



PRIME MINISTER

TRANSCRIPT OF NEWS CONFERENCE, OPENING OF PRINTING AND
KINDRED INDUSTRIES UNION, TASMANIAN BRANCH OFFICE, MOONAH -
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E & O E - PROOF ONLY

JOURNALIST: Mr Hawke, do you think that there should be an economic impact study done on the Wesley Vale development?

PM: Well, there has been. What we'll do when we come to consider it after the Tasmanian Parliament has made its decision is to try on all the evidence available to balance, as I said last night, try and balance the two sets of considerations. It's not an easy decision but everyone in this State can be assured that we will accept our responsibility very seriously of trying to come to the decision which is in the best interests of Tasmanians and Australians.

JOURNALIST: Prime Minister the Democrats are calling for a Senate inquiry into the pulp mill industry, do you think there is a place for something like that?

PM: Well, no it's not something that's struck me as being necessary at this stage.

JOURNALIST: Prime Minister, do you think the sums actually add up on especially the balance of payments benefits and also the tax benefits to the Commonwealth?

PM: I made it clear, that I don't necessarily accept the figures that have been produced by the joint venturers, and I don't say that in any attempt to be derogatory about them, but when you are considering issues like that, it's a fairly complex set of calculations that have to be made. We'll be looking at them very closely so that when we do make the decision we will have what we think are the most precise sort of projections that you can. So, in making the point I have I'm not criticising and saying they have tried to mislead either Tasmania or the Commonwealth. I don't think they have been about that, but it is a pretty complex set of calculations. We will do our best to try and get them right.

JOURNALIST: Do you believe that the State Government has in fact relaxed the guidelines?

PM: There is no doubt they have, yes.

JOURNALIST: How do you think Mr Field has handled the issue so far?

PM: Well.

JOURNALIST: In what way do you think the State Government has relaxed the guidelines?

PM: I would think it's just an exercise in logic. If they haven't relaxed the guidelines, what's it all been about?

JOURNALIST: Senator Richardson this morning said that the guidelines had been torn up. Would you go as far as to say, to agree that they've been torn up?

PM: I'm not getting into exercises in semantics about relaxed, torn up. We will consider the matter without tags when we, when it comes to us in Cabinet on the recommendations of the ministers concerned.

JOURNALIST: How do you think that vote will go in Cabinet?

PM: Don't know.

JOURNALIST: How will you be voting in Cabinet?

PM: Oh, you'd be joking wouldn't you?

PROTESTER (bearing basket of fresh fruit, vegetables and seafood): basket of produce from the Devonport area. This is where the mill is actually to be sited, these are from around about the area there.

PM: I see.

PROTESTER: Our concern is that the quality of this will be lost to Tasmania if the pulp mill goes ahead -

PM: Well I can assure you that the whole range of considerations that are appropriate to be taken into account including these sorts of things, we will. It's an important decision for you, Tasmania and for Australia and all I can assure you is that we will deal with it with integrity, we will not be intimidated by anyone in economic terms, that we will take account of all the sets of arguments and certainly the environmental concerns, the sorts of things that you have been talking about, will be well before us. I can't do any better than that.

PROTESTER: Thank you for your time.

PM: OK, thank you very much.

JOURNALIST: Mr Hawke will the Federal Government be doing its own figures on the pulp mill economics?

PM: I just said that.

JOURNALIST: Prime Minister, what is your opinion on the -

PM: Oh look don't please be silly. Look no Prime Minister, including this one, says before a Cabinet meeting to you or anyone else 'this is how I'm going to vote' for the very simple reason that I have integrity and I'm going to look at all the evidence and I haven't got it all before me here and it is, with respect, juvenile in the extreme for you to imagine that I will say to you before a Cabinet meeting when I have all the evidence how I'll vote. It really is just about, if I may say so, the most juvenile question I've ever heard.

JOURNALIST: When will Federal Cabinet make a decision on the mill?

PM: Well, as I said, when we get the decision of the Tasmanian Parliament and I've given the undertaking that we will then deal with it with the utmost expedition. Once that comes to us, the ministers will put the submission in and make a recommendation and we'll deal with it. Without being absolutely bound by this, I would imagine that certainly within a fortnight of receiving the decision, we should be able to make the decision.

JOURNALIST: North Broken Hill is concerned about losing its tax concessions if it doesn't get the mill up and going by a certain time next year, by the middle of next year I think they've got to have so much work done. Is the Federal Government willing to extend that if -

PM: Well, that's a hypothetical consideration depending on what our decision is so I'm not addressing that.

