



PRIME MINISTER

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E & O E - PROOF ONLY

PM: I wanted to take this opportunity of announcing the important decision that the Cabinet made earlier this week in regard to the Greenhouse effect. We have decided that there must be acceleration of work in this country on this very important issue.

Before I just mention briefly the decision that we've taken it may serve to put the importance of this issue in perspective. I'll just give you one or two statistics. It is the case that in the last 10,000 years the variation in climate temperature has been between the order of one and two degrees. It is estimated that in the next 50 years with the estimated 30 percent increase in the further release of carbon dioxide, that by the year 2030 there could be an increase in temperature of between 1.5 and 4.5 degrees. In other words, the estimate is that in this period, there could be, within 50 years, a greater and perhaps a significantly greater increase in the earth's temperature than in the whole of recorded human history.

Of course the potential impacts of that are almost immeasurable at this stage. We are facing the situation therefore where the whole pattern of life and of industry, of nations and people, may be totally changed within one lifetime.

It's against that background that we have made the decision that Australia is going to be at the forefront of action in this area.

We have decided that an amount of \$7.8 million will be provided between now and 30 June 1990 for the first stage of developing Greenhouse research and policy support in this country.

We will establish a National Greenhouse Advisory Committee, six experts will be appointed to that. They will have the immediate responsibility to provide advice on priority areas for further Greenhouse research and to set objectives for a dedicated research grant scheme.

So I want to make it clear that in this area of the Greenhouse effect and in the associated important area of the depletion of the ozone layer, Australia intends to be at the forefront of research. We will work not only in our own country, as you know, I've also promised support to countries in the Pacific region. That support will be provided.

We intend to cooperate at every possible level of international research, work in consultation on this issue. It's particularly important that Australia do this because most of the work to this stage has been concentrated in the northern hemisphere area, it's important that Australia with our capacities and resources should see that there is introduced as much as possible into the international work that's being done, a consideration of the impact and implications of these important matters for the southern hemisphere.

So this is a first and significant stage and I give the commitment to the people of Australia that all necessary resources will be made available to ensure that the work that can be done within Australia will be done to the best possible effect and that we will be fully involved in all international work in this important area of human affairs which, as I say, has the capacity clearly to change dramatically the economies, the lifestyles and indeed the very viability of certain areas of the world.

JOURNALIST: Mr Hawke, what are the preliminary assessments in how Greenhouse will change the way we live and work? Did Cabinet -

PM: Well, associated with the submission was some very interesting documentation which essentially came from the United Nations Environmental Program work and what it sets out is that there is hardly any aspect of life that will not be effected. Let's look at agriculture for instance, just for a start. It is suggested that if the developments that are associated, already identified, with the Greenhouse effect, go on in the way they are, then you'll have the possibility of a total change in the pattern of agricultural production in the world, that the areas available for the growing of crops will push more towards the Poles. If that takes place in areas where the soil is poor, then yields will be down. So you are going to have massive changes possibly in the patterns of agricultural production. It will effect, as well as the patterns of agricultural production, it will effect the natural eco-systems, your forests, deserts. There will be increased, the word is increased desertification as a result of the Greenhouse effect. That will impact upon problems such as soil erosion and with all that means. It can have a significant effect on urban infrastructure. It could make some cities

(PM cont): unbearably hot and obviously a warmer or a dryer climate can effect basically questions of water use and longterm planning, perhaps making some large reservoirs or other projects which are in contemplation, useless before the normal 50 year timespan that's involved in the planning and the contemplation of the useful lifestyle. Obviously it can effect ports and coastal communities. The estimate is that approximately one third of the world's population lives within 60 kilometres of the coastline. Now with the rise in ocean levels that can be associated with the warming of the earth's climate, you could have a situation where, for a significant portion of the world's population, you are going to have the possibility of inundation and the requirement for change of location therefore. So when you, I mean, that's just going to some of the things. Some of the basics and why, for instance just taking that latter point, at the last meeting of the South Pacific Forum I made the offer there that we would provide assistance to some of the smaller states in the South Pacific because if you take a place like Kiribati, Tuvalu, which are virtually at sea level, any relatively small rise in the ocean level simply means that their countries cease to exist. It is, as I say, almost impossible to, I think, exaggerate the significance and implications of this issue with which we are dealing.

JOURNALIST: Would it have, or do you know what significance it would have in particular to Australian coastal cities?

