



PRIME MINISTER

TRANSCRIPT OF PRIME MINISTER'S PRESS CONFERENCE
WASHINGTON - 7 February 1985

E & O E - PROOF ONLY

GOOD AFTERNOON LADIES AND GENTLEMEN, I KNOW THAT THERE WILL BE A NUMBER OF QUESTIONS YOU WANT TO ADDRESS TO ME SO I WILL TAKE UP ONLY A SMALL AMOUNT OF YOUR TIME BY AN OPENING STATEMENT. I WANT TO SAY THAT I AND MY PARTY HAVE ENJOYED AND FOUND BENEFICIAL THIS VISIT TO WASHINGTON. IT GIVES ME THE OPPORTUNITY IN RENEWING CONTACTS NOT ONLY WITH THE PRESIDENT OF THE UNITED STATES BUT THE SIGNIFICANT MEMBERS OF THE ADMINISTRATION. IT HAS GIVEN US THE OPPORTUNITY TO DISCUSS A WIDE RANGE OF MATTERS OF MUTUAL INTEREST. WHILE NATURALLY ENOUGH THE EMPHASIS AS FAR AS THE MEDIA IS CONCERNED HAS BEEN UPON WHAT I MIGHT BROADLY TERM SECURITY MATTERS, THERE HAS OF COURSE BEEN SIGNIFICANT DISCUSSIONS IN OTHER AREAS. IN THE AREA OF SECURITY, I THINK YOU ARE AWARE OF THE DECISIONS THAT HAVE BEEN TAKEN. JOINT STATEMENTS HAVE BEEN MADE TO THE SECRETARY OF STATE SHULTZ AND MYSELF AND THE STATEMENT I MADE EARLIER THIS AFTERNOON AT THE END OF MY MEETING AT THE WHITE HOUSE - I BELIEVE THEY ARE VERY CLEAR - STATE THE POSITION ON WHICH WE HAVE AGREED ON MATTERS OF IMPORTANCE IN THAT AREA.

IN OTHER AREAS OF IMPORTANCE TO US, WE HAVE OF COURSE DISCUSSED THE ECONOMIC POSITION IN OUR RESPECTIVE COUNTRIES. WE HAVE ACKNOWLEDGED THE SIGNIFICANT GROWTH THAT HAS BEEN ACHIEVED IN THE UNITED STATES AND IN AUSTRALIA, AS A RESULT OF THE POLICIES THAT UNILATERALLY WE HAVE EFFECTIVELY PURSUED. I TOOK THE OPPORTUNITY OF POINTING OUT TO THE PRESIDENT AND TO MEMBERS OF THE ADMINISTRATION THE IMPORTANCE OF A FLOURISHING, VIGOROUSLY, GROWING UNITED STATES ECONOMY AND WE TAKE REASSURANCE FROM THEIR BELIEF THAT 1985 WILL CONTINUE TO BE A YEAR OF SUBSTANTIAL GROWTH. AND THAT IS OF COURSE IMPORTANT NOT ONLY FOR THE PEOPLE OF THE UNITED STATES, THAT IT HAS A BROAD SIGNIFICANCE FOR THE REST OF THE WORLD, NOT LEAST OF ALL FOR OUR COUNTRY.

WHILE TALKING OF MATTERS ECONOMIC, LET ME SAY THAT I WAS ABLE, WITH MY COLLEAGUES, TO HAVE DETAILED DISCUSSIONS WITH REGARD TO A NUMBER OF PARTICULAR MATTERS IN THE ECONOMIC AREA. I TOOK THE OPPORTUNITY OF EXPRESSING OUR SATISFACTION AND INDICATION OF WHAT THE ADMINISTRATION INTENDED IN RESPECT OF THE 1985 FARM BILLS. WHAT THEY INTEND TO DO THERE AUGURS WELL FOR THE ESTABLISHMENT OF CENTRAL PRINCIPALS IN BOTH INTERNATIONAL MARKETS FOR AGRICULTURAL PRODUCTS AND IT FITS CONSISTENTLY WITH THE BALANCE AND DECISIONS WE PUT ON

MONDAY IN BRUSSELS TO THE EUROPEAN COMMISSION. I EMPHASIZED TO THE PRESIDENT AND TO RELUCTANT MEMBERS OF THE ADMINISTRATION THE GREAT IMPORTANCE THE AUSTRALIAN GOVERNMENT ATTACHES TO THE ESTABLISHMENT OF AN INTERNATIONAL TRADERS REGIME BASED ON THE PRINCIPALS OF MULTILATERALISM AND LIBERAL PRACTICES IN THE AREA OF INTERNATIONAL TRADE. MY COUNTRY DEPENDS VERY SUBSTANTIALLY UPON THE EMERGENCE AND FLOURISHING OF SUCH PRINCIPLES. OUR GREAT AGRICULTURAL INDUSTRIES HAVE SUFFERED FROM THE ABSENCE OF THOSE PRINCIPLES IN RECENT YEARS AND WE TAKE COMFORT FROM THE FACT THAT THE PRESIDENT AND HIS ADMINISTRATION SHARE OUR COMMITMENT TO THOSE PRINCIPLES AND WILL JOIN WITH US IN SEEKING TO HAVE ESTABLISHED A NEW MULTILATERAL TRADE ROUND.

