



**PRIME MINISTER**

TRANSCRIPT OF NEWS CONFERENCE, PARLIAMENT HOUSE,  
10 AUGUST 1990

E & OE - PROOF ONLY

PM: The decisions I'm about to announce of course are against the background of Australia's total unequivocal condemnation of the invasion by Iraq of Kuwait and its subsequent reported annexation. We join with the rest of the world in saying that we will not tolerate, will not stand idly by while any member of the international community purports to break the rules of civilised conduct in that way. We've been considering what more should be done in addition to our joining with the rest of the world in imposing sanctions, to give an additional response to what is happening in the gulf. We have been in contact with Washington on this issue. I have discussed the matter with a number of my Ministers, the Deputy Prime Minister Paul Keating, with Ministers Evans, Ray, Duffy and Button. And against that preparatory thinking that we've been undertaking President Bush called me this morning, I had a lengthy conversation with him. And out of that conversation we agreed that Australia would contribute to a multinational task force in the gulf. Let me make it clear that the primary purpose of that multinational naval task force will be to enforce the blockade on Iraq and Kuwait and of course to protect the exports from other oil producing gulf countries and to protect other trade in the gulf. That's its primary purpose, to enforce the blockade and to keep other trade free. But by its very nature its worth saying that the force will contribute to the deterrence we believe of further aggression by Iraq. Obviously when a decision of this sort is made there is a number of important issues of detail that have to be resolved and there will be discussions going on now between the United States people and ourselves to deal with those matters. Without being exhaustive they obviously include the question of the status of the force, what the other membership of it will be and the command structure. Our ships of course will remain under Australian National command, but they may operate when they get there, under US or some other form of actual operation control. Now these issues are important issues and they will be discussed now in the hours and the days ahead. We will send two guided missile frigates, FFG's, the Adelaide and Darwin and they will be supported by the replenishment tanker Success. Let me say, and if you want to go to any more technical questions on these matters, Admiral

Beaumont is available. But let me say that these two FFG's are extremely capable ships with comprehensive self defence capability. They have a Standard air defence missile, Close In Weapons System, the Harpoon Anti-Ship Missile, Electronic counter measures and they will also be equipped with Sea Hawk helicopters. Each frigate has a crew of approximately two hundred, that's for each of the frigates and also the Success has a crew of the same magnitude. I'm given to understand that the ships will be able to leave Australia within five days and they will be on station within twenty two days. Let me say that we understand that in making this decision the deployment may involve significant risks. It is a potentially high threat environment into which the ships will be moving, but we have profound faith in the equipment and the training of our men in their capacity to meet any situation which they will be confronted. The actual conditions of service and other aspects will be considered by Cabinet, but let me make it quite clear directly to the members of our naval forces that are concerned and to the public that the Australian Government will be providing conditions commensurate with the serious nature of this deployment. So I conclude ladies and gentlemen as I began by saying that what we are witnessing in the gulf at the moment is a series of actions and threats which are entirely unacceptable to the Australian Government and we are prepared to play a responsible part in seeking to ensure that this aggression is deterred and that the blockade that has been decided upon and the embargoes that have been imposed should be effective. And I express the hope that in this way a further escalation of conflict will be avoided and the hope that President Saddam Hussein will understand that the only sensible course of action now is to withdraw his forces from Kuwait and to allow the restoration of the former government in that country.

JOURNALIST: Prime Minister is Australia responding to a request from the United States or is this offer made off our own bat?

PM: The matter was raised with us initially in the United States and we therefore responded. We had discussions with them there and it was out of those preliminary discussions that were initiated from the United States that the President rang me today and that out of those discussions we agreed that this Australian naval asset would be provided.

JOURNALIST: Prime Minister these United Nations sanctions, wouldn't it have been better to wait for the United Nations or seek a United Nations response before committing ships?

PM: We can always find a reason and an excuse for not playing a responsible role in a threatening situation and if we had wanted to do that yes we could have easily done that, but I believe that the gravity of the situation is

such that it warranted this action at this time by Australia. Obviously I believe it would be the preference of the United States as well as of Australia that there could be a United Nations flag operation and that is not out of the question. It may be that that emerges. But in circumstances of this kind I think it's not appropriate to wait until the ideal actually emerges, but if that can emerge Australia will be very happy.

JOURNALIST: What other countries are going to be involved in this force?