PM: Well, by definition, it's going to, if you take the worst possible scenarios which could involve in the period of the next 50 years or so, quite significant rises in ocean levels it could, for parts of Australia, have manifestly disastrous impacts. That's why it's important that there be a public understanding of the significance of what we're talking about. May I say as part of the expenditure of this near \$8 million that we've set down for this period up until June 1990, there will be provision for a public awareness campaign. This is an issue which manifestly goes beyond Party, Government considerations, it's something which we want the community as a whole to be aware of so that as a community we can both plan and make the sort of contribution that we're able to make to countries in the region. Indeed one of the features of my recent Asian visit was to indicate to countries in the region that, in the associated area of ozone depletion and the impact of CFCs on the ozone layer that we had developed here in Australia and, as a result of cooperation between manufacturers, consumers and Governments, technology which is relevant in the question of recycling the offensive chemicals and we've undertaken to cooperate with them in the use of that, and transfer of that technology. They welcome that. What I'm saying is that it's something that we, as a nation, have to give increasing emphasis to. As I say, to cooperate with others not only in the region but I repeat also it's very important that

(PM cont): Australia plays a large role in the international work that's being done because to this stage of course most of that research and planning has a northern hemisphere bias.

JOURNALIST: Inaudible

PM: Just a minute, I'll come to that.

JOURNALIST: From what we know now of the problem, do you anticipate that if this is to be slowed down and hopefully ultimately reversed, that Australians and many other countries are going to have to have massive changes to their way of life?

PM: Let me put it this way. It is the case that if you look at the industrialised countries, one can identify in the period since the industrial revolution, if you take the period roughly of the last 125 years, the estimate is that in that period there's been approximately 0.5 percent increase in the temperature in that period. Now as a result of that industrial revolution it is the case that developed societies have developed industries and lifestyles which have locked us into this increasing generation of the Greenhouse gases. So it follows, as a matter of logic, that if we are going to arrest the imminence of disaster associated with a continuation of those patterns, it follows as a matter of logic then we have to give serious consideration to changing those patterns of behaviour. Otherwise we are guaranteeing for future generations, universal disaster. That gives some point to the question that was asked here. It gives, I believe, added emphasis to the need to try and ensure in the area of power generation that for those countries that have made the decision to use nuclear power for peaceful purpose of the generation of power, that every effort be made to ensure the maximum of safety of such processes because it is the case that one of the fundamental elements in the Greenhouse effect has been the burning of fossil fuels. This is not a matter for argument, it is a fact. So it's not only a question of nuclear power, but mankind is going to have to examine the whole question of power generation to try and ensure that, as a concerned and intelligent world, global community, we produce the power that we need in a way which is not going ultimately to destroy civilisation.

JOURNALIST: Does that mean Australia will have to consider nuclear power to replace our present fossil fuels?

PM: I don't think it needs to be on our agenda at this stage. In the total global picture of the generation of Greenhouse gases the estimate is that Australia generates less than one per cent of that. But I don't think we should be approaching as members of the international community - the global community - we ought to be approaching these issues with prejudices or assumptions as to what we can or cannot do. I mean what we've got to do is first of all to look at the evidence which is increasingly compelling and then I believe to cooperate fully with all the international programs and that includes most particularly the United Nations Environmental Program. Within Australia what I want to see happen and what I've insisted in the Cabinet will happen and which I have the support of my colleagues, is that we're not going to be looking at this question in terms of financial restraint. We've done a survey of the areas within the Australian community where research is being done but most research has been done within the CSIRO and in the Bureau of Meteorology. So what I'm insisting is that they be provided with the resources that they've indicated they need to further their work, that's involved in the \$8M that we're making available. What I want to see happen then is that the Greenhouse Advisory Committee will, from an expert point of view, then tell us what the further areas of research are, how we will best acquire the predictive capacity which is necessary for us to be able to make sensible planning decisions. Now I think that we've got to approach these things with an open mind and on the evidence of all the research available to me - and which I've taken a fair bit of time now to try and assimilate - I think that the approach on these issues has got to just over-ride political partisan boundaries and any areas of prejudice. We're in the fortunate position environmentally that because of the size of our country and the dispersion opportunities that that involves, that we don't face so many of the environmental problems of others. But we are in a position I think to make a very significant contribution to world research in this and will do so.

