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PRIME MINISTER

TRANSCRIPT OF DOORSTOP ON DEPARTURE FOR NOUMEA AND SOUTH PACIFIC FORUM, RAAF BASE FAIRBAIRN, 27 JULY 1990

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JOURNALIST: Prime Minister, are you concerned about the possibility of a special executive on the Telecom issue?

PM: There's a meeting of the executive coming up some time in September anyway. I don't think there's any special one likely to emerge.

JOURNALIST: Premier Cain says he would ... decision on telecommunications should be dropped until that September meeting, do you think there's a chance that would happen?

PM: We'll make the decisions that we think are appropriate.

JOURNALIST: Mr Hawke, does the latest balance of payments figure concern you? It was worse than expected.

PM: It was at the upper end of the expectations of the market, but if you have a look at it, it's quite clear that the policies of the Government are working in that the lower level of demand is bringing a lower level of imports. If you look at the June quarter, seasonally adjusted and, I hate the phrase, endogenous imports, which are the ones that we are really talking about, those seasonally adjusted imports are down 10 percent on the March quarter. So the policy is working. If you look at the current account deficit, it's now, in this quarter, running at \$18 and a half billion against the \$22 and a half billion of the September quarter of last year. So the policies are clearly working.

JOURNALIST: Do you think people can expect interest rate falls after the Budget?

PM: I'm not making any comment about interest rates.

JOURNALIST: Prime Minister, how important are environmental issues at this year's Forum?

PM: They will have a considerable significance. I think the Forum will review with a great deal of pleasure the significant advance that's been made in the area of banning of driftnet fishing following the Tarawa

Declaration that we were involved in this time 12 months ago and I think we're all entitled to take a great deal of pleasure from that. There are other issues that will be on the agenda which have environmental implications.

JOURNALIST: Prime Minister, Mr Greiner's visit to China - are you happy with that, do you endorse it?

PM: I haven't given any consideration to it at this stage.

JOURNALIST: Is the row over the telecommunication industry damaging the Government ...

PM: No, if you look back over seven years you'll see points at which there have been arguments about this area of policy and that area of policy, but we, we usually have sufficient good sense to be able to work these things through and I'm sure we'll be able to do it again.

JOURNALIST: Is it possible that there can be a compromise between the Beazleys -

PM: I'm not going to the specifics of it. I've made it quite clear that, as far as this issue is concerned, I'll discuss that within the Party.

JOURNALIST: Do you expect this matter to be decided next Friday?

PM: Well, we'll see.

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