have.

JOURNALIST: In New Caledonia, sir, there appears to be a very real threat of violence in that country.

P.M.: Well it certainly was put to us at the meeting, particularly by the spokesman for Vanuatu, Father Walter Lini, that tensions were rising and that there was this possibility. And I expressed the view at the meeting of our concern of the reported contacts that had been made recently with Libya. I believe that in the analysis of recent international events and any application of good sense to this situation would show that in the intrusion of elements like that into the scene would be disastrous. Now one can recognise, and indeed all members of the Forum have sympathy with the aspirations of the Kanak people, and that is why we expressed the view in our communique that the French Government should seek to accelerate the referendum from the date of 1989 that it's talking about to try and bring it forward. Yes there is a problem, there is a danger of violence and that's why I think there is a very considerable responsibility upon us all to try and persuade the Independence Front not to boycott the election but try and remain involved in the processes in the knowledge that they do have a solid basis of sympathy and support from the countries of the region.

JOURNALIST: Do you think the Libyan element may have been wanting to get island leaders to apply more pressure on France.

P.M.: Well I don't know. But as I said at the meeting I'm not one who easily responds to blackmail or threats and if people think that they're going to make Australia change its views by that sort of tactic, then they've got a surprise waiting. We don't respond to that sort of pressure.

JOURNALIST: Did you speak in favour of five member group.

P.M.: Well the five member group, I think, really developed in some informal discussions outside the formal session. But when it was brought to our attention afterwards we were quite happy about it. It didn't form part of the actual formal discussions. But in the Forum a lot of these things happen. I mean you have a discussion and there are points of view, emphases given and then they have some informal discussions and to get an agreed position some people like to have another element in it, that was one. And when it was brought to my attention I was quite happy about it.

JOURNALIST: Have you spoken to Mr Keating about Mr Stone's attack on the Government and do you believe that Mr Stone has forfeited the trust of the Government ...

P.M.: The answer to the first part of your question is no, I haven't spoken to Mr Keating. And secondly I haven't got any desire to enter into any public debate about the actions of Mr Stone. I'm much more interested in the continuing evidence of the strength and widespread nature of the recovery of the Australian economy which has resulted from the implementation of this Government's economic decisions.

JOURNALIST: Mr Hawke when a Secretary of the Treasury equates the Prime Minister with Napoleon the Pig out of George Orwell's Animal Farm, don't you think that requires a response.

P.M.: If you are a tender soul perhaps, but you know that I'm not a tender soul. If one succumbed to responding to that where would you get. I'm much more interested in the public making its judgements about the success or otherwise of the economic policies that this Government has decided upon, policies about which we were certain, even if some of our advisers weren't, which are working effectively. That's what the people are concerned about - whether the policies that we decide upon are working.

JOURNALIST: Prime Minister, Mr Stone seemed very concerned about the age group from 15 to 19, the people who couldn't find work.

P.M.: Well he has expressed his concern. He is not Robinson Crusoe. We have a political responsibility for making decisions which are going to improve the conditions and the possibilities for these people. We've made them and in the relatively short period we've been in Government the position for these people has remarkably improved. It will continue to do so.

JOURNALIST: Do you think its appropriate for public servants to be making comments on policy.

P.M.: Well I don't really want to get into this controversy. Mr Stone has made his decision as to how he should conduct himself. That's for him. I'm not going to directly or indirectly enter into that situation.

JOURNALIST: Would you agree that Mr Stone's comment that the burgeoning public debt in Australia is a matter of extreme concern and could in fact stop a sustained economic recovery.

JOURNALIST: Does that now mean sir that Australia can considerably increase its aid to the Pacific islands.

P.M.: It doesn't follow as a matter of logic. But let me say Australia's record of aid is a good one, you've heard it welcome today by the Prime Minister of Fiji. We know that we have done well and we're gratified that the recipients believe that Australia has acted within its capacities.

JOURNALIST: Mr Prime Minister, going back to the Australian home scene, how is your relationship with Mr Hayden these days.

P.M.: It's good.

JOURNALIST: Prime Minister, the Fijian navy has a very low opinion of the design for the patrol boat that you would like to present to the islands, that it's unseaworthy and too small and they could do a far better job here. Was that discussed today ...

P.M.: No it was not. I mean if the feeling has been as strong as your questioning I would have perhaps expected it to be raised. It wasn't.