PM: Well already you will appreciate that there are naval forces there. You've got the United States, you've got Britain and you've got the Dutch. The Italians are going to be providing facilities and there is the NATO meeting today in Paris in which this whole issue will be discussed. So obviously a number of West Europeans will be involved and I know that the matter is being considered by our friends in Canada. I have had discussions by telephone with my friend Brian Mulroney and no decision has been made there, but the matter is being considered in Canada. It may be also that Japan could be involved.

JOURNALIST: Any discussion Prime Minister of aircraft or ground crews?

PM: No. There has been no question raised of any other Australian commitment other than the naval assets to which I have referred.

JOURNALIST: Prime Minister US television networks have reported that you at some stage actually phoned President Bush, was there an earlier conversation?

PM: No I didn't phone President Bush. But as I said quite straightforwardly there had been earlier discussions at officials levels initiated in the first place by the United States, but the only contact between President Bush and myself was the phone call from him to me this morning.

JOURNALIST: Prime Minister did President Bush give you an assessment this morning of the likelihood of the conflict escalating?

PM: Well he was - you'll appreciate there are some aspects of the conversation that I can't make public - but I think I can say this, that the President was optimistic about the degree of support that was being proffered. For instance in an operational sense he indicated that port facilities would be available in some neighbouring States, I won't name them for obvious reasons, but it wouldn't be therefore a situation that our naval forces would be operating ... without access to relatively adjacent port facilities.

JOURNALIST: Have you thought how long you might leave these ships there? The reason I ask is that I understand Iraq has ... supplies and it will be months before these sanctions bite, and secondly where are these three ships at the moment?

PM: The two that we're talking about, the Adelaide and Darwin - where are they Admiral?

ADMIRAL BEAUMONT: Eastern Australia. In Sydney.

PM: They are actually in Sydney. They are in Sydney. And the Success. And as I say, I'm informed it's five days, within five days.

ADMIRAL BEAUMONT: They sail on Monday Prime Minister.

PM: Yes, they sail on Monday.

JOURNALIST: In the past both Presidents Carter and Reagan faced some pretty important consequences as a result of deploying forces into the Middle East. What are your apprehensions about sending an Australian contingent, given that background?

PM: Well these are not decisions that any Prime Minister here or President of the United States makes lightly, because the record of the Government with which we are now particularly concerned is not a terribly attractive one. The United States particularly has a large number of people who are being detained in Iraq and Baghdad. We are doing everything we can of course to try and protect the welfare and the safety of Australian citizens. We are in constant communication, not only of course with our own diplomatic representatives but they with other like-minded countries. We will do everything we can to ensure the safety of Australians. But when you're faced with a situation like this you've, I believe, got to make the decisions which you believe are most calculated to bring about a situation where the aggressor will understand that a continuation of those actions is not only not acceptable to the international community but that any intelligent assessment of self-interest on the part of Iraq must lead to the conclusion that the troops should be withdrawn.

JOURNALIST: ... first question Prime Minister, how long are we likely to stay there given Iraq's ...?

PM: I'm sorry Laurie. Well, obviously I can't give a definitive answer to that. I can express the hope that it would be a relatively short period. But you are right in referring to the fact that there is, according to the reports, a fairly substantial reserve of foodstuffs. We understand for instance that there's something like six months' supply of grain there in Iraq. But there is already, may I say, an impact of the sanctions. For instance, in regard to both pipelines, that is the

pipelines across Turkey and across Saudi Arabia, there are no tankers loading and those pipelines are now not operating. They will already be suffering an impact upon their receipts. And of course any expectation that they may have had about being able to receive the income from the very substantial Kuwaiti assets abroad, has been frustrated by the action that's been taken around the world including here in Australia to freeze those assets. So Laurie I think that in fact you'll already be starting to get a very significant impact, and that's an impact which will escalate in economic terms very significantly in the days and weeks ahead. So I repeat, that any intelligent rational assessment by the leadership of Iraq

ought to lead to the conclusion that their best interests are served by a withdrawal. Now, unfortunately, we can't proceed on the basis that rational, intelligent assessments will be the only criteria in considerations which lead to action there. So I can't be dishonest to say I know how long, but I think what is true, Laurie, is that the more nations like Australia with a capacity to make a commitment as I've made, the more this is done and the more that the leadership of Iraq understands that they are confronting a very, very comprehensive opposition to their position, the more likely it is that we will be looking at a relatively short period. May I finally say, in answer to your question, that I think you'll agree that an important part in this gathering of a representative opposition will be what is done by parts of the Arab world and I'm hopeful that there may be some accession of Arab forces in those that will be lined up in opposition to Iraq.