JOURNALIST: On the basis of the research and evidence so far, which parts of Australia will be first effected?

PM: You would have to say if you look at the - I mean the answer is obvious in this sense - that to the extent that we contemplate the possibility of the rising ocean level there are those parts of Australia which are the most low lying, the ones that would be most likely to be adversely effected. But I make the point that I made at the beginning in answering your question, "what's the range of implications?". If we have a situation where the whole pattern of agricultural production is going to be changed and adversely effected then that effects all Australians and obviously it has a potentially adverse effect in regard to certain of our minerals industry. I mean if the world were

(PM cont) as a result of the work that's done here and internationally, to accelerate a move away from the burning of fossil fuels that has implications for our coal mining industry and it's a point - I mean I could stand up here and try and dodge that and say well I don't want to talk about the possible deleterious effect on our mining industry. I'm not going to do that. I think that as I said earlier we've just got to face these issues squarely and honestly and understand that it has implications for everyone in Australia, everyone. That's why I've insisted that we approach this matter dramatically now and effectively.

JOURNALIST: Just on that question Mr Hawke about the fossil fuels. If it does have an adverse effect say on steaming coal exports, the ... of that is that it would be a ... yellow cake exports. You mentioned earlier about overcoming prejudices. Do you think this is a justification for the Labor Party re-examining its attitude to uranium?

PM: Well let me say this. Firstly as you know the Party has a committee which is examining the whole attitude on uranium policy. Let me secondly make this point, that I've had discussions - not calculated ones ... - but in the course of meeting people it's been interesting to me - not only in this country but overseas - that people in the environmental movement have had an attitude in regard to uranium and the use of uranium for the generation of power have been saying well they need to look at that to some extent again in the light of the developing evidence of deleterious impact of the Greenhouse effect which has the large single contributor, the burning of fossil fuel. But I don't say that with any sense of saying, well now you've got to therefore change your position. What I'm simply saying is that given the magnitude, the dimension of the issues that we're talking about, I think it ... anyone to go walking into that discussion and that analysis and carry into it any prejudices of the past. I think you've got to say, well the evidence here is overwhelming, it's near universal in its acceptance in the scientific community, I mean obviously there are degrees of emphasis, we haven't got a position where people are universal in their measurements and timetable in regard to the problem. But there is virtually universal scientific acceptance that the world has a very significant problem on its hands. Now when you've got problems of that dimension I mean it's silly to be trying to score political points or you know to carry prejudices, I mean it just is too big for that.

JOURNALIST: Apart from the fact that we might be able to make money out of uranium exports, we are in fact the highest per capita user of energy, we rank quite highly in the world, and although the country is large and therefore we should not ... the problem as perceived by people living in Australia we contribute per capita more than most or as much as anybody to the Greenhouse effect. We could be considering switching to nuclear power generation?

PM: You could be, I'm not. I made the aggregate point a while ago that in terms of the global release of Greenhouse gases it's estimated that we're less than 1% in that area.

JOURNALIST: Just a year ago Cabinet knocked back a submission from Senator Richardson for just \$1M for research into the Greenhouse effect. What's happened in the meantime to cause you to change your mind and why couldn't this research already be underway?

PM: There is research underway already. I mean there is significant research being done by the CSIRO and the Bureau of Mineral Resources. They have diverted some resources from other areas of activity towards this area. But I think the simple fact is that there is a dramatic explosion of awareness which is evidenced in a number of ways. We've had just recently two large international conferences - that which was called by Mrs Thatcher in March in London and the conference in the Hague. I think it is the case that as a result of the very good work that's been done by the United Nations and by people in particular countries that there has in the last twelve months or so been as I say an explosion of awareness. As far as I'm concerned I have become totally convinced of the urgency of this matter and I give the Australian people my unqualified assurance that financial considerations are not going to stand in the way of any decisions that we can take as a Government both in terms of what we can do to accelerate research and create the appropriate predictive capacity in this country and also to participate in all relevant areas of international work on the issue.

JOURNALIST: inaudible

PM: Just a minute I think Geoff asked a question, what does the Finance Minister think about that? Let me say in fairness to a man who is too often maligned as only having a calculus for a mind, that Senator Walsh shares our concerns on this issue.

JOURNALIST: Mr Hawke there are also implications for the preservation of our forests.

PM: I beg your pardon.