WITHIN THAT CONTEXT I EMPHASIZED TO THE PRESIDENT THE POTENTIAL DIFFICULTIES THAT WE SEE IN THE EMERGENCE OF EUROPE, BILATERALISM, SPECIFICALLY THERE AND WE PRESS OUR CONCERN THAT TRADE IN THE AREA PARTICULARLY OF COURSE BETWEEN JAPAN AND THE UNITED STATES THAT THERE SHOULD NOT BE COMPLETED AGREEMENTS FOR THE SALE OF COAL FROM THE UNITED STATES ON NON-COMPETITIVE TERMS. AND MAY I ALSO SAY THAT ON A PARTICULAR MATTER OF IMPORTANCE TO THE PEOPLE OF AUSTRALIA THAT IT IS A MATTER OF CONSIDERABLE PLEASURE FOR ME THAT THE PRESIDENT INDICATED THE IMPORTANCE THAT HE AND THE ADMINISTRATION OF THE UNITED STATES ATTACHES TO BI-CENTENNIAL CELEBRATIONS WHICH WILL BE UNDERTAKEN IN AUSTRALIA IN 1988. IT IS A MATTER OF COMFORT TO US AND PLEASURE THAT THE PRESIDENT ANNOUNCED THAT THERE WILL BE A SUBSTANTIAL INVOLVEMENT BY THE UNITED STATES IN THOSE CELEBRATIONS AT THE LEVEL OF GOVERNMENT AND OF THE PRIVATE SECTOR. LET ME THEN COMPLETE THIS STATEMENT BY BRIEFLY GOING TO THE SECURITY ISSUES.

A STATEMENT THAT WAS MADE BY SECRETARY OF STATE GEORGE SHULTZ AND MYSELF HAVE MADE CLEAR THE SHARED PERSPECTIVES THAT WE HAVE AND THE REASON FOR THE DECISION MUTUALLY ARRIVED AT IN REGARD TO THE QUESTION OF MX TESTS. ON THE ISSUE OF ANZUS I MADE IT CLEAR TO THE PRESIDENT AND AGAIN TO ALL RELEVANT MEMBERS OF THE ADMINISTRATION THAT THE AUSTRALIAN GOVERNMENT REMAINS IN AN UNDIMINISHED WAY COMMITTED TO THE ANZUS TREATY WITH CONTINUED ACCEPTANCE ON BOTH OUR PARTS OF THE RIGHTS AND OBLIGATIONS WHICH HAVE OPERATED AND, AS FAR AS WE ARE CONCERNED, WILL CONTINUE TO OPERATE UNDER THAT TREATY INTO THE FUTURE. WITH THAT SHORT INTRODUCTION LADIES AND GENTLEMEN, I AM AVAILABLE FOR YOUR QUESTIONS.

QUESTION: MR HAWKE, DO YOU ENDORSE THE U.S. STRATEGIC MODERNISATION PROGRAM AND IF NOT WHAT IS YOUR INTERPRETATION OF THE JOINT STATEMENT WITH MR SHULTZ YESTERDAY WHICH STATED THAT BOTH SIDES AGREED THAT THE SMC WAS DIRECTED FURTHER IN NUCLEAR DETERRENCE THAN HELPING NUCLEAR ARMS CONTROL?

ANSWER: I AM AWARE OF THE APPARENT DIFFICULTY SOME HAVE HAD IN INTERPRETING THAT WE HAVE A FAIR UNDERSTANDING OF THAT STATEMENT AND I AM ASSISTED IN WHAT I SAY IN RESPONSE TO YOUR QUESTION, BY THE INFORMATION I HAVE THAT A SENIOR OFFICIAL IN THE UNITED STATES ADMINISTRATION EARLIER TODAY HAS MADE CLEAR THE POSITION THAT IT IS INVOLVED IN THAT SECOND PARAGRAPH. BECAUSE AS I UNDERSTAND IT HE SAID THAT IF YOU WERE TO TAKE THE PROPER TARGETTING OF PARAGRAPH 2 THE POSITION IS QUITE CLEAR. WHAT WE ARE SAYING, AND WHILE THAT MAY PRODUCE SMILES, THE FACTS ARE NEVERTHELESS THERE AND UNDISPUTABLE. WHAT IS SAID IS THAT WE MET AND RENEWED OUR CONTINUED DISCUSSIONS CONCERNING TWO THINGS - STRATEGIC DETERRENCE AND MUTUAL EFFORTS TO ACHIEVE NUCLEAR ARMS REDUCTION. WE AGREED ON THE IMPORTANCE OF BOTH OF THESE KEY OBJECTIVES. THAT WAS THE AGREEMENT WE EXPRESSED THEN AND IT WAS A REFLECTION OF A CONTINUING REALITY AS FAR AS OUR GOVERNMENT IS CONCERNED. THE PARAGRAPH GOES ON TO SAY THAT AS FAR AS THE

