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PRIME MINISTER

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JOURNALIST: Prime Minister, can you clear up once and for all whether the consumption tax is on the Government's agenda?

PM: You'll get a very clear statement of the Government's position on this from the Treasurer early next week which will make it abundantly clear that what we said in the election campaign we meant. And that is that we will not be introducing a broad-based consumption tax.

JOURNALIST: In the term of this Government Prime Minister?

PM: Certainly we will not be introducing it in the term of this Government.

JOURNALIST: Has it disturbed you that the debate has been thrown wide open again by one of your Ministers?

PM: No. You ought to know me by now. You've witnessed me as Prime Minister for seven years. I don't get the same amount of consternation in my mind as you in the media get from your own headlines. I mean someone makes an offhand comment, what do we see - boom, boom, boom, headlines all over the place. Now you get the collective media knickers knotted. I don't. ...

JOURNALIST: On State finances, Nick Greiner has baulked at the fact that NSW is going to get \$100 million less. What's your reaction to that?

PM: Again, I don't get terribly upset when I see a newspaper headline that a Premier expresses concern that he might, as a result of an independent commission, get some redistribution of available resources away from him to other States. He wouldn't be doing his job if he didn't express his concern. But these things have their own processes. We get the report from the Grants Commission and we consider it and then decisions are taken at the Premiers' Conference and Loans Council Meeting. Those processes will just go ahead normally.

JOURNALIST: ... government ... actually going to ask you for more money to pay ... teachers wages.

PM: ... nothing new. I mean we've been in Federation now for nearly 90 years, and throughout Federation the States have been asking the Commonwealth for more money.

JOURNALIST: Just back to the environment for a moment Prime Minister. You've said quite a bit about timber this morning and sustainable development. The submission on imported rainforest timber that's now on the Cabinet agenda, do you have a position on that that you're prepared to state at the moment?

PM: I tend not to - I mean there are exceptions - but I tend not to state my position in advance of Cabinet considerations. Generally speaking that's a wise course of action. But I can make the general comment that we have indicated our concern as an Australian Government for the preservation of world rainforest resources. We've made financial grants in respect of Brazil and we have made available to Malaysia the services of Australian rainforest experts to help to advise Malaysia in policies for the preservation of their rainforests. So we have an international concern and we will look at this report and make what we think is the appropriate decision.

JOURNALIST: Yet Australia's still importing quite a bit of -

PM: Yes, of course. That's why we've got a report isn't it?

JOURNALIST: Are you considering tax concessions for producers of environment friendly goods?

PM: Not only considering it, we've done it. We've made tax concessions in respect of recycled paper for instance.

JOURNALIST: Would there be tax penalties against carbon producers, greenhouse ...?

PM: The consideration of how we deal with the greenhouse effect is an ongoing matter and we certainly won't be rushing in to an ad hoc decision of that sort. But we will be, as we are in so many other environmental matters, taking a world lead, I believe, in decisions to ensure that we at least meet, or more than meet, the sort of international environment expectations.

JOURNALIST: Peter Cook says that a consumption tax is unnecessary. Does the Government rule a consumption tax out?

PM: Just listen to the answer I've given already would you please.

JOURNALIST: The coal industry has expressed concerns about the environmental push for limiting emissions of carbon dioxide. Does the resource sector have a primary worry here in Australia?

PM: Well naturally the coal industry is going to have some concern I guess about the increasing global worry about the level of emissions. And naturally if you were in the coal industry you'd be looking at what that meant for your industry. It's not surprising.

JOURNALIST: Professor Geoffrey Blainey says it's going to damage our export industry.

PM: I take very little notice of Professor Geoffrey Blainey on any matter whatsoever.

JOURNALIST: Mr Hawke, you say that you've already answered the consumption tax question. I wasn't here. ... question on the consumption tax?

PM: Alright, well I'll take account of the fact that you weren't here. I've indicated that we said in the election campaign that this Government would not be introducing a consumption tax. That is our position. I've had a discussion with the Treasurer and we've agreed that he'll be making a very definitive statement in a speech on this I would think early next week.

JOURNALIST: It must worry you that it's a question that won't go away though.

PM: Do I look terribly worried? I mean obviously you weren't here a moment ago. So let me repeat what I said. The media has the capacity to get their - if I can use the phrase - their knickers in a collective knot because some fellow makes some passing observations. ... we get headlines - Government crisis. I just ask you to have a look at me. Do I look very crisis-ridden or torn about this issue? I mean, you've really got to understand politics. Politics are not made by your headlines, as much as you might like to think they are. They're not.

JOURNALIST: ... ACTU trying to pave the way though, well it appears that they're trying to pave the way.

PM: Well it may appear to you, but I suggest that you do another analysis. The ACTU is not trying to pave the way. I'm just fascinated by the observation. I'd like to know what you rest that on.

JOURNALIST: ... did say the Government was considering it.

PM: Senator Cook didn't say the Government was considering it. I saw the program and ... said that people were talking about it, but -

JOURNALIST: He said it would be considered.

PM: Well, I've told you it would be considered. It will be considered in a statement by the Treasurer early next week in which it will be made quite clear what the result of the consideration is. No change in the position of the Government. I mean when you have people getting up here, there and everywhere saying consumption tax, consumption tax, I mean we don't block our ears and say we haven't heard them say that. We say oh well, people are talking about a consumption tax. The Treasurer and I have had a discussion about it, together with some of our other Ministers I might say, and I reaffirm what I said during the election campaign, and this is the last time I'm going to say it because it really is getting boring for me even if it's not for you. There will not be a consumption tax imposed by this Government. And the Treasurer will be spelling out very clearly the reasons why next week. Now, end of discussion.

JOURNALIST: Brigadier Garland of the RSL has made a remark this morning which you no doubt saw. Is it embarrassing for the Japanese Defence Minister?

PM: I think it must be embarrassing for the RSL.

JOURNALIST: Can you understand why somebody like the Brigadier might make a remark like that?

PM: I have a lot of challenges in my life as Prime Minister. To fathom the mind of Brigadier Garland is not one that I intend to add to my challenges.

JOURNALIST: Is it more of an embarrassment to the RSL than the Japanese Defence Minister?

PM: I wouldn't have thought that the Japanese Defence Minister should be embarrassed by the observations of Brigadier Garland.

JOURNALIST: Have you got any plans to go to Nyngan or Dubbo?

PM: No. The people of Nyngan had conveyed to them, and in the flood areas, had conveyed to them by Paul Keating in his capacity as Acting Prime Minister while I was at Gallipoli, my deep concern. I've expressed those and we're going to be taking the actions, the financial actions that are necessary to ensure that we do as much as we can in cooperation with the State Government in this matter. I don't think at this stage a visit by me is necessary. They know, through the visit of the Acting Prime Minister and my own statements before I left, and the actions that we will be taking, the depth of our concern for it. I don't think a visit is necessary.

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