JOURNALIST: Despite the petrol price freeze, some of the impact of the Gulf conflict will feed through to the September quarter CPI. Do you believe this should be discounted from the wage increase that will flow as a result?

PM: Well, frankly, I have, as a result of the action that the Treasurer took yesterday on behalf of the Government that we won't actually see any significant feed through, so to that extent I hope, Milton, that the question remains hypothetical and I therefore, you know, don't address it now. I mean, if the issue arises, we'll address it at the time.

JOURNALIST: Prime Minister, just to clear up something -

PM: Yes, sure.

JOURNALIST: Are we committed for the duration of the blockade?

PM: Yes, we, as I've said, the primary purpose of the commitment of the Australian naval forces is to enforce the blockade and that's on Iraq and Kuwait and to protect, as I say, the movement of other oil producers in

the region and our intention would be to commit these forces for as long as is necessary to successfully achieve that primary purpose.

JOURNALIST: Do you believe it would be necessary to protect our personnel in the Navy from the possible use of chemical weapons?

PM: Well, I'm sure that our naval authorities will be completely aware of the environment and the potential dangers into which they are moving and that they'll have all the appropriate protective apparatus. But when I've finished, if you want to address any, as I say, technical question like that, but that would be my obvious assumption.

JOURNALIST: Prime Minister -

PM: And I see from the affirmative nod of the Admiral, that the Prime Ministerial assumption is correct.

JOURNALIST: Mr Hawke, do you see the need to increase security on our shores because of any possible terrorist threats ... arising from our involvement?

PM: Well, we have, as a Government, have attached very considerable importance to ensuring the capacity of Australia, both by our own efforts and by a high degree of cooperation with other nations, having the capacity to meet any terrorist threat. We haven't been slack in that regard in the past and I would believe that in the circumstances all those who have a responsibility in this area would be particularly alert.

JOURNALIST: Prime Minister, ... indications last night that you'd wait till next week before announcing a decision, did President Bush urge you to make an announcement more quickly than -

PM: No, as I've said to you, my dear friends, before and I say it again, don't get led away by what you write yourself in creating an expectation for me about my parameters and framework of decision-making. I mean, you don't do it and you haven't on this occasion.

JOURNALIST: Prime Minister, has any assessment been made of the likely Iraqi reaction, especially with regards Australians that are still in Iraq or in Kuwait?

PM: Well, let me say this. As you would imagine I have been following these issues almost on an hourly basis since the crisis arose and I have been reassured in my reading of the continuous stream of cables about the fact that our representative in Baghdad is in continuous contact with the Ministry of Foreign Affairs there about the welfare of Australian citizens and is doing that in very significant cooperation with other like-minded countries. So I can assure you that up till this point,

we've been doing all that we can and clearly in these circumstances we'll continue to do that.

JOURNALIST: Is there any contingency for an adverse reaction by the Iraqis to our sending ships to the Gulf?

PM: Well, the point I'm making is I don't think we could have been, up until this point, doing more than we have been doing to try and secure the safety of Australians in the region and we'll continue to do that.

JOURNALIST: What is the extent of Australian role here? You've said that it's mainly an enforcement mechanism for the sanctions that are imposed, you've also said that US ships would be in control of the Australian ships ...

PM: ... that could be, well ...

JOURNALIST: I'm just wondering, do you say that Australian ships will not be involved in any direct military attack or support for it ...

PM: Let me, yes, that's a good question. ... I have said what the purpose is, what the agreement has been. If there were any request to escalate the role of our assets, then that would be a matter for request, discussion, negotiation and then decision.

JOURNALIST: A related question, Prime Minister.

PM: Yes.

JOURNALIST: Is this the absolute limit of our involvement, having ruled out the use of ground troops and our aircraft ...

PM: Well, Laurie, no question has been raised about that and I will be totally frank with you in this, no question has been raised about it. It's our belief that the best that Australia, the most effective contribution that Australia can make is the one that we are making and I don't anticipate any request for assets from our airforce or from the army. I don't anticipate any requests because I don't think, in that respect, we are likely to be seen as able to be as effective by way of contribution as we are in our naval assets. If, and this is purely ... if such a request were at any time in the future to be made, we would obviously consider it, but I doubt that any such request would be made.

JOURNALIST: Prime Minister, what are the chances of ... boosting our naval contribution to the blockade?