UNITED STATES IS CONCERNED THEIR STRATEGIC MODERNISATION PROGRAM HAS BEEN DIRECTED TOWARDS THOSE ENDS. THE STATEMENT DID NOT INVOLVE AN ENDORSEMENT BY MY GOVERNMENT OF STRATEGIC MODERNISATION PROGRAMS, EITHER COLLECTIVELY, OR IN RESPECT OF ANY OF ITS INDIVIDUAL PARTS. THOSE THINGS ARE A MATTER FOR THE UNITED STATES. THE POSITION MY GOVERNMENT IS QUITE CLEAR AND HAS BEEN FROM THE TIME WE CAME TO OFFICE. WE HAVE A COMMITMENT TO THE CONCEPT OF EFFECTIVE STRATEGIC DETERRENCE. IT MAY NOT BE IDEAL, INDEED IT IS NOT. THE ONLY THING IT HAS IN ITS FAVOUR IS THAT IN THIS TROUBLED WORLD, SINCE THE END OF THE LAST WAR, IT HAS OPERATED TO PREVENT THE EMERGENCE OF A NUCLEAR HOLOCAUST. MY GOVERNMENT TAKES THE VIEW THAT IT IS NOT THE MOST SATISFACTORY METHOD OF CONDUCTING RELATIONS BETWEEN THE SUPER POWERS, WHICH IS NOT ONLY A MATTER FOR THEM BUT WHICH IS A MATTER OF FUNDAMENTAL IMPORTANCE TO MOST PEOPLE OF THE WORLD. AND IT IS FOR THAT REASON, AS WELL AS SUPPORTING THE CONCEPTS OF STRATEGIC DETERRENCE, WE ARE PLAYING A PART IN IT SUBSTANTIALLY BY THE PROVISION OF JOINT FACILITIES IN AUSTRALIA. BUT THEN IN ADDITION TO THAT, MY GOVERNMENT IN THE TIME ITS COME TO OFFICE, HAS TAKEN THE VIEW THAT WE MUST USE ALL OUR BEST ENDEAVOURS TO TRY AND CREATE IN THIS WORLD A SANER METHOD OF PRODUCTIVE RELATIONSBETWEEN THE SUPER P POWERS. AND THAT'S WHY WE HAVE ATTACHED THE MOST PROFOUND IMPORTANCE TO INITIATIVES ON A WHOLE RANGE OF AREAS TO TRY AND WORK TOWARDS A SITUATION OF REDUCED LEVELS OF NUCLEAR WEAPONS WORKING ULTIMATELY TOWARDS THEIR ELIMINATION. NOW, I HOPE I'VE MADE IT CLEAR, I CAN'T MAKE IT ANY CLEARER, THAT THE STATEMENT WHICH WAS MADE GOES TO A QUESTION OF SHARED OBJECTIVES, WHICH ARE MENTIONED AND THE STATEMENT DOES NOT, NOR HAS IT BEEN TAKEN BY THE UNITED STATES GOVERNMENT, TO MEAN AN ENDORSEMENT BY MY GOVERNMENT OF THE STRATEGIC MODERNISATION PROGRAMS.

QUESTION: PRIME MINISTER, WHAT DO YOU THINK IS THE BEST COURSE TO BE TAKEN WITH YOUR COLLEAGUE MR LANGE, TO TRY TO PURSUADE HIM TO CHANGE HIS MIND OR JUST DROP IT, AND DROP NEW ZEALAND PERHAPS FROM ANZUS?

ANSWER: I KNOW THAT THIS IS AN AREA WHICH WILL BE A MATTER OF CONSIDERABLE CONCERN TO ALL OF YOU SO PERHAPS I COULD GO INTO IT IN SOME DETAIL AND IT MAY SATISFY A RANGE OF QUESTIONS WHICH MAY BE IN YOUR MIND. WE'VE MADE IT CLEAR FROM THE TIME OF THE ELECTIONS OF THE NEW GOVERNMENT IN NEW ZEALAND THAT WHAT NEW ZEALAND DECIDES IN THIS AREA OR INDEED IN ANY OTHER MATTER IS A DECISION FOR A SOVEREIGN AND INDEPENDENT GOVERNMENT OF NEW ZEALAND. I MADE THAT CLEAR TO MR LANGE WHEN WE FIRST MET IN PORT MORESBY IN AUGUST OF LAST YEAR. WE HAVE MADE IT CLEAR DIRECTLY, BY CORRESPONDENCE, THE POSITION OF THE AUSTRALIAN GOVERNMENT. I HAVE MADE IT CLEAR BOTH TO MR LANGE AND TO THE GOVERNMENT OF THE UNITED STATES THAT WE ARE NOT IN THE BUSINESS OF HAVING ONCE CONVEYED OUR POSITION OF SEEKING TO BRING PRESSURE ON THE GOVERNMENT OF NEW ZEALAND TO INFLUENCE ITS DECISIONS. WE WOULD NOT APPRECIATE ANY ATTEMPT THAT WAS MADE UPON US EITHER BY THE GOVERNMENT OF NEW ZEALAND OR ANYONE ELSE TO TELL US WHAT OUR POSITION SHOULD BE. WE RESPECT AND FOLLOW THE SAME PRINCIPLES AS FAR AS NEW ZEALAND IS CONCERNED. WHAT WE HAVE SAID IS, THAT AS FAR AS THE GOVERNMENT OF AUSTRALIA IS CONCERNED, THAT THE ANZUS TREATY REMAINS OPERATIVE BETWEEN US, AUSTRALIA AND THE UNITED STATES, AND WE WILL CONTINUE ITS OPERATION IN TERMS OF OUR UNDERSTANDING OF THE RIGHTS AND OBLIGATIONS UNDER THAT TREATY. IT IS NOT OUR WISH OR INTENTION TO WREAK ANY VENGEANCE UPON NEW ZEALAND AND I AM COMFORTED BY THE CLEAR STATEMENT THAT THE REPRESENTATIVES OF THE UNITED STATES ADMINISTRATION, FROM THE PRESIDENT DOWN, AND INCLUDING SECRETARY SHULTZ, THAT THE UNITED STATES GOVERNMENT STILL REGARDS NEW ZEALAND AND THE PEOPLE OF NEW ZEALAND AS FRIENDS OF THE UNITED STATES. I ONLY HOPE THAT IN A SITUATION WHERE WE, THAT IS AUSTRALIA AND THE UNITED STATES, WILL CONTINUE THE OPERATION OF ANZUS. WE CAN ONLY

HOPE THAT WITH FURTHER CONSIDERATION OF THIS MATTER THE GOVERNMENT OF NEW ZEALAND MAY SEE SOME WISDOM IN ADOPTING A NEW POSITION. BUT WE WILL DO NOTHING BY WAY OF PRESSURE TO TRY AND PRODUCE THAT RESULT. THAT IS A MATTER FOR NEW ZEALAND.