JOURNALIST: Mr Hawke, just getting back to that point about the 15 to 19 age group - Mr Stone was the head of Treasury for a number of years, do you think in some way he has implemented policy which has created that position.

P.M.: Oh, I take the view that although there may be evidence to the contrary, that Mr Stone believes in the Westminster system and therefore it would be the case that he hasn't implemented policies in the past, Governments have done it. Now what the advice has been that he's given and whether that advice has been accepted in a way which has produced adverse results, it's not for me to say.

JOURNALIST: As Prime Minister, Mr Hawke, does Mr Stone's ...

P.M.: No.

JOURNALIST: Do you think there's a need for setting up a multi defence force in the Pacific, a peace-keeping force in the Pacific ...

P.M.: No, there is no evidence of any need to do that. I mean setting up peace keeping forces because problems may arise may be counterproductive, it may help those problems to arise.

JOURNALIST: Do you think the Pacific islands are taking a firm enough stand against nuclear free vessels, against nuclear free testing, sorry.

P.M.: Yes there are two things that were done at the Forum. Firstly, the decision to set up a working party of officials on the nuclear free zone concept and that was unanimous

P.M. cont... and secondly there was agreement that individual countries would write to the Government of France protesting this issue. So that seems to me to be evidence of their commitment to and preparedness to act on this issue.

JOURNALIST: Will Australia consider easing the immigration laws to allow free movement of Pacific islanders to and from Australia?

P.M.: The immigration policy of Australia has been quite clear under a number of successive governments over recent years and that is that our immigration policy will rest upon an assessment of the economic capacity of Australia to absorb migrants - that's the basic element of it. Secondly, it will have a component of family reunion in respect of those people who are already in Australia, they will have the right to bring immediate members of the family. And third, there is a refugee component. Fourth there is a business, entrepreneurial component. Those are the elements, all of which have to fit within the basic criterion of, as I say, economic capacity. Now that by definition doesn't mean unlimited immigration.

JOURNALIST; What I meant Mr Prime Minister was that Australia is now the only country in the Pacific where we need visas to travel... (tape break)

P.M.: This is not a matter which I'm aware has been raised with my Government so it not having been raised as far as I am aware I haven't felt compelled to address myself to it.

P.M.: I'm not going to conduct my analysis in respect of the Australian economy, where it's been, where it is and where it's going in the context of Mr Stone's exposition in Perth. It's pointless to do so, it's counterproductive. I will simply do as I have from the 5th of March - analyse with the assistance of our range of advisers where the Australian economy's been, what appears to be the necessary decisions to handle those problems and to get it on a better course. The facts show that we have been dramatically successful in the single-minded purpose that we've had in addressing these economic problems. There has never been such a dramatically successful turn around of the Australian economy as has occurred since we came in. I remind you of the elements, the fundamental elements. Economic growth - zero when we came in, the most rapid economic growth in the western world. Employment - we've stopped the explosion of unemployment, we've created 260,000 new jobs, we're ahead of target. Inflation - we've halved inflation. Interest rates down and since we've been away, with a new bond tender, interest rates down further. Now these are the important elements of the economic situation and we have been successful on all fronts. We will continue to be successful.

JOURNALIST: Prime Minister, have Mr Stone's actions presented a case for accelerating his departure.

P.M.: No, stones roll at their own pace.

JOURNALIST: Do you regret keeping Mr Stone on as Head of Treasury.

P.M.: No.

JOURNALIST: Why

P.M.: Well for the reasons that I said at the time - I made it clear that I welcomed Mr Stone's preparedness to express views to the Government, that if he wished to do that then all that was required was once the decisions were made by Government, that there'd be an acceptance of those. I believe that Mr Stone has helped to create a very efficient Treasury and I've had no reason to change the view that I and my Treasurer when we came to office. Now what has happened since is a matter for Mr Stone's decision and I've made it quite clear throughout this questioning that I'm not going to enter into any debate about that.

JOURNALIST: Do you think the Treasury will be a better Department because of his departure.

P.M.: I'm not going to make any observation on that other than to say this - that I believe, as I've just said a moment ago, that the Treasury is an excellent Department, there's a lot of talent there and I believe it will continue to be an excellent Department.

JOURNALIST: Mr Hawke in light of what you've said were you surprised by the vehemence of his attack and secondly, do you send for Animal Farm.

P.M.: No, as you can see I'm fairly relaxed about it all Michelle.

ENDS