PM: Well, let me say this, that the President was very grateful for the commitment that I made. It's seen as a very significant contribution and indeed when you look at our size, by any objective assessment, it is a significant contribution and again, from the

conversations that I've had and that have been held by our representatives, I don't anticipate that there will be a request for any larger commitment of our naval assets. Again, let me say this, if a situation arose where there were to be such a request we'd examine it, but I don't expect that such a request will be made.

JOURNALIST: Prime Minister, have you discussed this commitment with any of the Arab countries and particularly Saudi Arabia?

PM: No.

JOURNALIST: Did you have any discussions with President Bush or have you got any information on the likely strength of Arab ... on this?

PM: I did have a discussion with President Bush about this. I do have some understanding of his expectations, but I think, for reasons you'll understand, I can't go to that.

JOURNALIST: What about the security of Australians elsewhere in the region, such as Saudi Arabia and Bahrain, other States?

PM: Well, ... the comments that I made before about the safety of Australian citizens apply to those regions. Just, if I could refer to, give you some numbers. We know of 55 Australians in Iraq, about 3,000 in Saudi Arabia and less than 20 in Kuwait. I won't go to individuals, there is some information about some individuals, but that's the disposition, as it were, of Australians in the region and in each of those areas we are, either through our own diplomatic presence or in the case of areas where we don't have representation through other friendly embassies, we are in constant communication. We don't have reason at the moment to believe that all Australians, for instance, need to be evacuated from Saudi Arabia. We're recommending quite clearly that people don't travel there now. I mean, it would be quite pointless for people to be travelling in to that region, but you would appreciate that not only in regard to Australians, but in regard to a number of foreigners who are there in that region, a lot of them would be involved, for instance, in the oil production processes and it's important with the loss of the Iraq and Kuwait production which is of the order of four million barrels per day, that we don't have people leaving en masse from the other Gulf producing areas, oil producing areas, because it's important that to the extent they can, they increase their production to make up in part for the shortfall created by that loss of four million barrels per day.

JOURNALIST: Mr Hawke, if there was a request later for wider military involvement, would you think it's necessary to take that to your full Cabinet and,



secondly, did you give any consideration to calling the full Cabinet together on this matter?

PM: In answer to your first question, obviously at the next Cabinet meeting, whether there is a request or not, I will give a detailed report to the full Cabinet about this matter and if the question of further involvement did arise, we would have time to have a full Cabinet consideration of it and that would be done. In these circumstances, Michelle, I didn't regard it as necessary, but I think you can see that it was a fairly representative group of Ministers that I consulted.

JOURNALIST: In light of ... decision, Prime Minister, is a special watch being kept on the Iraqi community in Australia?

PM: On the?

JOURNALIST: Light of today's decision -

PM: Whether ...

JOURNALIST: Is a special watch being kept on the Iraqi community in Australia?

PM: I think that question, the answer to that question is comprehended in something I said earlier, we would regard our normal processes, our normal relevant processes in Australia, to be operating appropriately and effectively.

JOURNALIST: Prime Minister, what's your best assessment now of, firstly, the likelihood of an Iraqi invasion of Saudi Arabia and, secondly, the ability of the other oil producing countries to crank up their production and take up the shortfall?

PM: Alright, well, there's two separate questions there. In regard to the first, as I say, I have been, I've had the capacity to follow all the intelligence on this matter and let me pay tribute to our relevant bodies here in Australia, particularly the Office of National Assessments which keeps up a continuous flow of information. I mean, I pay tribute to them. They are very effective. So relying on that and the conversations I've had, I would think on balance that an invasion from Saudi Arabia is unlikely, but as I said before, in answer to a previous question, one has to understand that in trying to analyse these situations, there's not only the criterion of rationality and self interest assessment, which needs to be taken into account because one would have thought that if those had been the only criteria that had been applied, one would have thought the leadership of Iraq would have adhered to the promise that it made to its Arab neighbours, to the Arab community generally, that they wouldn't invade Kuwait because an application of those criteria will have led to the

