

## PRIME MINISTER

TRANSCRIPT OF INTERVIEW WITH PAUL MURPHY, TONIGHT PROGRAM, SBS, 23 MAY 1989

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MURPHY: Prime Minister thanks very much indeed for coming on the Tonight Show.

PM: My pleasure. Could I just correct that introduction? I did not clash with my Foreign Minister.

MURPHY: OK, I'll get to that in a second and to other foreign policy matters. If I can just put in a domestic question first.

PM: Sure.

MURPHY: Apparently in Question Time in the Senate this afternoon Senator John Button said in reply to a question put by Richard Alston that all arms of economic policy were under review and an appropriate announcement will be made shortly. Can you tell me what arms are under review and why?

PM: Well, rather it's correct to say that we are always looking at the way in which all the arms of policy are operating. We are constantly doing that and seeing that they are appropriately tuned.

MURPHY: So this is fiscal and monetary policy?

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PM: And wages.

MURPHY: And wages.

PM: Always under review.

MURPHY: So nothing out of the ordinary about the statement?

PM: Nothing out of the ordinary.

MURPHY: Just before I go to foreign policy, the dollar's not been doing too well recently. Are you concerned about that?

PM: Well, let's get it clear that basically the decline of the Australian dollar has been against the United States dollar which has surged against all currencies. There has been a drop, but only relatively, a marginal drop against the other major currencies - the pound sterling, deutschmark and the yen.

MURPHY: Yes, not doing too badly against the yen today, but you're not worried about that at all?

PM: No, well once you've floated the dollar, then the market sets the rate. That's what a floating dollar is about.

MURPHY: OK Prime Minister, if we can go to foreign policy, but even before that, you are putting a motion up on multiculturalism and immigration.

PM: No, wrong again. Not a motion about multiculturalism, Paul, and deliberately not because the one thing that we want absolutely to do in terms of Australia's and the region's interest is to get an unequivocal declaration of a return to bipartisanship on our immigration policy. That is in terms of there being no discrimination on the basis of race. We've deliberately excluded reference to multiculturalism, not because we're not totally committed to it, but we didn't want to introduce that element into the motion because perhaps the Opposition needs a bit more time to sort out its position on that. But the Leader of the Opposition made a, from my point of view, a totally welcome statement about a return to bipartisanship in immigration policy.

MURPHY: Indeed he did, so I'm wondering why you're putting him to the test on the floor of the House. Do you .... to deliver?

PM: No, and I want to make it quite clear to your viewers and I hope that the Leader of the Opposition understands that there's not an attempt to get any political advantage, but rather the position that I know directly from my visit earlier this year to the region and what we've had conveyed to us is that there's a very deep concern in the region, Paul, about what they perceive as the departure from bipartisanship. It's very much, in all our interests, the Opposition, the Government, the people of Australia, that it be clear that we are back-on the bipartisan track on immigration.

MURPHY: So, it's really a signal to the region and to those people, those countries who may have been worried about how things have been going over the past twelve months?

PM: A signal to the region and, may I say, to Australia as well.

MURPHY: With people like Ian Macphee and Philip Ruddock on the Shadow frontbench, multiculturalism shouldn't be too hard a concept for the Opposition to come to terms with now should it?

PM: It shouldn't be, particularly when you consider that not so long ago in the old Parliament House there was a unanimous vote of the Parliament on this question. It is something for which the Liberal Party historically is entitled to take a great deal of credit for its introduction. So it shouldn't be a difficult problem. I hope it won't be.

MURPHY: OK Prime Minister, well let's turn to the Middle East and let's hope that we get our facts right in this. I think I'm right in saying that in the Parliament some weeks ago you did reprimand Dr Wilenski, our Ambassador to the UN, for a speech that he did give on the situation in the occupied territories and you said that it lacked balance. Now can you explain why you did come to that conclusion?

PM: Yes basically, because while the statement by Dr Wilenski did deplore violence on all sides, in my judgement it was somewhat unbalanced in that it didn't put the difficulties of Israel into an historical context. I mean we recognise that they have difficulties that they've historically been confronted with, but having said that and I think that ought to have been said - there was simply no question but that the vote was right and there should have been the vote in the way it was where there was 129 countries voting, there was only the two, United States and Israel voting against and one abstention, Liberia. So the vote was right. Of course one of the the problems is that when you do an explanation of vote it is necessarily very It doesn't enable any government to give a detailed full exposition of its foreign policy position. But I still made the point that I thought in that respect, it was somewhat unbalanced.

MUPRHY: Alright, so it didn't signal your statement. Any change in our policy towards a solution of the Palestinian problem?

PM: None at all. There was no change of policy and indeed we'd voted on a similar resolution UNGA 42 in 1987 and in 1988, so there was no change of policy. The position that we have in regard to the Middle East in general is quite clear. It is based upon a recognition of the right of Israel to exist and to be viable and secure, also as consistently involve the recognition of the rights of the Palestinian people.

MURPHY: Yes indeed, and of course now the PLO has said that Israel has the right to exist. In fact I think I'm right in saying that in 1981 you said that once the PLO did that, then there should be efforts made to get Israel and the PLO to the negotiating table?