QUESTION: PRIME MINSITER, ON THAT POINT IT HAS BEEN SAID REPEATEDLY THAT NEW ZEALAND IS NOT ACTING OUT ITS ROLE AS AN ALLY. HAS THERE BEEN ANY TALK AT ALL IN TERMS OF AUSTRALIA TRYING, EITHER IN AN OFFICIAL OR UNOFFICIAL TREATY WITH THE UNITED STATES THAT WOULD EXCLUDE NEW ZEALAND?

ANSWER: NO, NOT AT ALL, AND THERE IS NO NEED FOR IT. BECAUSE WE ARE NOT IN A POSITION OF TALKING ABOUT SUSPENDING THE TREATY OR ABANDONING THE ANZUS TREATY. THE GOVERNMENT OF THE UNITED STATES AND THE GOVERNMENT OF AUSTRALIA REGARD THE ANZUS TREATY AS REMAINING IN EXISTENCE AND OPERATIVE IN ITS FULL IMPLICATIONS BETWEEN US AND WE WILL CONTINUE ALL THE THINGS UNDER THAT TREATY AS WE HAVE IN THE PAST. AND THAT MEANS, WITHOUT BEING EXHAUSTIVE ABOUT IT, IT MEANS THE UNDERTAKING OF JOINT EXERCISES, IT MEANS THE SHARING INTELLIGENCE, IT MEANS THE MAKING AVAILABLE OF FACILITIES WITHIN AUSTRALIA FOR VISITING SHIPS OF THE UNITED STATES. NOW THOSE THINGS HAVE BEEN DONE UNDER THE ANZUS TREATY AND WILL CONTINUE TO BE DONE. THERE IS NO QUESTION AND IS NO NEED TO CONTEMPLATE THE CREATION OF ANOTHER TREATY.

QUESTION: WHAT ABOUT THE RELATIONSHIP BETWEEN AUSTRALIA AND NEW ZEALAND?

ANSWER: WELL ITS CHANGED IN THIS RESPECT PAUL, THAT, NAVAL EXERCISES WON'T BE HELD WHILE THE GOVERNMENT OF NEW ZEALAND ADHERES TO ITS POSITION. THERE WONT BE THOSE TRI-LATERAL EXERCISES. BUT WE HAVE MADE IT CLEAR TO THE GOVERNMENT OF THE UNITED STATES AND IN PARTICULAR THE FACT, THAT WE GLADLY AND A WITH RATIONAL ACCEPTANCE OF THE SITUATION WITHIN THE COMMUNITY IN WHICH WE OPERATE, THE GOVERNMENT OF AUSTRALIA WILL CONTINUE TO HAVE RELATIONS WITH THE GOVERNMENT OF NEW ZEALAND IN THE AREA OF MILITARY COOPERATION. WE SHARE A RESPONSIBILITY, AUSTRALIA AND NEW ZEALAND IN A REGION OF THE WORLD WHICH IS WITNESSING SOME DEGREE OF RELATIVE INSTABILITY COMPARED TO RECENT TIMES, AND I REFER, OF COURSE, TO DEVELOPEMNTS IN NEW CALEDONIA. IT COULD IN NO WAY BE IN THE INTERESTS EITHER OF AUSTRALIA OR OF NEW ZEALAND OR OF THE GOVERNMENT OF THE UNITED STATE WERE WE TO CEASE EXERCISES AND RELATIONSWITH THE GOVERNMENT OF NEW ZEALAND - NOR WILL WE.

QUESTION: INAUDIBLE CAN I JUST FOLLOW THAT UP IS AUSTRALIA STILL REGARD NEW ZEALAND AS INAUDIBLE

ANSWER: WELL I THINK THE ACCURATE WAY OF PUTTING IT IS THIS, IT GOES BACK TO THE ANSWER I'VE GIVEN BEFORE. WE REGARD THE ANZUS TREATY AS REMAINING IN OPERATION. ITS NOT CANCELLED IN REGARD TO NEW ZEALAND. NEW ZEALAND, AUTONOMOUSLY, AND AS IT IS ENTITLED TO DO, HAS MADE A DECISION WHICH HAS MEANT THAT HITHERTO NORMAL OPERATIONS OF THE TREATY WOULD NOT OPERATE. BUT THE POSITION IS BEING LEFT SO THAT THE TREATY IS NO WAY CHANGED AND IF THE GOVERNMENT OF NEW ZEALAND WERE TO CHANGE ITS POSITION, AND SAY WE WANT TO RESUME NORMAL OPERATIONS, THEN NOTHING WILL HAVE BEEN DONE, EITHER BY THE GOVERNMENT OF THE UNITED STATES OR OF AUSTRALIA, TO PREVENT THAT HAPPENING

QUESTION: MR PRIME MINISTER INAUDIBLE

PRIME MINISTER: I THOUGHT YOU WERE DIRECTING PROCEEDINGS THEN, SORRY.

QUESTION: NOW THAT NEW ZEALAND IS IN THE DOG-HOUSE AND AUSTRALIA IS ON TOP WHAT SPECIFIC TYPE OF BENEFITS DO YOU EXPECT AUSTRALIA TO REAP, FOR EXAMPLE MIGHT IT GET THE AMERICAN ANTARTIC BASE IN CHRISTCHURCH?