JOURNALIST: There are implications -

PM: There are indeed.

JOURNALIST: For the preservation of our forests and I believe that related to this the negotiations on Wesley Vale are resuming again. What's the situation there?

PM: Well I'm not aware of negotiations resuming on Wesley Vale. I've heard some indications that there may be some residual interest at least on the part of the local partner here. So if there is an attempt to resume negotiations either with the existing local enterprise or with others I simply make the point that my Government will insist on the strictest of guidelines as distinct from the Leader of the Opposition who wanted to race in and endorse Wesley Vale despite the clear warnings and strict injunctions, if I can put it that way, from the CSIRO. Well Mr Howard and the Liberals can be developers at any cost beggar future generations. We're not going to do that.

JOURNALIST: ... guidelines by May 2 ...

PM: I beg your pardon?

JOURNALIST: Mr Howard's proposing that you ...

PM: Mr?

JOURNALIST: Mr Howard, the Leader of the Opposition, is proposing that you set out your timetable -

PM: I mean I wasn't trying to be smart about - I just didn't catch the word, I'm sorry.

JOURNALIST: By May 2, set out national guidelines for the environmental requirements for these pulp mills. Will you go along with that? Would you try and set -

PM: The day when I make decisions about the future welfare of this country according to the opportunism of the Leader of the Opposition will be the day this country starts going backwards. He can embrace his opportunism in his desperate attempt to retain the leadership of the Liberal Party - and he's very much under seige there. Principles mean nothing to him. The ecological safety of this country, the preservation of this environment for future generations don't figure on his agenda. They do on mine. I won't be bullied into any artificial timetable by this Leader under seige of the conservatives. As far as I'm concerned it's almost a contradiction in terms to have a strictly national set of guidelines because what may be appropriate in one physical environment is not necessarily appropriate in another. And let me make the point in regard to Wesley Vale. There is no way in which I or this Government is going to tolerate a situation where 13 tonnes per day of chlorides are pumped into the ocean. So Mr Howard can abandon his principles, will not have any, the deregulator can be seen in this extraordinarily unbecoming exercise he's having with the National Party in regard to issues of the deregulation of the wheat industry, he can go on and have all his problems and deadlines that he wants to impose upon others or upon himself. They will have absolutely no impact upon me or on the Government because if you're looking for principles and if you're looking for concerns about the

(PM cont) welfare of this country in terms of present and future generations don't waste your time looking in the direction of John Howard.

JOURNALIST: I take it that you also have the same view of the merit of the Leader of the Opposition's proposal of a joint Federal/Victorian Royal Commission into the NSC, do you see any merit in the idea at all?

PM: No.

JOURNALIST: I was asking, \$8 million, will it be enough to get the CSIRO back to where it was five or six years ago before the cuts started?

PM: As far as the CSIRO is concerned on this issue we believe that this will be sufficient. It will involve a very significant addition in staff for them and resources for them to enable them to do the work which they believe they can do in this period. I want to emphasise that this is a first and preliminary stage for them to be determining what are the substantial priority areas of research to develop in that period from the middle of the 1990s. So we want them to be working further on the areas that they've already initiated but under the recommendations that we get from the Greenhouse Advisory Committee and the work will be done, the further work will be done by the CSIRO and with the Bureau of Meteorology. We expect then to have an indication to us of what further funding requirements there'll be. I repeat that as far as I'm concerned and this Government is concerned, no reasonable requests will be refused. Anything that we can do will be done.

JOURNALIST: Mr Howard today revealed that senior businessmen have expressed concern to him about the politicisation of the Treasury in the Reserve Bank. Have those concerns been expressed to you by businessmen as well?

PM: No.

JOURNALIST: Mr Hawke, on the NSCA, should the very important business of search and rescue with the implications for public safety be in the hands of groups such as the NSCA or specifically the preserve of the Defence forces?

PM: It's hard to say it should be specifically the reserve of the Defence forces although historically and currently they've had and have a significant role to play. I think that we want to try and put these things in perspective. Obviously there has been a disastrous misuse of funds in the operations of the NSC. Now that needs to be examined, it needs to be cleared up. But it seems to me that if you look at the history of this country we've had a history where there's been co-operation between organisations of that type and between the Defence forces. We're going to have to get

PM (cont): the right balance but we're certainly going to have to see a situation where as a result of the enquiries by the appropriate authorities, which are essentially State ones, that the mess of the NSC be cleared up. But I don't think you'll reach a situation in this country where exclusively these sorts of functions will be in the hands of the Defence forces.