JOURNALIST: Prime Minister, you've seen the Wilderness Society's banners on the way here -

PM: I'm sorry, I haven't seen them.

JOURNALIST: Haven't you? They were all along the road.

PM: Were they?

JOURNALIST: Are you getting sick of being called upon to be the final arbitrator in all their battles with the State Government?

PM: It wouldn't be right to say I'm getting sick of it. I mean when you become Prime Minister, Leader of the Federal Government, there are certain responsibilities that go with the position of leading the national Government and it's no point in saying you are getting sick of those responsibilities. I rather enjoy the job.

JOURNALIST: How much weight will you give to the State Opposition stance -

PM: May I just say that what we've got to understand as a community, and I think it is becoming increasingly understood, is that there are two legitimate sets of considerations that have to be taken into account when you have developmental proposals. I mean we can't, and I don't think even the most extreme environmentalist would say that you just ignore every developmental proposal on the basis that it may in some way or another upset an existing environmental situation. So you've got to responsibly say, now what will this mean if it went ahead for present and future generations. Now that's a legitimate set of criteria that you have to take into account and against that, present governments also have a responsibility to future generations so that you can't allow a development if you are convinced that to do so would irreparably harm the interests of future generations. Now what you've got to do without being intimidated by anyone, either intimidated by the developers or intimidated by conservationists is, with all due integrity, to try and make the right decision. And that's what we'll try to do. And may I say on the record, over six years, I think we've got a pretty good record. I mean, no Government in the history of this country has done more on the environmental side of things than this Government. At the same time we've also had very high rates of economic growth so I think we've, generally speaking, got it right.

JOURNALIST: How much weight will you give to the Opposition stance on the mill?

PM: Well that will be one consideration, but not simply because they have said they are opposed. They will put arguments to us and no doubt we'll listen to, you know, take account of the arguments.

JOURNALIST: There's still room for compromise as far as you're concerned between what the State Government's arrive at and your final decision?

PM: Well it's not a question of compromise. We'll have to make a decision about it. I mean, it just can't go on and on for ever and the time comes when there has got to be a decision. Now we'll have to deal with the proposal that is before us out of the Tasmanian Parliament.

JOURNALIST: Are you surprised that it has gone on for so long?

PM: No, as I say, I've been around for six years now and these issues seem to have a habit of going on for sometime. Look at the dam, look at the forests. And it's just part of nature, one shouldn't be surprised. The issues are important and it's much better in the end I suppose to have taken a fair bit of time and tried to listen seriously to both sides of the argument.

JOURNALIST: Is it possible that the Federal Government will put its own riders on FIRB approval.

PM: Look, I'm just not going to speculate about what we'll do. It's not fair to anyone. What we'll do is what I've said we'll do. When we get the decision from the Tasmanian Parliament, we'll then consider it, we'll take into account all the evidence and all the arguments that are available. Now it's no point in asking me questions which are speculative about what might happen if.

JOURNALIST: Prime Minister, do economic factors compel the State rough time at the Premiers Conference when it comes up in probably?

PM: I don't think that's the right way of putting it. I think the accurate way of putting it is that we have said, at Federal level and basically that means myself and Paul, that there's not a great deal of room left for massive fiscal cuts because what we have done must be appreciated. Just get the magnitude of what we've done in the six years since we've been in Government. We've moved from a public sector borrowing requirement of some six percent down to zero, which is a massive achievement. In the area of Commonwealth public outlays as a proportion of GDP we've moved that down from 31 1/2 percent to about 25 percent which is an enormous achievement, and gone into surplus. Now you just can't, and what people have got to understand including economic commentators and people removed from the realities of life there is a limit to how far, having done all those things, that you can go. Now there will be some room I believe in a housekeeping sense for some things to be done in the fiscal savings area, you know, the outlay side of the whole fiscal equation, be some room and we'll probably require the States to take some share of what we'll do. But the important thing to understand is we, having done all that we've done, which is massive and more than has ever been done before, there's not a whole lot of fat left there.

JOURNALIST: A few years ago you said you thought Tasmania had suffered enough and you wouldn't impose any more cuts on it and then last year the Federal Government did cut all the States. Will Tasmania, along with other States get a cut this year?

PM: Well Tasmania is part of Australia isn't it?

JOURNALIST: Yes, but you said Tasmania had suffered enough-

PM: Yes, and we again as I usually do went out of my way to see that Tasmania didn't suffer an undue share because I have always understood the special circumstances of Tasmania and I still do. A number of people down here including the Premier at times have been good enough to acknowledge that I have recognised that fact.

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