ANSWER: WELL YOU KNOW, WHEN YOU START TO TALK ABOUT DOG-HOUSES IT BRINGS BACK MEMORIES, AND I REJECT YOUR ANALYSE, AND WE CERTAINLY DON'T SEEK TO DERIVE FOR AUSTRALIA ANY RESIDUAL BENEFITS FROM THE DECISION THATS BEEN TAKEN BY THE GOVERNMENT OF NEW ZEALAND. THAT'S NOT THE WAY WE OPERATE AND WE WOULDN'T INTEND TO. WE REGARD NEW ZEALAND AS A FRIEND, AND IT'S NOT THE ACTION OF A FRIEND TO TRY AND DERIVE ADVANTAGE FROM A TEMPORARY DIFFICULTY OR IMPASSE WITH WHICH A FRIEND'S INVOLVED.

QUESTION: PRIME MINISTER, COMING BACK TO STRATEGIC DEFENCE - DID YOU RECEIVE AN ASSURANCE FROM SECRETARY WINBERGER THAT THE UNITED STATES WOULD NOT ATTEMPT TO INCLUDE ITS FACILITIES IN AUSTRALIA IN THE SDI.

ANSWER: INDEED. I RAISED THE QUESTION WITH WEINBERGER. WE HAVE ALREADY BEEN GIVEN THE UNQUALIFIED ASSURANCE BY THE GOVERNMENT OF THE UNITED STATES THAT NONE OF THE JOIN FACILITIES HAVE ANY ROLE IN THE RESEARCH UNDERTAKEN UNDER THE STRATEGIC DEFENCE INITIATIVE. WE HAD ALREADY BEEN GIVEN THAT ASSURANCE AND IN LIGHT OF THE CURRENT SITUATION I SOUGHT FROM AND OBTAINED FROM MR WEINBERGER UNQUALIFIED ASSURANCE THAT CONTINUES TO BE THE POSITION.

QUESTION: INAUDIBLE UNITED STATES AS YOU KNOW, HAS SAID HE PLANS THE SECOND AMERICAN REVOLUTION. DO YOU THINK IT POSSIBLE THAT THE INAUDIBLE QUESTION ASKED IF THE SECOND REVOLUTION WOULD LEAD TO A NEW MOVEMENT OF POPULATION FROM THE U.S. TO AUSTRALIA.

ANSWER : MOVE OF THE POPULATION FROM THE UNITED STATES TO AUSTRALIA? WELL, THERE ARE A NUMBER OF THE CITIZENS OF THE UNITED STATES WHO I CAN THINK OF WHO I WOULD LOVE TO SEE IN AUSTRALIA AND INDEED OVER RECENT YEARS THERE HAS BEEN A RELATIVE INCREASE IN THE NUMBER OF CITIZENS OF THE UNITED STATES SEEKING TO IMMIGRATE TO AUSTRALIA. WE WELCOME THAT AND WITHIN OUR NON-DISCRIMINATORY IMMIGRATION PROGRAMME THAT IS CURRENTLY RUNNING AT THE ORDER OF ABOUT 70,000 PER YEAR, THERE IS ROOM THERE FOR PEOPLE FROM THE UNITED STATES. THERE IS NO COUNTRY IN THE WORLD WITH WHICH WE HAVE A WARMER RELATIONSHIP THAN THE UNITED STATES. THEREFORE, OBVIOUSLY CITIZENS OF THE UNITED STATES WHO THOUGHT THEY WANTED TO COME OUT AND JOIN THE BEST SAILORS IN THE WORLD WOULD BE WELCOME.

QUESTION : MR HAWKE CAN YOU TELL US WHAT YOUR OWN ATTITUDE IS NOW TOWARDS THE STRATEGIC MODERNISATION PROGRAMME AND SECONDLY IN VIEW OF YOUR EARLIER COMMENTS, CAN WE TAKE IT THAT WHEN A STATE DEPARTMENT OFFICIAL SAID YESTERDAY, ACCORDING TO AN OFFICIAL TRANSCRIPT, THAT THEY BOTH FELT THAT THE STRATEGIC MODERNISATION BEING CARRIED OUT BY THE UNITED STATES WAS DIRECTED TOWARDS THOSE ENDS, THAT IS DETERRENCE AND ARMS CONTROL THAT HE WAS UNDER A MISAPPREHENSION?

ANSWER : WELL I THINK I'VE MADE IT CLEAR BEYOND ANY DOUBT WHAT THE INTENTION OF THE STATEMENT WAS. I KNOW TO WHOM YOU'RE REFERRING. ALL I CAN SAY IS THAT IN THE BRIEFING THAT HAS BEEN GIVEN TO THE MEDIA EARLIER TODAY BY A SENIOR ADMINISTRATION OFFICIAL, THE POSITION HAS BEEN PUT AS I PUT IT. NOW ITS ON THE RECORD, I THINK NO PURPOSE IS SERVED BY REPEATING WHAT I HAVE QUITE CLEARLY SAID. AS TO MY OWN POSITION, MY POSITION IS THAT OF THE GOVERNMENT THAT I HAVE JUST PUT TO THIS MEETING.

QUESTION : PRIME MINISTER, COMING BACK TO STRATEGIC DEFENCE INITIATIVE --

PRIME MINISTER : YES

QUESTION : STRATEGIC MODERNISATION PROGRAMME. DO YOU IN ANY WAY DISAGREE OR AGREE WITH THE UNITED STATES GOVERNMENT ON THIS INITIATIVE, YOU MENTIONED A COUPLE OF INITIATIVES WHICH COULD LEAD TO THE ELIMINATION OF NUCLEAR WEAPONS FROM THE FACE OF THE EARTH? DO YOU INCLUDE THIS INITIATIVE IN THOSE INITIATIVES WHICH COULD LEAD TO THIS END?

