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PRIME MINISTER

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JOURNALIST: Mr Hawke, it is good news for the Australian dollar today.

PM: Yes, it is good news. As in most things in economics though, there are two sides to every picture. The rural community and our manufacturers were benefitting more when the dollar was down lower. But there is no doubt overall the dollar had to come up. It was in Australia's best interests that that happen.

JOURNALIST: Do you think it will see a fall in interest rates perhaps?

PM: Well, it is ... situations like this make statements likely to influence the market. I simply want to say what I have said earlier though, that an improvement in the dollar exchange rate was essential condition for creating a move downward in interest rates. And we are pleased therefore that that condition has emerged.

JOURNALIST: Inaudible question

PM: ... changes that take place ... price of crude and the value of the dollar and see just what decision is necessary to continue the policy that we have successfully adhered to now for three years. We have made a series of economic policy decisions which have produced the best rate of economic growth of any of the OECD countries. That is what Australia enjoys. We have got the best rate of employment growth of any OECD, the highest rate of employment of growth in Australia's history. Those things haven't happened by accident. They have come from careful consideration of all the relevant factors that have to be taken into account. And then the making of the right combination of policy decisions. And that is what we will continue to do.

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