JOURNALIST: What's your view of the action of the air traffic controllers in Sydney and do you see any threat to the wage/tax trade off from the current industrial activity on their front and the threat from the Telecom employees?

PM: No, if you look back over the last six years Geoff you'll find that wherever we've had these negotiations there've been one or two unions who've made noises and said 'well we're not going to cop it' and right through those periods we've had questions like the one you raise - will the action of this union break the system down? I've given the answer consistently, no it won't. I was right then and I believe I'll be proved right again in saying no, the action of one or two particular unions is not going to break down what I believe will be the emergence of an appropriate outcome on this occasion.

JOURNALIST: Can I put a question on Kampuchea?

PM: Yes, then I think we better get going.

JOURNALIST: Vietnam has announced it will unconditionally pull out by September. Are you hopeful for some internal resolution in Kampuchea between the factions? Do you see Australia having any role, any control or peacekeeping force and will we resume aid to Vietnam?

PM: Let me say, first of all, I welcome the statements that have been made that unequivocally the Vietnamese forces are going to be withdrawn from Kampuchea by September of this year. That's consistent with indications that I'd been given on my recent visit to Asia and certainly, in particular, when I've been talking with the Prime Minister of Thailand he was confident that this would be the case. So I believe that the fact that this announcement has been made would suggest that there have been some understandings at other levels and I would think particularly in discussions between the Soviet Union and China. Now, as you rightly say, what needs to occur is a resolution of the other externalities and of the internal problem. When I refer to the other externalities of course I specifically mean the provision of assistance from outside to factions within Kampuchea and particularly provision of assistance by China to the Khmer Rouge. I would assume that Vietnam wouldn't have made the decision that it has announced, in a sense reannounced, if it were not satisfied that there were going to be appropriate responses from China in that regard. Now, the other element that we must note is that Prince

PM (cont): Sihanouk has resumed his Chairmanship of the coalition and is agreeing to meet Hun Sen and I would hope and expect that the unequivocal nature of the decision that has been announced by the Vietnamese now will act as an impetus to the resolution of these internal problems. I mean, they are complex. One shouldn't underestimate the complexity of the issues that are involved. Without being exhaustive about them, let me refer to them. The issues that have bogged down the negotiations to the JIM meeting so far and in other discussions that have taken place, there is the question of what will be the nature of the internal regime in the period up to the time of the election. What place can there be for the coalition factions together with the Hun Sen regime in that lead-up period which will be such as they will have confidence in the preparations for the election. That is a critically important issue. Without being exhaustive, there are others. Now I think that the time that's available, it means we're now in relatively early April, they announced they're going to withdraw by September. I think, given the environment that's been created by that decision, given the assumption I make that there are basic understandings between the Soviet Union and China, given the resumption of the leadership of the coalition by Sihanouk, I think we have grounds for a considerable degree of optimism that these issues can be resolved in the time available.

JOURNALIST: Unemployment Mr Hawke, could we have a quick comment on the big drop in the unemployment -

PM: Well, I was wondering whether you'd ever get there. We're very pleased with the fact that the unemployment rate is now down to 6.2 per cent and that has been associated with some fall in employment, but a fall in the participation rate and an increase in employment over the period since, twelve months ago of over 3 per cent, 3.2 per cent in fact. So it's a very substantial increase in employment. I'm very pleased with the result.

JOURNALIST: Prime Minister, just the end of my question about the peacekeeping force, you didn't respond to that. Whether Australia would -

PM: Yes, I'm sorry. Yes, I just repeat on that what I've said overseas and here. We have an historical involvement and interest in this issue. I've made it clear in my discussions with the Prime Minister of Thailand, as has my Foreign Minister, Senator Evans, that Australia stands ready if requested by the parties principle and those associated with this. By that I mean particularly the ASEAN countries. If they want an Australian involvement, we are prepared to be involved. We have expressed the view that we would hope that there is no need for an armed peacekeeping force, but more of a monitoring role. But if that more extensive peacekeeping type arrangement were contemplated, then we would be prepared to look at that. It is a matter of some

-12-

PM (cont): satisfaction to me that the countries directly involved, countries like Thailand, seem to take the view that it is appropriate that Australia should be involved.

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