ANSWER : OUR POSITION IN REGARD TO THE SDI IS QUITE CLEAR AND I HAVE MADE THAT POSITION CLEAR IN MY DISCUSSIONS WITH THE PRESIDENT AND WITH THE OTHER RELEVANT MEMBERS OF THIS ADMINISTRATION, AND THAT IS THAT WHILE WE CAN UNDERSTAND THE CONCEPT AS IT'S SEEN BY THE UNITED STATES ADMINISTRATION FROM IT'S POINT OF VIEW ON THIS RESEARCH PROGRAMME, WE ARE NOT ENDORSING IT. IT'S NOT AN INITIATIVE AS FAR AS THE AUSTRALIAN GOVERNMENT IS CONCERNED THAT RECEIVES OUR ENDORSEMENT. WE HAVE HAD EXPUNDED TO US WHAT THE REASONING IS OF THE UNITED STATES. LET ME SAY THAT WE ACCEPT THE INTEGRITY OF THEIR EXPOSITION. WE'RE NOT QUESTIONING THAT EXPOSITION. BUT WE DON'T ENDORSE THE PROGRAMME. AS WITH A NUMBER OF OTHER PEOPLE WE PERCEIVE DIFFICULTIES THAT CAN ARISE UNDER THE PROPOSAL. IT IS BASED UPON ASSUMPTIONS ABOUT A CAPACITY FOR TOTAL DEFENCE AGAINST INCOMING OFFENSIVE WEAPONS WHICH RAISE VERY SERIOUS QUESTIONS AND WHICH RAISE THE QUESTION OF WHAT WOULD HAPPEN IN THE PERIOD, THIS LONG TIME SCALE FOR RESEARCH THAT HAS BEEN TALKED ABOUT TEN OR PERHAPS MORE YEARS. IN THAT SITUATION THAT WOULD NOT MEAN THAT THERE IS AN INCREASED POSSIBILITY OF A BUILD-UP OF DEFENSIVE WEAPONS NOT ONLY ON THE OTHER SIDE BUT WITHIN THE UNITED STATES. NOW THESE ARE MATTERS OF CONCERN AND BECAUSE WE HAVE LAID DOWN THE CONCERN WHICH I'VE EXPRESSED AND WHICH HAS BEEN UNDERSTOOD BY THE UNITED STATES THE QUESTION OF ENDORSEMENT THEREFORE DOES NOT ARISE. BUT IT IS IMPORTANT, I THINK, THAT WE DO NOT QUESTION THE INTEGRITY OF THE PRESIDENT AND THE GOVERNMENT OF THE UNITED STATES AS TO THEIR VIEW.

QUESTION: PRIME MINISTER, A SMALL, WHAT DO YOU SUGGEST IN PLACE OF THAT INITIATIVE, DID YOU MAKE ANY SUGGESTIONS IN PLACE OF THAT INITIATIVE?

ANSWER: I DIDN'T MAKE ANY SUGGESTIONS IN PLACE OF IT, OTHER THAN THE OVERWHELMING POSITION OF THE AUSTRALIAN GOVERNMENT WHICH HAS BEEN FOLLOWED FROM THE DAY WE CAME TO OFFICE, AND THAT IS, THAT IN ALL RELEVANT FORUMS, WE SHOULD JOIN WITH LIKE MINDED GOVERNMENTS TO PURSUE NEGOTIATIONS CALCULATED TO BRING ABOUT AS SOON AS POSSIBLE A REDUCTION IN THE LEVEL OF NUCLEAR ARSENALS IN THE WORLD, AND THAT'S WHY WE HAVE WELCOMED, AND I TOOK THE OPPORTUNITY WHILE HERE, OF WELCOMING DIRECTLY TO THE PRESIDENT OF THE UNITED STATES, THE INITIATIVE THAT BEEN TAKEN IN REGARD TO THE GENEVA TALKS. WE HAVE BEEN EXTENSIVELY BRIEFED, IMMEDIATELY AFTER THE TALKS, AND THEN AGAIN WHILE WE HAVE BEEN HERE, AS TO WHAT HAS HAPPENED IN THOSE TALKS, AND WE HAVE MADE IT CLEAR TO THE UNITED STATES GOVERNMENT THAT WE SUPPORT, NOT ONLY THAT INITIATIVE, BUT WE WILL IN THE AREA OF THE COMPREHENSIVE TEST BAN TREATY, CHEMICAL WEAPONS AREA OF ACTIVITY WHERE WE ARE SEEKING A NEW PROTECTIVE TREATY. IN ALL RELEVANT FORUMS WE WOULD SEEK TO PRODUCE A SITUATION WHICH WILL REDUCE THE LEVEL OF ARMAMENTS, THAT IS IF YOU WANT TO PUT IT AS AN ALTERNATIVE, OUR POSITION. WE WILL CONTINUE TO PURSUE THAT POSITON IN ALL RELEVANT INTERNATIONAL FORUMS.

QUESTION: LET'S BE CLEAR ON ONE THING, YOU SAID THAT AUSTRALIA WOULD CONTINUE MILITARY COOPERATION WITH NEW ZEALAND. SPECIFICALLY WILL THE NEW ZEALAND FRIGATE THAT WAS GOING TO AUSTRALIA FOR THESE EXERCISES NEXT MONTH ACTUALLY PARTICIPATE WITH AUSTRALIAN SHIPS WITHOUT THE UNITED STATES?