conclusion that an invasion was against the best interests of Iraq. But to the extent that you can therefore apply considerations of what intelligently is the most likely course of action, my answer is I think it not likely. Now in regard to the second - but there is, could I just add this, this rider. There is so much evidence of an Iraq, a continued Iraqi presence in Kuwait beyond what is necessary merely to hold their position, and of a build-up of forces, additional forces still within Iraq and on the border, that you can't discount the possibility for that reason. Now as to the second question, let me say this. That, as I put to you, the combined production in day terms of Iraq and Kuwait is of the order of four million barrels per day. These things need to be taken into account in looking at the likely impact on the availability of oil and of prices. It is the case that the world has a higher level of stocks now than it has had for about six years and therefore there is a capacity to run down, let's say, those stocks by a million barrels per day for some time. If you make that assumption then the additional production that would be necessary from the rest of the OPEC and the non-OPEC countries would be only to the order of three billion barrels a day to make up the balance. The assessment is that there is that capacity available. It will obviously be regarded as in the interests of many of those producers to do so. There is evidence that they are doing it. In the pricing field you can perhaps draw some conclusions. Prices are expressed in United States dollars. Before the invasion the price per barrel was just under \$20US a barrel. It peaked a couple of days ago at \$30 a barrel. It's down to \$25 now. Now you can't, just from those figures, draw any absolute conclusion but it's not inconsistent with the proposition I just put to you.

JOURNALIST: Prime Minister, could I ask a question of Admiral Beaumont through you, a technical question?

PM: Yes sure.

JOURNALIST: During the Kangaroo '89 military exercise, the F111s armed with exocet missiles ... bombing runs against the guided missile frigates, such as the ones we're sending. Are you able to say how often the F111s with the exocets have been successful in killing the ...?

ADMIRAL BEAUMONT: No I'm not.

JOURNALIST: Can you confirm that that does happen?

ADMIRAL BEAUMONT: It does happen occasionally, yes. But for the most part against individual ships. But these ships would be operating as part of a task group we believe, so there'd be a layered defence process. But yes, it does occur. I'm not able to say how frequently. But suffice to say that the guided missile frigates have

a very competent and very capable anti-air missile system and have very good results in our exercises.

JOURNALIST: Admiral, is that system a phalanx system?

ADMIRAL BEAUMONT: No, I'm talking about a standard.

JOURNALIST: So they're not equipped with that.

ADMIRAL BEAUMONT: They are equipped with phalanx as well. ...

JOURNALIST: On another topic, can you tell us what the implication will be for federal Labor with the change of leadership in Victoria?

PM: No I can't. I don't want, obviously, to intrude unduly in what I've said consistently is the affair of the Victorian Parliamentary Party. I would like to take this opportunity of saying, I repeat what I said publicly, that I respect greatly the manner in which John Cain relinquished the Premiership. Mrs Kirner's win was a decisive one. I believe that Mr Crabb is serious in the unqualified commitment he gave to her leadership. I believe now that there will be a concentrated attempt by all groups within the Victorian Labor Party to get behind Joan Kirner and to give her all the support that she's obviously going to need in this very challenging task. As far as the Commonwealth Government is concerned, we will, within what is appropriately in our capacity, do everything we can to assist her.

JOURNALIST: In light of the present trends can you see Ros Kelly as the likely next Prime Minister?

PM: Well, how old will she be when I retire? She'll have a lot of experience under her belt by then.

JOURNALIST: Mr Hawke, on the September special national conference, do you see the need for more flexibility to make decisions between meetings of the national conference itself. Do you think it would help your Cabinet if you did have that power?

PM: Look, I'm not going to speculate in any way which may be unhelpful to the processes which, I can assure you, and you know, are going on now, between now and the special conference. There's a lot of talking going on between a lot of people and a lot of groups to try and get an outcome which is going to be the best for the Party and the Government. I think that when the time comes the Party will understand the importance of making decisions that are in the best interests of, not just the Party, but of the country. I have confidence that that will be the outcome. So I don't want to say anything more particular than that which could be unhelpful in these very detailed processes of discussion which are going on.

JOURNALIST: Prime Minister, does the fact that Michael Duffy is taking part in the opening ceremony of the new Chinese embassy indicate a thaw in our relations with China?

PM: No, I think that's an appropriate level. He's the acting Foreign Minister and I think that's appropriate. We are handling this issue I think in a sensible way, and I don't mean just the issue of the opening of the embassy. I mean the issue of our relations. As I made clear, we've got to walk that, at some times difficult line, between making sure that China understands our and other nations' position that what happened some more than twelve months ago is not something to be forgotten, and at the same time on the other side try so to conduct our relations with them in a way which will mean that China is going to remain open to the rest of the world because it's in no-one's interests, and least of all those within China who want to see a reformed China and an open China, if countries like Australia close themselves off from them. So that's at times, as I say, a difficult line. I think we're walking it appropriately.

JOURNALIST: Do you see any inconsistency though in actions like Mr Duffy's and the Government's, in particular Senator Evans', strongly repeated condemnation of the National Party's visit to China?

PM: No.

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