Yes, my position has been consistent over a long period of time. Indeed I'm entitled I think to say that I was the person in the international arena who first laid down, if I may put it that way, the three conditions which I believe were necessary for movement. On the part of the PLO, that required an acceptance of 242 and 338 resolutions of the United Nations, secondly, the right of Israel to exist and thirdly the renunciation of terrorism. Now I put those positions within the United States, I put them in the Soviet Union and I put them in the Middle East. Essentially I think they've come to accept it as the reasonable conditions and in fact, at least in form, the PLO has met those conditions. I accept the fact that in respect of some spokesmen for the PLO you could say there's been some equivocation about certain elements of that, but it would be churlish on the part of anyone, I believe, not to recognise there has been a significant move towards the acceptance of those three conditions by the PLO. In those circumstances I have said consistently, I believe there's an obligation upon Israel itself to respond positively and to go towards the processes of dialogue, fully understanding that they in Israel are entitled to watch cautiously and to see a reflection in deeds to those words of acceptance. But I do believe that it would be unreal for anyone, Israel included, not to accept two things. One, that there has been a significant change in statements by the PLO and secondly, in a sense, also equally importantly, Paul, that there is a change in the international environment - by which I mean that in terms of the two superpowers we are now living in a world where, as a result of the dialogue and a constructive dialogue that is going on between the two superpowers, we are seeing in regional areas the reduction of conflicts. vide Namibia, vide Afghanistan, vide Indo-China. So I think Israel and the parties in the Middle East have to understand that there is now an attitude in the world which is requiring of participants to local conflict a preparedness to move more than they have in the past towards the resolution of those regional conflicts.

MURPHY: Indeed Prime Minister there's confusion at the moment about the Israelis wanting to offer some form of elections in the occupied territories. The PLO don't appear to be interested, although who knows what will happen. You've taken a keen interest in this area as you've just said for many years, and you're one of the world's longest serving leaders. Would you feel tempted to offer your services at all in a resolution of this continuing problem?

PM: Well not to offer. But what I've said and may in response to feelers and suggestions that have been made to me from a number of quarters - from within Israel, from within some of the Arab states - who have recognised my long standing interest and, may I say, knowledge of the subject that they've said perhaps I could do something. My position is quite clear.

MURPHY: Recent feelers Prime Minister?

PM: Well there have been some suggestions. I mean I don't want to go to them and I don't want to have a great story developed out of that. There have been some suggestions. My position has been consistent Paul, and it is this. That I don't attempt to push myself or Australia in this issue. It is simply this to say, 'yes I do have a long involvement and interest and I think an acceptance by both sides of integrity in this issue. I do have a pretty profound knowledge I think of the issues'. My Government and, may I say, not only my Government but I think I can speak on behalf of the Opposition on this matter - that there is a bipartisan commitment to a resolution of the - an honourable resolution in this region. I simply say that if it were the wish of the parties involved for us to play some more particular part then we would be prepared to do it.

MURPHY: And you personally would be available if approached by the parties or the UN or the superpowers?

PM: Yes if they thought I could help, of course one would be available.

MURPHY: All right. If I can move on to the situation in China. I know you spoke in the House this afternoon about this. How are you reading it now? Do you think that Government is paralysed? Is there a secret power struggle? You knew Hu Yaobang very well - of course his death sparked off the student demonstrations. Do you think that there's a power struggle going on now at the moment?

I did know all the leaders and I don't think it is a very profound observation to say that there is some form of power stuggle. There are obviously differences of approach amongst the leadership as to what is the most appropriate way of dealing with this matter. But let me say this. I think that the authorities in China are to be congratulated on the fact that certainly to this point there has been an eschewal of violence to try and put down the protest and the expression of view that is now coming through - not only from the students but from a wide variety of interests in China. It is my strong view and the view of my Government, again I think I can speak for the Opposition, the view of the Parliament and the people of Australia that we would -hope and expect that the authorities in China would not resort to violence to put down these obvious widespread and deeply felt expressions of concern in China and to the extent that there are differences of emphasis. You may want to use the word crisis in leadership. It is uncertain and we are constantly in touch with what's happening. One can't be absolutely precise Paul, about whether you would describe it as a total crisis. But there does seem to be a division of opinion.

MURPHY: It's not looking too good for reform at the moment and what these youngsters - these dedicated youngsters - are after?

PM: I think there will be inevitably be further reform. What we're witnessing Paul, both within China and the Soviet Union, is the invarying degrees and understanding that historical and outdated ideologies which have as their central thesis the concept of command control of the economy, command control of the policy, that those historical ideologies are not relevant to the modern realities of the end of the 20th century. These were philosophies that emerged at the beginning of this century. They are not appropriate to the realities of the end of this century. Now it is inevitable therefore and I think both in the Soviet Union and in China that there would be moves which we welcome towards a society in which there will be greater rights of political involvement and expression for the ordinary people. We've seen that. We're seeing that emerging very much in the Soviet Union. I think it's inevitable that it will happen in China as well.

MURPHY: All right Prime Minister. I can't let you go without a final brief question domestically if you don't mind? A Newspoll poll this morning showed the Party that Mr Peacock now leads is not doing too badly — in fact quite well — viz a viz your Government and apparently Andrew Peacock did quite well in the House this afternoon. Do you think you'll have to be on your mettle now that Mr Peacock leads the Liberals?

PM: No. He's no greater threat than Mr Howard. Just about that poll. There is no-one in politics who believes the switch from 49 to 41. But if you want to look at the poll I mean look at the satisfaction rating of Mr Peacock - 22 - no where - not a half of mine. Now I'm not complacent about that. The poll was a pretty meaningless one. We are content that we're going on with the business of Government, they are going on with the business of self destruction.

MURPHY: But is Andrew Peacock a more substantial figure -

PM: No, no. Mr Howard is a much more substantial figure and all the people who voted for Mr Peacock recognise the fact. They didn't vote for substance, they voted for style.

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PM: It's a pleasure to be with you Paul, thank you.

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