ANSWER: I CAN'T SAY THAT ABOUT THAT PARTICULAR FRIGATE, BUT WHAT'S HAPPENED NOW, IS THAT YOU HAD IN PLACE, A SET OF ARRANGEMENTS WHICH WERE POSTULATED UPON THE INVOLVEMENT OF THE THREE POWERS. NOW THEY HAVE BEEN CANCELLED. NOW WHAT HAS TO HAPPEN IS THERE WILL BE DISCUSSIONS BETWEEN OUR TWO GOVERNMENTS, AUSTRALIA AND UNITED STATES, AS TO THE EXERCISE THAT WE WILL CONDUCT, AND THERE WILL BE DISCUSSIONS BETWEEN US AND NEW ZEALAND AS TO WHAT'S APPROPRIATE FOR AN EXERCISE BETWEEN US SO I OBVIOUSLY CAN'T ANSWER THE QUESTION WITH REGARD TO THAT DISPUTE YET.

QUESTION: WOULD I BE CORRECT IN YOU MENTIONED THAT NORMAL ANZUS ACTIVITIES BETWEEN THE UNITED STATES AND AUSTRALIA WILL CONTINUE.

ANSWER: YES

QUESTION: WOULD IT BE CORRECT TO PRESUME THAT THESE ACTIVITIES YOU DESCRIBE SHOWING A MILITARY INTELLIGENCE AND SO ON EXCLUDE NEW ZEALAND? IN OTHER WORDS, WILL THERE BE DE-FACTO BILATERAL LINES WITHIN THE

ANSWER: WELL, TAKE THE ELEMENTS THAT ARE INVOLVED, AS FAR AS THE EXERCISES ARE CONCERNED THEY WILL BE BILATERAL. THAT'S THE MAIN THEME OF WHAT I'VE SAID. NOW AS FAR AS THE QUESTION OF THE SHARING OF INTELLIGENCE IS CONCERNED IT IS NOT CERTAIN AT THIS STAGE WHAT DECISION THE UNITED STATES WILL MAKE ABOUT THAT. THEREFORE I CAN'T ANSWER YOUR QUESTION. YOU SEE WHAT I MEAN, IT MAY BE THE DECISION OF THE UNITED STATES THAT THEY CONTINUE TO SHARE AN INTELLIGENCE. IF THAT THE CASE YOU'LL ..INAUDIBLE.. FOR QUITE AWHILE.

QUESTION: MR PRIME MINISTER, YOU MENTIONED THE IMPORTANCE OF TRADE RELATIONS IN YOUR COUNTRY, I'M CERTAIN YOU ARE AWARE OF THE ACTIONS THAT HAVE ALREADY TAKEN PLACE ON CAPITOL HILL. SENATOR COHN OF MAINE I THINK IS GOING TO ..INAUDIBLE.. (QUESTION REFERS TO TRADE SANCTIONS AGAINST NEW ZEALAND). WHAT IS YOUR VIEW OF THAT PARTICULAR ACTION AND IN VIEW OF THE EXERCISES BETWEEN AUSTRALIA AND U.S., ARE YOU CONCERNED THAT THAT KIND OF PROTECTIONIST COLOURED FAME CAN ALSO AFFECT AUSTRALIA AS WELL?

ANSWER: WELL LET ME MAKE IT CLEAR, WE HAVE NOT ASKED AT ALL AND WILL NOT ASK FOR ANY TRADE RETALIATION ON THE PART OF THE UNITED STATES. AND I MADE IT CLEAR I HOPE IN ANSWER TO THE PREVIOUS QUESTION THAT WE WOULD NOT SEEK A RESIDUAL BENEFIT FOR AUSTRALIA ON ANY DECISION THAT MAY BE TAKEN. AND WHEN I SAY MAY BE TAKEN, I REPEAT WHAT I SAID BEFORE, WE HAVEN'T ASKED FOR NOR WILL I ASK FOR ANY TO BE TAKEN.

QUESTION: WHAT I'M ASKING YOU IS IT SOME SORT OF MEASURES ARE TAKEN BY CONGRESS OR ATTEMPTED TO BE TAKEN, ARE YOU CONCERNED THAT SOME SORT OF MEASURES LIKE THAT COULD ALSO BE TAKEN AGAINST AUSTRALIA IN THE WAKE OF THE DISAGREEMENT BETWEEN AUSTRALIA AND THE U.S. OVER THE MX MISSILE?

ANSWER: IT IS QUITE CLEARLY UNDERSTOOD BY THE ADMINISTRATION OF THE UNITED STATES THAT THERE IS NO ANALOGY BETWEEN THE TWO CIRCUMSTANCES (INTERRUPTION FROM AUDIENCE)

PRIME MINISTER: YES?

QUESTION: THERE IS QUITE A DIFFERENCE THIS TIME BETWEEN THE FEELING IN YOUR LAST VISIT WHAT'S HAPPENED ON THIS VISIT? ARE YOU DISAPPOINTED WITH THIS?

ANSWER: NO I'M NOT. I WOULD HAVE HOPED THAT ALTHOUGH I'M STILL EXTRAORDINARILY TIRED BUT MY INITIAL STATEMENT IS CLEAR AND UNEQUIVOCAL, AND IF YOU HAD HEARD, LISTENED TO THAT STATEMENT, IT HAD PROVIDED THE ANSWER TO YOUR QUESTION.

QUESTION: MR PRIME MINISTER, WHY SHOULD THE UNITED STATES NOT CONSIDER NEW ZEALAND AND FOR THAT MATTER AUSTRALIA TO HAVE DIMISHED TO ANY DEGREE AS AN ALLY BECAUSE OF THE ACTIONS THE TWO GOVERNMENTS HAVE TAKEN, NEW ZEALAND ON THE SHIPS AND YOUR GOVERNMENT ON THE MX TRACKING?

ANSWER: WELL AGAIN I UNDERSTAND FROM THE BRIEFING THAT'S ALREADY BEEN GIVEN THE ANSWER'S MADE QUITE CLEAR. WE SEE IT AND WE UNDERSTAND IT AND IT'S ACCEPTED BY THE UNITED STATES. IN REGARD TO THE ANZUS TREATY, WHAT YOU HAVE THERE IS A CONTINUING REALTIONSHIP FROM 1951. A VERY LONG STANDING ARRANGEMENTS WHICH HAVE INVOLVED THE FACILITIES FOR SHIPS FORM THE UNITED STATES. THAT'S ONE ASPECT OF IT, AND THE CESSATION OF A PROVISION OF THAT FACILITY CREATES AN OBVIOUS CONTINUING, IN REGARD TO THE OTHER ISSUE BETWEEN THE UNITED STATES AND OURSELVES, THERE WAS A MUTUALLY ARRIVED AT POSITION IN REGARD TO A ONE-OFF SITUATION AND THE DIFFERENCES I WOULD SUGGEST ARE FAIRLY OBVIOUS.

QUESTION: MR HAWKE DID YOU EXPLAIN TO OR GIVE ANY COMMENT TO THE AMERICANS AT ALL ON WHAT YOU THOUGHT ON THE POSSIBLE CUTTING OFF OF INTELLIGENCE SHARING WITH NEW ZEALAND AND IF THIS IN FACT HAPPENS DOES THAT MEAN THAT AUSTRALIA WOULD HAVE TO CUT OFF INTELLIGENCE AS WELL SO AS NOT TO CIRUCMSTANCE THE U.S. POSITION?

ANSWER: THE AREA THAT YOU TALK ABOUT WAS DISCUSSED AND THE UNITED STATES MADE IT QUITE CLEAR THAT THEY HAVE NOT MADE A DECISION ON THIS MATTER: THEY HAVE MADE NO DECISION TO CUT-OFF INTELLIGENCE AND WE OBVIOUSLY DON'T SEEK TO INTERFERE IN THAT AREA. IT'S A MATTER FOR THEM TO DECIDE AND THEN ONCE THEY HAVE MADE THEIR DECISION THEN WE WILL BE INFORMED I GUESS OF THE PROCESSES AND OF THE DECISION AND WE DEAL WITH THAT WHEN IT ARISES, IT HASN'T ARISEN YET.

QUESTION: INAUDIBLE WHAT YOU THOUGHT WOULD HAPPEN HAS HAPPENED.

ANSWER: I DIDN'T SEEK TO INFLUENCE THEM IN THEIR DECISION, I SAID THAT'S A MATTER FOR THEM.

QUESTION: PRIME MINISTER, IF NEW ZEALAND CONTINUES TO DIG IN WHATS GOING TO HAPPEN?

ANSWER: I THINK TO SOME EXTENT I'VE DWELT ON THAT BEFORE, LET ME GO TO THE ELEMENTS THAT I THINK ARE IMPORTANT. THE TREATY WILL NOT BE ABBROGATED, NEW ZEALAND WILL NOT BE FACING A SITUATION WHERE BECAUSE OF THEIR ACTION AUSTRALIA AND THE UNITED STATES HAVE TORN UP THE TREATY AND CREATED A NEW RELATIONSHIP UNDER SOME NEW TREATY. SO THE TREATY WILL REMAIN THERE READY FOR THE RESUMPTION OF FULL OPERATIONS BETWEEN THE THREE OF US, IF AND WHEN THE GOVERNMENT OF NEW ZEALAND WERE TO CHANGE ITS POSITION. AND I'VE MERELY SAID AGAIN THAT AS FAR AS WE'RE CONCERNED WE'RE NOT GOING TO BE BRINGING PRESSURE ON THE GOVERNMENT OF NEW ZEALAND, IT'S FOR THEM, AND WOULD BE IMPROPER FOR ME TO SPECULATE WHAT WILL HAPPEN WITHIN NEW ZEALAND., NOT ONLY IMPROPER BUT WOULD BE ILL-INFORMED, I'VE GOT NO IDEA WHAT WILL HAPPEN

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THERE. WHAT WE REGARD AS IMPORTANT IS THAT WE SHOULD RETAIN FRIENDLY RELATIONS AND EFFECTIVE RELATIONS WITH THE GOVERNMENT OF NEW ZEALAND. ITS IMPORTANT TO US THAT THE UNITED STATES GOVERNMENT THROUGH THE PRESIDENT HAS SAID THEY STILL REGARD NEW ZEALAND AS A FRIEND. NOW ONE CAN ONLY EXPRESS THE HOPE THAT IN THOSE CIRCUMSTANCES AT SOMETIME DOWN THE TRACK WE'LL BE ABLE TO RESUME A FULL NORMAL BILATERAL RELATIONSHIP.

QUESTION: WHY DO YOU HAVE NO PLANS TO PRESSURE NEW ZEALAND, AND DO YOU HAVE ANY PLANS TO MEET WITH THE OFFICIALS OF THE GOVERNMENT TO PASS ALONG SOME OF THE DISCUSSION THAT YOU HAVE HAD HERE IN THE UNITED STATES?

PRIME MINISTER: TO? WHAT?

QUESTION: DO YOU PLAN TO MEET WITH OFFICIALS OF THE NEW ZEALAND GOVERNMENT TO AT LEAST DISCUSS WHAT WAS TALKED ABOUT HERE IN THE UNITED STATES REGARDING THEIR ACTION?

ANSWER? THERE IS NO SPECIFIC PLANS BEEN BROUGHT UP, BUT I'M QUITE CERTAIN THAT THERE WILL BE DISCUSSION BETWEEN OUR OFFICIALS AND I THINK PROBABLY BETWEEN OUR MINISTERS.